



Ministry of Housing,
Communities &
Local Government

**Ministry of Housing, Communities & Local
Government**

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I am writing to you to inform you that the Department has now published guidance, and allocations, to billing authorities on delivery of the £500m hardship fund, as announced at Budget. The guidance can be found at:

<https://www.gov.uk/government/publications/council-tax-covid-19-hardship-fund-2020-to-2021-guidance>

As set out, the Government expects billing authorities to use the majority of the funding to provide relief to individual council taxpayers, alongside existing working age local council tax support schemes. This will help to provide additional support to those households most likely to be economically vulnerable to the impacts of COVID-19. Authorities might also want to consider using some funding to deliver financial assistance through their own local support mechanisms.

Allocations for each billing authority are set out at Annex A of the guidance and will be paid to councils as soon as possible. These allocations have been based on the latest data on the number of working age LCTS claimants in each billing authority area. Given the importance of this assistance in these exceptional circumstances, I know that you will do all you can to expedite provision of support to those in need, and rebill taxpayers as quickly as practical.

I am extremely grateful to local authorities for their support in delivering this measure to assist vulnerable households in their area. In accordance with the New Burdens doctrine, billing authorities will be fully compensated for the additional costs of using the grant funding and the Department will be in contact in due course to take forward reimbursement.

Alex Skinner

DIRECTOR, LOCAL GOVERNMENT FINANCE