**COVID-19 Update – 14th April 2020**

Brief update from the SDCT call with MHCLG last week:

Furloughing

* Furloughing is available to all employees, including LA’s, but government doesn’t expect the public sector to make use of it as they would expect us to redeploy staff into other areas.
* They acknowledge that there will be some exceptions and it’s a decision for each LA to make.
* Apparently the LGA guidance is quite useful to follow.

DWP updates

* HB subsidy deadline of 8th April will remain but won’t withhold payments if deadline is missed.
* Won’t be asking for initial estimates for DHP and will pay based on existing levels. No plans to increase DHP funding but will keep under review.
* Verification requirements have been eased and LA’s encouraged to take a ‘trust and protect’ approach (separate guidance has been issued on this).
* LA error – looking at regulations to see if a more pragmatic approach can be taken to recovering LA error overpayments
* Looking to apply an uplift to HB initial estimates to take account of LHA changes and ease cash flow.
* Audit of final HB claims – working with audit firms to understand capacity. Some want to do it sooner – we’ve already had contact from GT to see if they can still do our HB in August!
* UC 5 week wait has been flagged as a concern
* Also flagged issues with the LCTS Hardship Fund (the £20 increase in Working Tax Credit for instance and inability to change policies during the year). An FAQ’s document is due out this week which should answer these queries.
* No plans to change benefit cap.

Housing

* Right to Buy – have looked at changing timescales on applications but this is primary legislation so more difficult to change
* Spending RTB receipts and developments that are grant funded – MHCLG are aware of these issues but need some examples e.g. number of units at risk. **Could those of you with HRA’s that have issues with RTB please send me some specific examples to pass on?** We have a HRA but don’t have any receipts at risk of not being spent at the minute.

Funding issues

* Monitoring form on Delta – very, very important that this is completed.
* Any LA facing significant and immediate financial pressure are to contact MHCLG to discuss their particular issues. MHCLG very keen to avoid S114’s.
* No further update on funding other than ‘very active’ conversations are happening with Treasury.
* CIPFA are reviewing the S151 responsibilities statement and should be issuing something this week.