

Clerk and Chief Executive of each

District Council

Local Government & Housing
Regulation Division Finance
Branch

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Our Ref:

Your Ref:

Date: 3 April 2020

Circular LG 11/20

Dear Sir/Madam

SCHEME OF EMERGENCY FINANCIAL ASSISTANCE TO DISTRICT COUNCILS – COVID-19

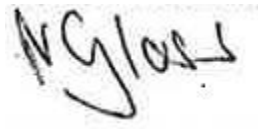
The Department has activated a Scheme of Emergency Financial Assistance to District Councils to provide support for local councils during the current unprecedented situation in relation to COVID-19. The Scheme will run from 3 April 2020 until 3 October 2020.

I would advise that the Minister for Communities, with the approval of the Department of Finance, has agreed that emergency funds will be made available to cover council costs incurred in preparing for and responding to COVID-19 related issues.

I would like to take this opportunity to thank you for your continued co-operation in administering the Scheme of Emergency Financial Assistance. It would be most helpful if you could forward any applications electronically and in hard copy to Deborah McKay (deborah.mckay@communities-ni.gov.uk) and also cc Sharon Higginson (sharon.higginson@communities-ni.gov.uk) into them.

Should you have any queries, or if you need clarification, please contact Jeff Glass on 07789 758184 (jeff.glass@communities-ni.gov.uk), Sharon Higginson on 07717 731753 (e-mail as above) or Deborah McKay on 07971 560639 (e-mail as above).

Yours faithfully

A handwritten signature in black ink, appearing to read "J Glass". The signature is written in a cursive style with a large initial "J" and a long horizontal stroke extending to the right.

JEFF GLASS

Head of Finance

Cc All Finance Officers of District Councils

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Paragraph 15 of the Scheme states that councils can only claim once costs incurred (excluding household payments) reach the £1,000 per annum threshold. This is an existing requirement stated in the DoF guidance on which all Schemes are based:

“The annual threshold of £1,000 was set on the basis that the administrative costs involved in councils preparing and submitting applications for lesser amounts, and for the Department to process such applications, are likely to outweigh any potential public benefits. In exceptional circumstances, the Department will be prepared to consider an application where a council’s eligible expenditure is less than the threshold; for example, where eligible expenditure is marginally less than the threshold and where the expenditure represents a significant amount for a particular council.”

We would advise that in any financial year, councils should absorb costs, this excludes householders payments, of up to £1,000 during any flooding emergency/emergencies.

In practice for example in each financial year-

- a) Where a council had 3 incidents costing £200 each, the combined total would be £600 for which the department would not pay anything.
- b) Where a council had one incident costing £1,200, as this is over the threshold £1,200 would be paid by the Department.
- c) Where a council had 3 incidents costing £500 each, when the last incident occurs as this is over the threshold the council would be reimbursed £500.
- d) Where a council had 3 incidents costing £100, £600 and £400, again when the last incident occurs as this is over the threshold the council would be reimbursed £400

Please note that councils’ claims are not reduced by £1,000, so in example (b) the council would have no costs to absorb. We appreciate this means that depending on the particular costs incurred a council may have to absorb more costs, up to a maximum of £1,000, than others. This discrepancy and the DoF guidance document will be considered in greater detail in the wider review. To emphasise – the £1,000 payments to householders are outside of this limit. Therefore where a council incurs costs of £300 and also make payments to 10 householders they would not be entitled to claim the £300 costs, assuming costs for the year have not cumulated above the £1,000 level.