

Homelessness Reduction Grant

(Additional text to accompany the table of allocations)

Local authority allocations for 2020/21

The majority of this funding (£47.9m) has been allocated using the Homelessness Reduction Act New Burdens formula. The data used in the formula has been updated with 2017/18 Revenue Outturn expenditure data, and 2017/18 homelessness statistics. Further detail regarding the methodology of this formula can be found [here](#).

In accordance with the Homelessness Reduction Act New Burdens formula this is allocated in two stages.

- Stage 1 allocates funding regionally and uses different sub-formulas depending on which sub-duty is being allocated.
- At stage 2 the regional funding allocated at stage 1 is distributed to authorities within each region. Demand for homelessness services in each authority within a region is estimated by weighting Office for National Statistics (ONS) 2018¹ midyear population estimates with MHCLG 2019 Index of Multiple Deprivation² average scores.

The remaining funding (£15m) has also been allocated via a two-stage formula.

- Stage 1 distributes funding regionally using the duty to secure accommodation sub-formula.
- Stage 2 allocates regional funding by weighting population estimates with MHCLG Index of Multiple Deprivation average scores. This is identical to Stage 2 of the New Burdens formula outlined above.

¹

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2018>

² <https://www.gov.uk/government/statistics/english-indices-of-deprivation-2019>