Mid Devon
DISTRICT COUNCIL

Report for:	**Cabinet**
Date of Meeting:	13 January 2026
Subject:	2026/27 Draft Budget Update
Cabinet Member:	Cllr John Downes – Cabinet Member for Governance, Finance and Risk
Responsible Officer:	Andrew Jarrett – Deputy Chief Executive (S151)
Exempt:	N/a
Wards Affected:	All
Enclosures:	Appendix 1 – MDDC Core Spending Power 2026/27 – 2028/29

Section 1 – Summary and Recommendation(s)

To provide a further update on the progress towards balancing the budget for 2026/27 and future years.

Recommendation(s):

That Cabinet Members:

1. **Note the updated General Fund budgetary position included within Section 2.**
2. **Note the headline update from the recently announced Local Government Finance Settlement within Section 3, and that work continues to understand the implications for the Council.**
3. **Note the updated HRA budgetary position included within Section 5, and agree the specific savings proposals contained within paragraph 5.4.**

Section 2 – Report

1.0 Introduction

1.1 The main purpose of the MTFP is to show how the Council will strategically manage its finances to support the delivery of the priorities detailed in the Corporate Plan 2024 – 2028 and years beyond that.

1.2 On 02 September, the first draft MTFP covering the period 2026/27 to 2028/29 for the General Fund and Housing Revenue Account (HRA) was presented to Cabinet. For the General Fund, this estimated a funding shortfall for 2026/27 within the range £846k to £3,350k, due to the significant uncertainty surrounding future funding streams. The HRA estimated a funding shortfall of £546k in 2026/27 rising to £1,796k by 2028/29.

1.3 The future years shortfall is a cumulative figure without any remedial action taken, i.e. if the shortfall is found to balance the 2026/27 position, the overall budget gap will reduce.

1.4 The Council has a legal requirement to set a balance budget and needs to ensure its overall costs are affordable i.e. they can be funded through income and planned short-term use of reserves.

2.0 2026/27 Budget Update

2.1 During the summer, Leadership Team and senior service managers have been reviewing a range of budget options that could be considered to help mitigate that remaining budget shortfall across this MTFP, with a particular focus on 2026/27. In putting forward the budget options, officers have applied a risk level to them based upon Red, Amber, Green as follows:

Red – indicates the saving could be taken, but there are higher risks/ implications associated with it and therefore officers would not recommend it;
Amber – indicates the saving could be taken, but there are risks and implications associated that members need to be aware of / accept;
Green – indicates a saving that is recommended by officers – previously approved.

2.2 On 07 October, Cabinet agreed the Green Budget Options summing to a net pressure of £974k (£1,325k pressures and £351k savings). Based on the original assumptions, this increases the current projected funding shortfall to a range of £1,820k to £4,324k.

Table 1

General Fund	**Option 1a**
Initial forecast Shortfall	**£919k**
Net Impact of decision on 7 October	+£974k
Current Forecast Shortfall	**+ £1,893k**

Following the announcement that future funding would be protected to 95% of current funding, the options have been revised back to the single option 1a.

2.3 Since then, work has continued to refine the budget position and the options proposed. Some of the key changes to the Green Options agreed by Cabinet include:

- Pressure – REF 9 – Agency budget with Forward Planning team no longer required, saving £70k
- Saving – REF 39 – Parking Permits, the proposed additional income has been removed and replaced with a pressure of c£30k as income is currently below target within 2025/26 – this is an overall movement of c£41k.
- There are other very minor amendments to the financial value of some of these pressures.

Combined, these amendments save a further c£35k

2.4 There has also been further refinement to some of the Amber options proposed, including these key amendments:

- Pressure – REF 17 – Reduced Maintenance costs through the transfer of assets or increased financial contributions from Town or Parish Councils – looking unlikely this will be achieved given the limited conversations – moving the £50k pressure from Amber to Green. However, conversations continue with several Town and Parish Councils on the potential transfer of assets or increased financial contributions.
- Pressure – REF 28 – Fuel Budgets – price increase looks to be less likely therefore the proposed pressure is reversed to a saving of c£65k.
- Saving – Ref 1 – Utilities spend – following a review a saving of c£125k has been identified, increasing the Amber saving by £25k and moving it to Green.
- Saving – Ref 2 – Business Rates on MDDC properties – following the revaluation, an additional saving of c£20k has been identified and moves the overall £70k saving from Amber to Green.
- Saving – Ref 40 – Extended Producer Responsibility Grant – It has now been confirmed that the provisional grant allocation for 2026/27 will be £1,412k, which is an increase of £485k over the 2025/25 budget – this amber therefore increases and has been re-categorised as Green.

2.5 The results of the latest tri-annual pension valuation have also been received. This fixes the pension costs for the three years 2026/27 to 2028/29. The valuation indicates that the fund has a funding deficit of £9.41m at 31 March 2025, equating to a funding level of 90.8%, compared to a funding deficit of £10.6m at 31 March 2022, equating to a funding level of 88%. This results in the following changes to the contribution rates:

- Primary Contribution Rate will reduce from 19% to 15.9% - reflecting the ongoing value of the contributions from the employer is sufficiently covering the future liabilities.
- Secondary Contribution Rate will increase from £780k to £859k – reflecting that the overall deficit has not materially altered, and by retaining the recovery period to 11 years, the required contribution needs to increase.

Overall, the net impact of these changes is an additional saving of c£420k from the MTFP assumption, split c£325k to the General Fund and c£95k to the HRA. There are other minor adjustments to the salary budget, therefore the overall saving is c£329k from the original MTFP assumption.

2.6 Another significant movement in the budget has been for vehicle maintenance following the extension to the vehicle leasing contract which previously ended in June 2026 (the leases continued, but maintenance ended). This adds a further c£183k, although this can be offset through a draw from the relevant sinking fund if necessary.

2.7 Therefore, prior to the implications of the funding settlement, the budget gap for 2026/27 stands at c£1,019k.

Table 2

General Fund	**Option 1a**
October forecast Shortfall	**+ £1,893k**
Net Impact of changes to Green Savings	- £35k
Net Impact of changes to Amber Savings	- £695k
Net Impact of Salary Budget Changes	- £329k
Net Impact of adding Vehicle Servicing	+ £183k
Current Forecast Shortfall	**+ £1,019k**

2.8 There are a few corporate budgets that need to be reviewed and updated, mainly focused on the financing implications of the Capital Programme and the movements to or from earmarked reserves. Otherwise, the expenditure part of the budget is largely finalised.

3.0 Provisional Local Government Finance Settlement (LGFS)

3.1 On the 17 December, the widely anticipated LGFS was announced by the Minister of State for Local Government and Homelessness (Alison McGovern MP). This is the first multi-year settlement since 2015/16 and over 10 years after a review of local government funding was originally announced, during which there has been austerity, Brexit, a global pandemic and a cost-of-living crisis.

3.2 Known as Fair Funding 2.0, the new funding mechanism is supposed to build a fairer, more sustainable system for everyone. The revised formulae attempt to curb the pressures felt in the sector particularly in respect on social care and homelessness and rebalance funding where economic growth has been slower. However, there is a clear political steer included with a greater focus on deprivation and less significance given to sparsity and rurality.

3.3 At a national level the settlement delivers nearly £78bn in core spending power, a 5.7% increase compared to 2025/26. This increases to nearly £85bn by 2028/29. In theory, funding allocation has become simpler with 36 funding streams being merged. However, the new formulae are extremely complex and fairly opaque therefore it remains difficult to understand how funding at a local authority level has been derived.

3.4 The core spending power assumes that the maximum increase permitted within the Council Tax referendum limits is applied by all councils (greater of 3% or £5 for MDDC). It also now assumes a level of growth in the taxbase where previously no growth assumption was included.

3.5 Alongside is the first reset of the business rates system since its introduction in 2013/14. This realigns funding driven by economic growth, again moving funding away from Mid Devon, although there is a protection mechanism within the new system to limit the overall loss to a maximum of 5% over the 3-years of the settlement. There is also the introduction of 5 new multipliers which alter the charge for businesses, meaning that the scheme is much more complex and administratively burdensome.

3.6 The Core Spending Power for Mid Devon District Council is shown within **Appendix 1**. Given the timing of this announcement, work continues to ensure we fully understand how the funding has been allocated and the implications it has for the Council's financial position. Referring to Appendix 1, this shows an overall funding reduction of 3.8% between 2026/27 – 2028/29. However, this is less than transparent as many other service grants have been merged into the core funding position. If we were to also assume a reasonable level of funding, as promised, to meet the cost of food waste collection, this may well take the funding reduction to in excess of 5%.

3.7 We will, as will many others, make these "fair funding" observations in our consultation response.

4.0 Capital programme and funding implications

4.1 The proposed capital programme was included within the November cabinet report. This largely remains unaltered, also some refinement will be required.

4.2 As trailed in paragraph 2.8 above, the funding of the capital programme and its implications for the revenue budget will be finalised in early January.

5.0 2026/27 HRA Budget Update

5.1 On 07 October, Cabinet agreed the Green Budget Options summing to £27k, thereby reducing the forecast shortfall to £514k for 2026/27 and £1,769k over the MTFP timeframe.

Table 3

Housing Revenue Account	**Budget Shortfall**
Initial forecast Shortfall	**£546k**
Net Impact of decision on 7 October	- £27k
Current Forecast Shortfall	**£519k**

5.2 As with the General Fund, work has continued to refine the position and the Budget Options to address the remaining budget shortfall. These include:

- A review of staffing with an additional 2 FTE included within the budget.
- Updating the base budget for the higher than forecast pay award for 2025/26 plus spinal / grade progression
- The implications of the Tri-annual Pension valuation as outlined in paragraph 2.3 above

In total, the additional pressure on the salary budget since the initial forecast is c£152k.

5.3 The following amendments have also been applied:

- +£85k additional budget included for insurance premiums – as highlighted within the quarterly budget monitoring report
- +£26k increase in the budget for Council Tax on void properties
- +£20k increase in vehicle maintenance as outlined in paragraph 2.6 above.
- - £65k various minor reductions to budgets reflecting historical trends and the latest forecasts from 2025/26 budget monitoring.

Overall, this leaves the HRA with a current shortfall of £737k.

Table 4

HRA	**2026/27**
October forecast Shortfall	**+ £519k**
Net Impact of Salary Budget Changes	+ £152k
Net Impact of other changes	+ £66k
Current Forecast Shortfall	**+ £737k**

5.4 The following proposals will reduce this position to a balance of **£237k**, with the outcome of the Government's proposal on Rent Convergence being the other element to resolve the 2026/27 budget (see 5.5 and 5.6).

- - £40k – reduction in planned maintenance
- - £50k – reduction in repairs management.
- - £50k – additional income from non-tenant adaptations (funded from Disabled Facilities Grant).
- - £360k draw from a combination of HRA Earmarked Reserves.

5.5 Convergence would allow rents for social rent properties that are currently below 'formula rent' to increase by an additional amount each year, over and above the CPI+1% limit, until they 'converge' with formula rent. Convergence is expected to commence in April 2026 over a 10-period and follows a consultation last year on a £1 or £2 per week increase. Details of how this mechanism will be implemented are expected to be announced in January.

5.6 Currently over 50% of Mid Devon council homes have a rent below formula rent. Should the Government allow a rent convergence of £1 per week, the remaining shortfall will reduce to c£100k, with the final balance proposed to come from the HRA Reserve. If the convergence is set at £2 per week, the full shortfall will be addressed and a small contribution back into the HRA Reserve will be possible.

6.0 Conclusion

6.1 There clearly remains a significant budget shortfall in 2026/27 for the General Fund. Once the settlement is better understood, it will be possible to finalise the 2026/27 budget position and consider how to resolve any remaining shortfall.

6.2 We have also received the initial feedback from our Resident Survey. This has indicated a similar level of budgetary prioritisation as in previous surveys but has also indicated a very positive direction of customer satisfaction with waste services. Further consideration of the responses will be undertaken and used in the decision making in finalising the 2026/27 budget. A detailed report on this will be included on the March Cabinet agenda.

6.3 Further updates will be brought forward as necessary and available, and further budget options will be investigated and proposed for consideration in February 2026. Whilst every effort will be made to identify efficiency savings, given the scale of the likely funding reductions it is unlikely that a sufficient level can be identified to fully balance the 2026/27 budget without significant implications on service provision. Therefore, because of this combination of issues, it is highly likely that some level of draw from reserves may be required, and a full review of Earmarked Reserves will be necessary to see what can be realigned, and whether a minimum balance of £2m in General Reserves can be maintained.

Financial Implications

By undertaking regular reviews of the MTFP the Council can ensure that its Corporate Plan priorities are affordable. The implications of the budget gap are set out within the paper. Many areas require greater clarity, particularly around national funding and possible changes to Government Policy. Therefore, several key assumptions underpin the reported position, which will be refined as greater clarity is received through the budget setting process.

Legal Implications

None directly arising from this report, although there is a legal obligation to balance the budget. There are legal implications arising from any future consequential decisions to change service provision, but these would be assessed at the time.

Risk Assessment

The MTFP makes several key financial assumptions based on a sensible/prudent approach, taking account of the most up to date professional advice that is available. These continue to be kept under review and updated where necessary.

Impact on Climate Change

The allocation of resources will impact upon the Council's ability to implement/fund new activities linked to climate change, as the MTFP sets the broad budgetary framework for the Council over the coming years. However, some provision has already been included in the base budget and further evaluation/consideration will be made as the draft budget passes through the PDGs over the next few months. Significant investment is currently forecast within the Capital Programme, however this will be dependent upon full options appraisals and levels of Grant funding available.

Equalities Impact Assessment

No implications arising from this report.

Relationship to Corporate Plan

The Medium-Term Financial Plan (MTFP) sets out the financial resources available to deliver the Council's ongoing Corporate Plan priorities.

Section 3 – Statutory Officer sign-off/mandatory checks

Statutory Officer: Andrew Jarrett
Agreed by or on behalf of the Section 151
Date: 23 December 2025

Statutory Officer: Maria De Leiburne
Agreed on behalf of the Monitoring Officer
Date: 23 December 2025

Chief Officer: Stephen Walford
Agreed by or on behalf of the Chief Executive/Corporate Director
Date: 23 December 2025

Performance and risk: Dr Stephen Carr
Agreed on behalf of the Corporate Performance & Improvement Manager
Date: 23 December 2025

Cabinet member notified: Yes

Section 4 - Contact Details and Background Papers

Contact: Andrew Jarrett – Deputy Chief Executive (S151)
Email: ajarrett@middevon.gov.uk
Telephone: 01884 234242

Background papers:

- 2025/26 Budget
- 2025/26 Qtr. 1 Budget Monitor
- 2025/26 Qtr. 2 Budget Monitor
- 2 September Cabinet report – 2026/27 – 2028/29 MTFP
- 7 October Cabinet report – 2026/27 Budget Update
- 4 November Cabinet Report – 2026/27 Budget Update
- 2 December Cabinet Report - 2026/27 Budget Update

Appendix 1 – Mid Devon District Council Core Spending Power 2026/27 – 2028/29

Illustrative Core Spending Power of Local Government:	2024-25	2025-26	2026-27	2027-28	2028-29
	£ millions	£ millions	£ millions	£ millions	£ millions
Fair Funding Allocation[1]	0.000	0.000	6.923	6.002	5.042
of which: Baseline Funding Level	0.000	0.000	2.304	2.357	2.405
of which: Revenue Support Grant [2]	0.000	0.000	4.619	3.645	2.637
of which: Local Authority Better Care Grant [3]	0.000	0.000	0.000	-	-
Legacy Funding Assessment	7.440	7.461	0.000	0.000	0.000
of which: Legacy Business Rates [4]	5.640	5.933	0.000	0.000	0.000
of which: Legacy Grant Funding [5]	1.800	1.528	0.000	0.000	0.000
of which: Local Authority Better Care Grant	0.000	0.000	0.000	0.000	0.000
Council tax requirement[6,7]	7.016	7.349	7.707	8.082	8.476
Homelessness, Rough Sleeping and Domestic Abuse[8,9]	0.318	0.377	0.504	0.524	0.542
Families First Partnership[10]	0.000	0.000	0.000	0.000	0.000
Total Transitional Protections[11]	0.000	0.000	0.000	0.247	0.814
of which: 95% income protection	0.000	0.000	0.000	0.247	0.814
of which: 100% income protection	0.000	0.000	0.000	0.000	0.000
of which: Fire and Rescue Real-terms floor	0.000	0.000	0.000	0.000	0.000
Grants rolled in to Revenue Support Grant[12]	0.216	0.279	0.000	0.000	0.000
Recovery Grant	0.000	0.057	0.057	0.057	0.057
Recovery Grant Guarantee[13]	0.000	0.000	0.000	0.000	0.000
Mayoral Capacity Fund	0.000	0.000	0.000	0.000	0.000
Core Spending Power	**14.991**	**15.523**	**15.191**	**14.913**	**14.931**
Core Spending Power year-on-year change (£ millions)		0.532	-0.332	-0.278	0.018
Core Spending Power year-on-year change (%)		3.5%	-2.1%	-1.8%	0.1%
Core Spending Power change since 2024 (£ millions)		0.5	0.2	-0.1	-0.1
Core Spending Power change since 2024 (%)		3.5%	1.3%	-0.5%	-0.4%
Core Spending Power change since 2025 (%)			-2.1%	-3.9%	-3.8%

Footnotes

Please see the Core Spending Power Explanatory note for details of the assumptions underpinning the elements of Core Spending Power.

[1]The figures presented in Core Spending Power do not reflect the changes to the Fair Funding Allocation made for authorities with increased Business Rate Retention arrangements. For information about authorities with increased Business Rates Retention Arrangements see the Explanatory Note. For Fair Funding Allocation figures after adjustments for increased Business Rate Retention authorities please see the Key Information for Local Authorities table.

[2]From 2026-27, Revenue Support Grant includes: funding streams which are all being added to Core Spending Power for the first time, as set out in footnote 12 below; Legacy Grant Funding in 2025-26, as outlined in footnote 5 below; Historic business rates grant compensation for under-indexation of tax rates; Green Plant and Machinery exemptions; and Small Business Rates Relief lost supplementary income.

[3] The 10 Year Health Plan announced reform to the Better Care Fund to focus on integrated services, DHSC and MHCLG will shortly set out further detail on our approach to reform. Where this involves any changes to NHS and local authority minimum contributions to pooled funding, we will not introduce those changes before 2027-28. The 2026-27 local authority allocations of the LABCG will be the same as the grant allocations in 2025-26. Indicative allocations of the Local Authority Better Care Grant for 2027-28 and 2028-29 have not been published. LABCG funding is included within the Fair Funding Assesment, and presented within the Revenue Support Grant for 2027-28 and 2028-29.

[4]Legacy Business Rates notionally includes: Historic business rates grant compensation for under-indexation of tax rates; Green Plant and Machinery exemptions; and Small Business Rates Relief lost supplementary income in 2025-26 and 2024-25. This funding becomes part of Revenue Support Grant from 2026-27.

[5]Legacy Grant Funding includes funding streams that were already within Core Spending Power in 2025-26, including: Social Care Grant; Market Sustainability and Improvement Fund; Employer National Insurance Contributions; New Homes Bonus; and 2025-26 Funding Floor. This funding becomes part of Revenue Support Grant from 2026-27.

[6] Council tax projections for 2026-27 to 2028-29 assumes local authorities increase their Band D council tax in line with the maximum allowable level set out by the council tax referendum principles published alongside the settlement. That is: a 3% core principle; a 2% adult social care precept; the greater of 3% or £5 cash principle for shire districts; a cash principle of £5 on Band D bills for Fire Authorities; and a cash principle of £14 on Band D bills for the police element of the Greater London Authority.

[7] The government will not set council tax referendum principles for six local authorities (Westminster, Windsor and Maidenhead, Kensington and Chelsea, Hammersmith and Fulham, City of London, and Wandsworth) in financial years 2027-28 and 2028-29. For these authorities, the government has made an assumption on the Council Tax Requirement within the CSP tables.

[8]Provisional allocations for the Domestic Abuse Safe Accommodation Duty are based on flat cash value of £480m. The final Settlement will reflect the £19m uplift that the Government has announced on Monday 15 December.

[9]Numerous grants have been given out to local authorities in recent years linked to homelessness and rough sleeping. In order to provide, as far as possible, a direct comparison with predecessor grants, we have limited our data to 24/25 and 25/26 and to include:
a) For Rough Sleeping Prevention and Recovery Grant (RSPARG): funding that was issued under the payment code for RSPARG, Rough Sleeping Initiative (RSI), and Accommodation for Ex-Offenders. This includes the £69.9m uplift to RSPARG in 2025/26. Payments data to local authorities does not reflect local arrangements on the distribution of funding. For example, where pooled partnerships exist through joint-bidding or sub-regional arrangements, these have not been apportioned out.
b) For Rough Sleeping Accommodation Programme (RSAP): funding that was issued under the payment code for RSAP only (reference Rough Sleeping Accommodation Project). This does not include payments made by MHCLG to Homes England, which was then issued to Registered Providers and local authorities outside London. Payment data does not reflect local arrangements on the distribution of funding. For example, in London, where funding is issued to the Greater London Authority (GLA) to manage, these payments have not been apportioned out.
c) For Homelessness Prevention Grant (HPG): funding that was issued under the payment code for Homelessness Prevention Grant. We have backdated an assumed split between (i) temporary accommodation and (ii) prevention, relief and staffing funding in 2024/25 and 2025/26. This is a proxy only. This ensures that Core Spending Power is not artificially inflated or deflated and reflects that, from 2026/27, the temporary accommodation element of the HPG will be rolled into the Revenue Support Grant and the prevention, relief and staffing element of the HPG will be consolidated into the Homelessness, Rough Sleeping and Domestic Abuse Grant. This baseline split in both years assumes 51% of the HPG was for temporary accommodation and 49% was for prevention, relief and staffing. This mirrors the HPG grant conditions in 25/26. On top of this, the prevention, relief and staffing element also includes the £10.9m one-off top up made to some local authorities in 2025/26. It does not include the further £50m top up announced on 11 December as this was not confirmed in time for Settlement modelling and analysis. The government does not intend to retrospectively include the further £50m top up in backdated numbers.
d) Payments data used may include additional payments that we have not identified in the scope, but were paid under the same payment code and equally may exclude payments such as top-ups where they are not associated with the main grant payment code.
Figures are based on MHCLG payment record. Payments data has been taken from August 2025 – therefore, some forecasting was required for financial year 25/26. The delivery of programmes is still on-going and therefore these forecasted figures may be subject to change. Payments data is representative of the funding that was paid to an authority. This may not match published data on allocations as it may account for underspends from a previous year, recoveries from incorrect payments or rounding

[10]This is part of the new Children, Families and Youth Grant. Further information can be found in the Funding Simplification explanatory note published alongside the Settlement. Funding for the Families First Partnership (FFP) programme is allocated using the latest Children and Young People's Services Relative Needs Formula (CYPS RNF) and the Children's Social Care Area Cost Adjustment (ACA). A minimum allocation level ensures that no authority receives less than its 2025–26 Children's Social Care Prevention Grant and Family Help funding. To calculate these minimum levels, a proxy split based on the mid-2024 population aged 0–17 has been applied to North Northamptonshire's 2025–26 Family Help grant allocation, reflecting that this funding was used for both North Northamptonshire and West Northamptonshire councils.

[11] Details of the eligibility for and operation of 95% income protection, 100% income protection, real-terms protection are set out in the consultation and technical note published alongside the settlement.
For the small number of local authorities who would otherwise fall below 100% or 95% income protection because of the redistribution of grant within the Homelessness, Rough Sleeping and Domestic Abuse Grant, we will allocate transition funding to ensure they continue to benefit from the level of income protection they are eligible for.

[12] For 2024-25 and 2025-26, Grants rolled in to Revenue Support Grant includes the following funding streams, which are all being added to Core Spending Power for the first time: Social Housing new burdens; Awaab's Law new burdens; Enforcement of OOH Calorie Labelling Regulations; Enforcement of Location and Volume Price Promotions Restrictions; LGF Data Review; Local Reform and Community Voices: Deprivation of Liberty Safeguards Funding; Biodiversity Net Gain Planning Requirement; War Pensions Disregard; Social Care in Prisons; Virtual School Heads for children with a social worker and children in kinship care; Virtual School Heads (VSH) Extension of the VSH role to previously looked after children; Supported Accommodation Reforms (New Burdens); Personal Advisors Extended Duty; Leaving Care Allowance uplift; Staying Put; and the temporary accommodation element of the former Homelessness Prevention Grant (HPG). For HPG, we have backdated an assumed split between (i) temporary accommodation and (ii) prevention, relief and staffing funding in 2024/25 and 2025/26. This is a proxy only. Please see footnote 6 above for further details. From 2026-27, all funding in Grants rolled in to Revenue Support Grant becomes part of Revenue Support Grant.

[13]Details of the eligibility for and operation of the Recovery Grant Guarantee are set out in the consultation and technical note published alongside the settlement.