

NAME OF COMMITTEE	Council
DATE	25th March 2014
REPORT TITLE	Flood Support Schemes
Report of	Alan Robinson, Executive Director (Communities) & Head of Paid Service
WARDS AFFECTED	All

Summary of report:

This report provides information about four new flood support schemes which will be administered by the Council, announced by the Prime Minister in the wake of the winter storms. The schemes principles were published in early March.

Financial implications:

The costs of the schemes are to be funded by Government.

RECOMMENDATIONS:

The Council **RESOLVES** to:

1. Adopt and administer the four flood/storm damage relief schemes;
2. To delegate authority to the Head of Environmental Health & Housing in consultation with the Chairman of Resources Committee to determine the details of the funding allocation process for the Repair and Renew Grant.
3. To delegate authority to the Head of ICT and Customer Services in consultation with the Chairman of Resources Committee to determine the details of the funding allocation process for Business Rate relief.
4. To delegate authority to the Head of ICT and Customer Services in consultation with the Chairman of Resources Committee to determine the details of the funding allocation process for Council Tax relief.
5. To delegate authority to the Head of Planning, Economy and Community in consultation with the Chairman of Community Services Committee to determine the funding allocation process for the Business Support Scheme.

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1. BACKGROUND

- 1.1 Government released guidance on 6th March 2014 regarding four new schemes to help homeowners and businesses recover from the adverse weather conditions since 1st December 2013. The guidance can be found in Appendix A.
- 1.2 The guidance sets out basic eligibility criteria and provides high level guidance to the local authorities responsible for administering these schemes.
- 1.3 All four schemes are to provide support for the impacts of flooding between 1 December 2013 and 31 March 2014.
- 1.4 Central Government have pledged that these funds will be made available quickly, hence the need for the principles of the schemes to be considered at Council, with the detailed arrangements resolved under delegated authority.

2. REPAIR AND RENEW GRANT

- 2.1 A scheme providing up to £5,000 per flood affected home or business to fund additional flood resilience or resistance measures for homes and businesses that have been flooded since 1st December 2013. The scheme will go live on 1st April 2014. Grants are intended to fund measures over and above repairs that would normally be covered by insurance and can be applied for by owners of flood affected homes or businesses.

3. BUSINESS RATE RELIEF

- 3.1 A scheme providing for 100 per cent business rate relief for three months. It will be for individual local billing authorities to adopt a local scheme and decide in each case when to grant relief under Section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act). Businesses can apply to the Council.
- 3.2 Eligibility applies to owners of flood affected businesses meeting published criteria, including the premises has been flooded in whole or in part as a result of adverse weather conditions; and on that day, as a result of the flooding, the business activity was adversely affected; and that the rateable value of the premises on that day was less than £10 million.

4. COUNCIL TAX RELIEF

- 4.1 A scheme to support councils to provide council tax rebates where homes have been flooded. Local authorities can use powers under Section 13A of the Local Government Finance Act 1992 to grant council tax discounts on properties which have been flooded and householders whose homes have been flooded by the winter severe weather events are able to apply by contacting the Council.

5. BUSINESS SUPPORT SCHEME

- 5.1 This is a £10 million scheme to provide hardship funding for SME businesses affected by the floods developed by the Department for Business, Innovation and Skills (BIS). The Council has been awarded £20,000 from the Government Business Support Scheme. It is for local authorities to determine the type of things to provide grant for but could include: non-recoverable insurance excesses

for repair or replacement of buildings, equipment and stock; removal of debris, additional business accommodation, or extra staff costs; structural surveys, security measures, additional marketing, exceptional costs to improve access to/for suppliers and customers, etc.

- 5.2 This fund is available to businesses affected by flooding since 1st December 2013 and that have sustained hardship and significant loss of trade as a result of the floods. Those seeking to claim should apply to the Council.
- 5.3 The Government guidance has indicated that Councils will have discretion on the maximum payments to individual businesses with funding from the scheme, but have also indicated that in other similar recovery schemes the average claims were around £2,500 per business.

6. OTHER GOVERNMENT FUNDING SCHEMES AVAILABLE TO SUPPORT ECONOMIC RECOVERY FOLLOWING WINTER STORMS

- 6.1 Further financial support from Government includes a Farming Recovery Fund, which will be administered by Defra; Support for the Tourism Industry developed by BIS but administered by the Department for Culture, Media and Sport; and “Time to Pay”, administered by HMRC (Her Majesty’s Revenue and Customs). The Government has also negotiated commitments from major banks to provide financial support to businesses and individual customers affected by the storms.
- 6.2 The Government has also modified the Bellwin Scheme, which provides emergency financial assistance to any expenditure above a qualifying threshold. Enhancements have been made to the scheme to reflect the exceptional nature of recent storms. The changes allow for grant to be paid at 100% above the threshold, instead of the normal 85%.

7. LEGAL IMPLICATIONS

- 7.1 The relevant powers are set out under ‘statutory powers’ below. These schemes do not replace existing legislation or other schemes; they are in addition to those. In order to administer the schemes, the Council must agree to adopt a local scheme in each of the four areas.

8. FINANCIAL IMPLICATIONS

- 8.1 Central Government intend to reimburse any payments made. The Council has received a grant allocation of £20,000 for the Business Support Scheme (Section 5).


9. RISK MANAGEMENT

- 9.1 The Risk Management implications are shown at the end of this report in the Strategic Risks Template.

10. OTHER CONSIDERATIONS

Corporate priorities engaged:	Economy, homes and community life
Statutory powers:	Local Authorities can use discretionary relief powers. S.31 Local Government Act 2003 S.47 Local Government and Finance Act 1988 (as amended) S.13A Local government and Finance Act 1992
Considerations of equality and human rights:	Equality and human rights considerations will be determined as part of the detailed application and determination process for grant/relief.
Biodiversity considerations:	There are no biodiversity considerations.
Sustainability considerations:	This report relates to economic growth and prosperity of the district.
Crime and disorder implications:	There are no crime and disorder implications.
Background papers:	Flood Support Schemes (Guidance Note). Executive – 23 January 2014 – Update in respect of Use of Reserves for Beesands and North Sands
Appendices attached:	Appendix A Flood Support Schemes (March 2014)

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status				Mitigating & Management actions	Ownership
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1.	Economy	Opportunity to support local businesses and residents during difficult economic times.	3	1	3		Government has pledged that the funds will be made available quickly. To ensure that the Council can support local communities as quickly as possible, it is recommended that the Council adopts the principles of the four schemes and delegates authority to establish the detailed arrangements to lead officers, in consultation with lead Members.	

Direction of travel symbols   