

		AGENDA ITEM NO.	
Report Cover Sheet			
Name of Meeting:		Executive	
Date of Meeting:		10 December 2007	
Report Title:		Flood Relief Scheme for Warwick District Residents	
Summary of report:		To consider the use of the Flood Relief Grant from Government to establish a scheme to provide financial assistance to households at risk of flooding and to inform members on the progress of the claim against the Bellwin Scheme	
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Would the recommended decision be contrary to the Policy Framework:		No	
Would the recommended decision be contrary to the Budgetary framework:		No	
Wards of the District directly affected by this decision:		All	
Key Decision?		No	
Included within the Forward Plan?		No	
Is the report Private & Confidential		No	
Background Papers:		Bellwin Scheme of Emergency Financial Assistance to Local Authorities-Draft Terms of the Scheme	
Consultation Undertaken			
Consultees	Yes/ No	Who	
Other Committees			
Ward Councillors			
Portfolio Holders			
Other Councillors			
Warwick District Council recognised Trades Unions			
Other Warwick District Council Service Areas			
Project partners			
Parish/Town Council			

Highways Authority		
Residents		
Citizens Panel		
Other consultees		
Officer Approval		
Officer Approval	Date	Name
Relevant Director(s)		
Chief Executive	20.11.07	Chris Elliott
CMT	19.11.07	CMT
Section 151 Officer		
Legal		
Finance	16.11.07	Jenny Clayton, Strategic Finance Manager
Final Decision?		Yes/ No
Suggested next steps (if not final decision please set out below)		

1. RECOMMENDATION

- 1.1 That the Council uses £30,000 provided by the Department of Local Government and Communities (DCLG) to assist communities directly affected by the floods during June and July 2007 by setting up a specific grant scheme. These grants would be a contribution towards the purchase and installation of equipment to be used to protect homes against the threat of future flooding.
- 1.2 That the Council transfers £30,000 of the grant provided by the Department of Local Government and Communities (DCLG) to the Capital Programme. The monies to be used for the repair or enhancement of flood prevention schemes in the areas affected by the summer floods.
- 1.3 That members note the progress to date in respect of claiming eligible flood related costs from the Government's "Bellwin Scheme" and the implications should such a claim not be accepted.

2. REASON(S) FOR THE RECOMMENDATION

- 2.1 From records gathered at the time, it would appear that approximately 200 properties suffered directly as a result of the floods in June and July this year. This was a devastating incident for many individuals, families and communities. In terms of the national picture Warwick District was relatively lightly affected compared to places like Stratford District locally and Doncaster and Worcester nationally. The actual number of properties affected, in Warwick district is likely to be higher than 200 since we cannot know if all householders have let us know if they were flooded. Some may feel that they do not want to share this information.
- 2.2 The Council applied for funding from the Department for Communities and Local Government (DCLG) Flooding Recovery Grant Scheme. This provided £60,000 for support across the District and was allocated on the basis of the number of reported flooded properties. It is divided into £30,000 revenue money for direct support for communities and £30,000 for capital expenditure, also assumed to be for the benefit of the communities affected.
- 2.3 Whilst there are few conditions placed on the use of this money from the DCLG on how the £30,000 revenue amount is to be spent, acceptable forms of support are indicated to include:
 - Financial support to individuals – for those people who are victims of internal flooding to their home.
 - Communication – produce and circulate information about how to protect homes and property from flooding but also what to do if property becomes flooded.
 - Reinstating community facilities.
 - Businesses are not eligible for this relief. "Advantage West Midlands" and "Business Link" have specific schemes to support businesses.

These possible uses indicated by DCLG apply to all areas across the country where perhaps the issues for rebuilding communities are wider spread or greater than in Warwick District.

2.4 It is proposed that a scheme to be drawn up on the basis that,

- Information providing advice to be made available about flood prevention and what to do in the event of flood water getting into the home to accompany grant application forms.
- Applications can be received from any householder in Warwick District area.
- The grant would be a maximum of £200 and **not** be dependant on householder contribution or means testing.
- Only items of expenditure not normally covered by householder insurance will be considered.
- Applications should be accompanied by original receipts for goods and materials of a specific nature, for example “flood boards” or “air brick covers”. Reasonable costs for labour to fit these items within the maximum amount can be included. It may be possible for the Council to negotiate a discount from specialist suppliers.
- The scheme would operate for a fixed period, say 12 months or until the money runs out, whichever is the sooner. At this time there would be a review of its success and a decision take about whether to extend it.

2.5 In terms of the Grant for £30,000 capital, again there very few constraints, if any, imposed by the DCLG on how it should be spent. This grant is assumed to be for a contribution to capital schemes or purchases. Engineering Services will prioritise spending on Flood Alleviation Schemes on the basis of the work which will have the greatest impact and is outside of the expenditure being claimed from Bellwin. It is recommended that the Capital programme be increased by £30,000 for Flood Alleviation works, matching the capital grant amount already received.

2.6 The DCLG makes available emergency financial assistance to Local Authorities under Section 155 of the Local Government and Housing Act 1989 (the Bellwin Scheme). The Council is eligible to claim for its costs incurred during and afterwards as a result of the summer floods. However, it should be noted that there is a threshold, whereby the Council has to fund the first £33,890 of its costs. Expenditure over and above will be reimbursed on the proviso that the total value of the submission meets the following criteria-

- (i) incurred by a local authority on or in connection with the taking of immediate action to safeguard life or property or to prevent suffering or severe inconvenience
- (ii) as a result of the incident, which involved the destruction of or danger to life or property.
- (iii) The expenditure is not recovered through insurance or by means of another grant.

2.7 Officers are in the process of making an interim claim to DCLG under the Bellwin Scheme. At the time of writing this report, the costs incurred to the General Fund during the June incident amount to little over £2,000 and are therefore fall outside the scope of the scheme. However, the expenditure for July amounts to £61,000 to date, of which £58,000 would appear eligible for their consideration. Of the £58,000, the Council may expect to be reimbursed for £24,000. Should this not be the case, it will be necessary to consider alternative ways of funding the additional shortfall. (See section 4 below)

3. ALTERNATIVE OPTION(S) CONSIDERED

3.1 Revenue Grant

- 3.1.1 That individual one-off flat rate grants are made to householders who suffered internal flooding of the habitable parts of their properties. Other areas such as Stratford District and Worcestershire district councils chose this option and handed out £250 per household. If all 200 households applied for this grant the maximum that could be offered, without subsidy from WDC, would be £150. This option was discounted because comments received from a few of the most heavily affected house holders supported the using the money for improving drainage and flood defences. If a grant scheme of this nature were offered there would be no guarantee that the money would be spent on protecting homes or repairing damage. Determining eligibility may be an issue.
- 3.1.2 That the Council use the money to cover the cost of the emergency operation at the time of the floods which otherwise will have to be funded from its own budgets. On the face it, the majority of expenses incurred on the operation are recoverable albeit only those over a threshold of £33,890. This option was discounted as it is felt that the Council should be seen to pay for the first £33,890 itself and not from other grants. In addition, the community wouldn't necessarily see this as benefiting them directly and it wouldn't be in the spirit of the Government's intentions.
- 3.1.3 That the proposed grant scheme is limited to those affected by the summer's flooding. This option was discounted because these were peculiar events. There is no certainty, if similar conditions prevailed, that any flooding would be limited to the same homes. There were 'near misses' and it is felt that the scheme shouldn't exclude these properties. It is likely that only those with genuine concerns that there property is at risk will apply.

3.2 Capital Grant

- 3.2.2 No other options were considered.

4. BUDGETARY FRAMEWORK

- 4.1 Should the Council be successful in its submission to Bellwin, the cost to the Council would be approximately £38,500. (£34,000 below threshold, £2,500 ineligible and £2,000 for the June incident). This is an 'in year' cost which can probably be accommodated within the current budget. There is a separate report on this agenda which shows this amount being provided for in the Revised Estimates.
- 4.2 If all, or part, of the items included in the claim are rejected, the cost to the council is estimated to be in the region of a maximum £63,000 to the General Fund. In this case, members may wish to consider whether some of these costs have been incurred for the benefit of helping the community and therefore a contribution from the £60,000 grant (combined capital and revenue amounts) would be appropriate.

5. POLICY FRAMEWORK

- 5.1 As a Community Leader the Council has an obligation, perhaps both morally and practically, to use its resources to support and protect the community especially in

times of need. At the time of the flooding the Council in particular and its partners responded well and received praise from several quarters, this was particularly aimed at the staff who worked through the night and at the weekend. Whilst the Council cannot prevent emergencies it can respond to them and at times 'buffer' the communities from their impact. To offer assistance in this way to increase preparedness in case of similar events in the future ensures that the more people and property is protected.