

FORM 2

NOTICE OF DECISION OF CABINET MEMBER

Pursuant to Section 15(4) of the Local Government Act 2000, as amended by section 63 of the Local Government and Public Involvement in Health Act 2007, the senior executive member may discharge any of the functions that are the responsibility of the Cabinet or may arrange for them to be discharged by another member of the Cabinet or Officer. On 1st December 2010, the Council adopted the Strong Leader Model for Corporate Governance 2011 as required under Part 3 of The Local Government and Public Involvement in Health Act 2007 (The 2007 Act).

In accordance with the authority delegated to me, I have made the following decision:

Subject	Decision	Reason for decision	Date for Decision to be taken
February 2020 flooding – community recovery grant	To approve the purposes and scope of the Community Recovery Fund set out in Appendix 1 to the report.	To enable progress to be made with deploying the community recovery grant in the most effective way in supporting individuals and communities affected by the flooding.	4 March 2020

I confirm that the appropriate statutory officer consultation has taken place with regard to this decision.

Dated:

Signed:



Councillor:

Graham Ballinger
Leader of the Council

WYRE FOREST DISTRICT COUNCIL

Strong Leader Report

FEBRUARY 2020 FLOODING – COMMUNITY RECOVERY GRANT

OPEN	
DIRECTOR:	Chief Executive
CONTACT OFFICER:	Ian Miller
DATE:	4 March 2020
APPENDICES:	Appendix 1: proposed purposes and scope of Wyre Forest Community Recovery Fund

1. PURPOSE OF REPORT

- 1.1 To decide how Wyre Forest District Council should deploy the community recovery grant that it will receive under the Government's Flood Recovery Framework.

2. RECOMMENDATION

- 2.1 The Leader is asked to **APPROVE** the proposed purposes and scope of the Community Recovery Fund set out in Appendix 1.

3. BACKGROUND

- 3.1 The UK has faced two major storm events in February, Storm Ciara and Storm Dennis, and there have also been exceptionally high rainfall levels with many areas seeing 400% of the usual February rainfall. Significant flooding first occurred in Wyre Forest on the night of 15/16 February when a number of properties in Bewdley, Wribbenhall, Stourport-on-Severn and Wolverley were affected. Subsequently, further properties have been flooded in areas close to the River Severn, in some cases on two occasions. Many other residents have had to leave their properties for a period, including those whose primary residence is in various caravan parks located in the Severn Valley.
- 3.2 The current position is that, across Wyre Forest, 110 residential properties and about 35 businesses are known to have been flooded. Further information is still being gathered. In addition just over 200 residential properties that are considered to be primary residences - the vast majority of which are caravans - were rendered unliveable for a period because residents were required to evacuate.
- 3.3 On 18 February, the Government announced that it was implementing the Flood Recovery Framework, under which it would provide funding to councils where 25 or more households had been flooded. The Ministry of Housing, Communities and Local Government sent a letter and guidance setting out the detail on the

afternoon of 19 February. The main elements of the framework that were triggered were:

“Community Recovery Grant: Local authorities will receive funding equivalent to £500 per household that has been flooded or is “unliveable” as a result of the flooding. It is for the local authority to decide how to allocate the grant to meet local need, and to determine the eligibility of individual households.

Council Tax Discount: The Government will reimburse local authorities for the cost of a 100% council tax discount for a minimum of three months, or longer if flood water entered the home, or the home was otherwise considered unliveable for any period of time, and for the cost of a 100% council tax discount on temporary accommodation for anyone unable to return to their home.

Business Rates Relief: The Government will reimburse local authorities for the cost of providing a minimum of three months of 100% relief from business rates, or longer if the business is unable to resume trading from the property. The relief provided will be subject to state aid limits and will only be available to properties with a rateable value less than £10m.

Business Recovery Grant: This grant will provide financial support to aid the recovery of local businesses. Local authorities will receive grant funding of £2,500 per eligible business. Eligible businesses will be small and medium-sized enterprises (SMEs) which have suffered severe impacts from the floods that cannot be recovered from insurance.”

- 3.4 DEFRA also announced that Property Flood Resilience Scheme grants of up to £5,000 would be made available through local authorities to help homes and businesses to become more resilient to flooding by helping to pay for a range of property improvements. Details of this scheme, which will be administered by the District Council through the North Worcestershire Water Management shared service, were received on the afternoon of 27 February.
- 3.5 The Council announced on 20 February that it would implement the council tax discount and business rates relief for qualifying properties immediately and this has been done by reducing bills to zero for the first three months of 2020-21. Most householders pay their council tax by direct debit in 10 instalments, the last of which was collected in January: therefore for many affected households there was no outstanding council tax liability for 2019-20 that could be reduced.
- 3.6 This report focuses on the community recovery grant. As noted in the MHCLG letter of 19 February, “it is for local authorities to decide how to allocate the grant to meet local need – this could include, but is not limited to, individual household hardship payments”. Paragraph 3.6 of the detailed guidance on the flood recovery framework identifies primary residences where flood water has entered the habitable area and primary residences where the habitable area has not suffered from water ingress but the dwelling was nevertheless rendered unliveable

for a period: “eligible households will be primary residences where, as a result of the relevant weather event:

- Flood water entered into the habitable areas of the residence; or
- Flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered unliveable for any period of time.”

3.7 However households that have suffered water ingress in the habitable area have suffered much greater hardship and are likely to face much higher costs and inconvenience than others affected by the flooding, it is appropriate that payments of £500 should be made in such cases. Therefore payments of £500 to households that have suffered flooding in the habitable area (i.e. not including gardens, sheds and garages) have begun to be made, with twenty having been paid at the time of writing this report. In accordance with the MHCLG guidance, only primary residences are eligible and thus the Council will not grant a council tax discount or make a payment of £500 in the case of second homes or empty properties.

3.8 The Council will qualify for a community recovery grant of £500 where a primary residence has been rendered unliveable but was not actually flooded. This is relevant to the 200 or so residential properties, mostly caravans, which are considered to be primary residences and which were generally evacuated for two or three days in two successive weeks. In line with the Government guidance, the Council has discretion on how this funding should be used and it does not have to make payments to such households (over and above the 100% council tax relief that they will receive).

4. KEY ISSUES

4.1 The Council quickly needs to settle on how it will best deploy the community recovery grant to assist individuals and communities to recover, in addition to the £500 that is being paid to households that suffered flooding in the habitable area of their dwellings and the council tax discount that has been implemented for a wider group of affected households.

4.2 A range of options has been considered by officers and the package set out in Appendix 1 is recommended for approval.

5. FINANCIAL IMPLICATIONS

5.1 The Council's eligibility for community recovery grant has been confirmed with MHCLG officials: “if a local authority is satisfied that the accommodation in question is a primary residence, and that the residents are paying council tax, regardless of whether or not they are registered on the electoral roll, the property can be included with those deemed to be eligible for community recovery grant. This is a matter for local discretion and we would rely on your local knowledge and assessment of this”. On that basis, it is estimated that the Council will receive

about £100k in grant (in addition to the sums being paid to households where there has been flood water in the habitable area). The Council's expenditure in respect of community recovery activities will be aligned with the level of grant received and therefore there is not expected to be a financial implication for the Council.

- 5.2 In terms of cashflow, payments are available to be paid in instalments if desired by local authorities with 50% paid up front based on initial estimates and the remaining balance to be paid in arrears following a reconciliation exercise confirming eligible properties. At the moment the focus is on getting grants paid to individuals so the intention is to claim the funding on the basis of the final, confirmed numbers of eligible properties as it is possible to contain these payments within treasury management cash flows.
- 5.3 MHCLG has activated the Bellwin Scheme to assist Councils with costs incurred in connection with immediate action to safeguard life or property to prevent suffering or severe inconvenience as a result of the flooding emergency. Each Local Authority is allocated a specific limit below which a claim cannot be made, this Council's being £23,666. Bellwin claims relate to each financial year so costs are being collected in respect of both Storms Ciara and Dennis. Whilst we have indicated to MHCLG that we may be submitting a claim, at this time it is anticipated that we are unlikely to reach the threshold.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Council is a Category 1 responder under the Civil Contingencies Act 2004. The powers upon which the Council will rely in deploying the community recovery grant (which the Government will pay under section 31 of the Local Government Act 2003) include section 1 of the Localism Act 2011, the general power of competence, and sections 111 and 137 of the Local Government Act 1972.

7. EQUALITY IMPACT NEEDS ASSESSMENT

- 7.1 A preliminary impact needs assessment has been undertaken. Comprehensive information is not held on the protected characteristics of households that have been affected by flooding. On balance, the assessment concludes that the proposals represent a proportionate response to the circumstances facing local residents and communities.
- 7.2 The limited information that has been considered includes the following: among households which have had to leave their primary residence but did not suffer flooding of a habitable area, 25 (12.5%) are on low income as they receive support under the council tax reduction scheme: among this small group, 68% are of pension age and 32% are of working age. It is not known if this age profile reflects the typical position. The hardship fund that forms part of the Community Recovery Fund will allow support to be provided to any residents in this group that

are facing severe financial difficulty as a consequence; the Council has its extant Welfare Support Scheme to provide further assistance if necessary. It is also the case that people whose primary residences were flooded include people whose disposable income is low and who have suffered greater proportionate losses and costs than people whose inconvenience and cost has been limited to having to find alternative accommodation for a number of days. The Community Recovery Fund allows greater support to be provided to that group of residents.

8. RISK MANAGEMENT

- 8.1 The principal risk is presentational in that the Council is not automatically giving £500 to people whose inconvenience and cost has been limited to having to find alternative accommodation for a number of days – some other councils are paying £500 to such households. There is therefore a risk that the recommended approach may attract some negative publicity from residents not awarded the community recovery grant. The bespoke approach devised in Wyre Forest allows support to be targeted at residents that need the most help while also providing funds for a package of other measures that will promote community-wide recovery and assist future resilience.
- 8.2 The total value of the fund is not yet confirmed, as explained in section 5, but is expected to be worth at least £100k and potentially more, subject to identification of primary residences that meet the criteria set out in the Flood Recovery Framework. By allocating proportions of the Fund for particular purposes, rather than fixed financial amounts, the risk of spending more money than is ultimately recovered from MHCLG is reduced.

9. CONCLUSION

- 9.1 The Leader is invited to approve the proposed purposes and scope of the Community Recovery Fund set out in Appendix 1.

10. CONSULTEES

- 10.1 Cabinet
- 10.2 Corporate Leadership Team

11. BACKGROUND PAPERS

- 11.1 Flood recovery framework guidance

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/846854/Flood-recovery-framework-guidance-for-local-authorities-in-England.pdf

11.2 WFDC Welfare Support Scheme

<https://www.wyreforestdc.gov.uk/council-tax-and-benefits/welfare-support-scheme.aspx>

APPENDIX 1: WYRE FOREST COMMUNITY RECOVERY FUND

Top up household recovery fund (planning assumption: 30% of the fund).

Purpose: to provide greater resources than £500 for households that have suffered flooding and where the recovery costs being faced (insurance premium, replacement of essential lost goods etc) are much higher and cannot reasonably be met by the household. Will involve consideration of costs being faced and savings/income of the household: eligibility for universal credit to be used as gateway. Maximum top up £2k, ideally to be provided as goods or vouchers rather than cash.

Hardship fund (planning assumption: 15%) Hardship fund for immediate costs faced by households that have suffered flooding or evacuation and have no or inadequate means to meet temporary costs that they have faced or are facing e.g. temporary accommodation, food etc. Will involve consideration of costs being faced and savings/income of the household, using the same eligibility rules as existing WFDC welfare support scheme. Maximum award £500, to be provided in the guise of goods, payments to third parties or vouchers if at all possible (rather than cash).

Contributions to improving future flood protection/resilience (planning assumption: 15%) Possible contribution to Environment Agency for flood defence schemes associated with relevant rivers; contributions for works (maximum grant £2k) to assist businesses and residents, for example raising access roads; contributions (maximum £1k) for protection measures for individual properties, which would be provided as a top up in the case of any property eligible under the Property Flood Resilience Scheme.

Encouraging visitor, tourism and retail recovery activities (planning assumption: 20%) Promotion of Bewdley and Stourport to encourage visitors to come back to the towns now that the flooding has receded (collective groups such as Stourport Forward will be consulted by North Worcestershire Economic Development and Regeneration to obtain local business views about what would help most in respect of levers that would encourage visitors); communal clean up and "sprucing up" costs, administration of recovery grants

Community recovery and response activities: (planning assumption 20%): immediate costs of supporting community response and recovery, including potential to provide funding to voluntary organisations that support communities in response and recovery. This is the lowest priority element within the fund.

