

Flood Support Schemes

Funding available from central government

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1. Introduction

1.1 Why have we produced this guide?

The country has been battered by extreme weather conditions – from tidal surges affecting the east coast to prolonged and extensive flooding in what has been the wettest winter in over 250 years. This has resulted in many areas remaining on high alert for extended periods as the emergency services, supported by local authorities, statutory agencies and local residents have battled to protect communities.

In view of the exceptional circumstances and the scale of the damage caused by the extreme winter weather, the government has introduced a range of schemes to assist communities and businesses to recover and to help local authorities meet the costs associated with protecting lives and properties in the future.

This guide provides brief summaries of the support available and gives links to further information on the individual schemes and how to apply to them.

1.2 Who is the guide aimed at?

The guide is intended to help local authorities, households and businesses affected by the extreme weather conditions since the beginning of December 2013.

2. Bellwin Scheme

2.1 What is it?

Emergency financial assistance available to local authorities in England incurring expenditure above a qualifying threshold in response to an emergency or disaster involving destruction of, or danger to, life or property.

Enhancements have been made to the scheme to reflect the exceptional nature of recent storms and the role councils play as first responders. The changes will ensure that grant is paid at 100 per cent above threshold instead of 85 per cent; extend the eligible spending period until 30th May 2014; reduce thresholds for all County Councils and Unitary Authorities; allow upfront payments to councils to ease cash flow and allow upper tier authorities with responsibility for Fire Services to claim on a comparable basis to standalone Fire Authorities for fire related costs.

2.2 What does it cover?

Cost incurred by Councils on immediate actions they take in connection with a disaster or emergency.

2.3 Who can apply?

Any Local Authority as defined in Section 155 of the Local Government and Housing Act 1989.

2.4 How can they apply?

Firstly by reporting the incident within one month by writing to Ade Ogunro, LGF-SRC, the Department for Communities and Local Government, Zone 5/H2 Eland

House, Bressenden Place, London SW1E 5DU (0303 444 1895; email Bellwin@communities.gsi.gov.uk).

The Local Authority must then complete all works in respect of which it intends to claim grant – normally within 2 months (but extended for the current scheme – to 6 months overall) and submit a claim unless otherwise specified by the Department, - one month after the end of the spending period. Claim form is at www.gov.uk/government/uploads/system/uploads/attachment_data/file/210955/The_Bellwin_Scheme_-_claim_form.doc.

Further details can be found at <u>http://www.gov.uk/government/publications/bellwin-scheme-2013-to-2014-guidance</u>.

3. Severe Weather Recovery Scheme

3.1 What is it?

A scheme funded jointly funded by Department for Communities and Local Government and the Department for Transport to contribute to costs incurred by help local authorities to support their communities and repair highways infrastructure. Initially a £7 million scheme, announced on 17th January 2014, but in recognition of pressures on Local Authorities and a prolonged Response period, **the Scheme has now been enhanced to £40 million** (announced on 26th February 2014) - £33.5 million for the highways element and £6.5 million for the communities element. The qualifying period for the communities' element of the grant has been extended, allowing for the fact that community support needs may take longer to be clarified.

3.2 What does it cover?

Recovery costs incurred by Councils on activities to support their communities and on local highway infrastructure repairs arising from the impact of the east coast tidal surge on 5th and 6th December and severe weather in early 2014. For the highways element the qualifying period ended on 7th February. For the communities' element, the qualifying period has been extended until the 30th May.

3.3 Who can apply?

Local Authorities in England except Somerset Councils for whom separate arrangements are being made.

3.4 How can they apply?

By single electronic application claim form, including guidance, which is available at https://www.gov.uk/government/publications/severe-weather-recovery-scheme.

The scheme closed on 19th February for claims in respect of highways infrastructure. The closing date for applications in respect of support to communities is 6th June. Local authorities who have submitted a claim in respect of the period 5th December 2013 to 7th February 2014 can submit a further claim covering the period 8th February to 30th May for the communities' element.

4. Farming Recovery Fund

4.1 What is it?

A £10 million Fund announced by the Prime Minister on the 12th February with further details announced at the NFU Annual General Meeting on 25th February by the Department for the Environment, Food and Rural Affairs (DEFRA) minister, George Eustice MP. This DEFRA sponsored fund is designed to support farm businesses to restore flooded agricultural land and bring it back into production as quickly as possible.

4.2 What does it cover?

Grants can be used to contribute to the cost (up to 100 per cent) of the restoration of agricultural land. For example materials, contractors costs to remove debris, restore drainage and farm access and to restore grassland. It will not cover activity that would normally be covered by insurance or cover farmers own labour and machinery costs.

4.3 Who can apply?

All farm businesses that require support who have been identified by DEFRA as being within flood impacted areas.

4.4 How can they apply?

The scheme opens on 28^{th} February, application forms will be available from that date on <u>www.gov.uk</u> and applications should be sent to <u>frf@defra.gsi.gov.uk</u> Applications must be submitted by 9th May 2014, but can be made before that date.

Further details and guidance is available at <u>https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/2842</u> <u>36/farming-recovery-fund-guidance.pdf</u>

4.5 Additional Support from DEFRA

Farmers can also receive support for longer term activity designed to help build resilience in the business once land is restored, through the £10 million Farming and Forestry Improvement Scheme launched (FFIS Round 3) on the 4^{th} February with the application window open until 4^{th} April. FFIS offers grants of between £2,500 and £35,000 and up to 50 per cent funding. DEFRA are looking to extend the application window for those farmers in areas most affected by flooding.

DEFRA is also looking at flexibilities around regulations and scheme rules over a range of activities.

5. 'Repair and Renew' grant

5.1 What is it?

A scheme providing up to £5,000 per flood affected home or business to pay 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.

5.2 What does it cover?

Grants are intended to fund measures **over and above** repairs that would normally be covered by insurance.

5.3 Who can apply?

Owners of flood affected homes or businesses.

5.4 How can they apply?

By contacting their local authority. **Further details** can be found at <u>https://www.gov.uk/government/publications/flood-support-package-for-homeowners-and-businesses.</u>

6. Business Rate relief

6.1 What is it?

A scheme providing for 100 per cent business rate relief for 3-months

6.2 What does it cover?

It will be for individual local billing authorities to adopt a local scheme and decide in each individual case when to grant relief under section 47 of the Local Government Finance Act 1988 (as amended by the Localism Act).

6.3 Who can apply?

Owners of flood affected businesses meeting published criteria: - the hereditament 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 at the hereditament, the business activity undertaken at the hereditament was adversely affected; and that the rateable value of the hereditament on that day was less than £10 million.

6.4 How can they apply?

Businesses should apply to their local authority. **Further details** are at <u>https://www.gov.uk/government/publications/flood-support-package-for-homeowners-and-businesses.</u>

7. Council Tax relief

7.1 What is it?

A scheme to support councils to provide council tax rebates where homes have been flooded.

7.2 What does it cover?

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.

7.3 Who can apply?

Householders whose home has been flooded by the winter severe weather events.

7.4 How can they apply?

Council tax payers should apply to their local authority. **Further details** can be found at <u>https://www.gov.uk/government/publications/flood-support-package-for-homeowners-and-businesses.</u>

8. Business Support Scheme

8.1 What is it?

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).

8.2 What does it cover?

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.

8.3 Who can apply?

Businesses affected by flooding since 1st December 2013 and that have sustained hardship and significant loss of trade as a result of the floods.

8.4 How can they apply?

Businesses should apply to their local authority, who will have been allocated additional funding for this purpose on the basis of an assessment of the number of businesses affected by the floods.

Further details are at <u>https://www.gov.uk/government/publications/flood-support-package-for-homeowners-and-businesses</u>.

9. Support for Tourism Industry

In addition to the Business Support package, developed by BIS, the Department for Culture, Media and Sport have announced a £2 million support package to help firms in flood-affected parts of England which rely on tourism.

The package takes the form of business advice and marketing activity and involves putting experts on the ground in flood hit areas to give practical advice and support to tourism businesses.

The advice will be offered to tourism and tourism related businesses at local workshops and drop in clinics. Businesses will be able to access up to 3 hours of support with an expert in key areas of advice following the events.

These are being organised locally by Destination Organisations and businesses should contact their local Destination Organisation in the first instance. The marketing activity is also being coordinated with local destinations; if businesses are interested in participating they should contact their local destinations organisation.

Further details VisitEngland has launched an <u>online toolkit</u> offering advice to help businesses affected return to trading as soon as possible.

10.Time to Pay

10.1 What is it?

A scheme allowing affected businesses additional time to pay taxes.

10.2 What does it cover?

All taxes owed to HMRC, including VAT, PAYE and corporation tax.

10.3 Who can apply?

Any business affected by the flooding.

10.4 How can they apply?

By phoning 0300 200 3835 and discussing with an adviser. **For further details** contact the hotline set up by HMRC for those who have been affected by flooding and may have difficulties in meeting their tax liabilities. The helpline is: 0800 904 7900.

11.Banking Sector Support

There is also a commitment by several major banks to provide financial support to business and individual customers affected by the floods – this includes loan and mortgage payment holidays and extended credit to private customers and small businesses. Banks and Building Societies participating including, **RBS**, **Lloyds**, **Barclays**, **HSBC**, **Santander** and the **Nationwide** who are all offering a range of support programmes.