

Southend-on-Sea Borough Council

Agenda
Item No.

Report of Corporate Director for Place

To

Cabinet

On

23rd March 2015

Report prepared by: Richard Atkins, Coastal Defences
Engineer and Keith Holden, Emergency Planning Officer

Flooding – Repair and Renewal Grants

Executive Councillor: Councillor Martin Terry

A Part 1 Public Agenda Item

1. Purpose of Report

- 1.1 To advise Members of the extension of the Government's Repairs and Renewals grant to cover internal flooding to properties between April and November 2013.
- 1.2 To seek Members' agreement to the expenditure, of up to £150,000 to administer the scheme and up to £1.5m to arrange bulk-buying and installation contracts in order to assist residents and achieve added value.

2. Recommendations

- 2.1 That Members approve the Council's participation in the Government's Repairs and Renewals Grant scheme.
- 2.2 That Members approve the proposal to expend up to £150,000, to administer the scheme and up to £1.5m to provide the necessary refurbishment works, which is to be wholly funded by DEFRA and/or DCLG Grant Funding.
- 2.3 That Members approve the addition to the Capital Programme of £1.5m for this scheme funded by external Government Grant.

3. Background

- 3.1 In February 2014, in response to widespread flooding incidents across the UK during the winter of 2013/14, the Government announced a programme of assistance to householders and businesses that had been affected. At that time, the qualifying properties were those which had experienced internal flooding between December 2013 and March 2014. For residents, the support offered consisted of:-
 - reductions in Council Tax proportionate to the duration of any periods when their homes were uninhabitable

- grants up to £5,000 per property for the installation of flood resilience measures.

For businesses, the support offered was:-

- Reduction in business rates for affected premises
- support for costs involved in establishing business continuity measures
- grants up to £5,000 per property for the installation of flood resilience measures.

The Borough had not experienced flooding between the qualifying dates, and consequently Southend residents were not able to take advantage of the support.

- 3.2 The types of physical measures covered by the scheme include flood resistant doors, “snorkel” airbrick covers, raising of internal wiring, waterproof plaster etc. The scheme does not provide financial recompense for damage suffered in actual events, which, it is expected, will be covered by insurance.
- 3.3 In December 2014, the Government announced an extension to the qualifying dates for the support, to include the period from April to November 2013, (under the same terms as 3.1 above) thus covering the whole 2013/14 financial year. This therefore included the extreme flood event of August 24th 2013 and the lesser event in October 2013, which were suffered by Southend residents. All installations are required to be completed and invoiced by September 30th 2015.
- 3.4 The governance of the scheme requires the Local Authority, among other things, to confirm the appropriateness of each installation and claim from residents, to receive the grant payments from DEFRA and disburse them to the residents. Under this arrangement, residents are required to arrange the relevant surveys, request and receive quotes and arrange and pay for the installation.
- 3.5 Based on flooding records of the two relevant events, it has been estimated that 300 homeowners and businesses could be eligible to receive support in Southend. In terms of the take-up within other authorities during the first tranche of the scheme, this is a high number. It is considered that a modification to the scheme, whereby the Council offers to seek quotations in bulk for resilience items and administers the contracts for initial surveys and the installation work could produce a number of benefits:-
- Cost benefits from bulk buying, which could be passed on to residents and, consequently, achieve more installations for the same expenditure
 - More efficient co-ordination and management of the large installation effort within the town
 - Provides consistency and quality assurance of work and eligibility assessments of cases
 - Relief for residents taking up this offer from the challenge of dealing with potentially unfamiliar procurement processes and contractors
 - Contract payments by the Council will not attract VAT; those by residents will do so.
 - Potential “community schemes”, by which grants to a number of properties may be aggregated and spent on a broader scale protection scheme will be more easily identified and implemented.

- 3.6 The Council does not have sufficient in-house resources to prepare and administer either the basic scheme, or the enlarged service proposed, which will both require a short period of very intensive work to deliver. Development of the necessary resource establishment for such a short period will also be problematic in the limited time available. Quotations have therefore been requested from the Council's appointed consultant for Flood Risk Management issues, URS, for both levels of service.
- 3.7 URS have estimated a cost of £500 per property to deliver either scheme, which leads to an estimated potential cost of £150,000 for the service. This is based on an estimate of 300 properties as described in paragraph 3.5 above. The final figure will depend on the number of successful applications received (which could be higher or lower than 300).
- 3.8 There are two potential sources of funding for Local Authorities' costs in delivering these schemes. DEFRA will be supporting the cost of delivering the basic scheme. Based on the cost recovery by LAs participating in the first tranche of work, the Council would expect to receive approximately £23,000 for administering the service (based on 300 properties), and the intention is that the Council would use another funding source to cover the remaining costs. This source is the DCLG "Severe Weather Grant".
- 3.9 The Council has recently been awarded a "Severe Weather Grant" by the DCLG for £157,000. This is an unringfenced grant and is therefore eligible to be used at the Council's discretion.

4. Corporate Implications

4.1 Contribution to Council's Vision & Corporate Priorities.

Safe

Flooding can create substantial hazards for the public in their homes and in the street, from flowing and potentially deep water, in addition to risks to health considered below. This leads to the inevitable extensive deployment of emergency services personnel and equipment and of resources from the local authorities. In extreme cases, life can be placed at risk.

While the scheme would not reduce the probability of flooding, it would reduce the pressure on emergency services by improving the safety of residents inside their own homes.

Clean

The immediate aftermath of surface water flooding is a residue of debris, gross contamination from overflowing sewers and quantities of household effects, ruined by the water, which unavoidably are deposited outside private residences until they can be disposed of. These factors create smell, nuisance and mess in the affected areas.

The scheme will result in a reduction in the number of premises affected in this way.

Healthy	<p>Flooding creates substantial risks to the health of affected residents due to direct contact of contaminated water with the person and with the fabric of their properties, and potential for injury due to falling, or impact of floating debris. In addition it leads to high levels of stress with the heightened probability of effects on mental health.</p> <p>The scheme will reduce these impacts by making it safe for residents to stay indoors during flooding incidents.</p>
Prosperous	<p>The provision of resilience measures to properties is a frequent pre-requisite for avoiding substantial increases in property insurance premiums for homes and businesses after flooding.</p> <p>The scheme will therefore have a beneficial impact on the cost of living for residents and the overhead costs of businesses.</p>
Excellent	<p>The scheme offers the Council an opportunity to participate in a nation-wide Government scheme, for the benefit of residents, at low or moderate cost.</p>

4.2 *Financial Implications*

If the Council was awarded £23,000 from DEFRA for administering the service then the balance up to £150,000 will be funded from the DCLG unringfenced grant. If DEFRA funding is not forthcoming then the full sum up to £150,000 will come from the DCLG unringfenced grant.

In addition, expenditure of up to £1.5m may be incurred for the physical works, which will be funded by Government Grants.

4.3 *Legal Implications*

There is no legal duty to participate in this scheme.

4.4 *People Implications*

The number of potential claims from residents under this scheme makes it impossible to administer with current staff resources, and external support will be essential if Members approve the proposals.

4.5 *Property Implications*

The Council and South Essex Homes, as owners of numerous properties, are expected to qualify for benefit under the scheme.

4.6 *Consultation*

Consultation has not been undertaken.

4.7 *Equalities and Diversity Implications*

The risk to people from flooding is borne disproportionately by the elderly, and people with health or disability issues. Therefore the scheme will impact more beneficially on these vulnerable groups.

4.8 *Risk Assessment*

The key risks to this project are considered to be:-

- The number of homeowners and businesses taking up the offer of grants or the enlarged service is widely different from the estimates.
- The costs recovered from DEFRA are different from that achieved by authorities under the first tranche of the scheme.
- Government do not support the costs of employing consultants.
- The full extent of eligible installations cannot be delivered by the cut-off date.

4.9 *Community Safety Implications*

Community safety, from consideration of the safety of life and limb to the on-going health risks posed by flood water, is the leading issue of concern in connection with flooding.

Council participation in this Government project will improve the safety of residents who take up the offer, by increasing their protection from flooding of their homes.

4.10 *Environmental Impact*

The negative impacts of flooding on the human environment have been commented on above. The impact of the scheme will be to substantially reduce the level of risk to residents across the Borough.

5. Background Papers

None

6. Appendices

Scheme details from DCLG