

URGENT DELEGATED DECISION NOTICE

Date: 29 November 2023

Request to the Head of Paid Service to exercise delegated authority as per Responsibility of Functions in Part IV, page 28 of the Constitution.

"to determine any matter within the referred or delegated powers and duties of a committee / sub-committee / board / working which is so urgent that a decision must be made before the next meeting of that committee / subcommittee / board / working group is due to be held."

Limits on delegation: -

- Before making a decision using this delegated power, The Head of Paid Service shall consult with and take cognisance of the views of the Chairman (or in his absence the VC) of the relevant Committee / Sub-Committee etc; and
- Any decision taken by the Head of Paid Service under this delegated power shall be reported to Members within five working days of the decision taken.

Usual Decision Maker: -

This decision would normally have been taken by Corporate Policy and Resources Committee.

The next meeting of Corporate Policy and Resources Committee is scheduled to be on Tuesday 19th December.

Central Government have been clear that Local Authorities should not delay business flooding relief grants and therefore an urgent delegated decision has been requested.

Furthermore all grant payments must have been paid to SME grant recipients on or prior to 25 January 2024 further increasing the need for urgency.

Call-in does not apply.

1. Background

Members received the following background information: -

- 1.1 The Flood Recovery Framework was activated by Government on 25th October 2023 and as part of the response to Storm Babet the Government announced support for businesses in eligible areas to help them recover from the impact of flooding.
- 1.2 Part of this support for businesses impacted by flooding between October 19th to 25th 2023, is provided through the Business Recovery Grant (BRG) and payments of £2,500 (one-off) will be made to eligible applicant business in West Lindsey, following a successful BRG application.
- 1.3 The grant aims to support SMEs in the immediate aftermath of flooding, to help them return quickly to business as usual. The grant will be a contribution to get the business up and running again as quickly as possible.
- 1.4 Local Authorities are responsible (following confirmation to Government from the LA of scheme participation via MOU) for making BRG payments to businesses and will run an application process (determined by Government) to support grant awards.
- 1.5 Grant payment is linked to an individual business premises occupied by that business where the premises and therefore the business has been adversely impacted by Storm Babet.
- 1.6 Local Authorities are also responsible for undertaking all scheme assurance in line with prescribed Government guidance.
- 1.7 To be eligible for a BRG payment a business must:
 - be an SME;
 - be trading;
 - have premises directly or indirectly impacted by Storm Babet (19-25 October);
 - be able to receive the grant payment in line with UK Subsidy Controls; and;
 - have appropriate flooding insurance cover in place or have actively made attempts to insure the business premises against flood damage on at least one occasion since 1st January 2023.
- 1.8 The Department for Business and Trade (DBT) has overall financial accountability for the scheme.
- 1.9 A one-off payment will be made to Local Authorities in arrears based on the DELTA return data submitted on 25th January 2024, and on the basis of evidence of grant payments having been dispersed to eligible SMEs (premise and postcode details). This will be paid by the end of the 2023/24 financial year via Section 31 grant.

- 1.10 Payments will be made this financial year under S31.
- 1.11 All grant payments must have been paid to SME grant recipients on or prior to 25 January 2024. Any payments made after this date will not be recoverable from DBT. Where payments have been identified outside of the stated dates (19 Oct 2023 to 25 Jan 2024), the Local Authority is financially accountable for the grant payment made.
- 1.12 Any recovered funds or ineligible payment amounts identified must be returned to DBT immediately upon request.
- 1.13 Administration costs are not included.
- 1.14 Local Authorities must retain scheme records for 7 years from the date of the first application.
- 1.15 Local Authorities are required to undertake recovery on any BRG payment identified as being made incorrectly (irregular payments) and to participate in scheme evaluation, assurance and audit scrutiny exercises.

Reason for Urgency and Rationale for use of urgent Delegated Decision

An urgent decision, outside of committee is required to ensure that:

- (1) Local implementation of the BRG scheme can commence immediately. Waiting for committee approval (the next CPR committee is due to meet on 19th December 2023) would delay the expedient distribution of the fund which provides financial support for Storm Babet impacted West Lindsey businesses.
- (2) Given Government have applied a limited administrative window for the distribution of the grant (consideration of applications and payment of grants closes on 25th January 2024):
 - a. WLDC have enough time to establish, promote and administrate the BRG scheme;
 - b. Applicants have enough time to submit BRG applications (where eligible). The application window is likely to close of 31st December 2023 to allow for timely processing.

Financial Detail and Implications

All payments made are reported in a weekly grant return to DLUHC. This information is passed onto BEIS. We expect to be fully recompensed in the quarter that the grant is provided via a Section 31 Grant. There is no burdens support payable by Government to support the administration of this grant.

Where payments have been identified outside of the stated dates (19 Oct 2023 to 25 Jan 2024), the Local Authority is financially accountable for the grant payment made.

Notes of Consultation Relevant to the Decision

Members were supportive of the use of the Urgent Delegated Power given the timescales, set by Central Government, and applicable to the Grant.

It was also suggested applications for the grant would be low volume. Members were also shown examples of the intended communications material.

Decision

- 1. Delegated authority be granted to the Section 151 Officer to administrate, approve payment and reconcile the BRG in accordance with Government guidelines.
- 2. Delegated authority be granted to the S151 officer to approve payments of £2,500 to qualifying businesses.
- 3. Councillors be provided with a summary of scheme delivery via the S151 Officer following scheme closure, via the Corporate Policy and Resources Committee.



Ady Selby

Acting on behalf of the Head of Paid Service

As the Chairman of the Corporate Policy and Resources Committee I have been fully consulted on this matter



Councillor Trevor Young

As the Chairman of the Prosperous Communities Committee I have been fully consulted on this matter



Councillor Mrs Lesley Rollings

Date all Members were notified of the decision: 1 December 2023.

Supporting information considered when making this decision is appended to this notice.



Old Admiralty Building
Admiralty Place
London
SW1A 2DY

Ian Knowles

Chief Executive Officer

10 November 2023

West Lindsey District Council

by email

Dear Mr Knowles,

STORM BABET: FLOOD RECOVERY FRAMEWORK FUNDING:

MEMORANDUM OF UNDERSTANDING BUSINESS RECOVERY GRANT SCHEME

The Flood Recovery Framework was triggered on 25 October 2023 in response to the severe flooding events that occurred as a result of Storm Babet.

Once signed, this letter will constitute a memorandum of understanding (MOU) covering the Business Recovery Grant (BRG) scheme administrated by the Department for Business and Trade (DBT).

This letter establishes the responsibilities of the Parties and the principles for their co-operation. Parties sign this MOU intending to honour their obligations set out in it. This MOU should be read alongside the accompanying scheme operational guidance document which provides further context, including definitions of terms, detail on the scheme and indicative timelines for reporting and payments.

Eligibility:

- Eligible areas: for this activation eligible areas are those upper and lower tier authority areas:
 - Reporting over 50 internally flooded properties (any combination of households and businesses) at their Lead Local Flood Authority (LLFA) level. NB: The initial identification of eligible areas is based on data provided by the Environment Agency on 27 October 2023; and
 - With properties flooded as a direct result of Storm Babet; and
 - With properties flooded between the dates of 19 October 2023 and 25 October 2023.
- All three of the above must apply.
- Claims for eligible costs will be paid to cover the periods 19 October 2023 to 25 January 2024.
 Costs incurred after 25 January 2024 will not be refunded via this scheme.

Reporting:

- Affected Local Authorities will have until 25 January 2024 to investigate, verify and report flood impacts to Government via the Department for Levelling Up, Housing and Communities (DLUHC) DELTA reporting system. After this date flood impact data will be "locked", and no additions to the flood impact data will be accepted.
- Information supplied via DELTA by 25 January 2024 should be a true and accurate assessment
 of the impacts of Storm Babet between 19 and 25 October 2023. DELTA returns should be
 certified and signed off by the Chief Financial (s151) Officer.
- In two-tier areas, county councils / unitary authorities and their lower-tier district councils should coordinate to determine overall flood impacts in the entire LLFA area, ensuring that flooded property data reported is not duplicated.
- Local authorities will provide weekly updates on verified flooded property numbers until 25 January 2024.
- Reporting requirements after that point will be clarified under separate correspondence.

Overclaims, monitoring and records:

- If, post payment, an LA or LLFA subsequently discovers that reported flood impact numbers are lower than those provided, the following actions will apply based on the revised number:
 - if the LA / LLFA still meets the eligibility threshold, and where grant has been paid, authorities will be required to repay any additional grant they have received, based on the difference between the actual and claimed flood impact numbers; or
 - if the LLFA no longer meets the eligibility threshold, and where grant has been paid, the authorities concerned will be required to repay all grant they have received.
- The authority must keep records in support of any claim and make these available for audit or review upon request.
- Authorities are also expected to have in place systems to determine local eligibility, verify compliance with scheme requirements and to monitor delivery.
- Authorities are expected to co-operate across their LLFA area to ensure that scheme eligibility requirements are met and that risks of duplication and fraud etc are managed appropriately.

Business Recovery Grant (BRG)

Local Authorities will receive funding equivalent to £2,500 to per eligible business premises, to help support recovery in the immediate aftermath of Storm Babet.

Eligible businesses premises (namely premises from which a small or medium sized business ("SME") actively trades – do not include warehouses or storage sheds unless the business actively trades from the warehouse or shed) within flooded areas are those which:

 are premises which are directly impacted by the weather event – for instance there was flood damage to the premises; or are premises which are indirectly impacted by the weather event – for instance the business
premises has had no/highly restricted access to premises, equipment and/or stock as a result of
flooding, restricted access for customers, suppliers and/or staff; and directly suffered a loss of
trade as a result.

Funding should not be used to reward poor business practice (e.g. if a business has made no efforts to seek appropriate flooding insurance). When distributing grants, it will be for local authorities to determine local eligibility, in line with the Framework and published scheme operational guidance and checklist template.

Claims timeline: indicative payment timeline is as follows:

- A single claim for Business Recovery Grant (BRG) will be made, based on data provided by 25
 January 2024, as supplemented with a full list of SME business premises details and postcodes
 of awards made and S151 declaration, to be submitted to DBT. This will be paid by the end of
 the 2023/24 financial year via Section 31 grant.
- All grant payments must have been paid to SME grant recipients on or prior to 25 January 2024.
 Any payments made after this date will not be recoverable from DBT. Where payments have been identified outside of the stated dates (19 Oct 2023 to 25 Jan 2024), the Local Authority is financially accountable for the grant payment made.
- Any recovered funds or ineligible payment amounts identified must be returned to DBT immediately upon request.

Evaluation

- With the claim recipient authorities will be asked to answer two evaluation questions. These are:
 - 1. What were the impacts and benefits that this Flood Recovery Framework grant delivered in your area? Please give details for the scheme and provide case studies to illustrate.
 - 2. Do you have any other feedback on the operation of this scheme and administration of the Framework by central Government?

Branding

- The Grant Recipient shall at all times during and following the end of the Funding Period:
 - comply with requirements of the Branding Manual in relation to the Funded Activities;
 and
 - cease use of the Funded by UK Government logo on demand if directed to do so by the Minister of State.
- Branding Manual means the HM Government of the United Kingdom of Great Britain and Northern Ireland 'Funded by UK Government branding manual' first published by the Cabinet Office in November 2022 and is available at https://gcs.civilservice.gov.uk/guidance/marketing/branding-guidelines/ including any subsequent updates from time to time].

Yours Sincerely



Tony Pedrotti OBE

Director, Grant Delivery Directorate

Flood Recovery Framework: Activated as a result of Storm Babet for impacts between 19 and 25 October 2023. MOU for the Business Recovery Grant scheme administrated by DBT.

For and on behalf of the hest Lindsey Dismot Local Authority (please add), I agree to the terms laid out in this document.

Signe	*************
Name:	Emma Foy
Title: .	Director of Corporate Semces
Local	uthority: West Lindsey District Council
Dato:	20 November 2023

Flood Recovery Framework: Storm Babet Activation Frequently asked Questions

V1 as at 15/11/2023

Please note this FAQ has been developed from questions asked during partner engagement sessions and, as such, does not cover every aspect of every scheme. Scheme specific guidance and MOUs have been developed and issued and should be referred to alongside this note.

All schemes

Q. Can properties with a history of flooding receive Storm Babet support, including DEFRA Property Flood Resilience (PFR) grant if they have not had one previously?

A. <u>Subject to individual scheme requirements</u> and not including properties that have previously received a Defra PFR Grant, properties that have previously flooded, and have flooded again as a direct result of Storm Babet in an eligible area between 19th and 25th October 2023, are able to receive support via the Flood Recovery Framework (FRF). The Defra PFR Repair Grant Scheme is intended as a one-off payment to assist properties in becoming resilient to future floods as part of the repair process. If a property has previously received a Defra PFR repair grant, then they are not eligible for another PFR grant payment.

Q. In past episodes of flooding, the data requested of LAs has changed a number of times, which was a real challenge. Can we assume that the data requirement has been standardised so that we capture it right, first time?

A. We have worked across FRF schemes to consider data requirements and do not plan to change the data requested of LAs. However, where needed for reporting and / or claims purposes or where your user feedback requires it, we may need to make amendments. We will certainly try to keep any changes to a minimum, only where absolutely necessary, and will be mindful of the challenges that changes present you. We will inform you of any changes in advance

<u>Business Recovery Grant (BRG): Department for Business and Trade –</u> queries and clarification via <u>Grantdeliveryteam@businessandtrade.gov.uk</u>.

Q. Who is eligible to apply?

A. The scheme will offer funding of £2,500 per eligible businesses premises within qualifying flooded areas to help support recovery in the immediate aftermath of Storm Babet. Eligible business premises (namely premises from which a small or medium sized business ("SME") actively trades – do not include warehouses or sheds unless the business actively trades from the warehouse or shed) within flooded areas:

- are premises which are directly impacted by the weather event for instance there was flood damage to the premises; or
- are premises which are indirectly impacted by the weather event for instance the business premises has had no/highly restricted access to the premises, to equipment and/or stock as a result of flooding, restricted access for customers, suppliers and/or staff; and directly suffered a loss of trade as a result.

The qualifying period is 19-25 October 2023 for those SME businesses premises negatively impacted by Storm Babet.

Q. Is the scheme open to all business?

A. The scheme is open to SME business premises located in England, in Local Authority areas which meet the scheme criteria.

An SME is defined as businesses which:

- (i) have fewer than 250 employees; and
- (ii) have a turnover of less than €50m or a balance sheet total less than €43m.

This covers retail, hospitality, leisure, manufacturing, social enterprise and local charities etc. It does not cover warehouses or storage sheds unless the SME business actively trades from the warehouse or shed.

Q. Is the scheme open to empty premises or non-trading businesses?

A. The SME business must have been trading to be eligible for support under this scheme. Empty business properties will not be eligible for support.

Q. What does trading mean?

A. A business is trading if it is engaged in business activity. This should be interpreted as carrying on a trade or profession or buying and selling goods or services to generate turnover. Fully constituted businesses in liquidation, dissolved, struck off or subject to a striking-off notice are not eligible.

Q. What support is available for large businesses impacted by Storm Babet?

A. Where larger businesses have been seriously affected, support should be discussed as early as possible with the the DBT Grant Delivery Team.

Q. Will council owned business properties get the business grant, including those operated by private companies?

A. The scheme is open to SME business premises located in England, in Local Authority areas which meet the scheme criteria. The applicant / grant recipient must be an actively trading SME business.

Q. What can the grant be used for?

A. The scheme aims to support SMEs in the immediate aftermath of flooding, to help them return quickly to business as usual. The grant aim is to make a contribution to get the business up and running again as quickly as possible. When distributing grants, it will be for local authorities to determine local eligibility, in line with the Framework and scheme operational guidance and checklist.

Q. Can a SME business have more than one grant payment under the Business Recovery Grant scheme?

A. It is possible that a business could receive more than one grant payment if it is linked to multiple separate premises / properties that satisfy the eligibility requirements and the business meets Subsidy Control threshold compliance. However, where a successful award is made under the scheme no further claim / payment will be permitted within 6 months of the initial payment date.

Q. Can a business apply under more than one scheme within the Flooding Recovery Framework? A. Where eligibility criteria are fully satisfied an application can be submitted for relevant scheme support.

Q. What checks does a Local Authority have to undertake?

A. Pre-payment checks must be completed to determine eligibility of the business and application. A checklist template has been developed to assist local authorities. The local authority must be satisfied the business is a SME, trading, & the relevant business premises has been directly or indirectly negatively impacted by Storm Babet.

Q. In what circumstances might an application be rejected?

A. An application must be rejected for support if the scheme eligibility criteria are not satisfied in full. A key consideration is that funding should not be used to reward poor business practice; e.g. if a business has made no efforts to seek appropriate flooding insurance.

A Local Authority must determine from the business that appropriate flooding insurance cover is in place or that the business has actively made attempts to insure the business premises against flood damage on at least one occasion in the period since 1st January 2023. Where this is not proven to the satisfaction of the Local Authority, the grant application should be rejected. Consideration here includes:

- Costs were deemed by the business to be prohibitive.
- Rejection in Q4 calendar year 2022.
- Cover expired during the Storm Babet period (19-25 Oct 2023)

Local Authorities should consider the reasonableness test in undertaking the assessment, but in cases where a SME has made no attempt to secure insurance cover or the reasons for not taking out insurance are not considered reasonable, a grant award should **not** be made.

Q. Where properties have previously been flooded, it can be too expensive to get insurance, so these businesses have given up getting insurance. Given that there is a clause in the guidance for businesses to have insurance to receive the funding, these businesses are excluded. Is there any flex in this?

A. These businesses should evidence their reason for not having insurance as part of their application. They must still meet the trading SME criteria.

Q. Are landlords operating from residential property as a de facto business HQ eligible?

A. If operating as a fully constituted SME business whose premises are directly or indirectly impacted by the weather event, a business is eligible to apply for support if they directly suffered a loss of trade as a result. Individuals not operating in a formal business capacity are not eligible for support.

Q. Are businesses operating from a residential property which has been flooded eligible?

A. A trading SME business whose premises are directly or indirectly impacted by the weather event which resulted in a loss of trade is eligible to apply for support.

Q. Are SME businesses required to provide receipts to support expenditure?

A. No. A Local Authority must obtain a self-declaration from the business as part of the application process that confirms the business (i) was impacted by Storm Babet, (ii) how it was impacted, and (iii) that the business has suffered a loss of trade as a result. There is no requirement for the grant recipient to evidence a minimum loss of trade or income but they should clearly have been negatively affected. A Local Authority should use its local knowledge to assess whether a business has been negatively impacted by Storm Babet and must keep a record of the basis for its decision that the business was so impacted. The presumption is that additional expenses incurred as a result of flooding not covered by insurance and/or insurance excess costs will exceed a £2,500 award.

Q. What records are Local Authorities expected to hold?

A. The Local Authority must retain all supporting evidence including application forms, records supporting decisions to award or reject, grant award confirmations to SMEs, Subsidy Control correspondence etc. to demonstrate eligibility of a business to receive a BRG payment for a minimum of 7-years from the date of application. DBT reserves the right to undertake a review of awards on a randomly sampled basis to support scheme assurance and audit scrutiny requirements.

Q. Where payments are issued in error what action is the Local Authority required to take?

A. All Local Authorities are required to undertake recovery on any BRG payment identified as being made incorrectly (an "irregular payment") – this includes any payments made in error by the Local Authority (such as duplicate payments), grant awards that are found to be non-compliant post award (for example if the Council identifies that detail in the application was incorrect) or where fraud is suspected (for the purpose of this scheme fraud is considered to be where there is a deliberate intention to obtain funds by misrepresentation). Recovered funds must be returned to DBT. Further guidance on recovery processes will be issued in due course.

Q. What are the expectations on Local Authorities post the scheme delivery end date?

A. Local Authorities can expect to be asked to participate in scheme evaluation to inform learning for future flood support delivery to businesses. Also, DBT reserves the right to undertake a review of awards post payment to grant recipients, on a randomly sampled basis to support scheme assurance and audit scrutiny requirements. Selection will be proportionate to the number of awards made per Local Authority.

Q. Will Local Authorities receive an administration fee or New Burdens to cover scheme delivery costs?

A. No additional funds will be made available for scheme administration.

Q. How can Local Authorities seek support or further information on this scheme?

A. Local Authorities should refer to the MOU and operational scheme guidance letter issued by DBT. Queries should be submitted via email to the DBT mailbox address — Grantdeliveryteam@businessandtrade.gov.uk. In addition, it is proposed to hold engagement sessions throughout the delivery phase.

Q. Will the scheme be extended to cover future storm impact on business premises, such as in respect of Storm Ciaran and Debi?

A. Government support available due to the activation of the Flood Recovery Framework in October 2023 currently only applies to Storm Babet (19-25 Oct). However, we will keep the situation under review should there be additional flooding over the coming winter.

Q. For how long is the BRG (Storm Babet) scheme open?

A. The current end date for submission of data and evidence of payments made to eligible SMEs is 25th January 2024. Payments made outside of 19 Oct 23 – 25 January 2024 will not be reimbursed and become the financial responsibility of the awarding Local Authority. Applications processed by local authorities post 25th January 2024 will not be supported or reimbursed by HMG funds.

Q. Where a business has multiple units in different properties in the same business park, are they eligible to claim for each unit?

A. Yes, but it needs to be clear how each property meets the criteria.

Q. Where businesses are using premises as workshops (incl. storage of critical materials, manufacturing, etc.), which are essential to trading, but the business and trading runs from a somewhere else, do they count as business premises and are they eligible?

A. The funding is limited to business premises where there is active trading. Only if businesses can show that they are actively trading and Local Authorities judge based on the evidence presented that the criteria for BRG awards is satisfied can an application can be approved. Local Authorities must retain evidence to support their decision-making.

Q. Can Sports Clubs claim?

A. Applications from trading SMEs which meet the scheme criteria in full may apply for BRG support.

Q. Are registered home-based micro-businesses (fewer than 10 employees) included?

A. Micro-businesses may be supported where they satisfy the SME definition and scheme criteria in full. To be eligible their "business premises" from which they were trading before and during 19-25 October must have been directly or indirectly impacted and they must have suffered a loss of trade as a result. Local Authorities must satisfy themselves that those trading from home meet the criteria for BRG awards and must retain evidence to support their decision-making.

Q. Will the guidance confirm businesses are covered if the business trades from a residential premises and the business and their personal home / residence have both been affected - can they claim under both grants?

A. Applications may be considered for more than one scheme under the Flooding Framework where the eligibility criteria for each scheme are met in full.

Q. Flooded non-domestic properties in our area include schools - are they eligible? What if they are Local Authority schools?

A. The applicant / grant recipient for BRG support must be a trading SME whose business premises have been directly or indirectly impacted resulting in a loss of trade.

Q. Are church halls and local community centres eligible under the scheme?

A. The applicant / grant recipient for BRG support must be a trading SME whose business premises have been directly or indirectly impacted resulting in a loss of trade, so would not typically include non-domestic properties such as these.

Q. Are B&Bs covered?

A. The applicant must be a trading SME to qualify. For B&Bs evidence of business rate payment is required to qualify for BRG support. Where the property is the applicant's personal residence, it is acceptable to provide evidence of payment of business rates alongside residential domestic rates. Local Authorities need to satisfy themselves that the scheme criteria have been met in full when considering any application.

Air BnB premises or premises operated in a similar manner to Air BnB, premises operating the "Rent a Room Scheme" or equivalent lodging arrangements, premises which are a second home rented out for part of the year and landlords' flooded rental properties are not eligible for scheme support.

Q. When does the scheme close?

A. The end date for submission of data and evidence of payments made to eligible SMEs is 25th January 2024. Payments made outside of the period 19 October 2023 to 25th January 2024 will not be reimbursed and become the financial responsibility of the Local Authority. Applications processed by Local Authorities post 25th January 2024 will not be supported or reimbursed by HMG. The BRG funds due will be paid by the end of 2023-24 financial year via S31 grant.

<u>Community Recovery Grant (CRG) / Business Rates Relief (BRR) / Council Tax</u> <u>Discounts (CTD): Department for Levelling Up, Housing and Communities –</u> queries and clarification via <u>REDRecovery@levellingup.gov.uk</u>

Q. Can DLUHC give any indication of 'light touch evaluation' requirement?

A. It's really important that we can demonstrate the value added and benefits that the DLUHC FRF schemes bring to local communities, households and businesses affected by severe weather. With each claim we've asked recipient authorities to answer two evaluation questions. These are:

- 1. What were the impacts and benefits that Flood Recovery Framework grant delivered in your area? Please give details by scheme and as a whole and provide case studies to illustrate.
- 2. Do you have any other feedback on the operation and administration of the Framework by central Government?

Q. In two-tier areas, can you confirm which local authorities assess local eligibility and decide how to allocate the community recovery grant?

A. We are happy for local areas to agree processes for administration of the DLUHC schemes that make sense for local structures - as long as these ensure that double counting does not happen and appropriate checks and records are kept. It would be helpful for LLFAs to let us know what arrangements are being put in place / preferred.

Q. For the Community Recovery Grant, will this be paid on a % upfront basis with data captured via DELTA?

A. Our plan is to pay after defrayal using the claim information submitted by 25th January 2024 - if this is an issue please let us know.

Q. For the Community Recovery Grant, is this only available to private homeowners? Are private rented eligible (via Landlord)? Are Council properties eligible?

A. Tenants, who constitute the "eligible households" and are liable for council tax, are eligible to receive the Community Recovery Grant. Landlords of those properties are not eligible to claim the grant.

Q. What records are Local Authorities expected to hold?

A. The Local Authority is wholly responsible for ensuring that grants are paid only to eligible claimants. In line with scheme details. They must retain evidence in support of claims made for reimbursement by DLUHC to demonstrate compliance with the schemes' and any additional requirements e.g. including eligibility of individual claimants, evidence of defrayal, subsidy control and branding. We reserve the right to undertake a review of grants paid on a sample basis to support scheme assurance and audit scrutiny requirements if needed.

<u>Property Flood Resilience (PFR) Scheme – Department for Environment, Food</u> and Rural Affairs – queries and clarification via

propertyfloodresilience@defra.gov.uk

Q. Can properties with a history of flooding receive Storm Babet support, including DEFRA Property Flood Resilience (PFR) grant if they have not had one previously?

A. Subject to individual scheme requirements and not including properties that have previously received a Defra PFR Grant, properties that have previously flooded, and have flooded again as a direct result of Storm Babet in an eligible area between 19th and 25th October 2023, are able to receive support via the Flood Recovery Framework (FRF). The Defra PFR Repair Grant Scheme is intended as a one-off payment to assist properties in becoming resilient to future floods as part of the repair process. If a property has previously received a Defra PFR repair grant, then they are not eligible for another PFR grant payment.

Q. £5000 is not enough to adequately flood proof a property, is there any scope to review the grant?

A. The £5,000 is a contribution towards making a property more flood resilient. There is a reasonable expectation that property owners will take steps, including having suitable insurance (which can now include Build Back Better) and fund work themselves.

Q. All schemes require significant resource and admin costs, what financial support will be given to LLFA's to fund the additional resources required to administer the scheme/grant funding?

A. Defra is aware or the resource burden and sympathises with Local Authorities, however there is no funding available for the administration of the PFR Scheme.

Q. Is there scope to extend deadlines, given that the same surveyor resources are likely to be drawn upon making it unlikely to carry out the work in the given deadlines?

A. The PFR grant scheme normally runs for a period of 16 months as standard. Following feedback from Local Authorities and the PFR Scheme evaluation, the PFR Storm Babet scheme will run for 18 Months. We have found that extending a scheme does not give value for money to the taxpayer. Schemes can be extended in exceptional circumstances, such as was done for Covid-19, where there were delays across all authorities.

Q. How are people who are already out of pocket expected to come up with the money to undertake the works before being reimbursed?

A . The PFR repair grant is available to improve the flood resilience of a property. Only fully completed works that improve the flood resistance or resilience of a property will be reimbursed.

Q. Could the local authority commission contractors to carry out flood resilience works on behalf of local residents and then claim the £5,000 per property itself?

A. Yes, councils in LLFAs may wish to consider whether it should, in the circumstances, engage a suitably qualified and experienced independent surveyor to work on behalf of applicant(s) and offer their services with individual projects (subject always to compliance with the relevant Local Authority internal rules or guidance).

Q. If properties are already on an LLFA/PFR scheme that hasn't been implemented yet, would they be eligible for the DEFRA scheme if quicker to implement?

A. Yes, if the property meets the eligibility criteria, they can access the Defra PFR repair Grant. Properties that have received Grant in Aid (GiA) funding and have since been flooded are eligible for this scheme. However, this grant can only be used for new recoverable PFR measures, it cannot be used to replace any damaged measures installed through the GiA scheme.

Q. Is the Property Flood Resilience scheme available for Council owned properties?

A. Local Authorities that are landlords can apply for this grant assuming the same eligibility criteria are met. It is important, however, for the Local Authority to treat their applications in the same way as applications for private premises and to show clear audit trails for how the application is processed in case of future audit.

Q. Does it need to be a specialist flood surveyor, or can a building surveyor be used?

A. A property survey is required as part of the scheme to identify things such as where the flooding came from, and the best PFR measures to prevent or limit re-occurrence. A survey must be carried out by a suitably qualified independent surveyor.

Q. Does up to £5,000 per property include VAT and surveys?

A. Yes, the £5,000 is inclusive of VAT and up to £500 for survey costs.