

Report to Environment and Economy Overview and Scrutiny Panel

Agenda
Item:

A.3

Meeting Date: 14 April 2016
Portfolio: All
Key Decision: No
Within Policy and
Budget Framework NO
Public / Private Public

Title: December 2015 Flood Update Report
Report of: The Deputy Chief Executive
Report Number: SD07/16

Purpose / Summary:

This report is part of a series of update reports prepared for Overview and Scrutiny Committees on flood recovery activities and future programmed work.

The reports contain a generic section designed to give all Committees an overview of flood recovery work and a more specific section tailored to the work areas of each Committee.

This Environment and Economy Overview and Scrutiny Report provides specific updates relating to:

- Local Environment - initial clean-up operations
- Customer Contact and access to services (including web, phone and face to face)
- Flood grants and household payments (figures as of 4th March – updated figures will be supplied to the meeting)
- City Council property and asset recovery
- Financial considerations and activities
- Car Park recovery
- Liaison with Environment Agency
- Resident support via the Carlisle Flood Partnership (led by Cumbria County Council)

Recommendations:

1. That members of the Environment and Economy Overview and Scrutiny Committee review this report and give consideration to the progress made to date and the recovery plans going forward.

Tracking

Executive:	-
Overview and Scrutiny:	14.04.16
Council:	-

1. BACKGROUND

- 1.1 In December 2015 Carlisle, other places in Cumbria and number of other areas in the North of England and Scotland suffered widespread and severe flood damage as a result of Storm Desmond and the subsequent storms during the Christmas and New Year period.
- 1.2 From Friday 4th December onwards a multi-agency emergency response was required to deal with the initial and on-going stages of the event. The City Council, amongst others, significantly contributed to Gold, Silver and Bronze command centres at Penrith Police HQ and in the Durranshill police station in Carlisle.
- 1.3 On Monday 7th December the City Council set up its own Crisis Management Team (CMT) at Bousteads Grassing Depot. The Civic Centre was severely damaged by the floods and at this point in time was still under water (to the first floor level), without power or other key services. Bousteads Grassing was used as a temporary centre for Council activity. The Crisis Management team consisted of Senior Officers and a full range of other key staff, all of whom played a vital role in coordinating the City Council response to the flood and our on-going recovery activity.
- 1.4 The initial work arising from this CMT focused on:
- enabling our Business Continuity Plans for service recovery (customer contact, access to services, delivery of key services, re-starting ICT infrastructure, communications, asset recovery)
 - ensuring clear communication with residents, staff, members, press and media of the key issues arising and our multi-agency responses
 - liaison with emerging County wide recovery groups for housing, infrastructure and community issues
 - handling offers of assistance and donations for flood victims
 - Developing plans for assets and wide spread service recovery
- 1.5 The CMT continued to meet on a daily basis in the run up to the Christmas break and frequently during the early part of January 2016. After this initial crisis period the recovery work was then taken on by a range of other focused groups relating to property, services, finance, insurance and legal issues.

1.6 Whilst the impact of the floods and the on-going implications continue to be a major concern for residents, businesses, visitors and public sector providers the purpose of this report is to focus on the recovery efforts of the City Council and its constituent services. The rest of this report will focus on these areas of work.

2. FLOOD RECOVERY ACTIVITY: DECEMBER – MARCH 2016

2.1 Local Environment:

The clean-up of Carlisle started as soon as the flood waters receded. Due to the heavy rain in previous months the rivers had been full of sediment which meant thick deposits of mud were left behind by the flood waters. Some of the mud had to be cleared by hand with shovels before the street cleaning machines could go in.

Skips were provided in flood affected areas for residents and emptying these was made more difficult by the temporary closure of Eden Bridge which meant getting to the drop-off sites took much longer than usual.

Overnight road closures were put in place for several nights on Warwick Road to enable local streets to be cleared while minimising disruption and avoiding danger to the public.

Up to 18th December, in excess of 1,064 tonnes of flood material was disposed of from flood affected streets in Carlisle. A further 75 tonnes was collected from Bousteads HWRC and 17 tonnes from Brampton HWRC. Around 350 skips were provided across the flood affected areas to deal with the initial volume of flood damaged contents.

These works were carried out in addition to the normal services still being provided across the rest of the District. Staff from Local Environment also provided tremendous assistance in emptying the ground floor of the Civic Centre and a range of other flood damaged properties.

2.2 Customer Contact and access to services:

Following the flood the Civic Centre was initially inaccessible to staff and members of the public. The Council was temporarily left without IT systems, phone and web services and has no facilities for meeting and assisting residents and customers.

The recovery of key customer services was one of the first priorities for the CMT. A temporary Customer Services Centre was operational in the Old Town Hall on Monday 7th December (complete with phone lines and functioning web service). The team continued to operate from this site until access to the Civic Centre was

secured and arrangements were made for the relocation of this service to Committee Rooms A, B and C on 21st December. Telephone services had also then been fully restored (14th December) in the first floor IT Training Room.

Since this point a more appropriate facility has been secured via the temporary contact centre and Civic reception in the members' car park to the side of the Civic Centre, this facility opened 29th February. This provides all of the services we normally provide and is accommodating some of our partners such as the DWP and passport office. The Customers Services team will continue to occupy these facilities whilst a full recovery of the ground floor and basement of the Civic Centre takes place.

2.3 Flood grants and household payments (Figures as of 4th March 2016)

Community Support Grant - £500 household scheme:

Further to the floods the Government announced an immediate assistance scheme targeted to support households affected by the event. This offered a one off Community Support Grant payment of £500 to each household.

Up to 4th March, 1,648 households have been confirmed as flooded by Storm Desmond, of these 1,625 are eligible for the £500 community support grant. Of these, 1,484 properties have so far received a payment of £500 each, equating to £742,000 of grant. This is being recovered from the County Council upon submission of fortnightly grant claims.

£5,000 flood resilience grant:

This Government scheme covers both residential and commercial properties (204 businesses were affected by the flood) and is being administered by the Housing Department.

99 applications have been received and payments made to 3 applicants (as of 4th March). 53 applications have been approved equating to approx. £239,213. This is recoverable from the County Council.

Council Tax & NNDR discount schemes:

County wide schemes have now been approved with the DCLG paying £400,000 to the County Council to fund the local discretions (second homes / empty properties / flood affected businesses) contained within the County wide schemes.

Districts are submitting monthly claims to recover the costs incurred. Funding for discounts offered in line with the Government Scheme will be paid through a S31

grant directly to us. To date Council tax discounts have been awarded to 1,661 householders which amounts to £648,987.17 up until 31st March 2016.

Business Rates discount has been awarded to 84 businesses, amounting to £230,417.81 to 31st March 2016.

2.4 City Council property assets recovery

The 2015 flood inflicted widespread and severe damaged to City Council property assets. Since the flood significant effort and expense has been incurred in making safe, assessing, stripping, drying and preparing facilities for full recovery. During this period the Council has been actively involved with our insurance brokers, loss adjusters and insurers to develop our claim for property and contents.

The Council (guided by our insurers) have also employed WYG as programme managers for the first phase of our property recovery.

WYG have assisted the Council to develop a property recovery plan and tackle immediate recovery issues such as making safe and stripping / drying our assets.

A central part of this work to date has been the surveying exercise to establish the post flood condition and reinstatement costs of over 60 assets ranging from the Civic Centre to minor items such as walls and open spaces. The completion of these surveys is now imminent and the next phase of works procurement has begun. This will be the focus of attention during the next month as contractors are secured for key recovery projects.

2.5 Financial considerations and activities

Bellwin Claim

Further to the flood event the Government informed authorities affected that they would be entitled to seek financial assistance under the Bellwin scheme.

The Bellwin scheme was introduced in 1983 by Lord Bellwin of Leeds, the then Environment minister. This was later incorporated into Local Government and Housing Act 1989, section 155.

A Bellwin scheme may be activated, at the discretion of the environment secretary,

- when an emergency or disaster involving destruction of or danger to life or property occurs
- and, as a result, one or more local authorities incur expenditure on, or in connection with the taking of immediate action

- or to safeguard life or property or to prevent suffering or severe inconvenience in a local authority's area or among its inhabitants

The current Government has now circulated Bellwin scheme terms for this flood emergency (covering 5th – 28th December 2015); these terms are attached as Appendix A.

The City Council is currently compiling its full claim for eligible expenditure incurred between 5th December 2015 and 4th March 2016. This claim must be submitted by 6th June. The City Council is liable under the scheme for the first £26,486 of the claim (0.2 per cent of its calculated annual budget).

Emergency Decision Provisions

From Monday 7th December the City Council called on our Emergency Decision Provisions to give officers the required spending powers to react swiftly to need. These decisions were recorded on a notice form and reported to Council during January and February. Once out of the initial emergency period the City Council reverted to standard arrangements for budget spend.

Additional Officer work related to the flood emergency and recovery

In addition to the arrangements for spending the City Council also managed the need for additional officer work related to the initial emergency and recovery activity.

These arrangements covered a wide range of extra duties and overtime requirements for the high volume of standard work in areas such as Local Environment.

These arrangements were also captured and recorded for assessment under the Bellwin claim.

2.6 Car Park recovery

As a result of the flood the following car parks have been damaged across the City Centre:

- Lower Viaduct
- Town Dyke Orchard
- Civic Centre
- Lowther Street
- The Sands
- Bitts Park
- Devonshire Walk

- Paddy's Market
- Swifts Bank

The damage to these sites has been significant with surfaces, lighting, fences and most ticket machines all being affected.

In the immediate aftermath of the event the Council sought to make clear to the public that although our capability to charge for parking had been damaged the city was still open for business and car parks could be used.

Our ability to recover the ticket machines has been hampered by a difficulty in obtaining maintenance support and repair parts from the suppliers. To alleviate this issue our officers have made short term repairs to ensure at least one machine per car park is operational.

A full survey of the car park machines has now been completed noting that 16 of the 27 car park ticket machines were flooded beyond repair. The City Council's Insurance Company have agreed to pay to replace the flood damaged machines. The current model we use the MP 104 has been superseded by the CWT-C. The ambition is to replace both the flood damaged machines and then phase in the replacement of the other 11 machines, to upgrade the 27 to card and cashless payment facilities

We are now procuring the 16 flood damaged machines, the remaining 11 that are out of action (having been scavenged for parts to make the other machines operational) and upgrade 13 of those machines to include card facilities to make a better service for our customers.

These new machines are now on order with our suppliers.

2.7 Liaison with Environment Agency, Cumbria County Council and others associated with full flood recovery and improved resilience

Scrutiny panel members will have already noted (and hopefully had the chance to attend) the Informal Council Briefing session planned for 7th April. The above agencies will be present at the briefing and will update all members on the developing picture of flood incident and how agencies are working together to assess future prevention and alleviation schemes.

It may have also been noted that the Chancellor announced specific funding for flood prevention in his Budget for 2016. The details of the £25m pledged support have yet to be received but the Council is well placed to play a strong role in the effective use of this investment.

2.8 Resident support via the Carlisle Flood Partnership (led by Cumbria County Council)

During the initial (emergency) stages of the flood Carlisle City Council and other partners such as the University of Cumbria, Greystone Community Centre, Round Table, Carlisle Food Bank and a long list of other charitable organisations worked together to try and assist those affected by the storm.

The City Council working with these groups organised a distribution centre for donated goods and services via Fusehill Street campus and Greystone Community Centre. This exercise was operational in the run up to Christmas and involved a huge effort to manage, store and deliver donated items. The NHS supported this effort by providing the City Council with a 20,000 sq ft warehouse facility at Kingmoor Park to store donations.

As the emergency period passed the County Council organised and continue to lead a community focused flood recovery group.

This group contains a range of partners (The City and County Councils, British Red Cross, Carlisle Parish Councils Association, Environment Agency, Greystone Community Centre, CVS, Rotary, Cumbria Community Foundation) who are all focused on delivering joined up support service to local residents.

Paul Hendy (a member of this group) is also leading on delivering support services from the Flood Advice Centre based in the Nisi Prius building adjacent to the Courts in the City centre.

Finally in addition to this County led work a member of the local community Stephen Higgs has also organised a Community Flood Action Group. This group is made up of residents and businesses that have been affected by the flood. Liaison between these two groups is now taking place to ensure a coordinated response to key issues and individual requirements.

3.0 RECOVERY PROGRAMME – FUTURE ACTIONS

- 3.1 Further to the above initial information, views are requested from Scrutiny members on the future format and content of recovery programme updates.

As the programme develops it is clear that key areas such as costs of recovery, community issues, facility reinstatement will all be of interest to members however to avoid unnecessary work a guide to future areas of interest would assist officers to prepare a useful set of updates.

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**Appendices
attached to report:**

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers:

- **None**



Department for Communities and Local Government

Appendix A: BELLWIN SCHEME OF EMERGENCY FINANCIAL ASSISTANCE TO LOCAL AUTHORITIES – TERMS OF THE SCHEME

FLOODING IN LOCAL AUTHORITY AREAS IN ENGLAND:

5th December 2015 to 28th December 2015

These notes set out the terms under which the Secretary of State is prepared to make available emergency financial assistance to local authorities in England under Section 155 of the Local Government and Housing Act 1989, in relation to dealing with severe weather and flooding in their areas from 5th December 2015 to 28th December 2015.

Authorities who have registered for the Scheme

The following local authorities have registered an intention to make a claim under this scheme:

Allerdale Borough Council	Lancashire Fire & Rescue Service
Barrow-in-Furness Borough Council	Lancaster City Council
Blackburn with Darwen Borough Council	Leeds City Council
Bolton Council	Manchester City Council
Burnley Borough Council	North Yorkshire County Council
Bury Council	North Yorkshire Fire and Rescue Authority
Calderdale Council	Northumberland County Council
Carlisle City Council	Oldham Council
Chorley Council	Pendle Borough Council
City of Bradford Met Borough Council	Preston City Council
City of York Council	Ribble Valley Borough Council
Copeland District Council	Rochdale Borough Council
Craven District Council	Rossendale Borough Council
Cumbria County Council	Salford City Council
Cumbria Police & Crime Commissioner	South Lakeland District Council
Durham County Council	South Ribble Borough Council
East Riding of Yorkshire Council	St Helens Council
Eden District Council	Trafford Council
Gateshead Council	West Lancashire Borough Council
Lake District National Park Authority	Wigan Council
Lancashire Constabulary	Wyre Council
Lancashire County Council	

Scope of scheme

1. The Secretary of State **will pay grant at the rate of 100%** on qualifying expenditure above threshold.

2. Before being eligible for grant, an individual local authority is required to have spent 0.2 per cent of its calculated annual budget (threshold) on works that have been reported to the Department as eligible for grant. The thresholds for 2015-16 will be available on the GOV.UK website at: <https://www.gov.uk/government/publications/bellwin-scheme-emergency-financial-assistance>.

3. The period of eligible spending allowed for this scheme ends on 4th March 2016.

4. The claim form includes an option to make an interim claim. Interim payments will only be made against expenditure actually incurred. The Department will not normally be prepared to advance more than 75% of this amount.

Eligible Expenditure

6. In order to meet the basic statutory requirement expenditure must have been incurred:

- by a local authority (those named above) on, or in connection with¹, the taking of immediate action to safeguard life or property or to prevent suffering or severe inconvenience, in their area or among its inhabitants;
- as a result of the incident(s) specified in the scheme, which involved the destruction of or danger to life or property.

Examples of expenditure likely to qualify are at Annex A.

Ineligible Expenditure

7. The overriding rule is that expenditure which is not clearly incurred on or in connection with immediate action to safeguard life or property or to prevent suffering or severe inconvenience as a result of a disaster or emergency will not be eligible for grant. Expenditure that is not additional to what the authority would normally expect to incur will not be eligible. Neither is expenditure in an area for which there is already a government expenditure programme, such as maintenance of law or housing. Specific examples are set out in Annex B.

Claims

8. Claim form Bellwin (15-16) is to be used when making the claim. The claim should be signed by the authority's Chief Financial Officer and sent to Ade Ogunro, SRC Division, The Department for Communities and Local Government, 2nd Floor, Marsham Street, LONDON SW1P 4DF, to arrive no later than **6 June 2016**. A note to help with the completion of the claim form is at Annex D.

¹ Where the connection between any expenditure and the immediate action taken in response to the specified incident is not obvious, the authority should provide sufficient information to enable the Department for Communities and Local Government to take a decision as to the eligibility or otherwise of the expenditure concerned.

9. A final claim received after this deadline may be disregarded and an extension to the deadline will only be granted in exceptional circumstances that the authority will need to be able to demonstrate were beyond its control.
10. The figure included in the claim must relate to actual expenditure and must be precise. Where there is any doubt whether expenditure is eligible under the scheme that expenditure should be included and clearly identified so that DCLG can take a view.
11. The claim form must be certified by the Chief Financial Officer to the effect that it complies in all respects with the terms of this scheme.
12. As this scheme will not be subject to a separate grant audit, **supporting documentation for all expenditure must be supplied.**
13. The Department for Communities and Local Government will check the claim form on receipt, and may ask the authority for clarification if necessary. When a claim has been accepted, DCLG will notify the local authority and confirm that payment of the agreed grant can be made. If DCLG considers that less (or more) than the amount claimed is eligible, it will write separately giving details.

Department for Communities and Local Government
Local Government Financial Management
March 2016

Annex A

Examples of costs that would be expected to qualify

Subject to meeting the minimum statutory requirement set out in paragraph [6], the following are examples of expenditure likely to qualify for grant:

Street Clearance

- a) where repair is insufficient, the removal and replacement of street lighting, street signs, bus shelters and other street furniture, fences, railings damaged by the incident, where in its damaged state it presents a danger to public safety or security;
- b) works to clear debris – fallen trees and other objects causing obstruction or damage to highways, pavements and footpaths. The Department for Transport recommends local highway authorities continue to retain a contingency from the funding it receives from central Government to help repair roads that may have been damaged through weather incidents.
- c) hire of additional vehicles, plant and machinery that are not those already in use by the authority, and incidental expenses to carry out such works;

Staff Costs

- d) additional temporary employees or contractors, to work on the emergency or replace permanent employees diverted from normal work;
- e) special overtime for employees, either during the emergency for overtime worked on the emergency itself, or afterwards to catch up on work from which they were diverted by the incident;

Drainage Works

- f) the costs of initial land drainage works to clear debris and unblock watercourses which are or may be the cause of danger to the public;

Community Support

- g) costs of evacuating people from dangerous structures, and temporary rehousing;
- h) costs of providing emergency supplies of food and other emergency provisions, and key services to affected communities during the period of the emergency;
- i) costs of maintaining key communications and providing emergency information to affected communities;
- j) costs of temporary mortuaries;

- k) In relation to non-administration purposes, the costs of setting up temporary premises including costs of removal, increased costs due to rent, rates, taxes, lighting, heating, cleaning and insurance

Military Assistance

- l) In certain circumstances, marginal costs associated with military assistance may be eligible for reimbursement through the scheme. Examples include additional travel, accommodation and other subsistence costs for military personnel that have been deployed as part of the emergency response.

Capital

- m) The immediate nature of emergency expenditure means that capital expenditure is unlikely to qualify for grant, but there may be limited circumstances where it could apply or a contribution could be made. The authority must demonstrate that this secures better value for money than current expenditure and is connected to immediate action to safeguard life or property or to prevent severe inconvenience. Specifically, it must demonstrate:
 - i) given the existence of wider capital budgets, why additional (as opposed to simply reprofiled) capital expenditure was necessary to safeguard life and property; and
 - ii) that this capital expenditure offered better value for money than the alternative of current expenditure. The Department should be consulted before including any capital expenditure in a claim; and
 - iii) it otherwise meets the criteria of the scheme – including that such works are carried out within the eligible spending period and are immediate.

Examples of eligible capital costs may include some permanent repairs to structures rather than “patching up” repairs where there is a good value for money reasons for doing so and the repairs are carried out straightaway.

Other

- n) emergency works required to safeguard dangerous structures, including making them secure (where not insurable);
- o) Initial repairs to flood defences damaged as a result of the incident.

Annex B

Examples of costs that would not usually qualify

Insurable Costs

- a) costs which are normally insurable, whether by the authority or any other party (e.g. under household insurance policies);

Loss of Income

- b) loss of income (e.g., from facilities closed as a result of the emergency, including CT discounts), as this falls outside the scope of section 155 of the Local Government and Housing Act 1989;

Longer Term Works

- c) longer term works of repair and restoration (i.e not immediate actions)

Salary Costs

- d) the normal wages and salaries of the authority's regular employees, whether diverted from their normal work or otherwise, and the standing costs of the authority's plant and equipment;

Other Funding and Betterment

- e) expenditure eligible for any other specific grants, e.g. police grant;
- f) betterment, e.g. repairs to a significantly higher standard than their condition on the day before the incident;

Annex C

Bellwin Thresholds 2015-16

Thresholds based on each individual Local Authority's budget will be available on the GOV.UK website at:

<https://www.gov.uk/government/publications/bellwin-scheme-emergency-financial-assistance>

Annex D

Guidance for completion of claim forms

DCLG will provide a claim form on which application for grant must be made. The following conditions will apply:

- All claims must be made on paper on a claim form provided by the Department.
- All submitted claims must enclose full details of the expenditure incurred. It would be useful to set out the main elements of the claim in a summary spreadsheet with references to the supporting invoices and other relevant information. A clear presentation will help the Department to finalise the claim quickly.
- The Chief Financial Officer of the authority must certify by signing the claim that it complies in all respects with the terms of the scheme in question;
- The figures included in a final claim should be actual expenditure and should be precise;
- The Local Authority must keep records in support of any claim in such a fashion that they are readily accessible for audit;
- Authorities intending to use agents to undertake work should note that the claiming authority's procedures should be capable of demonstrating that any claim is based on qualifying expenditure, and that proper arrangements have been employed both for specifying the work and for ensuring it has been satisfactorily completed;

Local authorities must submit claims to the Department by the deadline set out in the Scheme terms. In the event that a final claim is not submitted to the Department by this date, the Department will deem the claim to have lapsed;

- The Department will consider extensions to the deadline only in exceptional circumstances which the authority will need to be able to demonstrate were beyond its control;
- In some circumstances the Department will - where requested - make an interim payment to an authority of 75 per cent of its incurred grant entitlement. It will pay the balance due on receipt of the final claim. Where such a payment on account exceeds an authority's final entitlement, then the difference will be repayable to the Department immediately.

