

Report

## Date: 17 January 2020

### To the Mayor

## Payment of Property Flood Resilience (PFR) Recovery Support scheme

Relevant Cabinet Member(s)	Wards Affected	Key Decision
The Mayor	All	Yes

## EXECUTIVE SUMMARY

 Severe weather has meant hardship for local residents and businesses. The government (Department for Environment, Food and Rural Affairs – DEFRA) has committed funding to Councils to enable payments to be made to affected households and businesses. The Council will make payments in line with government guidance.

## **REASONS FOR URGENCY**

- 2. It has been necessary for the Council to implement these arrangements quickly to enable those individuals impacted by flooding to claim Property Flood Resilience grants to coincide with their insurance claims and property repairs.
- 3. It was part of the package of measures announced by the Prime Minister and an expectation that we implement these arrangements without delay.

### **EXEMPT REPORT**

4. Not applicable.

## RECOMMENDATIONS

5. To sign a memorandum of understanding with DEFRA to accept payment in relation to flood resilience measures and to then award payments to qualifying households and businesses affected by the November 2019 floods up to the sum of £5000 to carry out property flood resilience work.

### WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

6. The payments will help support residents and businesses who experienced severe damages from the flooding event to become more resilient to the impacts of flooding and reduce the length of time needed for recovery, if flooding were to re-occur.

## BACKGROUND

7. Severe weather in November 2019 led to the flooding of over 700 properties and 140 businesses across several areas in Doncaster, including Fishlake and Bentley.

The government announced that they would provide funding to this Council to enable payments of up to £5000 to be made available to households and businesses for flood resilience measures. The funding payments do not form part of the pre-existing "Flood Recovery Framework", but DEFRA has published a separate framework for administrating the local Property Flood Resilience scheme ("PFR Scheme').

Applications must be completed and submitted to the Council by the property owner. Retrospective applications will be accepted. Where these applications satisfy the requirements of the PFR Scheme, funding will be provided for the property flood resilience work to be undertaken. The Council will alternatively welcome and support collaborative applications where the approach offers a better standard of flood risk reduction for applicants than would been achieved by treating each property individually.

The expectation is that the applicant (whether property owners, insurance companies or other third parties) will make arrangements and enter contracts with the external contractors to deliver the property flood resilience work. While the Council is not expected to undertake the repair work or contract directly with external contractors, the Council will be responsible for verifying the eligibility of applications, assisting with obtaining flood resilience surveys (where appropriate) and to inspect that the work carried out is of sufficient standard. The Council will engage a suitably qualified and experienced independent surveyor to conduct pre-installation and post-completion surveys to ensure the quality of work in cases where a suitable flood resilience survey has not already been done.

Insurance companies will have a range of polices and requirements regarding how they manage recovery and different attitudes to PFR Scheme grants. Their customers may have the option to engage a local contractor themselves; or they could choose to allow the insurance company to manage the repair using their in-house contractors. In most circumstances the repair work is likely be carried out by the insurance company's call-off contractors and it may be appropriate the contractors to carry out the property flood resilience work at the same time.

The Council will assess all application received against the PFR Scheme criteria and the pre-installation survey to ascertain who is eligible to receive the PFR Scheme grant. It is important to ensure that the property flood resilience works proposed following the survey are in addition to those that would be covered through the normal insurance process.

Grant funding will be awarded by the Council to the applicant once the work has been completed to appropriate quality standards and the post completion survey has been undertaken.

Payment will not be made directly to the applicant, the applicant can request that the Council releases funding directly to the contractor(s) for the property flood resilience work. In these cases, the Council will follow appropriate processes to ensure that it is satisfied with the quality of works and costs claimed, before any funds are released. Alternatively, payment may be made to the applicant's insurance company.

The Council will claim back monies paid from the PFR Scheme.

The PFR Scheme refers to Property Flood Resilience as any measures that can be applied to a building to make people and the property less vulnerable to the physical impacts of flooding: This can be through two different routes:

- 1. PFR Resistance the use of materials and approaches to safely keep water out of the property e.g. minor building work to seal brickwork.
- 2. PFR Recoverability the use of materials, products and construction methods that mean a building can be quickly brought into use after flooding: i.e. managing the level and consequences of damage, if there is water entry e.g. raising power sockets.

The key principles of eligibility are referred to in the PFR Scheme as:-

- Properties must have been severely damaged by a flood event between 08 November 2019 and 18 November 2019.
- Ghe grant is only available to people where the habitable living or business areas of their properties have been damaged by entry of floodwater, necessitating drying out and/or repairs to the fabric of the building.
- Garages, outhouses and storage areas are not eligible for the scheme.
- Second homes are not eligible.
- Empty homes are not eligible.
- Basements or cellars not used as part of the habitable or business area of a property are not eligible for the scheme.
- Houses of Multiple Occupancy (HMOs) should be considered "one front door" except where they are disaggregated for council tax purposes, in which case, each individual council taxpayer will be eligible. Blocks of flats should be treated under the same principles as HMOs.
- Premises occupied through leasehold are eligible. The freehold owner of a flooded building is eligible for a grant from the scheme to contribute towards the cost of making recoverable repairs to the

shared spaces of a building impacted by flooding, especially where this complements work being carried out to individual properties through the scheme.

- Properties that have received a recovery grant (from the recovery schemes put in place after the 2013/4 and/or 2015/6 events) are not eligible for further support.
- Properties that have previously had "resistance measures" installed (through a Flood Defence Grant in Aid scheme, for example) and which have since experienced internal flooding, are eligible for this scheme. However, PFR Scheme grant should only be used for new, recoverable adaptations (such as the additional cost of replacing drywall with resilient alternatives) that were not eligible for the Grant in Aid scheme.
- Uninsured domestic properties and businesses are also eligible for a PFR Scheme grant.

The PFR scheme was opened in November 2019 for the release of PFR Scheme grants to successful applications, within a fixed period.

This decision is urgent in nature due to the need to make payments to affected households and businesses as soon as practicable.

## **OPTIONS CONSIDERED AND REJECTED**

8. Not to make payments.

### **REASONS FOR RECOMMENDED OPTION**

9. Payments will help local residents and business affected by the November flooding to become more resilient to the impacts of future flooding and reduce the length of time needed for recovery if flooding were to re-occur.

## IMPACT ON THE COUNCIL'S KEY OUTCOMES

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Outcomes	Implications
<ul> <li>Doncaster Working: Our vision is for more people to be able to pursue their ambitions through work that gives them and Doncaster a brighter and prosperous future;</li> <li>Better access to good fulfilling work</li> <li>Doncaster businesses are supported to flourish</li> <li>Inward Investment</li> </ul>	Payments support businesses
Doncaster Living: Our vision is for	Payments will improve the

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<ul> <li>borough the most vulner</li> <li>Children</li> <li>Vulnera have su trust</li> <li>Older p</li> </ul>	r <b>Caring:</b> Our vision is for a nat cares together for its erable residents; In have the best start in life able families and individuals apport from someone they eople can live well and adently in their own homes	Payments will improve the safety, security and quality of life of local residents.
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<ul> <li>Working with our partners and residents to provide effective leadership and governance</li> </ul>	
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### **RISKS AND ASSUMPTIONS**

11. There is some risk that implementing the scheme quickly means payments may not be reimbursed because of differences between those applying and those deemed eligible under the Property Flood Resilience (PFR) Recovery Support Scheme Framework.

## LEGAL IMPLICATIONS [Officer Initials: NJD, Date: 16<sup>th</sup> January 2020]

12. The Council may use its power under Section 1 of the Localism Act 2011 which provides the Council with the general power of competence, allowing them to do anything which a person, may generally do.

S111 Local Government Act 1972 states that a local authority shall have power to do anything (whether or not involving the expenditure, borrowing or lending of money or the acquisition or disposal of any property or rights) which is calculated to facilitate, or is conducive or incidental to, the discharge of any of their functions.

The PFR scheme for distributing the monies should be delivered in line with the Government's eligibility criteria.

This decision is being taken under urgency provisions in accordance with Constitution, Access To Information Procedure Rule 15 - General Exception.

The urgent requirement for grants to be distributed quickly to households and business affected by the November 2019 floods to allow the installation of flood resilience measures has made it impractical to provide the required notice for this decision on the Forward Plan.

## FINANCIAL IMPLICATIONS [Officer Initials DH..... Date...17 Jan 2020..]

**13.** The estimated cost of the flood resilience survey is £420k based on 700 households and 140 businesses. Actual payments will depend on specific numbers deemed to be eligible.

DEFRA have committed to reimbursing property related costs in line with their "Flood Recovery Framework" and following this framework will ensure, as far as possible, that the Council is reimbursed in full. Monthly returns are required and s151 certification is required.

The costs of managing and administering this scheme are not covered by DEFRA. We'll also require specialist flood engineer resources to oversee the quality assurance of individual property works and community schemes where they are cost effective to undertake. To encourage take up of this scheme will require will require significant community engagement. These

infrastructure arrangements are currently being developed so the costs haven't been quantified at this stage.

## HUMAN RESOURCES IMPLICATIONS

14. The scheme will be managed within existing resources in the first instance however we are currently in dialogue with other local authorities to ascertain whether they can provide flood risk engineers by mutual aid to support the development and delivery of community schemes.

### **TECHNOLOGY IMPLICATIONS**

15. It has been necessary to quickly develop an on line application and web page. There is the development of a customer record and database required to support the financial and performance requirements for DEFRA.

#### **HEALTH IMPLICATIONS**

16. The implementation of this scheme will provide reassurance for those households and businesses within the Borough who have suffered from flooding. Providing preventative measures will reduce the impact should flooding occur in the future.

### EQUALITY IMPLICATIONS [Officer Initials: JP, Date: 16/01/2020]

17. We are aware as a Council that we have responsibility under Public Sector Equality duty to ensure due regard is shown to communities and individuals with protected characteristics. As this decision is based around clear guidance from DEFRA and the Environment Agency, reliance can be taken that due regard has been embedded into the process.

### CONSULTATION

18. Numerous senior officers have been consulted including the Chief Executive and Director of Corporate Resources.

### BACKGROUND PAPERS

19. DEFRA Property Flood Resilience (PFR) Recovery Support scheme Framework

Environment Agency's National Property Flood Resilience Framework

### GLOSSARY OF ACRONYMS AND ABBREVIATIONS

DEFRA – Department for Environment, Food and Rural Affairs HMOs – Houses of Multiple Occupancy

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