

CABINET

19 March 2014

FLOOD SUPPORT SCHEMES

REPORT OF ASSISTANT DIRECTOR (ECONOMY AND COMMUNITIES)

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RECENT REFERENCES:

None.

EXECUTIVE SUMMARY:

Under the Council Constitution Access to Information Procedure Rules (Rule 16.1 Special Urgency), this is a key decision which was not included in the Forward Plan. As a decision is required without delay, the Chairman of The Overview and Scrutiny Committee has given his agreement to the decision being made at this meeting.

Following the recent spell of extreme wet weather, the Government has announced a programme of schemes to provide financial support to businesses and to householders in flood-affected areas.

This report explains the various schemes, seeks approval for the criteria – which are largely prescribed by Government - and delegated authority to deliver them as quickly, efficiently and sympathetically as possible.

RECOMMENDATIONS:

To Cabinet:

That:

- i) Authority be delegated to the Assistant Director (Built Environment), in consultation with the Portfolio Holder for the Built Environment, to finalise and implement the Repair and Renew Grants Scheme, including the authority to allocate grants to residents and businesses of a maximum value of £5,000.
- ii) Authority be delegated to the Head of Revenues to implement the Council Tax Flooding Discount Scheme according to the criteria set out at Appendix 2.
- iii) Authority be delegated to the Head of Revenues to implement the Business Rates Flooding Relief Scheme with immediate effect and to award rate relief according to the criteria set out at Appendix 3.
- iv) Authority be delegated to the Assistant Director (Economy and Communities) in consultation with the Portfolio Holder for Economic Development to determine emergency grants to voluntary organisations affected by the flooding, up to a maximum value of £5,000.
- v) That the budgets for income and expenditure are adjusted accordingly for the respective grants receivable and payable.

That Cabinet recommend to Council that:

- i) Under Section 13A of the Local Government Finance Act 1992 the Council Tax Discount Scheme criteria set out at Appendix 2 be approved.
- ii) In the event that further funding is identified by Government to support the Council Tax Discount Scheme, that authority be delegated to the Head of Revenues, in consultation with the Portfolio Holder for Finance and Organisational Development, to implement the discretion provided within the scheme for this purpose with immediate effect.

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DETAIL:

1 Introduction

- 1.1 The extreme wet weather conditions over the winter period have caused widespread problems for communities across the Winchester District. Although the emergency response was effective and well received, there are still many homes and businesses which have suffered adverse effects directly or indirectly from the floods. A recent estimate suggested that around 40 homes have been directly affected by flooding, and more than 50 businesses, either directly or indirectly.
- 1.2 A package of support measures have been announced by national government, all but one of which will be delivered by local government. At Council in February, the Deputy Leader summarised these measures and made a commitment to delivering them promptly and efficiently.
- 1.3 The Deputy Leader proposed that immediate provision for up to £50,000 to be available in hardship rate relief using the Council's own existing scheme. This report identifies the source of funds which will give effect to this provision.
- 1.4 Enquiries have already been received from residents and businesses hopeful of some form of support. Two village hall committees have also requested help. All requests are being logged, pending Member approval of this report.
- 1.5 All the Government schemes are new to the Council. This report sets out the proposed criteria and allocation process for each one, and seeks delegated authorities to ensure rapid implementation.

2 The Government Schemes

- 2.1 The Government's package of flood relief support measures are fully funded from the national purse and are intended to address the impacts of flooding between 1 December 2013 and 31 March 2014. They divide into two sets as follows:

2.1.1 Residential

- a) *Repair and renew grant* – up to £5,000 to help pay for an agreed programme of repairs or improvements which incorporate resilience measures to prevent future flooding. Further details are to be issued

by Government shortly, but the scheme outline can be found at Appendix 1. Co-ordination of the scheme will be the responsibility of the Assistant Director (Built Environment), in consultation with the Portfolio Holder for the Built Environment. There is good scope to work with Hampshire County Council's Trading Standards Team, drawing on its 'Buy with Confidence' scheme. Members are asked to delegate authority to the Assistant Director to finalise and implement the scheme once the rest of the Government guidance is received.

- b) *Council tax flooding discount* – a discount on council tax for any property that has been flooded. Initially, this is conceived as a three month discount. However, Government will review the provision it has made in due course to see if it is possible to extend this. A scheme outline can be found at Appendix 2. Co-ordination of the scheme will be the responsibility of the Head of Revenues, but the scheme requires approval by Council.

The Government has indicated that once it is able to assess the extent of the demand for this scheme, it may be possible to provide another three months' discount for each property affected. The scheme has been worded to allow for this possibility, and Members are asked to delegate authority to the Head of Revenues to implement the discretion provided within the scheme for this purpose with immediate effect.

2.1.2 Business

- a) *Business Rates Flooding Relief* – 100% relief on business rates for a three month period for any business property that has been flooded, regardless of how long they have been flooded. Scheme details can be found at Appendix 3. Members are asked to delegate authority to implement the scheme to the Head of Revenues, in consultation with the Portfolio Holder for Finance and Organisational Development.
- b) *Repair and renew grant* – as 2.1.1a above.
- c) *Business support scheme* – a grant available to small and medium sized businesses which have suffered from the impact of flooding, direct or indirect, supporting the development and implementation of recovery plans. An initial allocation of £40,000 has been identified for the Winchester District, with a further tranche to be announced later this month based on evidence from local authorities which was submitted on Monday 10 March. The Government has already acknowledged that initial allocations may have been low, as they relied on data from the Environment Agency compiled early in the winter period. Appendix 4 sets out the details of this scheme. Clarification is awaited from the Department from Business, Innovation and Skills at the time of writing as to whether funding can be provided to compensate businesses directly for loss of earnings.

- d) *Farming recovery fund* – a one-off grant scheme to support farm businesses to restore flooded agricultural land and bring it back into production as quickly as possible, whilst introducing lasting flood prevention measures for the future. The scheme offers grants of up to £5,000 to farms affected by flooding, with an on-line application form and closing date of 9 May 2014. This is being dealt with directly by Defra. In addition, the criteria for the next round of the Farming and Forestry Improvement Scheme (FFIS) which closes on 4 April 2014 have been revised to provide funding for businesses in flood-affected areas which will increase resilience to future flooding occurrences.
- e) *Tourism* – over and above the financial help available to individual businesses, the Government announced a £2 million support fund to put experts on the ground in flood-hit areas to give practical advice and support to bed and breakfasts, hotels, attractions and other tourism businesses. These advice sessions are running throughout March. Following discussions with key Destination Management Partnership members, the Council's tourism team elected to focus efforts on joint national marketing campaigns to raise visitor interest in Winchester and the rural areas around it. This has included national marketing and PR, and an intense period of work on a new destination marketing website. However, tourism-related businesses based in the Winchester District are being invited to a dedicated advice session on 29th March in Stockbridge, which Tourism South East is organising. An on-line toolkit has also been launched by Visit England to help sector recovery.
- 2.2 The Government has issued eligibility criteria and high-level guidance to the local authorities where they are responsible for delivering schemes. However, much of the detail of delivery is left to local authorities to determine.
- 2.3 What is clear is that most of the schemes are available only for properties that have actually been flooded. The only exception to this is the business support grant, which is also available to help businesses that have been indirectly affected.
- 2.4 The Government will not double fund any flood-related expenditure which should be reimbursed by insurance companies. High level discussions have been taking place with the insurance industry to ensure a positive and efficient approach to dealing with claims arising from the floods.
- 2.5 In the guidance, a formal definition of 'flood' is defined and this can be found at Appendix 5. What is less clear is the definition of 'flooding' when it comes to a property. Officers have discussed this with the relevant Portfolio Holders, and agreed that the criteria should offer as much flexibility of interpretation as possible within each scheme.
- 2.6 The proposed detail of each of the schemes to be delivered by the Council is set out in the Appendices to this report. Members are asked to approve the schemes for immediate introduction.

3 Council Support

- 3.1 *Hardship Rate Relief:* In addition to the national measures, the Council already has in place its hardship rate relief scheme. This gives the Head of Revenues in consultation with the Portfolio Holder for Finance and Organisational Development the delegated authority to offer a rebate on NNDR to a business that can prove exceptional hardship. There is no fixed limit to the duration or amount of the relief which can be offered under this scheme.
- 3.2 The Chief Finance Officer has already vired an initial sum of £20,000 into the Council's hardship relief fund from existing revenue budgets held by the Economy and Arts Team.
- 3.3 This assumes that the cost of any relief awarded falls on the Collection Fund and the Council's share of this cost is 40%, with 60% being met by central Government and the major precepting authorities. This means that the total amount of hardship relief which can be awarded to local businesses using the current budget is £50,000. Once there is a clearer indication of the scale of demand from across the District, a further allocation may be considered.
- 3.4 Given that central Government is fully funding the three month fixed rebate referred to in 2.1.2a above, officers will seek to run the two schemes in a way which sees the maximum benefit to affected businesses whilst ensuring that central Government funds are drawn down wherever possible rather than using the Council's own funds.
- 3.5 The Council's hardship rate relief scheme would allow for businesses which had been adversely impacted but not actually flooded to claim for a reduction in their NNDR.
- 3.6 However, neither the national nor the local NNDR schemes will be relevant for community and voluntary organisations (eg village halls) or community shops, many of which already benefit from 100% NNDR relief.
- 3.7 *Emergency Grants:* the Council maintains a modest Community Grants Reserve which is used to meet requests from community organisations – primarily village halls and community centres – faced with urgent and unplanned works. The reserve currently stands at £11,351. Officers expect only one or two per year, and in the last two years grants have been for roof and sewerage repairs.
- 3.8 The allocation of such funds is usually determined through the publication of a Portfolio Holder Decision Notice. In order to avoid unnecessary delay in supporting any such grants arising from the recent floods, Members are asked to delegate authority to the Assistant Director (Economy and Communities), in consultation with the Portfolio Holder for Economic Development, to approve grants of up to £5,000 for any one organisation.

3.9 Finally, recognising that many of the Government schemes are available only to properties that have actually been flooded, it is important to remember that the Council already provides a range of other business and community grants which may be applicable. Officers handling enquiries will be reminded to bring these to the attention of would-be claimants.

4 Support for Claims

4.1 Having received commendations from the public on its response to the flooding, the Council will be expected to deal efficiently and sympathetically with the applications for financial support which follow.

4.2 Before the annual mail-out of NNDR bills, letters were sent to business rate payers that were known to have suffered flood-related effects to tell them that the Council was aware of their situation and actively encouraging them to contact officers to discuss their eligibility for financial support. The letters made it clear that action would not be taken to pursue payment of business rates whilst such discussions were in hand.

4.3 It has not been possible to pinpoint individual domestic addresses affected by flooding as easily. However, it is hoped that by keeping Ward Members, local MPs, parish councillors and officers across the Council informed – as well as clear information on the Council's website – the households will quickly be provided with the information they need. Again, once the Revenues Team is aware that properties may be eligible to flood relief, they will not pursue payment of Council Tax until any award decisions have been made.

4.4 Winchester District Citizens Advice Bureau has been notified that it can access up to £10,000 in flood relief funding from Government, via its national association, Citizens Advice. Some of this will pay for its own business continuity costs, having suffered electricity and phone outages as an indirect flooding impact at the Winchester Centre in St George's Street. However, it can also be used to provide outreach services to help residents with any advice issue, including claiming flood relief where eligible. Officers are planning a series of joint visits to the worst-affected areas of the District, with CAB volunteers and Council staff on hand to provide face-to-face advice for residents and businesses. Areas under discussion are Hambleton, Kings Worthy/Headbourne Worthy, Bramdean, Hursley, Littleton, Cheriton and Exton. Members are invited to make other suggestions before an itinerary is confirmed.

OTHER CONSIDERATIONS:

5 COMMUNITY STRATEGY AND PORTFOLIO PLANS (RELEVANCE TO):

5.1 The Council is committed to being efficient and effective. Local people will expect timely, sympathetic and efficient delivery of the flood support schemes as part of this commitment.

- 5.2 The Community Strategy outcomes include economic prosperity, and the business schemes listed above provide support for business recovery and resilience which aligns with this outcome.

6 RESOURCE IMPLICATIONS:

- 6.1 The full cost of all the national schemes will be met by Government, up to state aid *de minimis* limits (see section 7 below), as long as awards are made in accordance with the guidance provided. At this stage, it is not possible to predict the total required to support claims from the Winchester District. Officers have been active in encouraging parish councils, Ward Members and the Business Improvement District to report instances of flooding and flood-related impacts in domestic and business properties and continue to log this information.

- 6.2 The Government has identified an initial allocation of £40,000 for Business Support Grants in the Winchester District. It is currently considering a second tranche of funds, based on evidence of need, largely supplied by the Environment Agency.

- 6.3 The Chief Finance Officer is able to authorise a virement of £20,000 from existing revenue budgets as follows:

£15,000 one off budget, originally intended to support the retail sector in the city centre

£2,500 from unallocated business grants

£2,500 from the economy and arts projects budget

£20,000

- 6.4 Should demand prove high, Members have the option to allocate more funds to the Hardship Rate Relief budget. However, the preference should be to allocate Business Rate Relief from the national programmes first as this is 100% reclaimable from Government.

7 LEGAL IMPLICATIONS:

- 7.1 As the rate relief scheme is a temporary measure, new legislation is not required. It is intended that local authorities will use existing discretionary powers, under Section 47 of the Local Government Finance Act 1988, to award rate relief in the prescribed circumstances.

- 7.2 Section 13A of the Local Government Finance Act 1992 allows the Council to set its own Council Tax discount schemes, and this Act will be used to set the Council Tax Flooding Discount.

- 7.3 As the support provided to businesses is funded by the state, it must comply with state aid law. European and national legislation requires that public

bodies do not provide tax exemptions or other relief which might serve to give a business an advantage over other businesses, and so distort competition in the marketplace. Such an advantage is termed State Aid. The state aid *de minimis* limit is currently that the total amount of state aid funding received by an organisation generally should not exceed 200,000 euros over a three year period. Some business sectors have a lower limit (eg road transport) and others (eg agriculture) cannot be supported at all under the *de minimis* rules. The limit applies to state aid received from any public body and has to be aggregated. The Government has provided template documentation which should be used to secure appropriate declarations about other aid received by applicants for flood relief. False declarations could result in prosecution and the aid being reclaimed from the organisation concerned.

- 7.4 The Council will need to administer the rate relief and grants in such a way as to ensure that the state aid *de minimis* rules are complied with. The Government will not fund any relief that would lead to the *de minimis* limit being exceeded with respect to any ratepayer.
- 7.5 The repair and renew scheme can be justified under the Power of General Competence in Section 1 of the Localism Act 2011.
- 7.6 Emergency grants to village halls come within the scope of Section 19 of the Local Government (Miscellaneous Provisions) Act 1976.

8 RISK MANAGEMENT ISSUES

Potential Risk	Likelihood	Severity	Mitigation Measures
Processing error leading to Incorrect award	Low	Medium (max award £5,000)	Clear policy published Clear officer procedures with separation of responsibilities Evidence retained and checked
Fraudulent claims	Medium	Medium (max award £5,000)	Evidence of eligibility required, checked and retained Evidence of expenditure required and checked Spot checking visits to properties
Lack of staff resources to administer schemes	Medium	Medium (as could lead to	Clear senior officer accountability for co-ordination of relief programme

		other risks)	<p>Clear accountability for delivery of individual schemes</p> <p>Accountable officers to realign staff resources to support schemes as required</p>
Risk of breaching state aid rules	Low	Medium	<p>Evidence of eligibility required, checked and retained</p> <p>Use of government template provided for business support applications</p> <p>Clear officer procedures with separation of responsibilities</p> <p>All staff delivering the schemes to be briefed on state aid requirements for clear understanding</p>
Reputational risk to the Council arising from slow processing, dissatisfied claimants, mistakes etc	Low	Low	<p>Clear information published on web</p> <p>Members, MPs and parish councils kept informed about overall programme on regular basis</p> <p>Customer Service Centre team briefed</p> <p>Internal group set up to oversee delivery of schemes and check response times</p>

BACKGROUND DOCUMENTS:

General guidance note – all schemes:

[HM Government: Flood Support Schemes – Guidance Note](#)

Tourism Businesses:

www.gov.uk/government/news/2-million-puts-boots-on-the-ground-to-help-tourism-businesses-affected-by-floods

Farming and Forestry Schemes:

[Farming Recovery Fund Guidance](#)

[Further guidance for FFIS applicants in flood affected areas](#)

APPENDICES:

Appendix 1: The Repair and Renew Grant

Appendix 2: Council Tax Discounts

Appendix 3: Business Rates Flooding Relief Scheme

Appendix 4: Business Support Scheme

Appendix 5: Definition of Flooding as defined in Section 1 of the Flood & Water Management Act 2010

Appendix 1: The Repair and Renew Grant

Summary of scheme:

The scheme provides grants of up to £5,000 for homeowners and businesses that have been flooded in Winter 2013/14, and will be delivered in accordance with the Government Guidance Note *Flood Support Schemes*. The grant is provided to fund additional flood resilience or resistance measures for the future.

Eligibility:

- The home or business premises must have been flooded in whole or in part between 1 December 2013 and 31 March 2014
- The application must be made by (and the grant will be payable to) the person responsible for the fabric of the property, normally the property owner.
- Grants may be pooled by groups of individuals and/or businesses to carry out community level resilience work where appropriate.
- Applications must relate to the impact of flooding, and not – for instance – from the failure of a water main, internal water systems or a sewerage system (unless the failure was caused by the adverse weather conditions).

For homes:

- The home address must be within the Winchester District.

For businesses:

- The premises that have been flooded must be within the Winchester District.

Exclusions:

- Grants may not be used to fund repairs normally covered by insurance. This includes resilient repairs which can be provided at the same cost as standard 'like for like' repairs, which should be encouraged by the insurance industry.
- Grants may not be used to cover standard repairs or to provide compensation.
- Properties benefiting from an existing or agreed Environment Agency Property Level Protection Scheme may not be eligible for a Repair and Renew Grant where there is duplication of expenditure.
- Properties due to benefit from a planned Environment Agency community-level scheme that would reduce the risk of future flooding below 'significant' and would be completed prior to December 2018 may not be eligible for a Repair and Renew Grant.

Application Process:

- The scheme will be administered through Winchester City Council. Further details are awaited from national government.
- In considering an application to the scheme, homeowners and businesses are advised to obtain a tailored report on the type of flood resilience measures that might be appropriate for their property from the Defra-funded [Property-Protection-Adviser](#) website. Any measure recommended in a report from this site or included in Annexe 1 below will automatically qualify for Repair and Renew funding.

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- Grants must be used only for improvements to the fabric of the premises that will have the effect of reducing the impact and costs of subsequent flooding on the property.
- Evidence of expenditure (receipts or invoices) will be required.

Responsible Officer:

Assistant Director (Built Environment)

The Repair and Renew Grant: Annexe 1 - Possible Measures

1. The kinds of measures that could be considered are set out below. This is an indicative list; different measures will be appropriate for different properties at different stages in the repair process. The list includes both resistance measures (designed to keep the water out) and resilience measures (internal modifications intended to reduce the cost of any damage from flood water).
2. There is also a lot of useful advice on the Environment Agency website but the best starting point for those who are new to understanding flood risk is the National Flood Forum website. The National Flood Forum website sets out a step-by-step process for householders and links to a wide range of other sources of information, including the “Blue Pages”, which list a range of flood products and service providers.
3. The site includes a Property-Protection-Adviser, which will give a clear idea about the kind of measures that might need to be fitted and their likely cost. The Adviser asks users a few simple questions about the property and will produce a tailored report that takes into account the age and type of property. For eligible properties, any measures recommended by the Property Protection Adviser or listed below will automatically qualify for funding from the Repair and Renew Grant scheme. This list is not, however, intended to be exhaustive: it will also be open to local authorities to consider alternative proposals for individuals to use the grant for flood resilience measures, including the pooling of grant funding to use on street or community level flood protection where appropriate.

Property level-measures	Indicative cost range
	£s
Airbrick Cover	20-40
Sewerage Bung	30-50
Toilet Pan Seal	60-80
Self-closing airbrick	50-90
Non-return valves 12mm overflow pipe	70-110
Silicone gel around openings for cables etc.	80-120
Repair mortar	80-120
Non-return valves 40mm utility waste pipe	80-120
Re-pointing external walls with water resistant mortar	150-250
Waterproof external walls	200-400

Sump Pump	400-600
Non-return valves 110mm soil waste pipe	550-650
Demountable Door Guards	500-900
Demountable Window Guards	500-900
Replace sand-cement screeds on solid concrete slabs (with dense screed)	670-740
Replace ovens with raised, built-under type	700-780
Replace mineral insulation within walls with closed cell insulation	720-800
Move electrics well above likely flood level	760-840
Replace chipboard flooring with treated timber floorboards	920-1020
Mount boilers on wall	1080-1200
Automatic Door Guards	1000-2000
Move service meters above likely flood level	1620-1800
Garage/Driveway Barrier	2000-3000
Replace floor including joists with treated timber to make it water resilient	3490-3850
Replace gypsum plaster with water resistant material, such as lime	4280-4740
Replace chipboard kitchen/bathroom units with plastic units	5000-5520
Install chemical damp-proof course below joist level	6250-6910
Replace timber floor with solid concrete	8210-9070

(Adapted from Establishing the Cost Effectiveness of Property Flood Protection: FD2657, JBA Consulting for Defra, 2012.)

Appendix 2: Council Tax Flooding Discount

Summary of Scheme:

The scheme provides a 100% discount on Council Tax for a three month period for a domestic residence that has been flooded as a result of the adverse weather conditions in Winter 2013/14. The scheme will be delivered in accordance with the Government Guidance Note *Flood Support Schemes*.

In the event that the Government commits to further funding to this Council in respect of this scheme, then this discount will be extended in the Council's discretion up to 100% and up to a further three month period in accordance with the eligibility criteria listed below.

Eligibility:

- The property must have been flooded in whole or in part between 1 December 2013 and 31 March 2014.
- On that day, as a result of the flooding at the property, the day to day activities undertaken at the property were adversely affected.
- The application must be made by the person responsible for paying Council Tax at the property.
- The property address must be within the Winchester District.
- The property may be occupied or unoccupied, furnished or unfurnished.
- Council Tax payers liable to pay Council Tax in respect of more than one property may be awarded a discount in respect of each eligible property.

Exclusions:

- Very small or insignificant impacts of flooding will be ignored for the purposes of this scheme.
- Flooding arising from a cause other than the recent adverse weather conditions is not covered by this scheme: this would include the failure of a water main, internal water systems, sewerage system etc, unless the failure was itself caused by the adverse weather conditions.

Application Process:

- The scheme will be administered through Winchester City Council.
- Council Tax payers can apply in writing via email or letter, giving their Council Tax account reference number and providing clear evidence of flooding at the premises including photographs.
- The Council reserves the right to verify the evidence through a personal visit, through discussion with a Council Ward member or Parish Council official, or any other reasonable means.
- The three month discount will date from the day on which the property first met the eligibility criteria above.
- Only one three month period of relief will be awarded at the outset, regardless of how many flooding incidents took place at the property or how long any adverse impacts last.
- The discount will be awarded after all other discounts have been applied.

- The three month period continues following a change in Council Tax payer i.e. the discount relates to the property rather than the Tax payer.

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Responsible Officer: Head of Revenues

Appendix 3: Business Rates Flooding Relief Scheme

Summary of scheme:

The scheme provides for 100% relief on business rates (National Non Domestic Rates or NNDR) for a period of three months for any business that has been flooded in Winter 2013/14. It applies to all types of non-domestic hereditaments (properties) other than those occupied by Winchester City Council, Hampshire County Council, Hampshire Fire and Rescue Service, Hampshire Police and Crime Commissioner, and Parish Councils. The scheme will be delivered in accordance with the Government Guidance Note *Flood Support Schemes*.

Eligibility:

- The business premises must have been flooded in whole or in part between 1 December 2013 and 31 March 2014 as a result of the adverse weather conditions;
- On that day, as a result of the flooding at the property, the business activity undertaken at the property must have been adversely affected;
- The rateable value of the property on that day must have been less than £10million;
- The application must be made by the person responsible for the payment of NNDR;
- Ratepayers that occupy more than one property that has been flooded may be granted relief for each eligible property;
- The premises that has been flooded must be within the Winchester District;
- Where a new hereditament is created as a result of a split or merger from a hereditament which for the day immediately prior to the split or merger met these criteria, relief will be given for the remaining balance of the three months;
- Where a flooded property becomes empty after the floods and this is for a period of less than three months, then rate relief will be given so that in total the occupier receives the equivalent of three months' rate relief.

Exclusions:

- Very small or insignificant impacts of flooding will be ignored for the purposes of this scheme.
- Flooding arising from a cause other than the recent adverse weather conditions is not covered by this scheme.
- Properties that were empty at the time of flooding will not be considered.
- Properties are not eligible for both flooding relief and empty property relief at the same time.
- Seriously damaged property may be taken off the rating list. Where a property is removed from the list the ratepayer is not liable for business rates. If the property is removed for fewer than three months then rate relief will be provided so that in total the occupier receives the equivalent of three months' relief.

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Application Process:

- The scheme will be administered through Winchester City Council.
- Businesses can apply in writing via email or letter, giving their NNDR account reference number and providing clear evidence of flooding at the premises, including photographs.
- The Council reserves the right to verify the evidence through a personal visit, through discussion with a Council Ward member or Parish Council official, or any other reasonable means.
- The three months' relief will date from the day on which the property first met the eligibility criteria above. Only one three month period of relief will be awarded, regardless of how many flooding incidents took place at the property and regardless of how long the flooding or adverse impacts last.
- Relief will be awarded after all other exemptions and reliefs have been applied, and will continue to be given following a change of rate payer.

Responsible Officer:

Head of Revenues

Appendix 4: Business Support Grant

Summary of scheme:

The scheme provides funding for small and medium sized businesses in areas directly or indirectly affected by flooding in Winter 2013/14 and that suffered a significant loss of trade as a result. It is designed to support business recovery plans, and will be delivered in accordance with Government Guidance Note *Flood Support Schemes*. It applies to all types of non-domestic hereditaments (properties) other than those occupied by Winchester City Council, Hampshire County Council, Hampshire Fire and Rescue Service, Hampshire Police and Crime Commissioner, and Parish Councils

Definitions

Direct impacts: the business has suffered direct damage and loss to premises, equipment and /or stock and has been unable to trade normally, as a result of flooding.

Indirect impacts: the business has had no or highly limited access to premises, equipment and/or stock as a result of flooding, restricted access to customers and suppliers, and suffered significant loss of trade.

Eligibility:

- The business must have suffered hardship or significant loss of trade as a result of the adverse weather conditions between 1 December 2013 and 31 March 2014.
- The business may have been directly *or* indirectly affected by the flooding.
- The business must employ fewer than 250 people in total.
- The premises which are the subject of the grant application must be located in the Winchester District.
- The application must be made by the business owner or a senior manager where appropriate.
- The application must relate to measures which support the development and implementation of business recovery plans.
- Eligible costs include immediate clean-up costs, materials, exceptional business costs (such as hire of drying equipment), non-recoverable insurance excesses for repair and replacement of buildings, equipment, stock, removal of debris, extra staff costs, structural surveys, security measures, exceptional costs to improve access to/for suppliers and customers, and temporary accommodation to enable the business to continue trading. Business continuity planning and marketing costs may also be covered.
- Only one application may be submitted by each affected business, but grants will be scaled to reflect the number of operational premises affected by the flooding.
- The premises that have been flooded must be within the Winchester District;

Exclusions:

- The adverse impacts will be considered in the full context of all business activities undertaken at the property: very small or insignificant impacts will be ignored.

- Costs covered by insurance or other funding sources will not be met from this scheme.
- Routine business costs will not be met from this scheme.
- The scheme is not to be used for rewarding poor business practice (eg if the business has not put any insurance arrangements in place).
- Hardship arising from a cause other than the recent adverse weather conditions is not covered by this scheme.
- The scheme does not cover loss of trade suffered by business outside the areas directly affected by flooding.
- Properties that were empty at the time of flooding will not be considered.

Application Process:

- The scheme will be administered through Winchester City Council.
- Businesses should apply using the short form provided on the Council's website, including their NNDR account reference number and providing clear evidence of flooding or flood-related impacts at the premises, including photographs.
- The Council reserves the right to verify the evidence through a personal visit, through discussion with a Council Ward member or Parish Council official, or any other reasonable means.
- Decisions will be made on a case by case basis.
- Awards will be scaled according to the total grant funding available from Government.

Responsible Officer:

Assistant Director (Economy and Communities)

Appendix 5

Definition of Flooding

The meaning of flood is as defined in Section 1 of the Flood & Water Management Act 2010 as follows:

- (1) "Flood" includes any case where land not normally covered by water becomes covered by water.
- (2) It does not matter for the purpose of subsection (1) whether a flood is caused by—
 - (a) heavy rainfall,
 - (b) a river overflowing or its banks being breached,
 - (c) a dam overflowing or being breached,
 - (d) tidal waters,
 - (e) groundwater, or
 - (f) anything else (including any combination of factors).
- (3) But "flood" does not include—
 - (a) a flood from any part of a sewerage system, unless wholly or partly caused by an increase in the volume of rainwater (including snow and other precipitation) entering or otherwise affecting the system, or
 - (b) a flood caused by a burst water main (within the meaning given by section 219 of the Water Industry Act 1991).