

REPORT REFERENCE NO.	DSFRA/14/18
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	17 December 2014
SUBJECT OF REPORT	DEPARTMENT FOR COMMUNITIES AND LOCAL GOVERNMENT (CLG) CONSULTATION: BELLWIN SCHEME OF EMERGENCY FINANCIAL ASSISTANCE TO LOCAL AUTHORITIES
LEAD OFFICER	Treasurer
RECOMMENDATIONS	<i>That, subject to incorporation of any amendments that may be indicated at the meeting, the draft Authority response to the government consultation on proposed revisions to the Bellwin Scheme of Emergency Assistance, as appended to this report, be approved and the Treasurer authorised to submit it on behalf of the Authority.</i>
EXECUTIVE SUMMARY	<p>The Department for Communities and Local Government (CLG) is consulting on proposed revisions to the Bellwin Scheme whereby local authorities can claim financial relief from the government towards costs incurred on, or in connection with, immediate action to safeguard life and property or to prevent suffering or severe inconvenience as a result of a disaster or emergency in a local authority's area.</p> <p>The Bellwin Scheme is activated by Ministers and most recently was activated to address widespread flooding, as experienced at the Somerset Levels amongst other places.</p> <p>Responses to the consultation are requested by 1 January 2015. A draft Authority response is appended to this report.</p>
RESOURCE IMPLICATIONS	As indicated in the report and consultation document.
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The contents of this report are considered compatible with current human rights and equalities legislation.
APPENDICES	<p>A. Department for Communities and Local Government Consultation Document: Bellwin Scheme of Emergency Financial Assistance to Local Authorities.</p> <p>B. Draft Authority response to consultation.</p>
LIST OF BACKGROUND PAPERS	As per background papers.

1. BACKGROUND

- 1.1 The Bellwin scheme provides emergency financial assistance to local authorities under section 155 of the Local Government and Housing Act 1989. The scheme provides reimbursement for local authority costs incurred on, or in connection with, immediate action to safeguard life and property or to prevent suffering or severe inconvenience as a result of a disaster or emergency in the local authority area.
- 1.2 In the period December 2013 to March 2014, England experienced wide spread flooding as a result of the severe weather experienced last winter. Locally, this saw significant disruption to the main line rail service between Paddington and Penzance and extensive flooding particularly on the Somerset Levels.
- 1.3 On Thursday 6 February 2014, as a part of the Government's response to the situation, Eric Pickles, the Secretary of State for Communities and Local Government announced enhanced terms for the Bellwin scheme to help local authorities in England meet the challenges associated with the recent severe weather.
- 1.4 A review group was set up to assess what permanent changes may be needed to the Bellwin Scheme in the light of the more frequent and challenging severe weather events. The review considered the existing terms of the scheme, including:
- Thresholds
 - Grant rate
 - Eligible spending criteria
- 1.5 Stemming from this review, the Department for Communities and Local Government has now published a consultation document (attached, Appendix A) seeking views on the suggested revised principles to govern operation of the Bellwin Scheme.

2. REVISED PRINCIPLES

- 2.1 In summary, the consultation seeks views on the following proposed revisions to the Scheme:
- a lowering of the threshold triggering central government support, from 0.2% of a local authority's approved revenue budget to a designated, annual threshold to be published alongside the finance settlement;
 - to pay 100% of costs incurred above the threshold (the previous grant rate was 85% of costs incurred); and
 - to shorten the time period for eligible spending to one month from when a particular incident is agreed to have moved from response to recovery phase and then allow a longer period of three months to total all relevant costs and make a claim for reimbursement;
 - to widen the types of costs that can be claimed to cover activities such as:
 - permanent repairs (e.g. where a wall is unstable or dangerous, the costs of rebuilding the wall would be covered under the scheme);
 - urgent works to repair flood defences instead of temporary fixes.

2.2 Responses to the consultation are invited by 1 January 2015 and a proposed, draft Authority response is now attached (Appendix B). The Authority is invited to consider the consultation document and draft response with a view to approving – subject to incorporation of any amendments that may be suggested at the meeting – a final response for submission by the Treasurer, on behalf of the Authority.

KEVIN WOODWARD
Treasurer

DEVON & SOMERSET FIRE & RESCUE DRAFT RESPONSE TO CONSULTATION ON REVISION TO BELLWIN PRINCIPLES

Thresholds and Grant

Consultation Question 1 - Do respondents favour retaining the new lower thresholds?

DSFRA Response – Yes we support the new lower thresholds albeit that it is noted that for stand-alone fire and rescue authorities this represents no change to the amount of threshold from the previous rules. However given the prolonged nature of the Somerset levels flooding in 2013 we are concerned that under the current rules we could be subject to more frequent numbers of emergencies/disasters which could mean this threshold being applied more than once during a financial year. We would welcome some clarity on the application of the threshold during a year of repeated emergency situations.

Consultation Question 2 - Do respondents agree with the government paying 100% costs above the threshold thresholds?

DSFRA Response – Yes this is very helpful.

Eligible Costs

Consultation Question 3 - Does the respondent agree that to ensure that the scheme truly covers emergency response, the Government should widen the type of costs that can be claimed and shorten the time period for eligible spending to one month?

DSFRA Response – We believe that any changes to be made should provide more flexibility than the current scheme to enable an effective response to be made without concerns as to who will be picking up individual elements of cost. We therefore support the proposal to widen the type of costs that can be claimed particularly if this enables more permanent solutions to be made rather than temporary fixes. However we do have concerns as to whether the proposal to shorten the time period to one month is a bit narrow and would not be appropriate to all types of incidents. We are particularly thinking of the events in 2013 at the Somerset levels where a one-month window would have been particularly restrictive given the prolonged nature of the period of flooding.

Consultation Question 4 - Does the respondent agree that the Government should widen the definition of eligible costs to include some forms of capital?

DSFRA Response – Yes. As above we believe that the rules should contain adequate flexibility to cater for the increasing likelihood of these types of disasters occurring and it should recognise that in some cases (albeit exceptional) capital costs e.g. flood defence improvements may be required.

Consultation Question 5 - Does the respondent have any other comments on the proposed changes?

DSFRA Response – We welcome the proposed changes and ask that as much flexibility as possible be built into the revised scheme to ensure that local authorities are able to continue to provide an effective response in times of austerity.