

Old Admiralty Building

Admiralty Place

London

SW1A 2DY

Chief Executive,

Storm Henk Flood Recovery Framework Eligible Local Authorities

17 January 2024

by email

Dear Chief Executive,

#### STORM HENK: FLOOD RECOVERY FRAMEWORK FUNDING:

MEMORANDUM OF UNDERSTANDING BUSINESS RECOVERY GRANT SCHEME

The Flood Recovery Framework was triggered on 06 January 2024 in response to the severe flooding events that occurred as a result of Storm Henk.

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 schemes operational guidance document which provides further context, including definitions of terms, detail on the schemes and indicative timelines for reporting and payments.

#### **Eligibility:**

- Eligible areas: for this activation eligible areas are those upper and lower tier authority areas that satisfy the following for the period 02-12 January 2024:
  - Reporting over 50 internally flooded properties (any combination of households and businesses) at their Lead Local Flood Authority (LLFA) level; and
  - With properties flooded as a direct result of Storm Henk; and
  - With properties flooded between the dates of 02 January 2024 and 12 January 2024.
- All three of the above must apply.

- Local Authority claims for reimbursement of eligible costs will be paid only to cover the periods 02 January 2024 to 19 April 2024. Costs incurred outside of these dates are not eligible and any reimbursement requests submitted after 19 April 2024 will not be refunded via DBT.
- Reimbursement will be made via a single payment and based on DELTA data return submitted by 19 April 2024 together with a claim submission and supporting documentation. Payments made which are not reflected in the data return will not be reimbursed by DBT, regardless of eligibility.

#### Reporting:

- Affected Local Authorities will have until 19 April 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 19 April 2024 should be a true and accurate assessment of the impacts of Storm Henk between 02 and 12 January 2024. 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.
- 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 future assurance or audit upon request.
- Authorities must 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 risk of duplication and fraud etc are managed appropriately.

#### **Business Recovery Grant (BRG)**

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

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:

- premises which are directly significantly impacted by the weather event for instance there was flood damage to the property; or
- premises which are indirectly significantly impacted by the weather event over a period of time
   – 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 insurance). When distributing grants, it will be for local authorities to determine local eligibility, in line with the Framework and published scheme operational guidance.

# Claims timeline: indicative payment timeline is as follows:

- A single claim for Business Recovery Grant (BRG) will be made, based on data provided by 19
  April 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
  Quarter 2, 2024-25 financial year via Section 31 grant.
- All grant payments must have been defrayed by the Local Authority on or prior to 19 April 2024.
  Any payments made after this date will not be recoverable from DBT. Where payments have
  been identified outside of the stated dates (02 January 2024 to 12 January 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;
  - 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

Any questions about the scheme should be directed to the DBT at Grantdeliveryteam@businessandtrade.gov.uk

Please complete and sign the section below, and return to the email address above by 02 February 2024, to indicate that you understand the requirements of both this activation and the scheme and will adhere to them. No payment will be made until this is completed.

Yours Sincerely



Director, Grant Delivery Directorate.

Flood Recovery Framework: Activated as a result of Storm Henk for impacts between 02 January and 12 January 2024.

MOU for DBT administrated scheme - Business Recovery Grant.

For and on behalf of the Vale of White Horse District Council Local Authority, I agree to the terms laid out in this document.

Signed:

Name: SIMON HEWINGS
Title: Section 151 Officer

**Local Authority: Vale of White Horse District Council** 

Date: 09.02.2024