

Report of: Strategic Director Housing, Health and Community

To: Executive Board

Date: 8th October 2007

Item No:

Title of Report : Initial Assessment of Financial Impact of Oxford City Councils Response to the Flood Emergency



Summary and Recommendations

Purpose of report: To inform members of:



1. The current assessment of the financial expenditure responding to the flood emergency
2. Steps being undertaken to deal with the Councils insurance claims under the Bellwin scheme & the Councils own insurance policy
3. Likely impact on the 07/08 budget
4. Other work streams being followed in relation to flood issues

Key decision: No



Portfolio Holder: Councillor John Goddard & Councillor Jim Campbell

Scrutiny Responsibility: Environment

Ward(s) affected: All

Report Approved by:



Portfolio Holder

Legal & Democratic Services (Jeremy Thomas)



Finance & Asset Management Business Manager (Sarah Fogden)



Policy Framework: Sustaining Financial Stability



Recommendation(s): Members are asked to note:

1. That the current assessment of the financial impact on the Council in responding to the flood emergency is £177,285
2. That reimbursement by the Government under the Bellwin Scheme of costs incurred is being pursued by Finance. An outcome is not anticipated until the New Year.
3. That Finance will be pursuing our claim for other repairs and refurbishments through the Council own insurance policy. An outcome is not anticipated until the New Year.
4. That officers are pursuing "lessons learned and future options" with other agencies and will report back to Board before the end of the year.
5. That the review of the Oxford Flood Plan is underway and expects to report back to Board before the end of the year.

Introduction.

1. Exceptional rainfall in and around Oxford on 20th July resulted in substantial flooding in areas of the City. The initial emergency situation was led by the emergency services in conjunction with the City Council & other local agencies.
2. Responsibility for recovery back to normality is being led within the Council by the Strategic Director for Housing, Health & Community. The County Council is leading responsibility countywide. The Strategic Director for Housing, Health & Community is part of a cross-agency review of flooding issues.

Financial Impact.

3. The current estimate of the costs incurred from the immediate response & repair & reinstatement of damage is detailed at appendix one and summarised below. Sources of income to offset costs are also detailed at appendix one and summarised below.

4. The appendix is showing that most of the anticipated costs that are known at this point in time are likely to be covered by either Bellwin or Insurance. These are only estimates and as the claims are processed it may become apparent that some of these costs are not covered by either of these.

5. Expenditure

- Immediate Response – This cost heading includes provision of sandbags, emergency flood packs, food, overtime for staff from City Works, OCH & the Street Wardens, hire of vehicles & an emergency repair to a dangerous wall at Osney Island
- Clear up – This cost heading includes the removal and recycling of sandbags and overtime from staff at Tenancy Services
- Repairs and Reinstatement – This cost heading includes resurface repairs to the park & ride, repairs to Council tenant properties, temporary housing for tenants, repairs to paths at the Botley Rd recreation group, an artificial cricket wicket & replacement shrubs & hedging
- Ongoing Support – The costs under this heading include temporary staff backfilling for those working on the emergency and temporary housing for residents affected by flooding
- Direct Grants – This cost heading covers payments to flooded households & communities
- Future Planning - This includes surveys and sampling, liaison with other agencies, attending public meetings and the production of leaflets and questionnaires.
- Council Tax Exemptions – This cost heading includes the loss of revenue incurred from affected households not paying Council Tax.

- Loss of income – This cost heading includes reported loss in revenue from the Tourist Information Office, Hinksey Pool & Seacourt Park & Ride

6. Income

- Bellwin Scheme – Under this scheme the Government re-imburses councils for the cost of any immediate response to an emergency above a certain threshold. For the City Council the threshold is £54k. This is based on 0.2% of the Councils annual budget (calculated on General Fund net expenditure). All costs under immediate response, clear up and ongoing support can be attributed to the Bellwin Scheme. All costs under repairs and reinstatement except those for repairs to tenant properties and tenant rehousing are also covered under the Bellwin Scheme
- Councils Insurance – Under the Councils insurance policy the repairs to tenants homes and costs of temporary housing for tenants can be claimed above an excess of £100k.
- Flood Relief Grant – The amount of £60k received from the department of Communities and Local Government was split and £250 per flooded home is to be distributed with the balance being paid to households for additional hardship or on community prevention measures

The Oxfordshire Councils decided to participate in the national Flood Appeal fund launched by the Red Cross. The County Council latest estimate (18th Sep) was that the amount for the County was about £120k. Arrangements are in hand to form a committee to distribute the fund. Clarity of the amount to be received by the City Council will be made available when it is known. This report has not included any estimated amount.

£1.5k from Lord Mayor's Charity Fund has been distributed through Member Services. This report does not include this amount.

7. Budget Pressure

The current net pressure for 07/08 corporate budget is expected to be £177,285 (the excess payable on the Councils insurance policy and the threshold limit under the Bellwin Scheme, loss of revenue and future planning work). A further report, which details the final cost will recommend where, within the councils budget, this pressure should be met from.

The £100,000 insurance excess will be paid from the Councils Self Insurance Fund, which is currently a reserve in the Council's accounts. It would usually be necessary to replenish the fund, but this can be covered by the savings on the insurance contract tendered this year.

It is not currently possible to predict what bid may be necessary for consideration in the 08/09 budget. It is hoped this work will be complete and available in time for the forthcoming budget round and will be included in the more detailed report referred to above.

Next Steps

8. Update of the Oxford Flood Plan

The Flood Groups annual review of the flood plan is underway and being informed by inputs from residents meetings, Area Committee discussions and staff reports. The Flood Group is led by the City Council and contributed to by Thames Water, Network Rail, the Environment Agency and other Oxfordshire Councils.

The formal Flood Plan document will be used as the focal point for capturing how the Council can best play its part in minimising the impact of any future floods. The review is due to report its outcomes to Board before the end of the year.

9. Co-ordination with County/Districts/Environment Agency

The Strategic Director for Housing, Health & Community was the City Councils representative on the Countywide Flood Recovery Group, which met initially to deal with the immediate emergency. This group has now evolved to provide the forum for joint dialogue between the Oxfordshire Councils and the Environment Agency on longer term flooding issues.

Information from the cross-agency meetings, feedback received directly from members & from the Flood Group will be compiled into a report covering "lessons learned and future options". Timescale is dependant of some work being led by the County and the Environment Agency but it is hoped to be available for Board and Environmental Scrutiny Committee before the end of the year.

10. Council Tenants

Two meetings have been held with tenants in Bullstake Close and we are currently investigating options for the future of the properties. Outcomes will be subject to a future report.

11. Distribution of the Flood Recovery Grant

A database of all properties affected was compiled and a letter distributed in mid-September. A verbal update on the number of households who have claimed the £250 available will be reported to Board on 8th Oct.

12. Allotments

Several requests for help have been received from people whose allotments were damaged from the floods. The current priority for help is being given to domestic homes and there is currently no plan in place to compensate those who have lost their allotment crops. Damage to fencing, paths etc will be considered within the normal maintenance schedules for allotments.

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Background papers:

Oxford Area Flood Information Guidance Booklet Jun 06

 Oxfordshire County Council Report to the Cabinet 18th Sep 07

