

[Department for
Levelling Up,
Housing &
Communities](#)

[Ministry of
Housing,
Communities &
Local Government](#)

Guidance

Flood recovery framework: guidance for local authorities in England

Updated 28 October 2021

Applies to England

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1. Introduction

1.1. In a severe weather event with significant wide area impacts, local authorities may need central support to help their communities and businesses return to normal.

1.2 Lessons identified from previous government recovery programmes have shown that central recovery support needs to be scalable, easy to administer and apply for, and clearly communicated.

1.3 Building on these principles, a core package of business and community recovery support has been developed by the Department for Levelling Up, Housing and Communities (DLUHC) and the Department for Business, Energy and Industrial Strategy (BEIS) to serve as a framework for flood recovery funding when needed.

1.4 It will be for ministers to determine when this support is made available and the eligibility criteria. Weather incidents with localised impacts will not usually trigger a recovery support package, however this may be considered in exceptional circumstances. As an indication, funding might most typically be deployed when facing severe weather with significant impacts across multiple local authorities, such as those seen during the flooding that occurred in November 2019 and following Storms Ciara and Dennis in February 2020.

1.5 This guidance sets out what recovery support might be made available to local areas in these circumstances, and how it can be accessed^{[\[footnote 1\]](#)}. The guidance and schemes within apply to England only.

2. Overview

Core schemes overview

2.1 The core package is designed to help meet immediate recovery needs of communities and businesses following a severe weather event, and comprises several schemes:

- Community recovery grant
- Business recovery grant
- Council tax discount scheme
- Business rates relief scheme

2.2 Where ministers determine central recovery support is appropriate, funding under these schemes could be deployed quickly to local authorities so that they can in turn help communities and small and medium-sized businesses return to normality.

Non-core schemes

2.3 Wider recovery support may also be made available alongside the core package above. This will be decided at the time and not all available non-core schemes will be activated with each event. Depending upon the circumstances, and at ministerial discretion, this could include, for example, more sector specific support, funding towards infrastructure repairs, match against charitable donations raised, via the DLUHC administered Charities Match Funding scheme, and/or Property Flood Resilience (PFR) schemes to improve resilience to future flooding. Separate PFR guidance will be provided by the Department for the Environment, Food and Rural Affairs (Defra) setting out the framework for the scheme.

Reporting impacts to central government

2.4 Where an extended recovery period is anticipated, DLUHC Recovery Liaison Officers will take over from DLUHC Government Liaison Officers to act as a single point of contact between local authorities and central government for the duration of the recovery period.

2.5 Authorities should try as far as possible to keep their designated Liaison Officer informed of any property, infrastructure, or wider impacts that may be cause for particular concern (e.g. damage to schools, roads, significant impacts on tourism etc). Information provided in the early stages of an event will help inform cross-government discussions around the need for particular recovery support.

2.6 To minimise the burden on local authorities, if a core scheme is activated, any upfront funding provided will be distributed on the basis of initial estimated numbers of eligible households and businesses reported by the authority. The timescales for reporting these figures will be clarified for each event.

2.7 Further to recent review, Lead Local Flood Authority areas will replace unitary and lower tier local authorities as the qualifying administrative boundaries for support under the Framework. This will align the Framework to the models used by Defra and the Environment Agency for managing flood risk in England and will provide a consistent, and fair, way of assessing eligibility.

2.8 Working with their Lead Local Flood Authority, local authorities within two-tier areas must take all reasonable steps to ensure that numbers and impacts reported do not duplicate those reported by other authorities. Where practical, the Lead Local Flood Authority is encouraged to maintain an overview on reporting across their area to ensure a coordinated approach.

Being ready for recovery

2.9 Following a major storm or flooding event it will be crucial for support to be provided to those who need it within very short timescales. This guidance is provided to inform local authorities about what to expect should a core scheme be activated and allow them to make suitable preparations.

2.10 Lead Local Flood Authorities are encouraged to consider how the schemes might operate locally, and whether good practice examples could be made available to partners – in particular around reporting, processing payments at pace, and determining local eligibility for grant funding, with a focus on rapid delivery.

2.11 Working with their Lead Local Flood Authority, local authorities should consider in particular how best to ensure their own reporting and funding distribution mechanisms can respond swiftly under pressure.

2.12 Local Resilience Forums will also wish to consider how this guidance might help them further embed recovery as part of their overall planning for flood events.

3. Community Recovery Grant

What is it?

3.1 A grant in the region of £500 (indicative) per eligible household, will be paid to the local authority to provide quick support to communities who have been badly affected by the relevant severe weather event. Subject to ministerial steer, the priority will usually be for local authorities to pass these grants on directly to eligible households.

Which local authorities are eligible to claim?

3.2 Eligibility will be based on the Lead Local Flood Authority areas in England that have been impacted by the relevant severe weather event. In two-tier areas, district councils should be working closely with their county council to determine eligibility. In Lead Local Flood Authority areas with minimal numbers of flooded or affected households, the local authorities concerned will usually be expected to manage community recovery independently.

How will it be paid to local authorities?

3.3 Funding will be paid to local authorities via Section 31 grant, based on the number of households estimated to be eligible. This number will then be refined during the early stages of recovery. Timings for the reporting of impacted properties will be clarified for each event.

3.4 Where suitable, payments will be made on a percentage upfront basis, however the payment model will be confirmed at the time the scheme is activated.

3.5 Where payments are made on a percentage upfront basis, 50% (indicative) of the grant allocation will be paid upfront, dependent on the particular incident and government finance considerations. The remaining allocation will be paid in arrears following a reconciliation exercise confirming actual spend. Where the initial funding has not been fully spent, the remainder should be repaid to DLUHC.

Example: assuming an upfront payment rate of 50% and an indicative rate of £500 per household, if an eligible authority reports an estimated 200 eligible households, they would receive £50,000 upfront [50% of [£500 grant x 200 households]].

Which households will be eligible?

3.6 For reporting purposes, eligible households will be primary residences [\[footnote 2\]](#) where, as a result of the relevant severe weather event:

- flood water entered into the habitable areas of the residence; or
- flood water did not enter into habitable areas, but the local authority regards that the residence was otherwise considered unliveable for a period of time

3.7 Second homes and empty homes will not be eligible.

3.8 Instances where households might be considered unliveable could include:

- where access to the property is severely restricted (e.g. upper floor flats with no access)
- key services such as sewerage, water and power supplies are severely affected
- the adverse weather has resulted in other significant damage to the property such that it would be, or would have been advisable for residents to vacate the premises for a period of time, regardless of whether they do vacate or not
- flooded gardens or garages will not usually render a household eligible but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable

3.9 Eligibility of houses in multiple occupation (HMOs), flats and student accommodation.

In general:

- HMOs should be considered “one front door” except where they are disaggregated for council tax purposes, in which case, each individual bill recipient will be eligible to receive the £500 community recovery grant provided they meet the criteria
- blocks of flats should be treated under the same principles as HMOs
- student accommodation is not eligible

3.10 It will be for local authorities to determine eligibility under the scheme. Local authorities are encouraged to work with their Lead Local Flood Authority to ensure a consistent approach across an area.

3.11 Where there are particular concerns around support to households not eligible under the criteria above (e.g. large student developments being significantly impacted) local authorities are encouraged to raise these with their DLUHC Liaison Officer as early as possible.

4. Business Recovery Grant

What is it?

4.1 A grant in the region of £2,500 (indicative) per eligible business, to help support recovery in the immediate aftermath of a severe weather event. Subject to ministerial steer, the priority for local authorities will usually be to pass on the grants directly to small and medium-sized businesses to help them return quickly to business as usual.

Which local authorities are eligible?

4.2 Eligibility will be based on the Local Flood Authorities areas in England that have been impacted by the relevant severe weather event. In two-tier areas, district councils should be working closely with their county council to determine eligibility. In Lead Local Flood Authority areas with minimal numbers of qualifying businesses, the local authorities concerned will usually be expected to manage recovery independently.

How will it be paid to local authorities?

4.3 Funding will be paid to local authorities via Section 31 grant, based on the number of businesses the authority reports as eligible. Where numbers are uncertain, a best estimate should be provided, which will be refined during the early stages of recovery. Timings for the reporting of impacted properties will be clarified for each event.

4.4 Where suitable, payments will be made on a percentage upfront basis, however the payment model will be confirmed at the time the scheme is activated.

4.5 Where payments are made on a percentage upfront basis, 50% (indicative) of the grant allocation will be paid upfront, dependent on the particular incident and government finance considerations. The remaining allocation will be paid in arrears following a reconciliation exercise confirming actual spend. Where the initial funding has not been fully spent, the remainder should be repaid to BEIS.

Example: assuming an upfront payment rate of 50% and an indicative rate of £2,500 per business, if an eligible authority reports an estimated 100 eligible businesses, they would receive £125,000 upfront [50% of [£2,500 grant x 100 businesses]].

Which businesses will be eligible?

4.6 For reporting purposes, eligible businesses will be small and medium sized businesses within flooded areas which:

- are directly impacted by the weather event – for instance there was flood damage to the property, equipment, and/or stock; or
- are indirectly impacted by the weather event – for instance the business 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

4.7 Funding should not be used to reward poor business practice (e.g. if a business has made no efforts to seek appropriate insurance, or take recommended measures following previous flooding) or for routine business expenses or costs that are recoverable elsewhere.

4.8 When distributing grants, it will be for local authorities to determine local eligibility, in line with the spirit of the grant and the guidelines above.

4.9 Local authorities are also encouraged to consider how else they can support their business communities to help recover trade and build resilience outside of the grant scheme, for instance through targeted support via local Growth Hubs.

4.10 Where larger businesses have been seriously affected, this should be discussed as early as possible with your DLUHC Recovery Liaison Officer and BEIS local area lead.

5. Council Tax Discount Scheme

Please note this scheme has been updated since it was deployed in 2013/14 and 2015/16. Changes will apply only to flood recovery council tax discount schemes announced after 1 December 2017. Contact for enquiries: Council.tax@communities.gov.uk.

Who is eligible for a council tax discount?

5.1 Local authorities have discretion to grant council tax discounts as they see fit. Where the Council Tax Discount Scheme is activated following severe weather, DLUHC will refund eligible local authorities for granting discounts in the following circumstances:

- 100% discount for a minimum of 3 months, or while any household is unable to return to their primary residence; if longer, as a result of the relevant severe weather event:
 - flood water entered into the habitable areas; or
 - flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered unliveable for a period of time

and

- 100% council tax discount on temporary accommodation for any household unable to return to their home, in parallel with the discount on their primary residence where applicable

5.2 Second homes and empty homes will not be eligible.

5.3 Instances where households might be considered unliveable could include:

- where access to the property is severely restricted (e.g. upper floor flats with no access)
- key services such as sewerage, water and power supplies are severely affected
- the adverse weather has resulted in other significant damage to the property such that it would be, or would have been, advisable for residents to vacate the premises for a period of time, regardless of whether they do vacate or not
- flooded gardens or garages will not usually render a household eligible, but there may be exceptions where it could be demonstrated that such instances mean effectively that the property is unliveable

5.4 It will be for local authorities to determine eligibility under the scheme. Authorities are encouraged to work with their Lead Local Flood Authority to ensure a consistent approach across an area.

Properties affected by multiple instances of flooding

5.5 Residences impacted in multiple flood events should not be precluded from repeat support where this is made available by government in respect of separate severe weather events.

5.6 Where the scheme is activated for 2 separate instances of flooding within 3 months of each other, the 2 discount periods would run concurrently. For example, if the second flood event occurred after 2 months, flooded properties already receiving support could be eligible for another 3 months' discount, making the total period of reimbursement 5 months.

5.7 As in other instances, it would be for the local authorities to determine eligibility.

Which authorities are eligible, and how will funding be paid?

5.8 Local authorities which are impacted by the relevant severe weather event, with responsibility for council tax. As with the other core schemes, where local authorities have only a minimal number of eligible households in their area, they will usually be expected to manage recovery independently.

5.9 Payment will be via Section 31 grant. To reduce the administrative burden, funding will typically be paid retrospectively in light of actual spend at the end of the financial year. The payment process will be confirmed at the time the scheme is activated.

5.10 Where local authorities are still claiming reimbursement after 15-18 months, they may be asked to provide additional information on the status of the households for which they are claiming funding.

6. Business Rate Relief Scheme

Eligibility criteria

6.1 In the event the Business Rates Relief Scheme is activated, government will provide funding up to state aid de minimis levels to eligible authorities that grant relief in the following circumstances:

- 100% rate relief for a minimum of 3 months, or until the business is able to resume trading from the property if longer, up to state aid de minimis levels, for those hereditaments which meet the following criteria:

For any day:

- the hereditament was directly impacted by the relevant severe weather event – for instance flood damage to the property, equipment, and/or stock; or; the business could not function due to lack of access to premises, equipment and/or stock as a result of flooding, restricted access for customers, suppliers and/or staff, and no alternatives were available

and

- on that day business activity undertaken at the hereditament was adversely affected as a result; and
- on that day the rateable value of the hereditament was less than £10 million

6.2 The scheme applies to all types and uses of non-domestic hereditaments (other than those occupied by the Billing Authority).

6.3 In considering whether the business activity has been adversely affected, local authorities should consider the impact of the flooding in the full context of all business activities undertaken at the hereditament. Very small or insignificant impacts should not be considered for the purpose of this scheme.

6.4 The funding is for the impacts of a relevant severe weather event; and not for instance, for the failure of a water main, internal water systems or the failure of a sewerage system (unless the failure was itself caused by the adverse weather conditions).

How much relief will be available?

6.5 Councils may use their discretionary powers to offer further discounts outside of this scheme (and under the rate retention scheme, 50% of the cost would be locally funded and 50% funded by central government).

6.6 In calculating the cost of the relief to be refunded to the local authority, the government will assume that all other reliefs have first been applied.

6.7 This relief should be calculated ignoring any prior year adjustments in liabilities which fall to be liable on the day.

6.8 Ratepayers that occupy more than one property may be granted relief within the scheme for each of their eligible properties.

6.9 Businesses impacted in multiple flood events should not be precluded from repeat support where this is made available by government in respect of separate severe weather events.

Which authorities are eligible and how will funding be paid?

6.10 Local authorities impacted by the relevant severe weather event, with responsibility for business rates. As with the other core schemes, local authorities with only a minimal number of eligible businesses will usually be expected to manage recovery independently.

6.11 Funding will be paid to local authorities via Section 31 grant.

6.12 To reduce the administrative burden, funding will be paid retrospectively in light of actual spend, at the end of the financial year through the normal business rates reconciliation process. The payment model will be confirmed at the time the scheme is activated.

6.13 Where local authorities are still claiming reimbursement after 15-18 months, they may be asked to provide additional information on the status of the businesses in respect of which they are claiming.

Splits, mergers, and changes to existing hereditaments

6.14 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 the criteria for the scheme, funding will be provided to allow relief to be given for the remaining balance of the 3 months.

Change of ratepayer

6.15 Funding for rate relief will continue to be given following a change of ratepayer. In other words, the relief should run with the property rather than the ratepayer.

Empty properties

6.16 The scheme does not cover relief for any hereditament which was empty at the time it was flooded as there was no business activity on the premises at the time. Where a hereditament becomes empty after the flood then it will receive the normal 3 or 6 months (as applicable) empty property rate free period or will continue to receive the balance of the flooding relief.

How will the relief work in Enterprise Zones?

6.17 Where a property is eligible for Enterprise Zone relief, that relief should be granted, and this will be funded under the rates retention scheme by a deduction from the central share. If a property in an Enterprise Zone is not eligible for Enterprise Zone relief, or that relief has ended, Flooding Relief may be granted in the normal way, and this would be reimbursed by grant under section 31 of the Local Government Act 2003. Local authorities should not claim funding for Flooding Relief on properties which would otherwise qualify for Enterprise Zone government funded relief.

What about properties removed from the rating list from flooding?

6.18 Seriously damaged property may be taken off the ratings list. Where a property is removed from the rating list the ratepayer is not liable for business rates. Once the property returns to the list it may be eligible for any remaining period of flood relief. For example, a property that was taken out of the list for a month would be eligible for a minimum of 2 months flood relief.

Glossary and definitions

Primary residence

As defined as the location registered on the electoral roll, including accommodation such as static caravans, where this is the primary residence.

Habitable areas

For the purpose of these schemes, habitable areas should be considered the areas of the property that form part of the fabric of the home. For example, an empty, rarely used basement would not typically be considered part of the habitable area for the purpose of these schemes. A converted basement used frequently on the other hand, may be considered as such.

Unliveable

For the purpose of these schemes, local authorities might consider that a residence was unliveable if it would have been advisable for residents to vacate the property for a period (regardless of whether they vacate or not).

Examples could include:

- where access to the property is severely restricted (e.g. upper floor flats with no access)
- key services such as sewerage, water and power supplies are severely affected
- the adverse weather has resulted in other significant damage to the property such that it would be or would have been advisable for residents to vacate the premises for a period of time, regardless of whether they do vacate or not
- flooded gardens or garages will not usually render a household eligible unless this causes wider impacts on liveability

Hereditament

Hereditament means property which is or may become liable to a rate, being a unit of such property which is, or would fall to be, shown as a separate item in the valuation list; See the Valuation Office Agency's [Rating Manual](https://www.gov.uk/government/publications/valuation-office-agency-rating-manual) (<https://www.gov.uk/government/publications/valuation-office-agency-rating-manual>).

Annex A: Summary of 'core schemes'

Refer to the full criteria in the activation guidance when determining eligibility.

Community Recovery Grant

What is it?

- £500 (indicative) per eligible household to help with immediate recovery
- Priority for local authorities to pass grants directly to households

What is the key eligibility criteria?

Primary residences where as a result of the severe weather event:

- flood water has entered into the habitable areas; or
- flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered unliveable for a period of time (e.g. because of lack of access, restricted services, or other serious damage)

How is it paid to local authorities?

Payment method to be confirmed when support is announced; typically:

- 50% (indicative) up front based on estimated numbers
- Payment via Section 31 grant

Business Recovery Grant

What is it?

- £2,500 (indicative) per eligible business to help with immediate recovery
- Priority for local authorities to pass grants directly to businesses

What is the key eligibility criteria?

Small and medium businesses which:

- are directly impacted by the severe weather event – for instance there was flood damage to the property, equipment, and/or stock; or
- are indirectly impacted by the severe weather event – for instance business 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 loss of trade as a result

How is it paid to local authorities?

Payment method will be confirmed at the time support is offered, but typically:

- 50% (indicative) payment up front based on estimated numbers of eligible businesses. Remainder in arrears after an adjustment exercise
- Payment via Section 31 grant

Council Tax Discount Scheme

What is it?

- Authorities will be reimbursed for providing discounts to eligible homes at 100% for a minimum of 3 months, or while any household is unable to return home if longer

What is the key eligibility criteria?

Primary residences whereas a result of the weather event:

- flood water has entered into the habitable areas; or
- flood water did not enter into the habitable areas, but the local authority regards that the residence was otherwise considered unliveable for a period of time (e.g. because of lack of access, restricted services, or other serious damage)

and

- temporary accommodation for those unable to return home in parallel with the discount on their first home

How is it paid to local authorities?

Payment method will be confirmed at the time support is offered, but typically:

- Upfront commitment, retrospective payment
- Payment via Section 31 grant

Business Rates Relief Scheme

What is it?

- Authorities will be reimbursed for providing discounts to eligible businesses at 100% for a minimum of 3 months, or until business can resume trading from the property if longer

What is the key eligibility criteria?

For any day:

- the hereditament was directly impacted by the relevant weather event – for instance flood damage to the property, equipment, and/or stock; or; the

business could not function due to lack of access to premises, equipment and/or stock as a result of the relevant weather event, and no alternatives were available.

and

- on that day business activity undertaken at the hereditament was adversely affected as a result; and
- on that day the rateable value of the hereditament was less than £10 million

How is it paid to local authorities?

Payment method will be confirmed at the time support is offered, but typically:

- Upfront commitment, retrospective payment
- Payment via Section 31 grant

-
1. Separate emergency response support is available through the existing Bellwin mechanism. Bellwin provides emergency financial assistance to local authorities for the uninsurable immediate costs they incur protecting life and property or preventing suffering or severe inconvenience as a result of a disaster or emergency in their area. For further information local authorities can contact [Bellwin@communities.gov.uk](mailto:bellwin@communities.gov.uk).
 2. Including accommodation such as static caravans where this is the primary residence, as defined as the location registered on electoral roll.

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