TONBRIDGE & MALLING BOROUGH COUNCIL

ECONOMIC REGENERATION ADVISORY BOARD

3 June 2014

Report of the Chief Executive

Part 1- Public

Matters for Information

1 SUPPORT FOR BUSINESSES AFFECTED BY FLOODING

To provide an update of the financial support offered to local businesses to aid recovery from recent flooding.

1.1 Support Available

- 1.1.1 Following serious flooding problems between December 2013 and February 2014, the Government launched a series of support schemes to help local businesses with any financial losses incurred and to assist with their recovery plans. The following schemes were administered by the Borough Council:
 - Rate Relief for Businesses that suffered directly from the floods: 100% relief for 3 months;
 - Grant support from the Business Support Scheme for businesses both directly and indirectly flooded;
 - Grant support from the Repair and Renew Scheme to enable businesses to invest in their properties to make them more resilient to future flooding episodes.
- 1.1.2 This report provides a brief summary on how each of the above schemes have been delivered in the Borough.

1.2 Rate Relief Support

- 1.2.1 To date, a total of 86 business who have suffered from flooding have been awarded rate relief at a cost in excess of £300,000. These costs will be fully reimbursed by Government using a grant under Section 31 of the Local Government Act 2003.
- 1.2.2 A further 38 business premises have been identified but do not qualify for support under this scheme. 25 businesses have no rates liability after all other reliefs

have first been applied, 11 have been identified as empty properties and a further 2 are not rated for business rates purposes.

1.2.3 Only businesses which have been directly affected (ie actually flooded) can apply for such relief. Businesses who may have been indirectly affected by flooding in the vicinity of their premises are not eligible.

1.3 Business Support Scheme

- 1.3.1 The Borough Council has received two tranches of funding from Government totalling £250,000 to pass on to business directly affected by flooding and also to assist those located close by to flooded areas who might have been indirectly affected. With guidance from Government, local councils involved had to draw up their own grant scheme to enable the funds to be distributed.
- 1.3.2 We have chosen to adopt a 'light touch' approach to our own scheme recognising that financial assistance was needed urgently by those affected and that a complex scheme would not be cost effective. It was agreed that a flat-rate grant would be offered to all eligible applicants who were responsible for the maintenance of their business premises (a lower flat-rate has been grant offered to businesses without such responsibilities but who may still have incurred losses in respect of equipment etc). Such an approach avoids the need to assess in great detail each and every application received although full data checks have been undertaken against business rates data to prevent fraud. Businesses known to have flooded (using EA data) were contacted and additional information was sought to supplement the original EA list. Personal visits were made to a number of businesses in Tonbridge High Street, a benefit for those for whom English was not their first language.
- 1.3.3 To date, our approach has proved very successful. A total of £160,000 of grant has been distributed to approximately 65 local businesses. A number of further applications are also pending. The support provided has been well received by local businesses.
- 1.3.4 We are now seeking applications for grant assistance for businesses indirectly affected by the flooding. Publicity has been undertaken and full details of the grants available and an on-line application form have been posted in our website.

1.4 Repair and Renew Scheme

- 1.4.1 This scheme provides grants of up to £5,000 to fund works to business premises to enable them to be more resilient to future floods. The costs of all grants made by the Council will be re-imbursed in full by the Government.
- 1.4.2 A number of initial enquires about the grant have been received from businesses in Tonbridge High Street, Barden Road, Avebury Avenue and East Peckham. Advice about the options open to business is being provided by the Council's Building Control team. Visits to business premises are under way and to date two

applications for grant have been received. Unlike the business support scheme, this grant programme is likely to have a longer 'gestation' period given that many local businesses will first need advice about possible flood control options before an application for grant can be made.

1.5 Legal Implications

1.5.1 As set out above

1.6 Financial and Value for Money Considerations

1.6.1 Funding for each of the three schemes is covered by the Government.

1.7 Risk Assessment

1.7.1 n/a

Background papers:

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Nil

Julie Beilby Chief Executive