Department for Communities | An Roinn Pobal | Männystrie o Communities

Clerk and Chief Executive of each
District Council

Local Government Policy Division
Finance Branch

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Our Ref:
Your Ref:

Date: 14 DECEMBER 2020

Circular LG 22/20

Dear Sir/Madam

SCHEME OF EMERGENCY FINANCIAL ASSISTANCE TO DISTRICT COUNCILS - FLOODING

The Department has activated a Scheme of Emergency Financial Assistance to District Councils to cover any flooding caused by rainfall from 12 December 2020 until 11 January 2021.

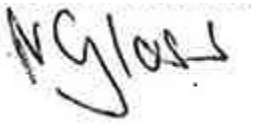
I would advise that the Permanent Secretary, with the approval of the Department of Finance, has agreed that emergency funds will be made available to cover council costs incurred in responding to flooding caused by Rainfall or Tidal Surge.

Please note that Annex 1 which issued with recent schemes has been enclosed once again for your information.

I would like to take this opportunity to thank you for your continued co-operation in administering the Scheme of Emergency Financial Assistance. It would be most helpful if you could forward any applications electronically and in hard copy to Deborah McKay (deborah.mckay@communities-ni.gov.uk). Please also cc Sharon Higginson (sharon.higginson@communities-ni.gov.uk).

Should you have any queries, or if you need clarification, please contact Jeff Glass on 07789758184 (jeff.glass@communities-ni.gov.uk), Sharon Higginson on 07717731753 (e-mail as above) or Deborah McKay on 07971560639 (e-mail as above).

Yours faithfully



JEFF GLASS

Head of LGHR Finance

Cc All Finance Officers of District Councils

Enc

Annex 1

Paragraph 15 of the Scheme states that councils can only claim once costs incurred (excluding household payments) reach the £1,000 per annum threshold. This is an existing requirement stated in the DoF guidance on which all Schemes are based:

"The annual threshold of £1,000 was set on the basis that the administrative costs involved in councils preparing and submitting applications for lesser amounts, and for the Department to process such applications, are likely to outweigh any potential public benefits. In exceptional circumstances, the Department will be prepared to consider an application where a council's eligible expenditure is less than the threshold; for example, where eligible expenditure is marginally less than the threshold and where the expenditure represents a significant amount for a particular council."

We would advise that in any financial year, councils should absorb costs, this excludes householders payments, of up to £1,000 during any flooding emergency/emergencies.

In practice for example in each financial year-

a) Where a council had 3 incidents costing £200 each, the combined total would be £600 for which the department would not pay anything.
b) Where a council had one incident costing £1,200, as this is over the threshold £1,200 would be paid by the Department.
c) Where a council had 3 incidents costing £500 each, when the last incident occurs as this is over the threshold the council would be reimbursed £500.
d) Where a council had 3 incidents costing £100, £600 and £400, again when the last incident occurs as this is over the threshold the council would be reimbursed £400

Please note that councils' claims are not reduced by £1,000, so in example (b) the council would have no costs to absorb. We appreciate this means that depending on the particular costs incurred a council may have to absorb more costs, up to a maximum of £1,000, than others. This discrepancy and the DoF guidance document will be considered in greater detail in the wider review. To emphasise – the £1,000 payments to householders are outside of this limit. Therefore where a council incurs costs of £300 and also make payments to 10 householders they would not be entitled to claim the £300 costs, assuming costs for the year have not cumulated above the £1,000 level.

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