

Background and Context

In the early hours of Sunday 11 December 2005, explosions at Buncefield Oil Storage Depot, Hemel Hempstead, Hertfordshire resulted in a large fire, which engulfed a high proportion of the site.

Over 40 people were injured; there were no fatalities. Significant damage occurred to both commercial and residential properties in the vicinity and 2,000 people were evacuated on emergency service advice.

The fire burned for several days, destroying most of the site and emitting large clouds of black smoke into the atmosphere. Over 16,000 employees within the adjacent Maylands Industrial Area were unable to access work and 92 businesses were displaced for more than one week. 17 were forced to permanently relocate.

Overall, the explosion cost local businesses more than £70 million in lost stock, lost revenue and relocation expenses.

How the Topic was Handled

It was estimated, shortly after the incident, that the short term business recovery costs would be £2.2 million with the long term costs in the region of £100 million over 10 years. The incident caused 92 businesses to temporarily relocate, over 30 premises had to be rebuilt, in addition to a considerable number of major repairs, 3 businesses ceased to trade and 9 businesses (mainly smaller ones) relocated away from Hemel Hempstead. A number of small businesses were underinsured, whilst a number of businesses were tied to leases which meant that they had to return to their premises.

Informing businesses of the latest information was a key feature of the initial recovery. However, information changed at a quick pace, which made effective communication between Police on the cordons, the Recovery Group and affected businesses difficult. Ongoing changes to cordon maps also caused additional problems. Businesses tended to be insular and, from their perspective, the main frustration was being unable to obtain access to their premises. A fear of looting was also present.

During the initial weeks, representatives from Dacorum Borough Council and the Chamber of Commerce were present at various locations in the area (eg. schools and community centres) to provide information. The Borough Council utilised an email network as a means of communicating with businesses. It became apparent that organisations such as the Borough Council, Chamber of Commerce and Business Link held information on different businesses and that the information that was required (eg. details of all businesses in the Maylands Industrial Area) did not exist. The willingness of organisations to share this sensitive information more widely for the purposes of the business recovery was a key feature of the incident.

Following an initial public meeting, it was recognised that the target audiences of businesses and residents did not mix. In other words, they

had very different agendas and issues to be addressed. Conscious efforts were therefore made to distinguish between the two, although it was also recognised that both were of equal importance. For example, the local economy is important in terms of the longer term recovery of the community, however the resulting impact in terms of job losses was less than initially anticipated. Support to businesses was provided in terms of making information available, such as legal and loss adjustment advice. Above all, support had to be practical and of use to businesses, for example, the provision of lists of contractors and specialists.

The Borough Council's building control officers provided valuable support to the business recovery by providing information and escorted visits to damaged premises. The speed at which checks were made to ensure that damaged buildings were safe to access was another key feature of the business recovery.

Work with businesses prior to the incident and the existing Hemel 2020 Vision regeneration package and £400m Maylands Masterplan were important in terms of the economic and business recovery. Not only did they provide an opportunity to move forward, but they were also instrumental in helping to sell the benefits of Hemel Hempstead as a location back to businesses. Meetings with the Buncefield Investigation Team have also helped businesses address wider issues such as compensation, court cases and Control Of Major Accident Hazard (COMAH) site consultation distances.

In the longer term, a key feature has been focusing on visual ways to demonstrate that things are improving for the better, such as the East of England Development Agency (EEDA) funded artwork on a roundabout in the Maylands Industrial Area. Dacorum Borough Council, Business Link Hertfordshire, EEDA, East of England International, Government Office for the East, Hertfordshire Chamber of Commerce and Industry, Hertfordshire Prosperity and Job Centre Plus were among the agencies involved in the economic and business recovery.

Lessons Identified

Dacorum Borough Council has identified a number of key lessons:

- The provision of information to businesses is highly important. However, it is important that this information is provided in the form of consistent and transparent messages which are also seen to be fair to both larger and smaller businesses. There is also a need to publicise, as widely as possible, where information is available.
- Extensive and full time resources need to be dedicated to economic and business recovery. Even though the Borough Council had an economic development officer, the scale of the incident, the ongoing nature of the business recovery process as an integral part of Hemel Hempstead's regeneration and normal workloads has and continues to place a considerable burden on existing resources.
- The ability to communicate with the business community is important. As comprehensive lists of the information likely to be required are unlikely to exist, then it is important that all existing

networks (eg. local authority economic development units, Chamber of Commerce, Business Link, etc.) are utilised and the appropriate information shared. To obtain a feel for the size of the task involved, local authorities should ask themselves how they would communicate and deal with 4,000 businesses in the event of an incident.

- Although the Borough Council had undertaken some business continuity promotion in the Maylands Industrial Area in the 6 months prior to the incident, there had been little take up on the part of businesses. The incident has subsequently shown that those businesses that had business continuity arrangements in place at the time of the incident suffered least.
- Businesses need to keep all records and paperwork relating to insurance and lease issues. It is also important that these records are not just held on the business premises.

Contacts for Further Information

[Emergency Planning Team](#), Hertfordshire County Council

Additional Documents

The [Buncefield Multi-Agency Recovery Plan](#)^[PDF] (version 1.1) provides considerable detail relating to economic and business recovery in the first couple of months following the incident.

The [Report of the Buncefield Community Recovery Taskforce](#) (December 2005 – May 2007) ^[PDF] provides a comprehensive overview of the community recovery to date.