

Background and Context

On the morning of Boxing Day, an earthquake measuring 9.3 on the Richter scale occurred off the coast of north-west Sumatra in Indonesia. The earthquake triggered a tsunami (a large sea wave) that struck the coasts of thirteen countries, causing great devastation and loss of life. Countries all around the Indian Ocean rim were affected, from Thailand to Somalia and from Indonesia to the coast of India.



The waves killed some 300,000 people, and left millions more without food, homes and livelihoods. In Thailand and Sri Lanka in particular, thousands of foreign nationals were affected, expanding the impact of the tragedy to many other countries far away from the disaster stricken regions. The implications for those affected extend far beyond the immediate period of aftermath, to the following months and years.

The disaster struck during a peak holiday season. It is thought that approximately 10,000 British nationals were in the affected region when the tsunami struck. As at the end of September 2006, there were 150 confirmed British dead and one highly likely to have died, giving a total of 151. Three of these were in the Maldives, 17 in Sri Lanka and 131 (including the one unconfirmed and ten dual nationals) in Thailand. The number injured is not known.

How the Topic was Handled

- It became clear from members of the Tsunami support network that was established by the British Red Cross that there were some people experiencing severe financial hardship as a result of the tsunami.
- Some people directly affected by the disaster lost their incomes and suffered significant financial hardship. Some exhausted savings; others lost their principle breadwinner. In some cases, friends and family couldn't afford to support them; others could not return to

work because of severe disability or the trauma they continued to suffer.

- On Wednesday 30 November 2005, the British Red Cross announced a special grants programme for people who were experiencing financial difficulties as a consequence of the Tsunami.
- The British Red Cross allocated £300K from its own Asian Tsunami appeal to the British Red Cross Tsunami Hardship Fund.
- Grants were made available to UK residents and, in exceptional circumstances, British nationals living overseas, who had experienced financial hardship as a direct consequence of the Tsunami. The eligibility criteria to apply to the fund included:
 - Bereaved spouse or live in partner and any financially dependent relatives or other next of kin who suffered financial hardship as a direct consequence of their bereavement.
 - Individuals with serious long term or permanent injury as a direct consequence of the Tsunami and who are unable to work as a result of their injuries.
 - Survivors who have suffered psychological trauma and who are unable to work as a consequence of their experience.
- The Hardship Fund made charitable grants of up to £10,000 available to successful applicants, as well as up to £2,000 to pay for medically prescribed counselling that was not available on the NHS.
- Applicants were asked to provide evidence of their need and entitlement and the money available was assessed on an individual case-by-case basis.
- A British Red Cross committee chaired by the Head of the UK Services Division, two British Red Cross trustees, and the Chief Executive of the Bridge House Charitable Trust, were responsible for the distribution of the fund.
- The payments were not compensation but charitable grants intended to help ease the financial hardship some people were suffering. Recipients of the fund individually decided how to spend the grant.
- A total of 54 applications were submitted to the fund. Forty received a grant, five were rejected and nine were not pursued further.
- It was originally anticipated that applicants to the fund would receive a decision about their application within three weeks. On average, it took 1-2 months for successful applicants to receive payment.
- The payment total for the fund was £220,548.26
- The fund closed on 30 June 2006. Only applications received before this date were considered.
- The government did not contribute financial to the fund as there was no statutory financial help available for British victims of natural disasters overseas at the time.
- Discussions did take place between the British Red Cross and the government on how best to help people experiencing financial hardship in the future and examine ways to ensure that British people severely affected by disasters abroad receive the help they need.

- The government has since announced the establishment of a fund to help victims of terrorism, and the British Red Cross continues to discuss with government ways in which the victims of natural disaster can also be supported.

Lessons Identified

- There was a delay in launching the fund. This made it more difficult to deliver fair decisions with confidence some time after the impact of the disaster. Such a delay didn't fit with British Red Cross principles.
- A gap in the appointment of a programme director compounded this delay.
- The programme was means tested. This was intended to ensure equity. But this decision didn't make the process more equitable. It did cause beneficiary concern and some conflict within the organisation. It led to the risk of reputation damage.
- Means testing raised customer care issues including unclear initial eligibility criteria, weak guidance on evidence needed and complicated decision making. It is also not clear how and by whom the decision to means test was taken.
- None of these weaknesses were mission critical. All were improved over the period of the programme. However, the British Red Cross would have been challenged to deliver a consistently high quality service without additional resources if the numbers impacted had been higher.

Contacts for Further Information

The Tsunami Hardship Fund Project Officer has now left the British Red Cross, however any queries can be directed to the Emergency Planning and Response team. For general enquiries contact: 020 7877 7251.

Materials Submitted

For more information about the Tsunami Hardship Fund and how the British Red Cross supported Britons affected by the Tsunami, please click on the link below:

<http://www.redcross.org.uk/standard.asp?id=63378>

Additional Documents

- **British Red Cross Society Tsunami Hardship Fund - Assistance Grants For UK Residents Suffering Financial Hardship As A Direct Result Of The Indian Ocean Tsunami** [PDF]