



Department for
Communities and
Local Government

The Bellwin Scheme of Emergency Financial Assistance to Local Authorities

Guidance notes for claims 2017 to 2018



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Purpose of the Bellwin scheme and background

1. A Bellwin scheme may be activated where an emergency or disaster involving destruction of or danger to life or property occurs and, as a result, one or more local authorities incur expenditure on, or in connection with, the taking of immediate action to safeguard life or property, or to prevent suffering or severe inconvenience, in their area or among its inhabitants. There is no automatic entitlement to financial assistance. Ministers are empowered by [section 155 of the Local Government and Housing Act 1989](#) to decide whether or not to activate a scheme after considering the circumstances of each individual case.
2. The Bellwin scheme is intended to reimburse the cost of local authority actions taken in the immediate phase of an emergency, not those taken as part of the recovery phase. The scheme is not intended to fund longer term repairs or costs. This is reflected in the eligible spending period of one month from the date when a qualifying incident comes to an end. For the most part actions not taken within one month would be unlikely to be considered immediate.
3. An indicator of whether costs might be eligible is the extent to which the local authority actions are required for the benefit of the local community at large. Examples of eligible expenditure are set out in [Annex A](#).
4. These guidance notes give information about the conditions applying in 2017-18.

Qualifying emergencies

5. This guidance cannot cover every circumstance, and Ministers will want to consider what is appropriate following a major incident. The following paragraphs give an indication of the type of incident that is likely to lead to the Department setting up a scheme. The scheme would normally be formally announced in Parliament.
6. Incidents that qualify for support should be exceptional. For the most part they should be events outside of previous experience in the local authority area. It is also reasonable to expect councils to cover costs themselves up to a certain level.
7. Bellwin has traditionally been seen as a response to exceptional bad weather events that has caused threats to life and property. Although the law does not rule out other types of incident, the Department expects that the scheme will continue to apply predominantly as a response to bad weather incidents that occur within the area that the scheme covers.
8. It is unlikely to set up a scheme in response to events in areas where the Government makes specific provision. In these cases, authorities are expected to deal with some rise and fall in expenditure demands within the money allocated to the spending programme concerned. For example, costs associated with road re-surfacing will not be eligible for Bellwin Scheme funding and will be excluded from any submitted claim. However, Bellwin will assist in helping fund immediate costs including emergency clear-up operations on the highway (such as debris clearing),

signage, street lightning and tree removals. Please see the examples in [Annex A](#). The Department for Transport recommends local highway authorities continue to retain a contingency from the funding it receives from central Government to help repair roads that may have been damaged through weather incidents.

9. As set out above, the scheme is limited to covering the costs of immediate actions taken in the aftermath of an emergency or disaster. Costs which do not meet this requirement would not be covered by this scheme – even if they are carried out within the eligible spending period.

Who can claim?

10. Any local authority as defined in [section 155 of the Local Government and Housing Act 1989](#) may make a claim i.e.:
 - (a) a county council;
 - (b) a district council;
 - (c) the Greater London Authority;
 - (d) a London borough council;
 - (e) the Common Council of the City of London;
 - (f) the Council of the Isles of Scilly;
 - (g) a police authority (including Police and Crime Commissioners)
 - (h) a joint authority established by Part IV of the Local Government Act 1985, other than a metropolitan county passenger transport authority.
 - (i) a Combined Fire Authority
 - (j) a National Park Authority or The Broads Authority

Grant rates and thresholds

11. **Grant Rate:** the Department will pay grant at a rate of 100% of eligible expenditure above the threshold described in the following paragraphs.
12. **Thresholds:** Before being eligible for grant, an individual authority is required to have spent 0.2% of its calculated annual budget on works that have been reported to the Department as eligible for grant. This amount is the authority's "threshold" and applies to the whole financial year, not to each incident within the financial year. A full list of thresholds for 2017-18 will be available on the GOV.UK website at: <http://www.gov.uk/government/publications/bellwin-scheme-guidance-notes-for-claims>

Eligible expenditure

13. In order to meet the basic statutory requirement, expenditure must have been incurred:
- by a local authority in England on, or in connection with¹, the taking of immediate action to safeguard life or property or to prevent suffering or severe inconvenience, in its area or among its inhabitants;
 - as a result of the incident(s) specified in the scheme which involved the destruction of or danger to life or property;

Expenditure incurred means paid for – i.e. the reimbursement of costs for works carried out.

14. Examples of expenditure likely to qualify are at [Annex A](#).

Ineligible expenditure

15. The overriding rule is that expenditure which is not clearly incurred on or in connection with immediate action to safeguard life or property or to prevent suffering or severe inconvenience as a result of a disaster or emergency will not be eligible for grant. Expenditure that is not additional to what the authority would normally expect to incur will not be eligible, nor will expenditure in an area for which there is already a government expenditure programme, such as maintenance of law and order or housing safety and maintenance.
16. Insurable expenditure is ruled out, as described at [Annex B](#). The decision about whether to take out insurance cover remains one for local authorities – having regard to value for money considerations. Where external insurance is not taken, authorities need to make adequate provision as part of their overall financial management. Since the enactment of the [Local Government Act 2003](#), councils are under a statutory obligation to take account of advice from the Chief Finance Officer on the adequacy of reserves when setting their budgets each year.
17. It should be noted that costs which are the responsibility of one local authority cannot be claimed by another, just to take advantage of a lower Bellwin threshold.

¹ Expenditure must satisfy the minimum requirements of Section 155 of the Local Government and Housing Act 1989. Where the connection between any expenditure and the immediate action taken in response to the specified incident is not obvious, the authority should provide sufficient information to enable the Department to take a decision as to the eligibility or otherwise of the expenditure concerned.

Capital expenditure

18. Given that authorities have wider capital budgets that they can reallocate and have other sources of capital support, it is only in limited circumstances that claims against capital expenditure will be allowed. Any claims would need to demonstrate why capital expenditure on immediate action to safeguard life and property or to avoid severe inconvenience would represent better value for money than current expenditure. Specifically, they must demonstrate:
- given the existence of wider capital budgets, why additional (as opposed to simply reprofiled) capital expenditure was necessary to safeguard life and property; and
 - that this capital expenditure offered better value for money than the alternative of current expenditure. The Department should be consulted before including any capital expenditure in a claim.

Eligible spending period

19. The scheme is limited by legislation to the reimbursement of the costs of immediate actions taken by local authorities in the aftermath of an emergency or disaster. In line with the expectation that immediate actions are carried out straightaway, a spending period of one month will be allowed for eligible works to be carried out. There is no time limit applied at the start of a qualifying incident, the one month spending restriction **applies from the date an incident is deemed to have ended** in a local authority area or moved to the recovery phase.
20. Costs which do not meet the test of immediate actions would not be covered by this scheme – even if they are carried out within a period of eligible spending.

How to notify an incident or make a claim

21. The following procedures apply when making a claim:
- a) **Reporting the incident:** the local authority must do this within one month of an incident by contacting the Bellwin Team at DCLG. This can be done via email: [Bellwin@communities.gsi.gov.uk](mailto:bellwin@communities.gsi.gov.uk) or more formally in writing to:

Ade Ogunro
LGF-SRC
Department for Communities and Local Government
2nd Floor, Fry Building
2 Marsham Street
SW1P 4DF

Telephone: 0303 444 1895

It is wise to report the incident even if spending is not likely to exceed the threshold. In the event of a later scheme taking total spending for the year above the threshold, the earlier spending would not be counted towards the threshold unless the relevant incident was reported at the time.

- b) **Setting up a scheme:** if the information on the preliminary notification is sufficient, the Department will decide quickly whether to set up a scheme. It may, however, sometimes be necessary to ask the local authority for more complete details of the incident and its spending. In cases where it decides to set up a scheme, it will draw up the detailed conditions and notify them to the authority.
- c) **Completion of eligible works:** the local authority must complete all works in respect of which it intends to claim grant within the eligible spending period. The Department will expect to see evidence that such works have been paid for.
- d) **Submission of claim:** the Department will issue a claim form once the scheme has been activated. We will specify a deadline for the return of the form which should be signed off by the authority's Chief Financial Officer. **All claims must be submitted to the Department with full details of the expenditure incurred.** It would be useful to set out the main elements of the claim in a summary spreadsheet with references to the supporting invoices and other relevant information. A clear presentation will help the Department to finalise the claim quickly. Further guidance and specific terms will be given for each scheme.

Annex A: examples of costs that would be expected to qualify

Subject to meeting the minimum statutory requirement set out in paragraph 13, the following are examples of expenditure likely to qualify for grant:

Street clearance

- a) where repair is insufficient, the removal and replacement of street lighting, street signs, bus shelters and other street furniture, fences, railings damaged by the incident, where in its damaged state it presents a danger to public safety or security;
- b) works to clear debris – fallen trees and other objects causing obstruction or damage to highways, pavements and footpaths;
- c) hire of additional vehicles, plant and machinery that are not those already in use by the authority, and incidental expenses to carry out such works.

Staff costs

- d) additional temporary employees or contractors, to work on the emergency or replace permanent employees diverted from normal work;
- e) special overtime for employees, either during the emergency for overtime worked on the emergency itself, or afterwards to catch up on work from which they were diverted by the incident.

Drainage works

- f) the costs of initial land drainage works to clear debris and unblock watercourses which are or may be the cause of danger to the public.

Community support

- g) costs of evacuating people from dangerous structures, and temporary rehousing (bed and breakfast);
- h) costs of providing emergency supplies of food and other emergency provisions, and key services to affected communities during the period of the emergency;
- i) costs of maintaining key communications and providing emergency information to affected communities;
- j) costs of temporary mortuaries;
- k) In relation to non-administration purposes, the costs of setting up temporary premises including costs of removal, increased costs due to rent, rates, taxes, lighting, heating, cleaning and insurance.

Military assistance

- l) In certain circumstances, marginal costs associated with military assistance may be eligible for reimbursement through the scheme. Examples include additional travel, accommodation and other subsistence costs for military personnel that have been deployed as part of the emergency response.

Capital

- m) The immediate nature of emergency expenditure means that capital expenditure is unlikely to qualify for grant, but there may be limited circumstances where it could apply or a contribution could be made. The authority must demonstrate that this secures better value for money than current expenditure and is connected to immediate action to safeguard life or property or to prevent severe inconvenience. Specifically, it must demonstrate:
 - i) given the existence of wider capital budgets, why additional (as opposed to simply reprofiled) capital expenditure was necessary to safeguard life and property; and
 - ii) that this capital expenditure offered better value for money than the alternative of current expenditure. The Department should be consulted before including any capital expenditure in a claim; and
 - iii) it otherwise meets the criteria of the scheme – including that such works are carried out within the eligible spending period and are immediate.

Examples of eligible capital costs may include some permanent repairs to structures rather than “patching up” repairs where there is a good value for money reasons for doing so and the repairs are carried out straightaway.

Other

- n) emergency works required to safeguard dangerous structures, including making them secure (where not insurable);
- o) Initial repairs to flood defences damaged as a result of the incident.

Annex B: example of costs that would not usually qualify

Insurable costs and tax

- a) costs which are normally insurable, whether by the authority or any other party (e.g. under household insurance policies);
- b) we would not expect to reimburse taxation costs through the scheme, including Landfill Tax.

Loss of income

- c) loss of income (e.g. from facilities closed as a result of the emergency, including Council Tax discounts), as this falls outside the scope of section 155 of the Local Government and Housing Act 1989.

Road repairs

- d) costs associated with road resurfacing will not be eligible for Bellwin Scheme funding and will be excluded from any submitted claim. The Department for Transport recommends local highway authorities continue to retain a contingency from the funding it receives from central Government to help repair roads that may have been damaged through weather incidents.

Longer term works

- e) longer term works of repair and restoration (i.e. not immediate actions).

Salary costs

- f) the normal wages and salaries of the authority's regular employees, whether diverted from their normal work or otherwise, and the standing costs of the authority's plant and equipment.

Other funding and betterment

- g) expenditure eligible for any other specific grants, e.g. police grant;
- h) betterment, e.g. repairs to a significantly higher standard than their condition on the day before the incident.

Annex C: Bellwin thresholds 2017 to 2018

Thresholds based on each individual local authority's budget will be available on the GOV.UK website at:

<http://www.gov.uk/government/publications/bellwin-scheme-guidance-notes-for-claims>

Annex D: guidance for completion of claim forms

When agreeing to set up a scheme under [section 155 of the Local Government and Housing Act 1989](#), DCLG will provide a form on which application for grant must be made.

The following conditions will apply:

- All claims must be made on paper on a claim form provided by the Department.
- All submitted claims must enclose full details of the expenditure incurred.
- The Chief Financial Officer of the authority must certify by signing the claim that it complies in all respects with the terms of the scheme in question.
- The figures included in a final claim should be actual expenditure and should be precise.
- The local authority must keep records in support of any claim in such a fashion that they are readily accessible for audit.
- Local authorities intending to use agents to undertake work should note that the claiming authority's procedures should be capable of demonstrating that any claim is based on qualifying expenditure, and that proper arrangements have been employed both for specifying the work and for ensuring it has been satisfactorily completed.
- Where required, local authorities must submit claims to the Department by a deadline which the Department will specify once the scheme is activated and officially announced. In the event that a final claim is not submitted to the Department by this date, the Department will deem the claim to have lapsed.
- The Department will consider extensions to the deadline only in exceptional circumstances which the authority will need to be able to demonstrate were beyond its control.
- In some circumstances the Department will - where requested - make an interim payment to an authority of 80% of its incurred grant entitlement. It will pay the balance due on receipt of the final claim. Where such a payment on account exceeds an authority's final entitlement, then the difference will be repayable to the Department immediately.