

Received via BERG January 14th, 2016:

Scottish Government has issued guidance to Local Authorities on flood compensation funding.

The Scottish Government has announced an aid package to Local Authorities to enable them to provide support and assistance to those who have been most affected by the severe flooding events in December 2015 and January 2016.

This second tranche of additional funding of £5.5 million along with the first tranche of £3.94 million will be paid through the local government settlement as a redetermination, and paid out in the last 2 weeks of March 2016.

The funding is to be used by local authorities to provide each flood affected household, business, community group (such as rugby clubs etc), or charitable organisation in the local authority area with a flat rate grant of £1,500 each for the following:

- To reimburse them for the opportunity cost of not receiving the full benefit of services they pay for through Council Tax /Business Rates while absent from their homes and while businesses have had their trading disrupted;
- To enable people to protect their homes and businesses against future floods by installing new flood barriers, or by carrying out flood resilient repairs such as replacing doors and windows with water resistant alternatives, or moving electricity sockets up to a safer level, etc.

Only those properties which were directly affected by the flooding i.e. which suffered inundation of water within their premises, will be eligible to apply for the grant. **The grant is payable to businesses regardless of any existing business rates reliefs.**

In addition to the allocations set out above, the Scottish Government will provide funding to local authorities to enable them to make a flat rate grant payment of £3,000 for businesses where there is evidence that their ability to trade has been severely impacted by flooding at any point during the period of the most recent severe flooding incidents in December 2015 and January 2016. The grant is a one-off payment to offset costs which cannot be covered by existing insurance, for example clean-up costs, materials and exceptional costs to help the business restore trade, such as marketing and promotion. Local authorities will be reimbursed by the Scottish Government for any additional business compensation payments they make subject to submission of an authorised claim signed by their Section 95 Officer.