

SUBJECT: URGENT BUDGET DECISION – FLOOD RECOVERY RESPONSE

MEETING: FULL COUNCIL

DATE: 5 MARCH 2020

DIVISION/WARDS AFFECTED: ALL

1. PURPOSE

- 1.1 This report is being presented at short notice in accordance with Constitutional rules following an urgent decision to allocate funding outside of the budget framework to deal with ongoing recovery work following the recent flooding.

2. RECOMMENDATION

- 2.1 Councillors note this report and the decision made.
- 2.2 That a further report be brought back to Council in due course once the wider implications of the recent flooding is known and understood to the County, Council and its residents and businesses. Together with recovery action taken and planned and the resultant financial consequences for the Council.

3. KEY ISSUES

- 3.1 Councillors will be familiar with the scale and depth of impact felt across Monmouthshire as a result of the recent storms Ciara and Dennis. The decision was taken on 20th February to establish a Recovery Coordinating Group (RCG) with the stated aim of returning our communities to a state of normality.
- 3.2 In a short period of time the RCG has identified a myriad of issues across the County and is starting to seek to coordinate solutions to those issues. The two core limitations are cost and resource: simply, Officers have been asked to address the RCG work while continuing 'routine' work, and against the current in-year budget constraints. This is hampering a degree of freedom of movement for those Officers.
- 3.3 Welsh Government (WG) has given a public indication that there will be £10m funding available to deal with flooding issues, with a commitment to this number increasing. More specifically, they have communicated to MCC that the funding and criteria for the emergency financial assistance scheme (EFAS), will be released week commencing 2nd March 2020.
- 3.4 In order to enable the RCG greater responsiveness to the issues at hand, a decision was taken by Chief Officer Resources to make initial budget provision of £500,000 and a sum sufficient to allow recovery efforts to be made as intended, whilst on the basis of a working assumption that Welsh Government will be bringing forward funding to compensate.
- 3.5 Access to this money will require appropriate supporting evidence or business cases as required, and scrutiny by Finance Officers and Chair of the RCG. It is not a blank cheque nor a target, and is simply designed to enable activity pending further information from WG on the EFAS funding.

- 3.6 Budget decisions are typically reserved to Full Council only. However, decisions outside of the budget framework may be made by a Cabinet Member or Officer if it is urgent, it is not practical to convene a quorate meeting of Full Council to make the decision in the desired timescale, and the Chair of a relevant select committee agrees it is a matter of urgency.
- 3.7 As the person with the duty of interpreting the Constitution, the Monitoring Officer determined that this was an urgent decision, it would not be practical to convene Council within a day, mitigated by the proximity of the 5th March 2020 meeting, and that the relevant select committees given where the impact of the flooding has fallen, would be the Economy and Development or Strong Communities Select Committees. Both Councillors Dymock and Pavia have communicated their approval for the decision.

4. OPTIONS APPRAISAL

- 4.1 To have done nothing, waited for Full Council to sit, or waited for the WG announcement, would have continued to limit the ability of the RCG to react to a still changing situation to the detriment of our communities impacted by flooding.

5. EVALUATION CRITERIA

- 5.1 Any financial commitments against this budget provision will require appropriate supporting evidence or business cases to be provided as required, and that will be scrutinised by Finance Officers and the Chair of the RCG.
- 5.2 When clarification has been sought it is proposed that a further report be brought back to Council and once the wider implications of the recent flooding is known and understood to the County, Council and its residents and businesses. Together with recovery action taken and planned and the resultant financial consequences for the Council.

6. REASONS

- 6.1 In order to ensure that the Council worked within its budgetary framework and when urgently needing to commit expenditure that responds to the flood recovery effort across Monmouthshire.

7. RESOURCE IMPLICATIONS

- 7.1 The consequence of this urgent decision is take make available budget provision of £500,000 to assist with the initial flood recovery response. To not have made the budget provision would have meant, and in a situation where the Council is managing an in-year overspend against services, that the Council would have been operating outside of its budgetary framework in committing further expenditure.
- 7.2 The full extent of the financial consequences of the recovery effort, now and immediately and over the coming months is still unknown. Welsh Government have been receptive and are signalling that they will be flexible in considering funding requests from affected local authorities. The Council has promptly registered the flooding events arising from storm Ciara and Dennis with Welsh Government under the conditions of their Emergency Financial Assistance scheme.
- 7.3 As stated above Welsh Government (WG) has given a public indication that there will be £10m funding available to deal with flooding issues, with a commitment to this number increasing. The affordability implications on the Council will continue to be assessed and on the basis of the EFAS funding and eligibility criteria being made clear.
- 7.4 The budget provision will be funded from capital receipts, or to the extent that is cannot from earmarked reserves. It is recognised that this will put additional strain on the Council's limited

resources and until such time as clarification is sought from Welsh Government that such costs will be fully funded.

8. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)

8.1 The budget provision provided to support flood recovery action strikes at the heart of supporting a resilient Wales. Furthermore it address all of the sustainable development principles of being long-term, collaborating and working with other partners and agencies, involving the views of residents, businesses and other stakeholders and putting resources into preventing problems occurring or getting worse.

8.2 No negative equality impacts are identified and there are no safeguarding and corporate parenting implications to be considered.

9. CONSULTEES

Cabinet
Economy and Development Select Committee Chair
Strong Communities Select Committee Chair
Monitoring Officer

10. BACKGROUND PAPERS

None

11. AUTHOR: Peter Davies – Chief Officer Resources

12. CONTACT DETAILS:

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