

Appendix 1

British Red Cross Society

National Flood Appeal 2007

Fund Structure

Fund distribution to individual projects was to be undertaken by local authorities and charities using grants distributed by the British Red Cross (BRC) from the National Flood Appeal Fund. This was overseen by a Steering Group comprising key members of BRC staff and trustees and some representation of the affected communities and donors. One of their key roles was to approve criteria and guidance which were developed following consultation exercises to which each affected Council was invited to attend and contribute.

Application, Criteria and Guidelines

In order to ensure that funds were distributed equitably and to those who were most vulnerable, local authorities were invited to apply for a tranche of funding based on the number of affected households in their area. This invitation outlined the criteria as agreed by the steering group and is attached as Appendix 2. Applications received were then reviewed for compatibility with the criteria and either approved or rejected on this basis. Where applications were rejected Local Authorities were invited to resubmit applications on the basis of the original criteria.

Funds allocated

The appeal actually raised a good deal more than anticipated. Due to the aim of providing support for immediate needs one phase of funding was distributed in November 2007, amounting to £3.5million. However, after that date a significant amount of further donations was received and applications for a second phase of funding totalling £1.19million were gathered in January 2008. This second phase was based on an identical application process and criteria as that for phase one, and the majority of the funds were distributed in February 2008, although as at 31 March 2008 there are still several authorities from whom we need further information or revised applications before funding may be granted.

Fund usage and impact

Local authorities were required to report back to us three months after the first allocation and this will also apply for phase two. We have also been conducting a series of onsite review meetings to the those authorities in receipt of the larger grants.

Key observations:

- > While the application procedure encouraged local authorities to channel the funds to local charities for distribution the majority opted to distribute the funds themselves
- > While overall eligibility criteria were agreed by BRC, the local authorities were free to make their own judgement on what constituted the most vulnerable individuals and to establish their own guidelines on the size of grants available. Some opted for very simple systems based on flat rate grants to all those who had been judged

- eligible to receive government funding. These authorities were, in the main, able to distribute the funds very quickly.
- > Some authorities provided grants on a weighted basis and this inevitably became a longer process
 - > A number of local authorities found that they received a lot fewer applications than they were expecting – possible reasons for this are that potential recipients were too taken up with other paperwork to apply, that many vulnerable applicants felt unable to complete the form, a sense of pride and not wishing to accept charity, a feeling that there were others more deserving or in need
 - > There have been delays in the application process for many as people often needed to wait until they were back in their homes or had resolved insurance claims before they were able to assess what was needed. In addition Councils have found that they have continued to receive applications from people who were not identified as eligible at the outset.
 - > Grants to individuals were made by most local authorities with only some made to local community organisations
 - > It has been difficult to gather information for impact reporting – many local authorities have been unsure how to do this or have little time to conduct reviews as no additional staff resources have been available to undertake flood fund work, despite the increase in workload. There is a question over whether it is appropriate to use a proportion of funds raised to administer the distribution.
 - > Where information and feedback has been received, it seems that most individuals have used the funds either to replace lost basic household items such as white goods and soft furnishings, to cover insurance excesses, or to contribute to increased household bills such as electricity to run humidifiers and additional telephone calls.
 - > Though most evidence is anecdotal or informal there has been a high degree of gratitude amongst the recipients of the fund

Review of the process and overall impact

- > A number of lessons to learn are being identified as the reviews above are being undertaken. These are being noted
- > An overall review will be undertaken following the completion of fund distribution to enable us to learn from the experience and to develop further processes to be used should a similar situation arise in the future.