

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

27 May 2009

Present:-

Councillors B. Hughes (Chairman), Button, Foggin, Ford, Gordon, Healey, S. Hughes, Leaves, Manning, Mochnacz, Mrs. Parsons and Yeomans

Apologies:-

Councillors Clatworthy, Dyke, Fry, Hannon, Lewis, Mrs. Nicholson, Parker, Tully, Viney, Wallace and Way

DSFRA/102. Minutes

RESOLVED that, subject to the replacement of “Holsworthy” for “Honiton” in Minute DSFRA/93 (Death of Councillor Des Shadrick), the Minutes of the meeting held on 6 May 2009 be signed as a correct record.

DSFRA/103. Declarations of Interest

Members were invited to consider whether they had any **personal/personal and prejudicial interests** in items as set out on the agenda for this meeting and declare any such interests at this time.

No interests were declared.

DSFRA/104. Financial Outturn For 2008/09

The Authority considered a report of the Treasurer (DSFRA/09/12) setting out the final outturn position (subject to audit) for revenue and capital spending for the financial year 2008/09.

In relation to revenue, a net total underspend of £0.759m (1.08%) was indicated against the approved budget of £70.302m. Overspends in the budget areas for transport related costs (£0.254m), supplies and services (£0.158m) and establishment costs (£0.083m) had been off-set by underspends in the budget areas for employee costs (£0.702m), premises related costs (£0.059m) and support service contracts (£0.070m) and the report detailed the reasons for the variances in each of these areas. Slippage in the capital programme had resulted in debt charges for 2008/09 being £0.404m less than budgeted. This had enabled further capital spending totalling £0.406m to be financed direct from revenue to:

- replace obsolete breathing apparatus cylinders (£0.170m);
- the purchase of vehicles initially leased but at the end of the primary lease period (£0.211m); and
- purchase of oil bundled storage containers at each of the mechanical workshops (£0.025m).

Additional income totalling £0.753m had been realised and previous Authority decisions had resulted in £0.153m initially approved as a contribution to setting the 2008/09 revenue budget being retained in General Reserve; and £0.175m underspend being transferred to an Earmarked Reserve to fund costs associated with the decommissioning of the existing radio systems following implementation of the national Firelink radio scheme (Minutes DSFRA/48(e)(i) and DSFRA/63(d)(i) respectively refer).

Of the total net underspend of £0.759m, the report identified a total of £0.297m that it would be necessary to carry forward to 2009/10 to enable completion of the following projects committed in 2008/09:

- property maintenance (heating system at SHQ; works at Topsham Fire Station; energy saving initiatives at fire stations) (£0.132m);
- external support costs (support services benchmarking project; transport review; business case for documentation management project; risk management initiatives)(£0.083m);
- implementation of new systems (improved asset management tracking; operational risk information systems (ORIS))(£0.032m);
- refit of fireboat (£0.037m); and
- procurement of cameras for operational use (£0.013m).

In relation to the remaining underspend of £0.462m, the report referred to the recent visit by the Health and Safety Executive (HSE) to Hatherleigh fire station and the resulting letter advising that urgent action should be taken to redress the lack of welfare facilities (showers; drying rooms; breathing apparatus servicing facilities) at retained stations. While these were subject to programmed maintenance, the underspend presented the opportunity to utilise £0.300m to accelerate this programme by undertake the most urgent work which would be discussed with the Capital Programme Working Party prior to individual schemes being progressed. Subject to this being approved, it was proposed that the remaining £0.162m underspend should be transferred to General Reserve.

In relation to capital expenditure, the report indicated total spending of £5.840m against a revised approved programme of £7.060m. The report identified expenditure against individual schemes contained within the approved programme, reasons for slippage against the programme and the associated draft prudential indicators none of which had been adversely impacted as a result of the slippage. The report also set out the capital determinations for funding of capital spending in 2008/09 which the Authority was required to approve by capital control legislation.

RESOLVED

- (a) that, of the total underspend of £0.759m against the 2008/2009 revenue budget, it be noted that an amount of £0.297m is required to be carried forward to 2009/10 to fund incomplete schemes as detailed in paragraph 11.1 of report DSFRA/09/12 and outlined above and that an Earmarked Reserve be established to facilitate this;
- (b) that, from the remaining underspend of £0.462m, an amount of £0.300m be transferred to Earmarked Reserves to fund the spending issues identified in paragraph 12.3 of the report and outlined above;
- (c) that the remaining balance of the revenue underspend of £0.162m be transferred to the General Reserve;

- (d) that the following capital determinations in relation to the funding of capital spending in 2008/2009 be approved:
 - (i) central government support to borrowing totalling £1.573m be used as authorisation to capitalise expenditure;
 - (ii) unsupported borrowing totalling £3.752m be used as authorisation to capitalise expenditure;
 - (iii) that £0.109m be capitalised and funded from government grant;
 - (iv) that £0.406m be capitalised and funded from a revenue contribution to capital spending;
- (e) that, subject to (a) to (d) above, the position in respect of the 2008/2009 Revenue and Capital Outturn, as indicated in this report be noted.

(SEE ALSO MINUTE DSFRA/105 BELOW)

DSFRA/105. Risk Assessment of an Adequate Level of General Reserves

The Authority received for information a report of the Treasurer (DSFRA/09/13) detailing a risk assessment of the minimum level of General Reserve, as requested at the budget setting meeting of the Authority on 16 February 2009 (Minute DSFRA/75(c) refers).

The Authority was required, by Sections 32 and 43 of the Local Government Finance Act 1992, to have regard – when calculating its budget requirement – to the level of reserves needed for meeting estimated future expenditure. A revised risk assessment, as appended to the report, indicated a minimum level of General Reserve for the Authority of £4.126m. The current level of General Reserve (allowing for inclusion of £0.162m from the underspend on the 2008/09 approved revenue budget – see Minute DSFRA/ above) was £4.453, equivalent to 6.1% of the net budget requirement. The view of the Treasurer was that, given the current financial climate and that certain external factors (e.g. the potential for adverse changes to future funding levels from the next Comprehensive Spending Review and revised capping criteria) were not included in the minimum assessment, the current level of General Reserve was adequate but not excessive.

The report also compared the 6.1% level of reserve for this Authority against the reserve balances for other fire and rescue authorities in England and Wales as at 31 March 2008. This indicated that the Authority was in the lower quartile (the average balance being 13.5% of the revenue budget) and was the fourth lowest in the country of all fire and rescue authorities, being 29th out of 33.

(SEE ALSO MINUTE DSFRA/104 ABOVE)

DSFRA/106. Framework For Partnership Working

The Authority considered a report of the Head of Corporate Support (DSFRA/09/14) to which was appended a draft Framework designed to secure sound governance arrangements for the Authority's partnership working. The Framework had been drafted with regard to a number of "best practice" publications, notably those produced by the Audit Commission, and to the Authority's Corporate Governance Code. The document was intended as a "living" document that could be modified as required over coming months in light of feedback on its use.

RESOLVED

- (a) that the Framework for Partnership Working as enclosed with the agenda for this meeting be approved;
- (b) that the Community Safety and Corporate Planning Committee be delegated authority to make consequential revisions to the Framework as and when they arise.

DSFRA/107. Chairman's Announcements

The Chairman reported, for information, on:

- attendance (together with Councillors Gordon, Healey and Manning) at the Fire 2009 Conference held in Birmingham on Tuesday 12 to Thursday 14 May 2009;
- attendance at the election of the new Lord Mayor for Plymouth City Council on Friday 15 May 2009; and
- attendance at the Plymouth City Council Lord Mayor's Civic Service on Sunday 17 May 2009.

The Chairman also provided those Authority Members present at the meeting with a copy of a letter received from the Lympstone Amateur Boxing Club seeking sponsorship for retained firefighter Matt Mason who had been selected to represent England at the World Police and Firefighter Games to be held in Vancouver.

DSFRA/108. Chief Fire Officer's Announcements

The Chief Fire Officer reported on a fatality that had occurred on 23 May on farmland in Okehampton. No fire extinguishing action had been necessary and the cause of death was still subject to inquest.

The meeting started at 10.00hours and finished at 11.18hours.