

M. Pearson
CLERK TO THE AUTHORITY

To: The Chairman and Members of the
Devon & Somerset Fire & Rescue
Authority

(see below)

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DEVON & SOMERSET FIRE & RESCUE AUTHORITY
(Ordinary Meeting)

Tuesday 14 July 2009

A meeting of the Devon & Somerset Fire & Rescue Authority will be held on the above date, **commencing at 11:00hours (or on the rising of the preceding Annual Meeting, whichever is the later) in the Conference Rooms in Somerset House, Service Headquarters** to consider the following matters.

M. Pearson
Clerk to the Authority

A LARGE PRINT VERSION OF THIS AGENDA IS AVAILABLE ON REQUEST

A G E N D A

1. **Apologies**

2. **Minutes** of the meeting held on 29 June 2009 attached (Page 1).

3. **Items Requiring Urgent Attention**

Items which, in the opinion of the Chairman, should be considered at the meeting as matters of urgency.

4. **Declarations of Interest**

Members are asked to consider whether they have 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. *Please refer to the Note 2 at the end of this agenda for guidance on interests.*

PART 1 – OPEN COMMITTEE

5. **Questions and Petitions from the Public**

6. **Questions from Members of the Authority**

7. **International Financial Reporting Standards (IFRS)**

Report of the Treasurer (DSFRA/09/21) attached (Page 4)

8. **Carbon Management Programme**

Report of the Head of Physical Assets (as Service Carbon Management Programme Sponsor) (DSFRA/09/22) attached (Page 8)

9. **South West Regional Management Board**

Minutes of the meeting of the Board held on 23 June 2009 attached (Page 12)

10. **Chairman's Announcements**

11. **Chief Fire Officer's Announcements**

PART 2 – ITEMS WHICH MAY BE TAKEN IN THE ABSENCE OF THE PRESS AND PUBLIC

Nil

MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER

Membership:-

Councillors Boyd, Burridge-Clayton, Cann, Dyke, Eastman, Foggin, Fry, Gordon, Gribble, Healey, Horsfall, Hughes OBE, Leaves, Manning, Mills, Mrs. Nicholson, Radford, Randall Johnson, Smith, Turner, Viney, Wallace, Way, Woodman, Yeomans

Messrs. Phillips, Watson and Withers (Independent Members of the Standards Committee).

NOTES

1. ACCESS TO INFORMATION

Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact Steve Yates on the telephone number shown at the top of this agenda.

2. DECLARATIONS OF INTERESTS BY MEMBERS

What Interests do I need to declare in a meeting?

As a first step you need to declare any personal interests you have in a matter. You will then need to decide if you have a prejudicial interest in a matter.

What is a personal interest?

You have a personal interest in a matter if it relates to any interests which you must register, as defined in Paragraph 8(1) of the Code.

You also have a personal interest in any matter likely to affect the well-being or financial position of:-

- (a) you, members of your family, or people with whom you have a close association;
- (b) any person/body who employs/has employed the persons referred to in (a) above, or any firm in which they are a partner or company of which they are a director;
- (c) any person/body in whom the persons referred to in (a) above have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of which you are a Member or in a position of general control or management and which:-
 - you have been appointed or nominated to by the Authority; or
 - exercises functions of a public nature (e.g. a constituent authority; a Police Authority); or
 - is directed to charitable purposes; or
 - one of the principal purposes includes the influence of public opinion or policy (including any political party or trade union)

more than it would affect **the majority** of other people in the Authority's area.

Anything that could affect the quality of your life (or that of those persons/bodies listed in (b) to (d) above) either positively or negatively, is likely to affect your/their "well being". If you (or any of those persons/bodies listed in (b) to (d) above) have the potential to gain or lose from a matter under consideration – to a **greater extent** than **the majority** of other people in the Authority's area - you should declare a personal interest.

What do I need to do if I have a personal interest in a matter?

Where you are aware of, **or ought reasonably to be aware of**, a personal interest in a matter you must declare it when you get to the item headed "Declarations of Interest" on the agenda, or otherwise as soon as the personal interest becomes apparent to you, **UNLESS** the matter relates to or is likely to affect:-

- (a) any other body to which you were appointed or nominated by the Authority; or
- (b) any other body exercising functions of a public nature (e.g. membership of a constituent authority; other Authority such as a Police Authority);

of which you are a Member or in a position of general control or management. In such cases, provided you do not have a prejudicial interest, you need only declare your personal interest if and when you speak on the matter.

Can I stay in a meeting if I have a personal interest?

You can still take part in the meeting and vote on the matter unless your personal interest is also a prejudicial interest.

What is a prejudicial interest?

Your personal interest will also be a **prejudicial** interest if **all** of the following conditions are met:-

- (a) the matter is not covered by one of the following exemptions to prejudicial interests in relation to the following functions of the Authority:-
 - statutory sick pay (if you are receiving or entitled to this);
 - an allowance, payment or indemnity for members;
 - any ceremonial honour given to members;

- setting council tax or a precept; **AND**
- (b) the matter affects your financial position (or that of any of the persons/bodies as described in Paragraph 8 of the Code) or concerns a regulatory/licensing matter relating to you or any of the persons/bodies as described in Paragraph 8 of the Code); **AND**
- (c) a member of the public who knows the relevant facts would reasonably think your personal interest is so significant that it is likely to prejudice your judgement of the public interest.

What do I need to do if I have a prejudicial interest?

If you have a prejudicial interest in a matter being discussed at a meeting, you must declare that you have a prejudicial interest (and the nature of that interest) as soon as it becomes apparent to you. You should then leave the room unless members of the public are allowed to make representations, give evidence or answer questions about the matter by statutory right or otherwise. If that is the case, you can also attend the meeting for that purpose.

You must, however, leave the room **immediately after you have finished speaking (or sooner if the meeting so decides)** and you cannot remain in the public gallery to observe the vote on the matter. Additionally, you must not seek to **improperly influence** a decision in which you have a prejudicial interest.

What do I do if I require further guidance or clarification on declarations of interest?

If you feel you may have an interest in a matter that will need to be declared but require further guidance on this, please contact the Clerk to the Authority – preferably before the date of the meeting at which you may need to declare the interest. Similarly, please contact the Clerk if you require guidance/advice on any other aspect of the Code of Conduct.

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

29 June 2009

Present:-

Councillors Hughes OBE (Chairman), Boyd, Burridge-Clayton, Cann, Dyke, Eastman, Foggin, Fry, Gribble, Healey, Horsfall, Leaves, Manning, Mills, Mrs. Nicholson, Radford, Randall-Johnson, Smith, Turner, Wallace, Woodman and Yeomans

Apologies:-

Councillors Gordon, Viney and Way

DSFRA/109. Minutes

RESOLVED that the Minutes of the meeting held on 27 May 2009 be signed as a correct record.

DSFRA/110. Declarations of Interest

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

No such interests were declared at this time.

DSFRA/111. Statement of Accounts 2008/2009

The Authority considered a report of the Treasurer (DSFRA/09/15), together with a presentation, on the Authority's draft Statement of Accounts for 2008/09. The Accounts and Audit Regulations 2003 (as amended) required the Authority to approve the draft accounts by 30 June 2009. The Accounts were intended to give stakeholders clear information about the Authority's financial position and the form and content of the Accounts was specified by the Chartered Institute of Public Finance Accountancy Code of Practice. The Accounts included core statements on:

- the Income and Expenditure Account detailing service expenditure analysis, details of any surplus/deficit as at 31 March 2009 and how the service was funded;
- the Balance Sheet recording assets and liabilities of the Authority as at 31 March 2009; and
- the Cash Flow Statement providing details of the sources and application of the Authority's funds during the year.

At the last meeting of the Authority it was reported that net spending against the revenue budget was £0.759m less than budgeted, primarily as a result of savings from staffing costs. This enabled a sum of £0.162m to be transferred to the Authority's General Fund. While the Income and Expenditure Account reflected a deficit rather than a surplus, this was as a result of the need to introduce certain non-cash entries (e.g. future pension liabilities). A reconciliation of the deficit, as shown in the Account, illustrated that the financial performance of the Authority had enabled the amount of £0.162m to be transferred to the General Reserve.

Similarly, while the Balance Sheet as at 31 March 2009 indicated that the liabilities of the Authority exceeded its assets this was again as a result of the need to record future pension liabilities the funding burden for which did not fall directly upon the Authority.

At this stage the Accounts were in draft form and would be subject to audit inspection during July and August following which the final accounts would need to be published, again in accordance with the Regulations, by 30 September 2009. The final Accounts would include an audit certificate signed by the Audit Commission.

The Chairman and Members of the Authority indicated that they would wish placed on record their thanks to the Treasurer and his team for all their efforts in producing the Accounts.

RESOLVED that, as required by the Account and Audit Regulations 2003 (as amended), the Authority's draft Statement of Accounts for 2008/09, as included with the agenda for the meeting, be approved and the Chairman authorised to sign them on behalf of the Authority.

(SEE ALSO MINUTE DSFRA/112 BELOW)

DSFRA/112. Annual Governance Statement 2008/09

The Authority considered a report of the Chief Fire Officer and the Treasurer to the Authority (DSFRA/09/16) setting out progress against those significant internal control issues identified in the 2007/08 Annual Governance Statement and outlining the current standing of the Authority's corporate governance processes.

Appended to the report was a draft Annual Governance Statement for 2008/09 prepared in accordance with guidance issued jointly by the Chartered Institute of Public Finance Accountancy and the Society of Local Authority Chief Executives. The Annual Governance Statement replaced the former Statement of Internal Control and was required to be produced to accompany the Statement of Accounts in accordance with the Accounts and Audit Regulations 2003 (as amended).

In considering the draft Annual Governance Statement for 2008/09 Members commented on the position in relation to the Authority's Partnership Framework. While it was accepted that the Partnership Framework had been approved following the reporting period covered by the Annual Governance Statement, it was nonetheless felt that the Statement should reflect the fact that work was in progress during the reporting period and that work for the forthcoming year would concentrate on implementation of and embedding the Framework.

RESOLVED

- (a) that, subject to incorporation of the amendment relating to the Partnership Framework as indicated above, the Annual Governance Statement required to accompany the 2008/09 final accounts, as set out in Appendix B to report DSFRA/09/16, be approved and the Chairman and Chief Fire Officer authorised to sign it on behalf of the Authority;
- (b) that the current position resulting from addressing the identified areas of required activity in the 2007/08 Annual Governance Statement, as set out in Appendix A to the report, be noted.

(SEE ALSO MINUTE DSFRA/111 ABOVE)

DSFRA/113. Job Evaluation - Non-Uniformed Pay Scale

The Authority considered a report of the Head of Human Resources Management and Development (DSFRA/09/17) on the proposed pay scale to operate under the new job evaluation scheme for non-uniformed staff. While it was still intended to use for the new scheme the local government pay scale applying to non-uniformed professional and administrative staff, this scale ended at spinal column point 49.

The pay points currently in use for the Service extended to spinal column point 55 and were based on the old Senior Manager scale formerly used by Devon County Council. These points would, however, fit well as part of the new pay and grading structure. Additionally, there were also some staff on uniformed staff equivalent pay scales.

The new scheme, however, was intended to cover the full range of salaries currently paid to non-uniformed staff in the organisation other than those on the Senior Management Board. To do so, it would be necessary to extend the payscale to spinal column point 61, with new points between 56 and 61 inclusive having been developed by analysing the differential between the existing spinal column points and applying a differential of 1.020 (2%) to the new points.

There were no additional resource implications associated with this proposal, the costs already having been factored in to the job evaluation scheme pay and grading structure previously approved by the Authority (Minute DSFRA/83 of the meeting held on 16 February 2009 refers).

RESOLVED

- (a) that the points on the non-uniformed pay scale above those published by the Local Government Employers be determined on the following basis:
 - (i) that points 50 to 55 be determined by using pay points currently in use within the organisation (based on the Senior Management scale formerly used by Devon County Council);
 - (ii) that points 56 to 61 be determined by applying a differential factor of 1.020 (2%) between each point;
- (b) that, consequent to (i) and (ii) above, the pay scale as detailed in Appendix A to report DSFRA/09/17 be adopted; and
- (c) that any points beyond point 61 that may be required in future be determined by applying a differential factor of 1.020 between each point.

The meeting started at 10.00hours and finished at 11.27hours.

DEVON & SOMERSET FIRE & RESCUE AUTHORITY



REPORT REFERENCE NO.	DSFRA/09/21
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (ORDINARY MEETING)
DATE OF MEETING	14 JULY 2009
SUBJECT OF REPORT	INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)
LEAD OFFICER	Treasurer
RECOMMENDATIONS	<p><i>That the Authority notes the following:</i></p> <p>(a) <i>the accounting changes required and the timetable for implementation of IFRS;</i></p> <p>(b) <i>the role of the Audit and Performance Review Committee, in relation to the transition;</i></p> <p>(c) <i>that the financial implications from the change will be assessed as part of the review of the Medium Term Financial Plan.</i></p>
EXECUTIVE SUMMARY	This report is aimed at raising awareness of the required transition to International Financial Reporting Standards (IFRS) based reporting, and the establishment of a small officer steering group to manage the transition, reporting to the Audit and Performance Review Committee.
RESOURCE IMPLICATIONS	At this stage it is not possible to assess the full financial implications of the change, subject to further clarification of the implications of the new Code of Practice. Any implications will need to be included within the Authority's Medium Term Financial Plan.
EQUALITY IMPACT ASSESSMENT	An initial assessment has revealed that there are no equality issues arising from this report.
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	Nil.

1. INTRODUCTION

- 1.1 The annual statement of accounts for local authorities is currently prepared using accounting policies based on UK Generally Accepted Accounting Practice (UK GAAP). In order to bring benefits of consistency and comparability between financial reporting in the global economy and to follow private sector best practice, the Treasury announced in the Chancellors 2008 Budget that all public sector bodies must move to the International Finance Reporting Standards (IFRS). The Chartered Institute of Public Finance (CIPFA) has therefore announced a new governance framework for the Code of Practice on Local Authority Accounting.
- 1.2 The new Code, currently being developed by the Financial Reporting Advisory Board (FRAB), must be available to comply with the following timetable;

	2008/2009	2009/2010	2010/2011
NHS	Comparatives	IFRS	
Central Government	Comparatives	IFRS	
<i>Local Government</i>		<i>Comparatives</i> <i>Whole of Government Accounts</i>	<i>Full IFRS</i>

- 1.3 Whilst fully compliant accounts for local government are not required until 2010/2011, because of the need to provide full comparative data, the date of transition is set by IFRS1: *First time adoption of international financial reporting standards* as **1st April 2009**, and we will need to prepare an opening balance sheet that is IFRS compliant as at that date.
- 1.4 The move to IFRS will be extremely complex and will require additional disclosures to be included in the statement of accounts, which will significantly increase the size and effort of the production of the Accounts.
- 1.5 Experience in the Private Sector, and more recently from the National Health Service and central government departments, has shown that the move to IFRS represents a significant change and should not be underestimated in terms of additional pressures that will be put on, not only the Accountants, but also staff in Human Resources, ICT, Surveying and other functions. Listed in the Table overleaf are just some of the differences that will apply to local authorities, as identified from previous experience advised by a study commissioned by Price Waterhouse (PWC).

Significant Changes	Some Changes	Minor Changes
Increased disclosures	Tangible Fixed Assets	Inventories
First Time Adoption	Accounting Policies	Provisions
Segment Reporting	Presentation of financial statements	Government Grants
Investment Property	Cash Flow Statements	Post Balance Sheet Events
Infrastructure Assets	Employee Benefits	
Leases	Related Party Transactions	

2. IMPLEMENTATION

2.1 A phased approach will be adopted for the transition, as follows;

Preliminary Study – an initial impact analysis and planning the later phases. This work has already commenced including working in partnership with other Devon councils who have set up a group to oversee the project and to share best practice. Members of the Finance Team have also attended several CIPFA training events to scope initial requirements.

Phase 2 – detailed steps necessary to fully prepare the first complete IFRS statements.

Phase 3 – gathering issues and solutions arising in completing the conversion, and integrating those into our underlying processes and systems.

2.2 To monitor progress of the transition a small IFRS officer steering group has been established comprising the Principal Finance Manager and Senior Finance Manager, with the Head of Financial Management as the Project Manager. Representatives from other departments, primarily Estates and Human Resources, will also be included to take forward relevant issues. Reports will be taken to the Audit and Performance Review Committee at key stages of the project to monitor progress and make recommendations as required. The next update report will be presented to the meeting of the Audit and Performance Review Committee to be held in September 2009.

3. FINANCIAL IMPLICATIONS

3.1 At this stage it is not possible to quantify the full financial implications of the change as CIPFA are still working with the Treasury and other agencies on the implications of the new Code. Some of the changes will be merely changes in the accounting requirements; however other changes have the potential to bring about additional costs to future year budgets. For instance, IFRS will require untaken holiday pay to be accrued at the year-end, which is not currently included in the base budget. Changes to the treatment of leases, particularly those that will be classified as finance leases may also bring about additional revenue costs.

3.2 Senior Management will also need to consider whether it has sufficient existing resources available, at the required times and with the necessary capabilities, within the organisation to ensure that the project can be delivered successfully. For the current year it is anticipated that the changes can be made within existing resources, however this will need to be kept under constant review as the project moves forward.

3.3 An assessment of potential costs from the changes will need to be considered as part of the medium term financial planning process.

4. **SUMMARY**

4.1 The Authority is required to have fully implemented IFRS in time for the completion of the 2010/2011 accounts. Whilst this may seem some time away, because of the need to provide previous year comparable figures the effective date for local government is 1 April 2009. This means that work is already underway to prepare for the change.

4.2 A small officer steering group has been established to monitor progress. Reports will be presented to the Audit and Performance Review Committee at key stages of the project, to ensure that the project is on track and to make recommendations as required.

KEVIN WOODWARD
Treasurer



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	DSFRA/09/22
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (ORDINARY MEETING)
DATE OF MEETING	14 JULY 2009
SUBJECT OF REPORT	CARBON MANAGEMENT PROGRAMME
LEAD OFFICER	HEAD OF PHYSICAL ASSETS (AS SERVICE CARBON MANAGEMENT PROGRAMME SPONSOR)
RECOMMENDATIONS	<i>That the success of the Service in its application to join the Carbon Trust's 2009 Management Programme be noted.</i>
EXECUTIVE SUMMARY	<p>All SW FRSs have been successful in applying to take part in the Carbon Trust's Carbon Management Programme for 2009.</p> <p>This paper explains the background to the Carbon Management Programme, the benefits to the FRA in taking part on the programme, the risks and the next steps.</p>
RESOURCE IMPLICATIONS	At present the resource implications associated with this initiative will be contained from within existing resources. Should this position change this will be subject to further reports to the Authority as required.
EQUALITY IMPACT ASSESSMENT	An initial assessment has revealed that there are no equality issues arising from this report.
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	Reports to previous meetings of the South West Regional Management Board.

1. INTRODUCTION

- 1.1 Climate change presents a wide range of challenges for the Fire and Rescue Service. These challenges can be divided into mitigation and adaptation activities. The scope of these challenges cut across all aspects of the Fire and Rescue Service.

2. COMPREHENSIVE AREA ASSESSMENTS

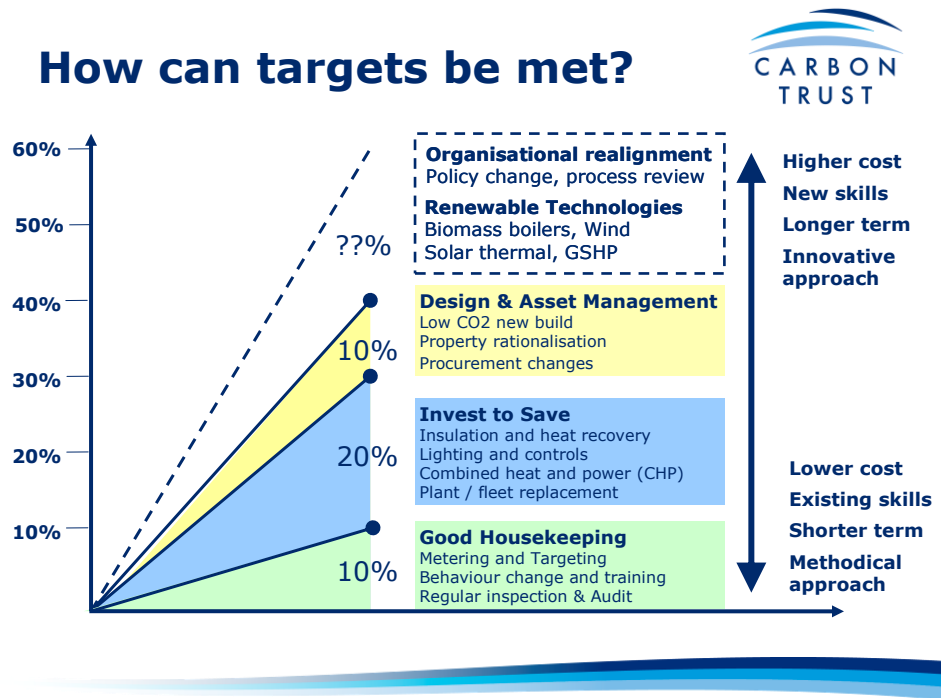
- 2.1 The Authority will have to report their performance against the following National Indicators as part of Comprehensive Area Assessment:
- NI185 is reducing carbon emissions of the Local Authority.
 - NI 186 is reducing carbon emissions from the whole community in the Local Strategic Partnership area;
 - NI 188 is adaptation to Climate Change (responding to a changing climate)
- 2.2 The Audit Commission has yet to finalise the Key Lines of Enquiry (KLOE) in relation to NI 188. It has, however, indicated that adapting to climate change would form part of the “Managing Resources” theme of the “Use of Resources” assessment, with a headline KLOE of:
- “How well does the organisation manage its natural resources, physical assets, and people to meet current and future needs and deliver value for money?”
- 2.3 This KLOE includes the following key question:
- “3.1 - Is the organisation making effective use of natural resources?”
- 2.4 A key issue is which of the indicators have been adopted by the relevant Local Strategic Partnership (LSP) under their Local Area Agreement (LAA). Any LSPs will need to know fire and rescue authority performance for those indicators. For example in Dorset there are 3 LAA agreements in place - Dorset County, Poole and Bournemouth. If all three of these have adopted the national indicators relating to climate change then the Dorset Fire and Rescue Authority will need to provide that information to all the LSPs.
- 2.5 All of the local strategic partnerships within this Authority’s area have included NI 186 (reducing carbon emissions for the whole community) in their local area agreements. Some have also adopted NI188 and NI185.

3. CARBON TRUST’ CARBON MANAGEMENT PROGRAMME

- 3.1 All six fire and rescue services in the South West have successfully applied as a region to take part in the Carbon Trust prestigious Carbon Management Programme for 2009.
- 3.2 The Carbon Management Programme was launched in 2003 and is designed to deliver improved energy management of vehicle fleets and accommodation. The programme is supported by a bespoke toolkit – a web-based manual that gives detailed guidance on the programme’s process and technical advice. It also facilitates the sharing of best practice between participants, enabling them to learn from each other’s experience, thereby optimising results. The Carbon Trust provides specialist support to the authorities over a 10 month period to help each of them to develop a Carbon Management Action Plan, which sets out the actions that the authority will take to achieve an agreed target for reduction in carbon emissions over the following four years.

3.3 Most local authorities that have taken part in the programme have reduced their carbon emissions and hence energy bills by 30% by a combination of quick wins and investment in long term measures. Figure 1 shows how reductions have been made by local authorities that have taken part in the Carbon Management Programme in the past.

Figure 1



3.4 The researching, baselining, prioritising projects, drafting and agreeing our Carbon Management Plan needs to be completed by the end of March 2010. A range of loans, grants and other support is then available from the Carbon Trust to help the authority deliver its plan but continuing support is dependent on progress in achieving the targets for CO₂ reductions set out in the agreed plan.

3.5 This is the seventh phase of the programme, which in the past as focused mainly on the larger local authorities. Only three fire and rescue authorities (London, Manchester and Merseyside) have taken part in the programme in the past. South West fire and rescue authorities are the first to have successfully applied as a region to join the programme: we would have been too small in terms of energy use to have been accepted individually.

3.6 Most fire and rescue services will face similar issues and challenges in developing their Carbon Management Plans. To avoid re-inventing wheels, the South West Regional Management Board has agreed to fund a regional climate change project leader post who will work closely each FRS and the Carbon Trust. The aim is to produce a series of regional templates and frameworks that each FRS can tailor to its own circumstances.

3.7 The collaborative programme is being overseen by a regional programme board chaired by CFO Darran Gunter. Each fire and rescue service is represented on the programme board. Progress monitoring reports will be shared with each Service and communicated onwards as appropriate.

4. BENEFITS TO THE DEVON & SOMERSET FIRE & RESCUE SERVICE

4.1 The potential benefits to the Devon & Somerset of the collaborative approach and taking part in the Carbon Management Programme include:-

- Reduced energy bills;
- Advice and support from the Carbon Trust and the regional project leader in developing our Carbon Management Plan;
- Sharing of best practice with other south west fire and rescue services;
- Compliance with the Climate Change Act;
- Opportunities for financial support to implement our Carbon Management Plan, once approved by the Carbon Trust. The Carbon Management Plan is likely to include contributions to carbon reduction through effective and appropriate fire fighting techniques and tactics, as well measures to reduce the energy consumption of buildings etc.; and
- Improved CAA score.

5. NEXT STEPS

5.1 Next steps include:

- creation of an internal team to take forward the programme (this has already commenced with myself as Programme Sponsor);
- raising awareness of the programme within the FRS;
- agreeing a project plan with the carbon Trust by mid-July;
- establishing a baseline for energy and fuel use;
- identifying and costing potential projects, including quick wins. This will be done using a tool developed by the Carbon Trust;
- agreeing the Service Carbon Management Plan with both the Authority and the Carbon Trust by the end of March 2010; and
- securing funding and implementation of the Plan over the next four years.

5.2 The Authority, at its meeting on 6 May 2009, appointed a Member Climate Change Champion (Minute DSFRA/99 refers) and this features as one of the appointments to be reconsidered – along with appointments to Committees and Outside Bodies – at the Authority's Annual Meeting in 2009

DEREK WENSLEY
Head of Physical Assets
(As Service Carbon Management
Programme Manager)

SOUTH WEST REGIONAL MANAGEMENT BOARD

23 June 2009

Present:-

Councillors Fox OBE DL (Dorset), Gordon (Devon & Somerset), Healey (Devon & Somerset), Hughes OBE (Devon & Somerset), Parsons (Gloucestershire), Roberts (Avon), Walker (Avon) and Wren (Wiltshire & Swindon).

RMB/46 Election of Chairman

RESOLVED that Councillor Hughes OBE be elected Chairman of the Board until its Annual Meeting in 2010.

RMB/47. Minutes

RESOLVED that the Minutes of the meeting of the Board held on 23 March 2009 be signed as a correct record.

RMB/48. Election Of Vice-Chairman

Councillor Healey **MOVED** (and Councillor Roberts seconded) that Councillor Walker be elected Vice-Chairman of the Board until its Annual Meeting in 2010.

Councillor Parsons **MOVED** (and Councillor Fox seconded) that this be **AMENDED** to defer the appointment of the Vice-Chairman until the next meeting of the Board pending appointments by constituent authorities of new Board Members following the local authority elections.

The amendment was put to the vote and declared **LOST** by 4 votes against to 3 for. Following this and there being no further amendments the substantive motion to elect Councillor Walker as Vice-Chairman was put to the vote upon which it was

RESOLVED that Councillor Walker be elected Vice-Chairman of the Board until its Annual Meeting in 2010.

RMB/49. Declarations of Interest

Board Members were asked to consider items to be discussed as part of this meeting and to declare any **personal/personal and prejudicial interests** they may have in any item(s) in accordance with their respective appointing Authority's approved Code of Conduct.

At this stage Councillors Fox OBE DL, Parsons and Wren declared **personal but non-prejudicial interests** – by virtue of their constituent Authority appointed Directorship (for Councillor Fox) and nominations as alternate Directors (for Councillors Parsons and Wren) on South West Fire Control Limited (the Local Authority Controlled Company [LACC] with overall governance responsibility for the Regional Control Centre) – in

- Minute RMB/50; and
- Minutes RMB/52 to RMB/55 inclusive in so far as these related to the FiReControl Project.

RMB/50. Firecontrol Business Case 2009

(Councillors Fox declared a **personal but not prejudicial** interest in this matter by virtue of being a constituent authority appointee as a Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

(Councillors Parsons and Wren each declared a **personal but not prejudicial** interest in this matter by virtue of being an alternate Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

The Authority considered a report of the Regional FiRecontrol Project Director (Clive Kemp) (RMB/09/14) on the latest version of the FiReControl Business Case issued by the Department for Communities and Local Government (CLG) in May 2009.

This was intended to be the last version issued prior to the “go live” date currently scheduled for 2010.

The Regional Programme Board had assessed the business case and its findings, together with a CLG-produced document itemising key changes from earlier iterations of the Business Case, were appended to the report.

In general, it was felt that CLG had taken account of representations made to previous iterations of the Business Case and significant improvements included:

- FiReControl payments (previously referred to as resilience payments – designed to fund those aspects of the Project which were in effect new and therefore would not previously have been borne by individual authorities) would now be made at an individual authority level rather than regionally;
- increased resource would be provided for data management;
- increased pensions liabilities had been recognised; and
- increased provision would be made for LACC Management and utilities costs, although the increase was not as much as would have been preferred.

It was felt, however, that there were still a number of areas where debate could still be held with CLG, not least relating to the duration of the FiReControl payments and resolving precisely what the costs/savings for individual authorities arising from the project would be. In this respect, while CLG had not formally requested responses to the 2009 Business Case, a response on behalf of the Board had been drafted and was appended to the report for consideration.

The Project Director also commented on the recent media speculation of further delays to the project. CLG announced an initial delay to the Project in 2008 following a limited review which did not feature individual fire and rescue services. New milestones and indicative timescales had been put in place following this initial review and CLG announced that it would review its new schedule in spring 2009. It now appeared that the new milestones had not been met within the indicative timescales and consequently CLG had asked Project Boards to consult with individual fire and rescue services on the implications of a further delay, of seven to ten months, to the Project.

In debating the above issue and the proposed draft response to the 2009 Business Case, Board Members indicated that they would wish reference made in the draft response to:

- the requirement for “New Burdens” funding to meet “out of scope” activities;

and

- the detrimental effect that delays in the Project was having on those staff supporting existing control centres, those committed to the LACC and those involved with the regional and individual fire and rescue service teams implementing the project.

RESOLVED

- (a) that the Regional Programme Board's assessment of the 2009 Business Case, as set out in Appendix C to report RMB/09/14, be endorsed;
- (b) that, subject to incorporation of those amendments as indicated above, the draft letter on the 2009 Business Case, as set out at Appendix E to the report, be approved and the Chairman authorised to submit it on behalf of the Board to the National Project Director.

RMB/51. Board Meetings

The Board considered a report of the Clerk (Mike Pearson – Devon & Somerset) (RMB/09/15) on options for meetings during the 2009/10 municipal year in light of statutory matters to be transacted, the provisions of the establishing Agreement and also with a view to achieving a better alignment to the Board's business cycle.

The Board discussed the merits of reducing the number of meetings to four per year and in this respect considered that, should a five meeting cycle be approved, this could be done on the basis of cancelling a meeting scheduled for a later date should this be considered appropriate.

RESOLVED that the following meetings of the Board be held during the 2009/10 municipal year, commencing at 11.00hours at Devon & Somerset Fire & Rescue Service Headquarters (unless otherwise notified):

- Wednesday 30 September 2009;
- Monday 9 November 2009;
- Thursday 28 January 2010;
- Monday 22 March 2010; and
- Tuesday 22 June 2010 (Annual Meeting).

RMB/52. Regional Management Board Financial Outturn 2008/09 (Including Statement of Accounts)

(Councillors Fox declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being a constituent authority appointee as a Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

(Councillors Parsons and Wren each declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being an alternate Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

The Board considered a report of the Treasurer to the Board (Kevin Woodward – Devon & Somerset) (RMB/09/16) providing a final outturn position against the approved budget including contribution of required contributions from each constituent authority for 2008/09.

The final outturn indicated a surplus of £26,511 when compared to gross spending for 2008/09 which, when added to constituent authority contributions for the year (£171,200) resulted in a total net surplus of £197,711. The Board agreed, at its budget setting meeting on 28 January 2009 (Minute RMB/ refers) that any underspend from the current financial year should be carried forward to 2009/10 to enable constituent authority contributions to remain frozen at the 2007/08 level (£171,200 total). The report also detailed costs in 2008/09 associated with the FiReControl (Regional Control Centre) project funding for which was met by CLG New Burdens grant and as such did not require any contribution from constituent authorities. The amount of New Burden funding unused at 31 March 2009 and available for carry forward to 2009/10 was £2,389,436.

Appended to the report was a draft 2008/09 Statement of Accounts for the Board. This had been produced in accordance with the Accounts and Audit Regulations 2003 (as amended) and followed the form and content as specified by the Chartered Institute of Public Finance Accountancy Code of Practice. The Accounts included core statements on:

- the Income and Expenditure Account detailing the Board's expenditure analysis, details of any surplus/deficit as at 31 March 2009 and how the Board was funded
- the Balance Sheet recording assets and liabilities of the Board as at 31 March 2009; and
- the Cash Flow Statement providing details of the sources and application of the Board's funds during the year.

The Accounts and Audit Regulations 2003 (as amended) required full accounts to be produced as the gross income for the Board during 2008/09 had exceeded £1m. The Regulations also required the draft Accounts to be approved by 30 June 2009. The draft Accounts, once approved, would be subject to audit inspection by the Audit Commission during the summer. The final Accounts would be accompanied by an audit certificate from the Audit Commission and were required by the Regulations to be published by 30 September 2009.

In debating the outturn and draft Statement of Accounts, Board Members commented on the effects of the recent economic downturn and particularly detrimental effects on funds held as a result of the collapse of the Icelandic banks.

The Treasurer commented that, while it was not possible to eliminate entirely any such risks, the Board had adopted a Treasury Management Policy (Minute RMB/45 refers) one of the aims of which was to safeguard investments as far as was practicable. The Board expressed the view that it may be beneficial were the draft Statement of Accounts to reflect this position.

RESOLVED

- (a) that, subject to incorporation of the amendment as indicated above, the draft Statement of Accounts for 2008/09, as appended to report RMB/09/16, be approved and the Chairman authorised to sign them on behalf of the Board;
- (b) that the surplus of £197,711 achieved against the approved budget for 2008/09 be noted.

(SEE ALSO MINUTE RMB/53 BELOW)

RMB/53. Annual Governance Statement 2008/09

(Councillors Fox declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being a constituent authority appointee as a Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

(Councillors Parsons and Wren each declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being an alternate Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

The Board considered a report of the Clerk (Mike Pearson – Devon & Somerset) (RMB/09/17) to which was appended an Annual Governance Statement 2008/09. The Accounts and Audit Regulations 2003 (as amended) required all bodies producing a full Statement of Accounts to produce an associated Annual Governance Statement, which replaced the former Statement of Internal Control.

The Annual Governance Statement had been prepared, in so far as this was practicable given the nature of the Board as a Joint Committee, with due regard to guidance issued jointly by the Chartered Institute of Public Finance Accountancy and the Society of Local Authority Chief Executives.

RESOLVED that the Annual Governance Statement required to accompany the Board's 2008/09 Statement of Accounts, as set out at Appendix A to report RMB/09/17, be approved and the Chairman and Clerk authorised to sign it on behalf of the Board.

(SEE ALSO MINUTE RMB/52 ABOVE)

RMB/54. Annual Benefits Report 2008/09

(Councillors Fox declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being a constituent authority appointee as a Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

(Councillors Parsons and Wren each declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being an alternate Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

The Board received for information a report of the Regional Programme Manager (RMB/09/18) summarising benefits realised in 2008/09 from the programme of regional collaboration together with indicative forecast benefits for 2009/10 and 2010/11.

All individual fire and rescue services in the South West had benefited from the programme of collaboration. In 2008/09 the savings of £1.113m were less than initially projected (£2.589m) mainly as a result of no Authority implementing the e-market place solution (anticipated to generate savings of £1.47m). The Finance and Procurement Workstream had initiated a review of the potential benefits of this project to identify how individual fire and rescue services might best benefit from it.

Forecast savings for 2009/10 of £1.458m were also less than originally projected (£2.155m), again largely as a result of lack of take-up of the e-market place solution. The revised forecast was, however, cautious and did not include, for example, savings by individual fire and rescue services secured from identifying and adopting best practice arising from the extension of regional benchmarking or major projects only recently approved for the Human Resources Management and Development Workstream.

The report also summarised wider benefits from the collaborative programme which included networking, sharing best practice and securing funding from the South West Regional Improvement and Efficiency Partnership and the Carbon Trust for climate change initiatives.

RMB/55. Highlight Report

(Councillors Fox declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being a constituent authority appointee as a Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

(Councillors Parsons and Wren each declared a **personal but not prejudicial** interest in this matter, in so far as it related to the FiReControl Project, by virtue of being an alternate Director of South West Fire Control Ltd., the LACC with overall governance responsibility for the Regional Control Centre).

The Board considered a report of the Chair, South West Chief Fire Officers' Association (CFO Standing – Gloucestershire) (RMB/09/19) on progress since the last meeting of the Board on:

- those projects being supported by the South West Regional Improvement and Efficiency Partnership, specifically:
 - an extension of the regional benchmarking/equality and diversity project;
 - a survey to determine lessons learned from the 2008 Local Area Agreement round;
 - development of a regional website; and
 - a regional fleet options review.
- progress in relation to the development of a Regional Climate Change strategy; and
- a summary of progress made since the last meeting of the Board by those workstreams addressing the following issues on a regional basis:
 - Community Safety;
 - Equality and Diversity;
 - Finance and Procurement;
 - Human Resources Management and Development;
 - Regional Control Centre;
 - Strategic Planning (Performance Management); and
 - Service Operations and Resilience.

The report summarised milestones for each of the workstreams, none of which were now showing “red” status.

RESOLVED that the progress made by each of the Board’s workstreams and the programme of work supported by the South West Regional Improvement and Efficiency Partnership, as indicated in report RMB/09/19, be noted.

The meeting started at 11.00hours and finished at 12.49hours.