

**M. Pearson
CLERK TO THE AUTHORITY**

**To: The Chair and Members of the
Devon & Somerset Fire & Rescue
Authority
(see below)**

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DEVON & SOMERSET FIRE & RESCUE AUTHORITY

Friday 30 July 2010

A meeting of the Devon & Somerset Fire & Rescue Authority will be held on the above date, **commencing at 10:00 hours in the Conference Rooms in Somerset House, Service Headquarters** to consider the following matters.

M. Pearson
Clerk to the Authority

AGENDA

1. **Apologies**
2. **Minutes** of the Annual and Ordinary Meetings of the Authority held on 28 May 2010 attached (pages 1 and 6, respectively).
3. **Items Requiring Urgent Attention**

Items which, in the opinion of the Chair, 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

In accordance with Standing Orders, to consider any questions and petitions submitted by the public. Questions must relate to matters to be considered at this meeting of the Authority. Petitions must relate to matters for which the Authority has responsibility or which affects the Authority. Neither questions nor petitions may require the disclosure of confidential or exempt information and must be submitted in writing or by e-mail to the Clerk to the Authority **by midday on Tuesday 27 July 2010.**

6. Questions from Members of the Authority

To receive and answer any questions submitted in accordance with Standing Orders

7. Minutes of Committees

(a) Community Safety and Corporate Planning Committee

The Chairman of the Committee, Councillor Leaves, to **MOVE** the Minutes of the meeting held on 10 June 2010, attached (page 13).

RECOMMENDATION that the Minutes be adopted in accordance with Standing Orders.

(b) Human Resources Management and Development Committee

The Chairman of the Committee, Councillor Cann, to **MOVE** the Minutes of the meeting held on 17 June 2010, attached (page 16).

RECOMMENDATIONS

- (a) that the recommendation at Minute HRMDC/11 (Member Champion for Equality and Diversity – Role Profile) be considered in conjunction with item 8 below;
- (b) that, subject to (a) above, the Minutes be adopted in accordance with Standing Orders.

(c) Audit and Performance Review Committee

The Chairman of the Committee, Councillor Dyke, to **MOVE** the Minutes of the meeting held on 30 June 2010, attached (page 22).

RECOMMENDATION that the Minutes be adopted in accordance with Standing Orders.

(d) Resources Committee

The Chairman of the Committee, Councillor Gordon, to **MOVE** the Minutes of the meeting held on 16 July 2010, attached (page 25).

RECOMMENDATIONS

- (a) that the recommendations at Minutes RC/5 (Change to Corporate Plan 2010/11 to 2012/13 Targets); RC/6 (a)(i – iii) (Financial Performance Report 2010/11); and RC/8 (Property Asset Management Plan) be approved;

(NOTE: for information, a copy of report RC/10/11 (Financial Performance Report 2010/11), as considered by the Resources Committee at its meeting on 16 July 2010, is included with this agenda (Page 70). A copy of the Property Asset Management Plan (Minute RC/8) is available on request and may be viewed on the Authority's website – www.dsfire.gov.uk)

- (b) that the recommendation at Minute RC/9 (Member Champion for Carbon Management and Sustainability – Role Profile) be considered in conjunction with item 8 below;
- (c) that, subject to (a) and (b) above, the Minutes be adopted in accordance with Standing Orders.

8. Member Champions - Climate Change and Sustainability and Equality and Diversity

Report of the Clerk to the Authority (DSFRA/10/18) attached (page 29)

9. South West Fire Control Ltd. Company Constitution

Report of the Clerk to the Authority (DSFRA/10/19) attached (page 35)

10. South West Regional Management Board

The Minutes of the meeting of the Board held on 22 June 2010 are attached (page 61)
FOR INFORMATION

11. Chairman's Announcements

12. 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 Healey (Chair), Bown, Boyd (Vice Chair), , Burridge-Clayton, Cann, Dyke, Eastman, Foggin, Fry, Gordon, Gribble, Horsfall, Hughes OBE, Leaves, Manning, Mills, Mrs. Nicholson, Radford, Randall Johnson, Smith, Turner, Viney, Way, Woodman, Yeomans

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
(Annual Meeting)

28 May 2010

Present:-

Councillors Bown, 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, Way, Woodman and Yeomans

DSFRA/1. Election of Chairman

Nominations were requested for the post of Chairman of the Authority until its Annual Meeting in 2011.

Councillor Gribble proposed Councillor Healey as Chairman. This was seconded by Councillor Manning.

Councillor Smith proposed Councillor Hughes OBE as Chairman. This was seconded by Councillor Foggin.

In accordance with Standing Order 26(3), Councillor Dyke **MOVED** that this issue be resolved by secret ballot. This was seconded by Councillor Gribble and upon being put to the vote was **CARRIED** by a majority present and voting.

The secret ballot was then conducted and on the results of which it was

RESOLVED that, by virtue of his receiving the majority of votes cast by those present and voting, Councillor Healey be elected Chairman of the Authority until its Annual Meeting in 2011.

DSFRA/2. Outgoing Chairman and Appointment of New Member to the Authority

Councillor Healey and the Authority joined to pay tribute to Councillor Bernard Hughes OBE, outgoing Chairman of the Authority, for all of his dedicated service over the years in securing the Devon & Somerset Fire & Rescue Authority a highly respected position both locally and nationally.

Councillor Healey also welcomed Councillor Ann Bown as a new Member of the Authority, appointed by Somerset County Council in place of Councillor Wallace who had stood down to pursue other duties.

DSFRA/3. Election Of Vice-Chairman

Nominations were requested for the post of Vice-Chairman of the Authority until its Annual Meeting in 2011.

Councillor Dyke proposed Councillor Boyd as Vice-Chairman. This was seconded by Councillor Eastman.

Councillor Mrs. Nicholson proposed Councillor Fry as Vice-Chairman. This was seconded by Councillor Foggin.

In accordance with Standing Order 26(3), Councillor Cann **MOVED** that this issue be resolved by secret ballot. This was seconded by Councillor Woodman and upon being put to the vote was **CARRIED** by a majority present and voting.

The secret ballot was then conducted and on the results of which it was

RESOLVED that, by virtue of his receiving the majority of votes cast by those present and voting, Councillor Boyd be elected Vice-Chairman of the Authority until its Annual Meeting in 2011.

DSFRA/4. Declarations of Interest

Members were 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.

Councillors Healey and Woodman declared, by virtue of their being, respectively, the current Authority appointed Director and alternate Director, personal but non-prejudicial interests in the items relating to the appointment of an Authority Director to South West Fire Control Ltd. (the Local Authority Controlled Company with overall governance responsibility for the Regional Control Centre) and the appointment of an Authority representative to attend the company's Annual General Meeting.

(SEE ALSO MINUTE DSFRA/6 BELOW)

DSFRA/5. Review of Constitutional Governance Framework Documents

The Authority considered a report of the Clerk to the Authority (DSFRA/10/11) on the outcome of a review of the Authority's constitutional governance framework documents. The documents were subject to review at least once per year and more frequently if required by changes in legislation or other circumstances. While the majority of the documents remained fit for purpose, revisions were proposed to the Scheme of Delegations and Financial Regulations to clarify the position in relation to claim settlements. Additionally, the Authority was informed that further amendments may be required arising from the Service business transformation process being undertaken to secure excellence for both the Service and the Authority.

RESOLVED

- (a) that the proposed revisions to the Authority's Scheme of Delegations and Financial Regulations as set out in Section 2 of report DSFRA/10/11 be approved;
- (b) that the Clerk be authorised to make consequential amendments to the Constitutional Framework governance documents, to reflect changes in job titles and re-alignment of responsibilities arising from the Senior Management Board restructure, and to issue revised documents accordingly;
- (c) that, subject to (a) and (b) above, the constitutional governance framework documents as listed at paragraph 1.1 of the report be endorsed;
- (d) that it be noted that further amendments to the documents may be submitted to future meetings of the Authority as and when required.

DSFRA/6. Schedule Of Appointments To Committees, Working Parties Etc. And Appointments To Outside Bodies

(Councillors Healey and Woodman declared, by virtue of their being Authority appointed Director and alternate Director, respectively, personal but non-prejudicial interests in this item in so far as it related to the appointment of an Authority Director to South West Fire Control Ltd. [the Local Authority Controlled Company with overall governance responsibility for the Regional Control Centre] and the appointment of an Authority representative to attend the company's Annual General Meeting).

The Authority considered a Schedule of Appointments to Committees and Outside Bodies (DSFRA/10/12) to which was appended, for information, a copy of the existing Terms of Reference for each of the Committees within the current structure.

RESOLVED

- (a) that the Terms of Reference for Committees as set out in Annex 1 to Schedule DSFRA/10/12 be endorsed;
- (b) that the appointments as indicated below be made to Committees etc. and Outside Bodies, the Term of Office to be until the Annual Meeting of the Authority in 2011 unless otherwise indicated;
- (c) that appointments of Authority Equality and Diversity Champion and Carbon Management Champion be deferred pending production of role profiles for those positions, to be considered at a future meeting;
- (d) that the appointments of Messrs. Phillips, Watson and Withers as Independent Members of the Authority's Standards Committee be re-affirmed until the Annual Meeting of the Authority in 2011;
- (e) that Councillor Boyd be appointed to attend, speak and vote on behalf of the Authority at the South West Fire Control Ltd. Annual General Meeting 2010 (date, time and venue to be confirmed)

(A) COMMITTEES ETC.

Resources Committee

Councillors Gordon, Horsfall, Hughes OBE, Smith, Turner, Woodman and Yeomans.

Human Resources Management and Development Committee

Councillors Bown, Boyd, Burridge-Clayton, Cann, Manning, Mrs. Nicholson and Turner.

Audit and Performance Review Committee

Councillors Burridge-Clayton, Dyke, Gribble, Mills, Radford, Viney and Way.

Community Safety and Corporate Planning Committee

Councillors Eastman, Foggin, Fry, Healey, Leaves, Manning and Woodman.

Standards Committee

Councillors Gribble, Horsfall, Manning, Mills, Randall Johnson and Yeomans.

Capital Programme Working Party

Councillors Bown, Fry, Smith and Woodman.

(B) ***OUTSIDE BODIES***

Local Government Association

(i) **Fire Service Forum**

Authority Chairman.

(ii) **General Assembly**

Member	Votes Exercised
Authority Chairman	1 Corporate and 5 Service
Councillor Fry	4 Service
Councillor Horsfall	4 Service
Councillor Viney	4 Service

(iii) **Urban Commission**

Councillor Gordon.

(iv) **Rural Commission**

Councillor Smith.

Devon Strategic Partnership

Councillor Way.

Safer Devon Partnership Executive Group

Councillor Randall Johnson.

Somerset Strategic Partnership

Councillor Horsfall.

South West Councils

Authority Chairman.

South West Provincial Council

Chairman of the Human Resources Management and Development Committee.

South West Regional Management Board

Substantive Member	Named Substitute
Authority Chairman	Councillor Fry
Authority Vice-Chairman	Councillor Mills
Councillor Gordon	Councillor Gribble

South West Forum of Fire Authorities

As per South West Regional Management Board above.

South West Fire Control Ltd.

Councillor Woodman.

Devon and Exeter Racial Equality Council

Councillor Manning.

Plymouth and District Racial Equality Council

Councillor Gordon.

Somerset Racial Equality Council

Councillor Turner.

(SEE ALSO MINUTE DSFRA/4 ABOVE)

DSFRA/7. Devon & Somerset Fire & Rescue Authority Draft Calendar Of Meetings 2010/11 Municipal Year

RESOLVED that, subject to amending the date of the June 2010 Members Forum to Monday 28 June 2010, commencing at 10.00hours, the draft Authority Calendar of Meetings for the 2010/11 Municipal Year be approved.

The meeting started at 14.15hours and finished at 15.18hours.

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

(Ordinary Meeting)

28 May 2010

Present:-

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

DSFRA/8. Minutes

RESOLVED that the Minutes of the budget meeting of the Authority held on 19 February 2010 and the Extraordinary Meeting of the Authority held on 25 March 2010 be signed as correct records.

DSFRA/9. 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 declare any such interests at this time.

At this stage Councillors Woodman and Healey each declared a personal but non-prejudicial interest in items relating to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre (RCC), by virtue of their being, respectively, the new Authority-appointed Director to the Company and the outgoing Director.

(SEE ALSO MINUTE DSFRA/15 AND 16 BELOW)

DSFRA/10. Minutes Of Committees

(a) Standards Committee

The Vice-Chair of the Committee, Mr. Phillips, **MOVED** the Minutes of the meeting of the Committee held on 3 March 2010 which had considered, amongst other things:

- a report on further considerations for expanding the remit of the Standards Committee;
- the Standards for England draft Annual Return 2010; and
- the Standards for England training DVD "Assessment Made Clear – Local Assessment of Complaints".

RESOLVED that in accordance with Standing Orders the Minutes be adopted.

(b) Community Safety And Corporate Planning Committee

The Chair of the Committee, Councillor Leaves, **MOVED** the Minutes of the meeting of the Committee held on 25 March 2010 which had considered, amongst other things:

- an update on implementation of the Partnership Framework and other evaluation tools;
- a progress report on implementation of specialist rescue provision.

RESOLVED that in accordance with Standing Orders the Minutes be adopted.

(c) Human Resources Management And Development Committee

The Vice-Chair of the Committee, Councillor Boyd, **MOVED** the Minutes of the meeting of the Committee held on 14 April 2010 which had considered amongst other things:

- substantive appointments to the Firefighters Pension Scheme Internal Dispute Resolution Procedure Stage 2 Panel;
- a progress report on the outcomes of the 2008 staff survey and arrangements for the 2010 survey;
- an update report on the Positive Action Strategy;
- a report on the implications for the Devon & Somerset Fire & Rescue Service of the introduction of the European Community (EC) Drivers' Hours and Tachograph Rules for Goods Vehicles;
- a report on absence management; and
- an update report on establishment issues.

RESOLVED that in accordance with Standing Orders the Minutes be adopted.

(d) Resources Committee

The Chair of the Committee, Councillor Gordon, **MOVED** the Minutes of the meeting of the Committee held on 29 April 2010 which had considered, amongst other things:

- a financial performance report 2009/10; and
- a report on debt recovery procedure.

RESOLVED that in accordance with Standing Orders the Minutes be adopted.

(e) Audit And Performance Review Committee

The Chair of the Committee, Councillor Dyke, **MOVED** the Minutes of the meeting of the Committee held on 13 May 2010 which had considered, amongst other things:

- Audit Commission reports on progress with audit work undertaken, the Audit Opinion Plan 2009/10 and the Audit Fee Letter 2010/11;
- a report on the performance of the Devon & Somerset Fire & Rescue Service during 2009/10 against those goals, activities and targets as set out in the Authority's Corporate Plan for that year;
- an update on implementation of the International Financial Reporting Standard;
- the Audit and Review Service policy and three year plan 2010 – 2012; and
- the Annual Internal Audit Report 2009/10.

RESOLVED that in accordance with Standing Orders the Minutes be adopted.

DSFRA/11. Devon & Somerset Fire & Rescue Service Carbon Management Plan

The Authority considered a report of the Chief Fire Officer (DSFRA/10/14) to which was appended the Authority's Carbon Management Plan 2010 – 2014. The Plan had been developed in conjunction with the Carbon Trust, via the Local Authority Carbon Management Programme Phase 7, and amongst other things set an aspirational target of a 30% reduction in CO₂ levels by 2014. The Plan identified several projects and initiatives – some of which had already been implemented - to secure this target.

RESOLVED that the Carbon Management Plan enclosed separately with report DSFRA/10/14 be approved subject to the associated resource requirements being considered annually as part of the budget setting process.

(SEE ALSO MINUTE DSFRA/15 BELOW)

DSFRA/12. Devon & Somerset Fire & Rescue Service Performance Report March 2009 - April 2010

The Authority received for information a report of the Deputy Chief Fire Officer (DSFRA/10/15) on performance by the Devon & Somerset Fire & Rescue Service during 2009/10 against those goals, activities and targets as contained in the Authority's Corporate Plan for that year. In particular, the following issues were highlighted:

- proactive Service activities had resulted in the Service securing better performance than the target set for reducing accidental dwelling fire deaths – with actual performance representing in excess of a 20% reduction over the 11 year period to March 2010;
- there was a good direction of travel in relation to accidental dwelling fire casualties and accidental dwelling fires, with the Service target for these two areas for 2010/11 to be within the top 50% of all fire and rescue services nationally;
- the number of home fire safety visits had increased significantly over the past twelve month and measures were now being implemented to ensure more effective targeting of community safety initiatives to those groups most vulnerable;
- a reduction in the number of enforcement activities had been off-set by an increase in fire safety audits and fire safety checks undertaken by operational staff;
- there had been a significant reduction in the number of deliberate fires/incidents of arson with the Service being the only one in the region to have secured such a reduction;
- considerable strides had been made in relation to equality and diversity issues, driven by implementation of “Making the Connections” – the Service single equality scheme covering all six equality strands and bringing together current and future Service activities relevant to the Local Government Equality Standard. The number of employed staff with a disability had increased and the recent wholetime recruitment campaign involved making use of established networks and partnerships with established minority ethnic targeted media, organisations and networks to disseminate Service recruitment messages. The Service had also developed a positive action strategy for 2010-13 focussed on increasing the recruitment of females to operational roles and ethnic minority people across all roles. The inclusive, non-tokenistic ethos of this Strategy was aimed at establishing the concept of a diverse workforce and materials produced to support this Strategy included the “Considering Needs” equality scheme overview, the “From the Community for the Community” information pack and the “All Fired Up” film telling the firefighters story and featuring a mix of race and gender;
- improved management techniques had resulted in more efficient absence management with lower sickness rates being achieved as against the reduction target set;

- despite having attended some 18,000 operational incidents and undertaken some 32,000 community safety activities, the Service had only received 33 complaints (nine less than the previous year);
- predicted savings from combination had been exceeded; and
- expenditure against the approved budget indicated a small (0.4%) underspend.

The Authority congratulated all concerned on securing these results.

DSFRA/13. Financial Outturn 2009/10

The Authority considered a report of the Treasurer (DSFRA/10/16) on the financial outturn position 2009/10 for both revenue and capital spending. For revenue, total spending was reported at £72.618m against an agreed budget of £72.659m, representing an underspend of £0.041m. The report detailed all spending and variations against approved budget lines.

The level of underspend was insufficient to meet the original agreed transfer of £0.357m to an Earmarked Reserve for the Integrated Clothing Project. The Service remained committed to this project, however, and consequently the report detailed an alternative proposal to transfer some funding to such a reserve both from the indicative underspend and from savings on another Earmarked Reserve. Options for the funding of this project would be reported to a future meeting of the Resources Committee.

In relation to the Capital Programme 2009/10, the report indicated total spending of £9.707m against a final programme of £10.423m. The slippage of £0.716m reflected changes to the timing of the costs being incurred rather than a change in the overall cost of the programme. A revised programme for 2010/11 to 2012/13, including re-profiling of the slippage against individual projects, would be reported to a future meeting of the Resources Committee.

RESOLVED

- (a) that the following proposed transfers as outlined in paragraph 10.2 of report DSFRA/10/16 be approved:
 - (i) That the underspend against the revenue budget of £0.041m be transferred to an Earmarked Reserves to part-fund the Integrated Clothing Project (ICP);
 - (ii) That the identified savings of £0.025m from other Earmarked Reserves be transferred to an Earmarked Reserve to part-fund the ICP project;
- (b) that the capital determinations in relation to the funding of capital spending in 2009/2010, as provided in paragraph 16.1 of the report, be approved;
- (c) that, subject to (a) and (b) above, the position in respect of the 2009/2010 Revenue and Capital Outturn, as indicated in the report be noted.

DSFRA/14. Treasury Management Performance 2009/10 (To March 2010)

The Authority received for information a report of the Treasurer (DSFRA/10/17) and presentation from Adam Burleton (Sector) – the Authority's Treasury Management adviser – comparing the performance of the Authority's borrowing and investment activities during 2009/10 as against the approved Treasury Management Strategy.

The report, which complied with the requirements of the Chartered Institute of Public Finance Accountancy (CIPFA) Code of Treasury Management Practice, indicated that none of the Prudential Indicators had been breached and that a prudent approach had been taken to investment decisions during the year, with priority being given to liquidity and security over yield. While investment returns had reduced from the previous year, as a consequence of the fall in interest rates, the Authority had nonetheless achieved returns above the benchmark return for short-term investments. Additionally, the Authority had borrowed at below average Public Works Loan Board (PWLB) rates in 2009/10 and had lowered the average rate on the debt portfolio from 4.212% to 4.177%.

DSFRA/15. South West Regional Management Board

(Councillors Woodman and Healey each declared a personal but non-prejudicial interest in this item, in so far as it related to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre (RCC), by virtue of their being, respectively, the newly appointed Authority-appointed Director to the Company and the outgoing Director). The Authority received, for information, the Minutes of the meeting of the Board held on 22 March 2010 which had considered, amongst other things:

- a highlight report on the progress of workstreams undertaking projects on behalf of the Board;
- a report on a revised 2010/11 Business Plan for the programme of collaboration being undertaken by the South West Fire & Rescue Services;
- a report detailing the outcome of a mid-year benchmarking exercise undertaken amongst South West Fire & Rescue Services and examining areas such as operational measures of performance, Comprehensive Area Assessment highlight results and examining areas for future benchmarking projects; and
- a report on the Carbon Management Collaborative Programme.

(SEE ALSO MINUTES DSFRA/9 AND 11 ABOVE)

DSFRA/16. South West Fire Control Ltd. - Feedback From Authority-Appointed Director

(Councillors Woodman and Healey each declared a personal but non-prejudicial interest in this item, in so far as it related to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre (RCC), by virtue of their being, respectively, the newly appointed Authority-appointed Director to the Company and the outgoing Director).

As outgoing Director, Councillor Healey reported that, whilst there had been announcements by the coalition Government relating to the regionalisation of the fire and rescue service, the current understanding in relation to the FiReControl Project was that it would progress. Consequently, this Authority and Service would still endeavour to ensure that, while this was the case, the best interests of the communities of both Devon and Somerset were served from the Project.

(SEE ALSO MINUTE DSFRA/9 ABOVE)

DSFRA/17. Chairman's Announcements

The former Chairman, Councillor Hughes OBE, reported on attendance at the following events on behalf of the Authority since its last ordinary meeting:

- the opening of the new Exeter fire & rescue stations at Middlemoor and Danes Castle on 26 February 2010;

- the East Devon District Council Civic Service on 7 March 2010;
- the Local Government Association Annual Fire & Rescue Service Conference between 8 and 10 March 2010;
- the ceremony to mark the receipt of new aerial appliances for the Service at Plymouth Hoe on 22 March 2010;
- the South Somerset District Council Civic Service at Yeovil on 23 March 2010;
- the Devon County Council Civic Service on 28 March 2010;
- a Firefighters Charity event held on HMS Belfast on 30 March 2010;
- the West Devon District Council Civic Ceremony on 9 April 2010;
- a meeting to discuss the Devon & Somerset Fire & Rescue Service museum on 12 April 2010;
- the South Hams District Council Civic Lunch on 17 April 2010;
- the Annual General Meeting of the Service Ceremonial Unit on 22 April 2010;
- the opening of the community facilities at the Ivybridge fire & rescue station on 8 May 2010;
- a service at the National Firefighters Memorial on 9 May 2010;
- the Torridge District Council Civic Dinner on 14 May 2010;
- the re-launch of the Devon & Somerset Fire & Rescue Service Partnership Framework on 17 May 2010;
- the Plymouth City Council Mayor Making Ceremony on 21 May 2010;
- a meeting with officials from the Department for Communities and Local Government to discuss the combination of the Devon & Somerset Fire & Rescue Services on 25 May 2010;
- a meeting with representatives of the Audit Commission as part of the Managing Performance assessment on 26 May 2010; and
- a visit to the new Exeter fire & rescue stations at Middlemoor and Danes Castle with former Chief Fire Officer Paul Young and his wife.

DSFRA/18. Chief Fire Officer's Announcements

The Chief Fire Officer reported on:

- five fire deaths that had occurred since the last ordinary meeting of the Authority. Where practicable, the Service was actively working with other partner agencies to better target its fire safety initiatives;
- a forthcoming seminar to be hosted at Service Headquarters on 24 June 2010 to promote awareness of Gypsy, Roma and Traveller communities and to promote more effective targeting of services to these communities;
- the forthcoming joint 999 fire and police cadet passing-out parade on 26 June 2010;
- production of a range of DVDs produced by the Service on its prevention activities, its partnership working and fire safety initiatives to assist vulnerable groups had been produced and were available for Members to promote the Service activities as part of their wider community role;

- establishment of the on the Twitter and Facebook social networking sites;
- progress on the exploration of establishment of a Trading Arm for the Service;
- positive initial feedback from the Audit Commission, as part of its Managing Performance assessment, that the Authority demonstrated strong political leadership and that there was a positive direction of travel in addressing business transformation change within the organisation. There were still areas, however, where greater convergence would deliver enhanced benefits and these were being actively pursued;
- an ongoing dialogue with key stakeholders to explore and identify appropriate options to address estates needs in the Torbay area.

The meeting started at 15.18hours and finished at 16.34hours.

COMMUNITY SAFETY AND CORPORATE PLANNING COMMITTEE
(Devon and Somerset Fire and Rescue Authority)

10 June 2010

Present:-

Councillors Fry, Healey, Leaves and Woodman

Apologies:-

Councillors Eastman, Foggin and Manning

***CSCPC/1. Election of Chair**

RESOLVED that Councillor Leaves be appointed Chair of the Committee until its first meeting after the Annual Meeting of the Authority in 2011.

***CSCPC/2. Minutes**

RESOLVED that the Minutes of the meeting held on 25 March 2010 be signed as a correct record.

***CSCPC/3. Election of Vice-Chair**

RESOLVED that Councillor Manning be appointed Vice Chair of the Committee until its first meeting after the Annual Meeting of the Authority in 2011.

***CSCPC/4. Declarations of Interest**

Members of the Committee 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 to declare any such interests at this time.

Councillor Woodman declared a personal but not prejudicial interest in those items relating to South West Fire Control Ltd. by virtue of his being the Authority appointed Director on the company.

***CSCPC/5. Update on Community Safety Initiatives including Partnerships**

The Committee received for information an update given by the Director of Support Services and Improvement in respect of current initiatives being undertaken by the Service. These initiatives included:

- The implementation of a new Volunteer Policy;
- The Partnership Framework;
- An association with students from Bath University.

The Area Manager (Community Safety) gave an overview of the position in respect of the above initiatives. Attention was drawn to a new initiative in respect of the launch of a Volunteer Policy for the Service. The Service was only the second in the country to pursue this and the Policy was subject to consultation at present. It was felt that the engagement of volunteers by the Service could increase capacity and effectiveness, particularly on community safety work, and would assist in raising the profile in this area of work. A full risk assessment would need to be undertaken prior to implementation.

The Committee discussed the partnership arrangements of the Service following the Partnership Framework relaunch on 17 May 2010. It was noted that the Partnership Register was being compiled and that this would assist the Service in quantifying the work that was being carried out together with providing information in respect of the outcomes being achieved. This work had commenced with an evaluation of all of the partnerships in which the Service was involved. One of the main issues in terms of partnership working was the instigation of data sharing agreements and reference was made to work that was being undertaken to address this.

Members of the Committee commended the instigation of a marketing and community safety based project involving Bath University post graduate students in the identification of ways to target vulnerable groups in the community.

***CSCPC/6. Ellacombe Road Fire - Update**

The Committee received for information an update given by the Director for Support Services and Improvement in respect of the Inquest following the tragic deaths of two children in the fire at Ellacombe Road, Torbay. The Committee noted that the Coroner had recorded a verdict of accidental death for both children and as a result, this would be categorised as fire deaths in the context of the Service's performance statistics. This information had been fed back to the Department for Communities and Local Government (CLG) for further consideration.

The Area Manager (Community Safety) drew attention to a number of issues for the Service that had been considered as a result of this fire. These included:

- The Service had not been made aware of some critical issues surrounding the family prior to the fire;
- There were no smoke detectors in the property;

He added that the incident had acted as a catalyst for local agencies to work together in the prevention of a further incident like this occurring in the future and the following points of action were highlighted:

- That, in the 6 months following the incident, 1200 Home Fire Safety Visits had been carried out locally due to referrals from other agencies;
- The Service's Firesetting Intervention Programme had been fully endorsed by Torbay Council, who were unaware of its existence previously;
- That a data sharing agreements had been instigated with Children's Services at County Council level and with Torbay Primary Care Trust (covering all of their services), enabling more effective partnership working;
- That, language schools, special needs schools, home schooled pupils and excluded pupils had been contacted with a view of increasing their awareness of the dangers of fire;
- There had been training organised in conjunction with the Landlords' Association to target those particularly without smoke detectors fitted on their properties.

The Area Manager (Community Safety) stated that this had been a tragic incident but it had encouraged action to be taken to enable the Service to move forward with its prevention activities. There was a tremendous amount of work to be carried out still but the action highlighted above had proved a very positive start.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.15hours and finished at 10.55hours.

HUMAN RESOURCES MANAGEMENT AND DEVELOPMENT COMMITTEE
(Devon and Somerset Fire and Rescue Authority)

17 June 2010

Present:-

Councillors Bown, Boyd, Burridge-Clayton, Cann, Healey (vice Mrs Nicholson) and Turner

Apologies:-

Councillors Manning and Mrs. Nicholson

***HRMDC/1. Election of Chair**

RESOLVED that Councillor Cann be elected Chair of the Committee until its first meeting after the Annual Meeting of the Authority in 2011.

***HRMDC/2. Minutes**

RESOLVED that the Minutes of the meeting held on 14 April 2010 be signed as a correct record.

***HRMDC/3. Declarations of Interest**

Members of the Committee 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 interests were declared.

***HRMDC/4. Election of Vice Chair**

RESOLVED that Councillor Burridge-Clayton be elected Vice Chair of the Committee until its first meeting after the Annual Meeting of the Authority in 2011.

***HRMDC/5. Absence Management**

The Committee received for information a report of the Director of People and Organisational Development (HRMDC/10/10) that set out the overall performance of the Service in relation to sickness absence management in 2009/10 and how this compared with performance to date in 2010/11 and which highlighted the position in respect of long term sickness in particular.

The report drew attention to the decrease in sickness rates from 10.18 days lost per person per year in 2008/09 to 8.02 days lost in 2009/10, a decrease of 21.2%. This significant reduction enabled the Service to achieve its target for the year of 9.55 days lost per person as well as its long term target to reduce the regional average rate of 9.0 days lost by 2010/11.

The Director of People and Organisational Development added that a decrease in sickness absence had been achieved across the region with an average of 7.9 days. This compared well to the average across the private sector of 7.4 days. It was noted that, as a result,, the Committee would be asked to consider revised targets for the Service on sickness absence in conjunction with the Corporate Plan for 2011/12, a report on which would be submitted for consideration later in 2010.

The Director of People and Organisational Development commented upon the reduction of mental health related sickness which had decreased from 24% of all sickness in 2008/09 to 14% in 2009/10. Long term absences were monitored on a monthly basis and Members of the Committee requested that, in future reports, information presented in respect of long term absence should highlight any absences which had been ongoing for a period longer than 12, 18 and 24 months to give greater clarity.

Reference was made to the point that there had been an increase in sickness absence for retained staff, however, and the position would be monitored in the future. It was noted that the Gartan system for retained staff which was being piloted in some areas in the Service currently included an availability component. This would also assist the Service in monitoring sickness absence.

Overall, the Committee welcomed the reduction in sickness absence and the action being taken to continue to achieve improvements in the future.

***HRMDC/6. Staff Survey**

The Committee received for information an update from the Director of People and Organisational Development in respect of the progress made to date with the Staff Survey in 2010.

Reference was made to the rate of return of the Surveys, which at 38%, had risen by 8% since 2008. This was largely due to the action which had been taken to increase participation, such as the payment of time for retained staff to complete the survey and the point that it had been demonstrated to staff that the Service did listen to points raised ("You talk, We listen" poster campaign) and acted upon them.

The Director of People and Organisational Development commented on a number of policies and interventions which had been implemented following the 2008 survey and made particular reference to the success of the Well@Work scheme in promoting health in the workplace. It was added that similar questions had been used to enable effective benchmarking of the surveys undertaken in 2008 and 2010. The results of the survey were being analysed by ORS and a report detailing the outcomes would be submitted to the Committee later in 2010.

Members of the Committee welcomed the report and the proactive approach taken to increase staff participation/engagement & involvement.

***HRMDC/7. The Working Time Directive and Proposed Changes to Legislation**

The Committee received for information a report of the Director of People and Organisational Development (HRMDC/10/11) that set out the potential impact of the proposed changes to legislation in relation to the Working Time Directive on the ability of the Devon and Somerset Fire and Rescue Service (DSFRS) to support service delivery.

The Director of People and Organisational Development emphasised the point that the Fire and Rescue Service needed a flexible workforce to deliver effective 24 hour emergency cover, and, in many Services across the UK, this was dependant on cover being supplied by a combination of both wholetime and retained employees. If the opt-out clause was rescinded, then Fire and Rescue Services would not be able to continue working in the same way and core functions may not be deliverable. This was particularly pertinent for Devon and Somerset which employed the largest number of retained staff in the country.

Members of the Committee shared the concerns expressed by the Service and suggested that a letter be drafted to be sent to constituent authorities and MPs to highlight the impact of the removal of the opt out clause.

Councillor Bown moved (and was seconded by Councillor Burridge-Clayton) that the recommendation in the report be amended as follows:

- (a) “that the deep concern at the potential impact on DSFRA of changes in the opt out clause be highlighted, and;
- (b) that a letter be sent to constituent authorities, MPs and MEPs to seek support for the stance taken by the Local Government Association (LGA) in respect of the opt out clause and highlighting the impact on the fire and rescue service of any changes in this legislation”.

Reference was made in addition to the point that ACFO Smith was the current lead officer for the National RDS Steering Group and that, via links with the Chief Fire Officers’ Association (CFOA), he was feeding information to the Centre for Strategy and Evaluation Services to identify the full impact of any change in this legislation on the delivery of front line services. Every opportunity was being taken to keep this issue on the agenda

RESOLVED

- (a) that the deep concern at the potential impact on DSFRA of changes in the opt out clause be highlighted, and;
- (b) that a letter be sent to constituent authorities, MPs and MEPs to seek support for the stance taken by the Local Government Association (LGA) in respect of the opt out clause and highlighting the impact on the fire and rescue service of any changes in this legislation.

***HRMDC/8. Goal 2 Corporate Plan Targets**

The Committee received for information a copy of report previously considered by the Devon and Somerset Fire and Rescue Authority (ref. DSFRA/10/16) in respect of the performance of the Service in 2009/10 as measured against the targets for Goal 2 “to be an employer of choice” as included within the Corporate Plan 2010/11 to 2012/13. The Director of People and Organisational Development circulated the paper to highlight to the Committee the progress that was being made towards meeting the targets set.

Members of the Committee raised a concern that, whilst a labour force survey had indicated that the local minority ethnic working age population across Devon and Somerset was 5.29%, the Service had committed itself to a specific recruitment target, stating that, by 2013, 7.29% of all new joiners to the organisation would be from minority ethnic backgrounds.

The Director of People and Organisation Development reported that the Service had received a £35,000 grant from the Government as an incentive to assist with achieving the recruitment targets set. She referred to the positive action strategy “Stairway” which had been developed, amongst other things, as a tool to address the recruitment targets set within the Corporate Plan and highlighted the action that had been taken to date towards achievement of the targets. She added that it was accepted that this was a challenge, bearing in mind the current position of the service on recruitment, but she commented that every effort would be made to improve the attraction rate and appointment to vacancies with women and people from the minority ethnic groups.

***HRMDC/9. Health of the Organisation**

The Committee received for information a report of the Director of People and Organisational Development (HRMDC/10/12) that set out details of a new measure that had been developed as a means of monitoring “people” aspects of the organisation, which it was felt was inextricably linked with the overall health of the organisation. The measures included levels of discipline and grievance cases, trend analysis in bullying and harassment and for the turnover of staff, levels of stress and referrals to counselling and the collective relationships with Trade Unions.

The Director of People and Organisational Development stated that the introduction of this measure went beyond the absence management monitoring and was regarded as a means of contributing to the EFQM (Model of Excellence), for which a baseline assessment had already been undertaken. It was envisaged that this would also assist the organisation in achieving excellence in the future. Reference was made to the reduction in sickness absence due to mental health issues as reported within the Absence Management report (Minute HRMDC/x above refers) and it was suggested this was due largely to the efforts of the Service’s Welfare section, the Staff Supporter Network and the Counselling Services offered in both Devon and Somerset. It was noted that different recording practices were undertaken within Devon and Somerset and it was therefore suggested, that, for consistency, future statistics should be recorded in the same way.

Members of the Committee commented on the level of staff turnover and requested that additional information be included within future reports to the Committee to identify trends, particularly in the turnover of staff such as retained employees. The Director of People and Organisational Development added that the Service had also developed an Exit Interviews policy which would be piloted in due course.

NB. Minute HRMDC/10 below also refers.

***HRMDC/10. Achieving Excellence against the Equality Framework**

The Committee received for information a presentation given by the Director of People and Organisational Development which highlighted the results of the self assessment against the Equality Framework for Fire and Rescue Services which included, amongst other things:

- An overview of the Equality Framework for Fire and Rescue Services: Self Assessment document;
- The advantages of undertaking the self assessment with other Fire and Rescue Services regionally;
- The strengths of the organisation in respect of equality issues;
- The areas for improvement
- The proposal for the development of an action plan to address the areas for improvement that had been identified..

The Committee commended the Service on this excellent work and enquired as to how Members could engage with this. The Director of People and Organisational Development replied that it was envisaged that the Equality and Diversity Champion would lead the way forward with Member involvement in the future.

NB. Minute HRMDC/11 below refers.

HRMDC/11. Member Champion for Equality and Diversity - Role Profile

The Committee considered a report of the Director of People and Organisational Development (HRMDC/10/13) that set out a role profile for the Member Champion for Equality and Diversity and which sought the views of the Committee prior to its adoption..

The Committee commended the Service on the development of this role profile.

Councillor Healey indicated that Councillor Turner had indicated a willingness to undertake this role, the appointment to which would be confirmed by the full Authority at its next meeting.

RESOLVED that the Authority be recommended to approve the Role Profile for the Member Champion for Equality and Diversity as appended to report HRMDC/10/13.

***HRMDC/12. Determination of Membership of the Firefighters' Pension Scheme Internal Dispute Resolution Procedure Stage 2 Panel**

At its extraordinary meeting on 25 March 2010, the Authority approved revisions to this Committee's Terms of Reference to enable it to establish a small panel of Members to determine issues under the Firefighters' Pension Scheme Internal Dispute Resolution Procedures Stage 2. In view of the need to deal with one outstanding case as a matter of urgency, appointments to the Panel were initially made by the Authority but were subsequently reviewed by this Committee at its previous meeting (Minute HRMDC/18 refers).

Since that time, the membership of this Committee changed (upon the resignation of Councillor Wallace) and consequently, the Committee was recommended to appoint (from amongst its membership) 3 members to serve on the Panel until the first meeting of the Committee following the Annual Meeting of the Authority in 2011.

RESOLVED that Councillors Bown, Boyd and Manning be appointed to the Firefighters' Pension Scheme Internal Dispute Resolution Procedure Stage 2 Panel until the first meeting of this Committee following the Authority Annual Meeting in 2011 and that any substitutes (in accordance with Standing Order 36) should be taken from the membership of the Human Resources Management and Development Committee in the first instance..

*** DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.00hours and concluded at 12.10hours.

AUDIT AND PERFORMANCE REVIEW COMMITTEE
(Devon and Somerset Fire and Rescue Authority)

30 June 2010

Present:-

Councillors Dyke, Gribble, Mills and Viney.

Apologies:-

Councillor Burridge-Clayton.

***APRC/1. Election of Chair**

RESOLVED that Councillor Dyke be elected Chair of the Committee until the first meeting following the Annual Meeting of the Authority in 2011.

***APRC/2. Minutes**

RESOLVED that the Minutes of the meeting held on 13 May 2010 be signed as a correct record.

***APRC/3. Election of Vice Chair**

RESOLVED that Councillor Mills be elected Vice Chair of the Committee until the first meeting following the Annual Meeting of the Authority in 2011.

***APRC/4. Declarations of Interest**

Members of the Committee 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.

At this stage no interests were declared.

***APRC/5. "After The Incident" (ATI) Survey Results**

The Committee received for information a presentation given by the Director of Corporate Services that set out the results of the "After the Incident" Survey, which had been carried out to gauge the views of people that had suffered a fire in both domestic and non-domestic premises in respect of the service provided to them. The surveys had each achieved a 29% response rate. The areas surveyed included:

- The initial contact with the Service;
- The speed of arrival;
- Performance at the scene of the fire;
- Was any general safety advice provided at the scene;
- Was a Home Fire Safety Check offered;
- Was a FRS information booklet offered after the incident;

- Taking everything into account was the person satisfied or dissatisfied with the overall service provided.

The Director of Corporate Services advised the Committee that the survey was included within the subscription to the Fire Services Consultation and one of the main benefits of undertaking this work was that the results could be benchmarked against other fire and rescue services to give an indication of performance.

***APRC/6. Statement of Accounts 2009/2010**

The Committee considered a report of the Treasurer (DSFRA/10/5) together with a presentation, on the Authority's draft Statement of Accounts for 2009/10. The Accounts and Audit Regulations 2003 (as amended) required the Authority to approve the draft accounts by 30 June 2010. 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 2010 and how the service was funded;
- the Balance Sheet, which recorded the assets and liabilities of the Authority as at 31 March 2010; and
- the Cash Flow Statement providing details of the sources and application of the Authority's funds during the year.

The presentation highlighted the point that the Balance Sheet showed a total liability for the Authority of £468.164million, which included a liability of £526.584million relating to future pension liabilities. This position did not cause the Authority any funding concerns but had to be included in accordance with the Financial Reporting Standards (FRS17). Excluding the pension liability, the Net Asset of the Authority would be £58.44million.

RESOLVED that, in accordance with the requirements of the Accounts and Audit Regulations 2003 (as amended) the Authority's draft Statement of Accounts for 2009/2010 be approved and the Chairman authorised to sign it on behalf of the Authority.

***APRC/7. Annual Governance Statement 2009/2010**

The Committee considered a report of the Chief Fire Officer and Treasurer to the Authority (APRC/10/6) setting out progress against those significant internal control issues identified in the 2009/10 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 2009/10 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 2009/10, the Clerk drew attention to Appendix C of the report circulated which illustrated how all of the Authority's governance arrangements fitted together. It was noted that this had been instigated as a result of the adoption of best practice from Hampshire FRS as recommended within Audit Commission advice.

RESOLVED

- (a) That the current position resulting from addressing the identified areas of required activity in the 2007/08 Annual Governance Statement and successors, as set out in Appendix A to report APRC/10/6, be noted;
- (b) That the Annual Governance Statement required to accompany the 2009/10 final accounts, as set out in Appendix B to the report, be approved and the Chairman and Chief Fire Officer authorised to sign it on behalf of the Authority.

***APRC/8. Audit Progress Report**

The Committee received for information an Audit Progress Summary (to 18 June 2010), as submitted by the Audit Commission. The summary covered the following matters:

- Reports issues to the Authority - the Planned inspection/managing performance work;
- Work that had been completed - the Use of Resources work which, with the abolition of Comprehensive Assessment (CAA) would now form the basis of the Authority's Value for Money assessment; and
- Ongoing work – liaison continued with the Finance Department in terms of the introduction of the new International Financial Reporting Standards (IFRS).

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.00hours and finished at 11.23hours.

RESOURCES COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

16 July 2010

Present:-

Councillors Gordon, Horsfall, Hughes OBE, Smith, Turner, Woodman and Yeomans

***RC/1. Election of Chair**

RESOLVED that Councillor Gordon be elected Chair of the Committee until the first meeting after the Annual General Meeting of the Authority in 2011.

***RC/2. Minutes**

RESOLVED that the Minutes of the meeting held on 29 April 2010 be signed as a correct record.

***RC/3. Election of Vice Chair**

RESOLVED that Councillor Yeomans be elected Vice Chair of the Committee until the first meeting after the Annual General Meeting of the Authority in 2011.

***RC/4. Declarations of Interest**

Members of the Committee 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.

RC/5. Change to Corporate Plan 2010/11 to 2012/13 Targets

The Committee considered a report of the Director of Corporate Services (RC/10/10) that set out a proposal to remove the existing Goal 3 Use of Resources targets from the Corporate Plan for 2010/11 to 2012/13 in the light of the abolition of the Comprehensive Area Assessment (CAA) Framework by the new Government.

RESOLVED that, in light of the contents of report RC/10/10, the Devon and Somerset Fire and Rescue Authority be recommended to remove the following Goal 3 targets from the 2010/11 to 2012/13 Corporate Plan:

- (a) To achieve a Level 3 Use of Resources result in the 2010/11 assessment;
- (b) To achieve a Level 4 Use of Resources result in the 2012/13 assessment.

RC/6. Financial Performance Report 2010/11

The Committee considered a report of the Treasurer (RC/10/11) that set out details of the financial performance for the first three months of the year (to June 2010), providing an early indication of projected spending against the agreed Revenue Budget for 2010/11. The report also set out details of the Capital Budget and Prudential Indicators for 2010/11, together with other financial performance indicators.

The Treasurer indicated that the current projection for total revenue spending in 2010/11 to be £74.649million, as compared to an approved budget of £75.135million, representing an underspend of £0.486million, equivalent to 0.65% of the total budget. He added that the underspend was attributable largely to the point that the national pay settlement in 2010 for wholetime, non uniformed and retained staff was anticipated to be 0% as compared to the 1.0% provision made in the budget.

Given the anticipated reduction in the Authority's Revenue Support Grant (RSG) settlement in 2011/12 (expected to be announced under the Comprehensive Spending Review – CSR 2010), it was likely that savings would be needed to bridge a budget deficit next year. With this in mind, the Service had already commenced work to examine options for next year. These will be reported to a future meeting of the Committee.

Members of the Committee expressed the view that all stakeholders should be kept fully informed of the position. The Chief Fire Officer commented that Members would be presented with a wide range of budget options in the future but it was anticipated that the outcome of the CSR would not become clear to the Authority until late November 2010. Consideration was being given as to whether the Service should publish a series of proposals prior to the outcome of the CSR or alternatively, whether to wait until the CSR was finalised to give complete clarity on any proposals being put forward. This may mean it could be necessary to reschedule some of the Authority's meetings to accommodate this.

Attention was drawn to the point that it had been rumoured that the Government's proposal for a zero % increase in Council Tax would only apply to District, Borough County and Unitary Authorities. The Chief Fire Officer stated that the Service had not received any information on this but suggested that clarification could be sought from the Minister, Mr Pickles. A letter would be sent on behalf of the Authority and this would be copied to Members of this Committee for information.

In terms of the Capital Programme, the report provided an updated programme in respect of the revisions made as a result of additional slippage in spending in 2009/2010 (£0.404million), although it was stressed that this did not represent any change to the overall programme costs. Reference was made to the point that the Authority had borrowed a further £3million in accordance with the Prudential Indicators in order to fund the projects set out within the Capital Programme. The Committee questioned the need for additional borrowing but after discussions with the Treasurer, recognised that the Capital Programme had been agreed by the Full Authority in February 2010 and was within the Prudential Indicators also agreed by members.

The Treasurer advised that the work within the Capital Programme needed to be adequately financed and that the Prudential Indicators set the maximum level of borrowing that the Authority could afford to repay. He added that in addition to the borrowing limits previously agreed by the Authority, a report to the Devon and Somerset Fire and Rescue Authority had set an 'in principle' parameter that debt charges emanating from borrowing decisions should not exceed 5% of the total revenue budget. He indicated that he would make more explicit the amount of additional borrowing required to fund future capital programme in future reports.

The report also covered other areas of financial performance, including efficiency savings, aged debt analysis and payment of supplier invoices. In terms of aged debt, the point was made that there were two debtors that accounted for the majority of the total debt over 85 days. This matter had been through the due legal process but the debt had still not been repaid and so further action may now be instigated.

RESOLVED

- (a) That the Devon and Somerset Fire and Rescue Authority be recommended to approve:
 - (i) the revised capital programme for 2010/2011 to 2012/2013, as included as Appendix C to report RC/10/11;
 - (ii) the revised Prudential Indicators, as included as Appendix D to the report; and
 - (iii) the revised Minimum Revenue Provision (MRP) Statement 2010/2011 as included as Appendix E to the report.
- (b) That, subject to (a) above, the budget monitoring position in relation to projected spending against the 2010/2011 revenue budget together with the performance against 2010/2011 financial targets, as set out in the report, be noted.

***RC/7. Treasury Management Performance 2010/11**

The Committee received for information a report of the Treasurer (RC/10/12) that provided details of the Authority's borrowing and investment activities during the first three months of 2010/11 (to June 2010) and which compared this performance against the approved Treasury Management Strategy in accordance with best practice recommended by the Chartered Institute of Public Financial Accountancy (CIPFA).

In the absence of the Authority's treasury management adviser, the Treasurer highlighted the following points:

- The new Government's emergency budget had been announced, setting the scene for a severe tightening of fiscal policy;
- The economic recovery continued in the first 3 months of the year with 0.3% expansion and there had been some stability in the interest rates as a result;
- None of the Prudential Indicators had been breached and a prudential approach had been taken in relation to investment decisions taken during the year to date with priority being given to liquidity and security over yield;
- Whilst investment returns had reduced from the previous year as a consequence of the fall in interest rates, the Authority was still achieving returns above the LIBID 7 day rate, which is the benchmark for this type of short term investment.

RC/8. Property Asset Management Plan

The Committee considered a report of the Director of Support Services and Improvement (RC/10/13) that set out details of the draft Property Asset Management Plan (PAMP) which detailed the Authority's property portfolio and which set the key strategic policy and resources influences affecting the Devon and Somerset Fire and Rescue Authority, setting a broad direction for asset management over the short to medium term and enabling the optimisation of performance to meet identified needs. It was noted that the PAMP had already been considered by the Capital Programme Working Party, which would continue to review the document in the future.

The Director of Support Services and Improvement stated that he was aware of the impact of borrowing to fund the capital programme and that this was being reviewed in the light of the current economic climate with a view to reporting to the Senior Management Board in respect of projects which may be vulnerable.

RESOLVED that the Devon and Somerset Fire and Rescue Authority be recommended to approve the draft Property Asset Management Plan.

RC/9. Member Champion for Carbon Management and Sustainability - Role Profile

The Committee considered a report of the Director of Support Services and Improvement (RC/10/14) that contained details of proposals for a role profile for a Member Champion for Climate Change and Sustainability.

RESOLVED that the Authority be recommended to approve the Role Profile for the Member Champion for Climate Change and Sustainability as appended to report RC/10/14.

***DENOTES DELEGATED MATTER WITH POWER TO ACT**

The meeting started at 10.00hours and finished at 11.45hours



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	DSFRA/10/18
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	30 JULY 2010
SUBJECT OF REPORT	MEMBER CHAMPIONS – CLIMATE CHANGE AND SUSTAINABILITY AND EQUALITY AND DIVERSITY
LEAD OFFICER	Clerk to the Authority
RECOMMENDATIONS	<p>(a) <i>that the role profiles for the Equality and Diversity Member Champion and the Climate Change and Sustainability Member Champion, as appended to this report, be approved;</i></p> <p>(b) <i>that appointments be made to these posts, the Term of Office to be until the Annual Meeting of the Authority in 2011.</i></p>
EXECUTIVE SUMMARY	<p>The Authority, at its Annual Meeting on 28 May 2010, deferred appointments to the posts of Equality and Diversity Member Champion and Climate Change and Sustainability Member Champion pending production of role profiles for each post.</p> <p>These role profiles have now been developed and are attached at Appendices A and B to this report. They have been considered and commended for approval by the Human Resources Management and Development Committee (Equality and Diversity Member Champion) (Minute HRMD/11 refers) and the Resources Committee (Climate Change and Sustainability Member Champion) (Minute RC/9 refers).</p> <p>The role profiles are now presented for Authority approval and for appointments to be made to the posts, the Term of Office to be until the Annual Meeting of the Authority in 2011.</p>
RESOURCE IMPLICATIONS	Nil.
EQUALITY IMPACT ASSESSMENT	The posts should serve to enhance within the service and Authority the profile of Equality and Diversity and Climate Change issues.

APPENDICES	<p>A. Equality and Diversity Member Champion Role Profile.</p> <p>B. Climate Change and Sustainability Member Champion Role Profile.</p>
LIST OF BACKGROUND PAPERS	<p>Schedule of Appointments to Authority Annual Meeting 28 May 2010.</p> <p>Report HRMD/10/13 – “Member Champion for Equality and Diversity Role Profile” – to the meeting of the Human Resources Management and Development Committee held on 17 June 2010.</p> <p>Report RC/10/14 – “Member Champion for Climate Change and Sustainability – Role Profile” – to the meeting of the Resources Committee meeting held on 16 July 2010.</p>

1. BACKGROUND

1.1 The Authority, at its Annual Meeting on 28 May 2010, deferred appointments to the posts of Climate Change Member Champion and Equality and Diversity Member Champion pending the production of role profiles for these posts (Minute DSFRA/6(c) refers).

2. CURRENT POSITION

2.1 The Human Resources Management and Development Committee, at its meeting on 17 June 2010, considered a role profile for the Equality and Diversity Member Champion and resolved to commend this to the Authority for approval (Minute HRMDC/11 refers). A copy of this role profile is attached as Appendix A to this report.

2.2 Similarly, at its meeting on 16 July 2010, the Resources Committee considered a role profile for the Climate Change and Sustainability Member Champion and resolved to commend this to the Authority for approval (Minute RC/9 refers). A copy of this role profile is attached as Appendix B to this report.

2.3 In the meantime, the Authority Chairman has received the following expressions of interest for these posts:

Equality and Diversity Member Champion – Councillors Randall Johnson and Turner.

Climate Change and Sustainability Member Champion – Councillor Leaves.

2.4 Appointments to the posts are clearly a matter for the full Authority to determine but in doing so Members may wish to have regard to the expressions of interest declared. In relation to the two expressions of interest for the Equality and Diversity Member Champion, the Authority may wish to consider appointing both Members to this post as it is suggested that to do so could only be seen as strengthening the commitment of the Authority in this significant area.

2.5 The Authority is invited to consider this report with a view to approving the role profiles for but the Equality and Diversity and Climate Change and Sustainability Member Champions and making appropriate appointments to these two posts, the Term of Office to be until the Annual Meeting of the Authority in 2011.

M PEARSON
Clerk to the Authority

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

Member Equality and Diversity Champion: Role profile

Aims of the role

- Assist the Authority in fulfilling the requirements of the National Equality and Diversity Strategy
- Assist the Authority to achieve Excellent against the Equality Framework for Fire and Rescue Services by 2014

Requirements of the role

- Work closely with a nominated principal officer on Equality and Diversity issues
- Act as an advocate, lobbyist and provide leadership for Equality and Diversity issues
- Generate ideas and concepts to support and develop policy
- Act as the main Member point of contact for the Authority for Equality and Diversity
- Where appropriate, to advise DSFRS Members on political and strategic issues associated with equality and diversity
- Effectively challenge behaviour or practices which are not in accordance with the principles of Equality and Diversity
- Attend seminars and other relevant events to gain and maintain specialist and current knowledge of the topic
- Act as advocate for Best Practice in Equality and Diversity
- To assist with the development and scrutiny of strategies and policies including Making the Connections the single equality scheme
- Attend the Equality and Diversity monitoring group and assist in the scrutiny of priority Equality Impact Assessments (EqIAs)
- Encourage all Authority Members to communicate and champion the Authority's Equality and Diversity work in their communities

DEVON & SOMERSET FIRE & RESCUE AUTHORITY

Climate Change and Sustainability Champion: Role profile

Context

Earlier this year the Devon and Somerset Fire and Rescue Authority approved a Carbon Management Plan (CMP) which sets out the ambition for the Service to become a low carbon organisation. To do this, the Service has calculated its Carbon Footprint to identify the source and magnitude of CO₂ emissions and a range of projects and initiatives have been instigated which will improve energy and fuel efficiency, engage with and build capacity amongst our staff, report on performance and embed Carbon Management into day to day activities and decision making. This is a challenging plan, which responds to increasing pressure put upon local government, industry and the public to reduce CO₂ emissions.

To avoid the potentially devastating effects of climate change, the UK government has established that we need to cut emissions by 80% in 2050 against a 1990 baseline and has enshrined the target in the Climate Change Act 2008. This is backed up internationally following the Copenhagen Accord, which recognises that we need to limit any future global temperature increase to 2°C or less.

Member Sponsor Requirement

- To champion the programme within the Fire & Rescue Authority
- Help to embed carbon management into the policies, management and culture of the Fire & Rescue Authority
- To present and/or support the Carbon Management Programme to senior level decision making bodies
- As a member of the Internal Devon & Somerset Fire & Rescue Service (DSFRS) Carbon Management Team, there is the option to attend the Team Meetings and to receive briefings from the Project Sponsor and Project Team Leader.

Scope

The scope of our work on Climate Change and Sustainability across the region is potentially very wide and is ultimately driven by legal obligations (Such as the Climate Change Act), our statutory responsibilities as a Fire and Rescue Service (such as flood response) and our work with partnerships throughout the region. Our Corporate Plan will also establish priorities for our use of resources, assets (e.g. buildings and fleet) and local risks associated with Climate Change. The current work programme has primarily been based around the development of the Carbon Management Plan (CMP) approved by the Authority in May this year, which establishes an aspirational target for Carbon reduction (30% from a 2008/9 baseline) and identifies specific projects and actions over the next 5 years to achieve this target, a number of these are already in hand.

Key areas of work over the next 12 months will include:

- Implementation of the CMP;
- Staff awareness and engagement activities (including establishing a network of station based environmental champions, intranet resources and campaigns);

- Performance Management (including Local Performance Indicators covering Carbon Emissions, Energy, Waste and Water) particularly through the installation of SMART meters;
- Sustainable Procurement (as part of the new Regional Procurement Strategy);
- Environmental Capital Programme (Building Improvements including Heating Systems, Lighting, Insulation etc);
- Review of fleet and transport use;
- Renewable Energy Generation – evaluation project;
- Working with Local Strategic Partnerships, “Total Place” initiative and area wide energy efficiency and renewable energy schemes;
- South West Chief Fire Officers’ Association (SW CFOA) Climate Change and Sustainability Practitioners group (Currently Chaired by Avon FRS).



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	DSFRA/10/19
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	30 JULY 2010
SUBJECT OF REPORT	SOUTH WEST FIRE CONTROL LTD. COMPANY CONSTITUTION
LEAD OFFICER	Clerk to the Authority
RECOMMENDATIONS	<i>That the Authority representative appointed to attend, on behalf of the Authority, the Company's Annual General Meeting in 2010 be mandated to vote at that meeting in favour of the proposed changes to the Company constitution as outlined in this report and required to ensure compliance with the provisions of the Companies Act 2006.</i>
EXECUTIVE SUMMARY	<p>This report advises the Authority of proposed changes to the constitution of South West Fire Control Ltd, the Local Authority Controlled Company (LACC) with overall governance responsibility for South West Fire Control Ltd. The changes are of a technical nature designed to ensure compliance with the requirements of the Companies Act 2006.</p> <p>Although a matter for the Company to consider initially by the Company's Board of Directors at its September 2010 meeting, the proposed changes will subsequently require approval at the Company's Annual General Meeting to be held later this year and to which this Authority is entitled to nominate a representative to attend, speak and vote on its behalf.</p>
RESOURCE IMPLICATIONS	Nil.
EQUALITY IMPACT ASSESSMENT	Not applicable
APPENDICES	A. Articles of the Company as revised (using "track changes").
LIST OF BACKGROUND PAPERS	Nil.

1. BACKGROUND

- 1.1 South West Fire Control Ltd. was established as a Local Authority Controlled Company (LACC) in 2007 to exercise overall governance responsibility for the South West Regional Fire Control. At that time, the Company was established as a company limited by guarantee under the Companies Acts 1985 and 1989, with its own Memorandum and Articles of Association as drafted by the legal firm of Bond Pearce. As a participant in the company, the Devon & Somerset Fire & Rescue Authority is eligible to appoint one of its Members as a Company Director. This is currently Councillor John Woodman. Additionally, the Authority is entitled to nominate one of its Members to attend the Company's Annual General Meeting to speak and vote on its behalf. The Authority, at its Annual Meeting on 28 May 2010, nominated Councillor Boyd in this capacity (Minute DSFRA/6(e) refers).
- 1.2 Since the Company's establishment, however, the final provisions of the Companies Act 2006 came into force (with effect from 1 October 2009). Consequently, the company has once again engaged the services of Bond Pearce to advise on the implications of this legislation for its constitution.
- 1.3 The changes to the Company constitution are of a technical nature required to ensure full compliance with the requirements of the Companies Act 2006. Attached at Appendix 1 are the current Articles, revised where necessary to ensure compliance with the 2006 Act. The revisions are shown using "track changes".
- 1.4 The Company will initially be considering the proposed changes at its Board meeting in September 2010 but ultimately the changes will require approval at the Company's Annual General Meeting to be held later in the year and to which, as previously mentioned, this Authority is entitled to nominate someone to attend, speak and vote on its behalf. Consequently, legal advice has been sought on the proposed changes. This advice has confirmed that the changes are of a technical nature designed only to secure compliance with the new Act and which, if implemented, would have neither a detrimental nor advantageous effect on the interests of this Authority.
- 1.5 The remainder of this report sets out a commentary provided by the Company Secretary on the main changes proposed to the constitution.

2. COMMENTARY

- 2.1 The first point to make is that the Company's constitution is now a single document. The former Memorandum of Association is treated as part of the Articles. The provisions of the Memorandum have been transferred and incorporated into the Articles.
- 2.2 The changes in Article 1 are ones of definition primarily to reflect current statutory references.
- 2.3 The provisions in Articles 7-9 are those which were previously in the Memorandum dealing with members' liabilities.
- 2.4 Extraordinary general meetings are no longer referred to as such. They are simply general meetings. Article 11 reflects the provisions of the Act enabling members to call general meetings.
- 2.5 Annual General Meetings (AGMs) and general meetings may now be called at 14 clear days' notice rather than 21 as hitherto. Advantage of this is taken in Article 13.

- 2.6 Two new Articles have been added at 19 and 23. The former is designed to give flexibility in the arrangements for general meetings (e.g. by the use of teleconferencing). The latter enables others, including observers, to attend and speak at the discretion of the Chairman.
- 2.7 Changes to the voting provisions in Articles 33-39 have been made to comply with the Act.
- 2.8 Articles 40-42 are new. Based on Model Articles, they are designed to supplement the common law on amendments to resolutions at general meetings.
- 2.9 Article 44 is new and will enable any future change of Company name to be made by the Board rather than at a general meeting.
- 2.10 The purpose of the change in Article 46 is to make it clearer who would be a non-fire and rescue authority director, were the Company to appoint one. The changes in Articles 48-52 ensure that non-fire and rescue authority directors are unable to appoint Alternates.
- 2.11 Article 57 has been changed to aid clarity.
- 2.12 Article 58 permits non-fire and rescue authority directors to be remunerated. The provisions of Articles 60 (appointment of a managing director or other executive officer) and 66 (gratuities and pensions) have been clarified so that it is explicit that they apply only to a non-fire and rescue authority director.
- 2.12 Directors' interests were the subject of a previous paper to the Board. Articles 61-65 encompass the requirements of company law and of the Code of Conduct for Members of Local Authorities.
- 2.13 The change in Article 68 clarifies that a Chairman cannot use a casting vote if he/she is debarred from participating in a matter because of a conflict of interest.
- 2.14 The Company's objects, previously contained in the Memorandum of Association, are now set out in Article 77. As a consequence, future changes to them will be easier to make, requiring only a special resolution of the Members.
- 2.15 The Act prescribes that minutes, etc shall be kept for at least ten years. This is now reflected in Article 78.
- 2.16 The changes in Articles 81-84 regarding notices are in line with the wording of the Act.
- 2.17 Articles 85 and 86 reflect the provisions of the Act regarding indemnities and insurances.

3. CONCLUSION

- 3.1 Adoption of the changes set out in the Appendix will provide the Company with a constitution which is fully compliant with current company law and the law relating to LACCs, and with a document which can more easily be kept up-to-date. The Company's Board will be considering these changes at its meeting in September. It is open to the Company to reject these changes, but that is felt to be highly unlikely given their technical nature designed to ensure compliance with current legislation. Consequently the Authority is invited to consider the contents of this report with a view to – on the basis that the Company's Board recommends approval of the changes at its September meeting - mandating its appointed nominee to vote in favour of the proposed changes at the Board's Annual General Meeting to be held later in 2010.

M PEARSON
Clerk to the Authority

The Companies ~~Acts 1985 and 1989~~ Act 2006

Company limited by Guarantee

Articles of Association
of South West Fire Control ~~Service~~ Limited

Interpretation

1 In these articles:

~~the Act means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.~~

the Act means the Companies Act 2006.

Applicable Law means any applicable law (whether criminal, civil or administrative), whether common law, judgment, court order, statute, statutory instrument, regulation, directive, European Community decision (insofar as legally binding) by-law or treaty.

Area means the area set out in ~~paragraph 3~~ Article 77(a) of the ~~Memorandum of Association~~ Articles.

these **articles** means these articles of association of the ~~e~~Company whether as originally adopted or as altered from time to time by the requisite resolution of the Members.

bankrupt includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy.

clear days in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

~~communication means the same as in the Electronic Communications Act 2000.~~

the **Company** means South West Fire Control ~~Service Limited~~ Limited.

Companies Acts means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company.

director means a director of the Company, being both Non Fire and Rescue Authority Directors and Fire and Rescue Authority Directors including his alternate properly appointed.

elected member means a person who is a member of a Fire and Rescue Authority.

~~electronic communication means the same as in the Electronic Communications Act 2000.~~

executed includes any mode of execution.

Financial Year means the period of 12 months expiring on 31 March in each year or such other date as the Members may from time to time determine.

~~*Local Authorities Order means the Local Authorities (Companies) Order 1995.*~~

~~*Local Government Act means the Local Government Act 1972.*~~

Fire and Rescue Authorities means fire and rescue authorities under the Fire and Rescue Services Act 2004 and reference to **Fire and Rescue Authority** shall be to any of them.

Fire and Rescue Authority Directors means the directors appointed by the Members pursuant to Article ~~36~~46 (otherwise than by an ordinary resolution of the Members) and reference to **Fire and Rescue Authority Director** shall be to any of them.

~~*Local Authorities Order means the Local Authorities (Companies) Order 1995 or such Order regarding local authority controlled entities as may be made under the provisions of the Local Government and Public Involvement in Health Act 2007.*~~

~~*Local Government Act means the Local Government Act 1972.*~~

Members means the members of the Company from time to time and the reference to **Member** shall be to any one of them.

Non Fire and Rescue Authority Director means a director of the Company that is appointed by an ordinary resolution in accordance with Article 46 and not appointed by a Member as their Fire and Rescue Authority Director and reference to a Non Fire and Rescue Authority Director shall be to any of them.

Observer means any person authorised to attend a general meeting or a meeting of the Board pursuant to article ~~9~~12 or article ~~57-67~~.

office the registered office of the Company.

ordinary resolution has the meaning given to it in section 282 of the Act.

the **seal** means the common seal of the Company.

secretary means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary.

special resolution has the meaning given to it in section 283 of the Act.

the **United Kingdom** means Great Britain and Northern Ireland.

Unless the context otherwise requires, words or expressions contained in these articles bear the same meaning as in the ~~Act~~Companies Acts but excluding any statutory modification thereof not in force when these articles become binding on the Company.

Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.

A reference in these articles to an article is reference to the relevant article of these articles, unless expressly provided otherwise.

Members

- 2 The subscribers to the Memorandum of Association of the Company and such other persons as are admitted to membership in accordance with the articles shall be Members of the Company.

- 3 With the exception of the Council of the Isles of Scilly any Fire and Rescue Authority in the Area shall be entitled to apply for membership and upon application shall be admitted to membership. In the case of the Council of the Isles of Scilly it shall be admitted to membership provided their application is approved by the unanimous consent of the Members. No person shall be admitted as a Member of the Company if they are also a member of another company of the like nature and objects of the Company. Every person who wishes to become a Member shall deliver to the Company an application for membership in such form as the Members shall require.
- 4 A person shall automatically cease to be a Member immediately on the happening of any of the following events:
- (a) **if by not less than 6 calendar months written notice to the Company to expire at the end of the Company's Financial Year that Member resigns its membership;**
or
 - (b) **if that Member ceases to be a Fire and Rescue Authority or becomes a member of another company of like nature and objects to that of the Company.**
- 5 ~~5~~ Notwithstanding articles 3 and 6, a Fire and Rescue Authority which takes the place of one or more of the Members shall, unless it is a member of another company of the like nature and objects of the Company, be entitled to apply for and be admitted as a Member of the Company.
- 6 ~~6~~ The rights and privileges of a Member shall not be transferable or transmissible by operation of law to any person who is not a Member.

Members' Liability

- 7 **The liability of the Members is limited.**
- 8 **Every Member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while it is a Member, or within one year after it ceases to be a Member, for payment of the debts and liabilities of the Company contracted before it ceases to be a Member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.**
- 9 **If upon the winding up or dissolution of the Company there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall be paid to or distributed among the then current Members of the Company on a pro rata basis by reference to the amount of expenditure incurred by such Member.**

General meetings

- 10 ~~7~~ The Company shall hold an annual general meeting each year in addition to any other meetings in that year and shall specify the meeting as such in the notices calling it. Not more than 15 months shall elapse between the date of one annual general meeting of the Company and that of the next. The Company shall hold its first annual general meeting within 18 months of its incorporation. All general meetings other than annual general meetings shall be called **extraordinary** general meetings.

11 ~~8~~The directors may call general meetings ~~and~~. The directors must, on the requisition of ~~not less than 2~~ Members who represent at least ten percent of the total voting rights of all the members having a right to vote at general meetings, ~~shall forthwith~~ proceed to convene ~~an extraordinary~~ a general meeting for within twenty-one days from the date on which the Member so requests, to be held on a date not ~~later more~~ than twenty-eight weeks days after ~~receipt~~the date of notice convening the ~~requisition-~~meeting. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or any Member of the Company may call a general meeting.

12 ~~9~~Any Member shall be entitled to invite any one or more persons (each an **Observer**) to attend, in observer capacity, any general meeting of the Company. Any Observer admitted to a general meeting may be required to leave the meeting upon a resolution of a majority of the Members but may be readmitted upon a further like resolution.

Notice of general meetings

13 ~~10~~An annual general meeting and ~~an extraordinary~~ a general meeting called for the passing of a special resolution or a resolution appointing a person as a director shall be called by at least ~~twenty-one~~fourteen clear days' notice. All other ~~extraordinary~~ general meetings shall also be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed:

- a) ~~(a)~~ in the case of an annual general meeting, by all the Members entitled to attend and vote at that meeting; and
- b) ~~(b)~~ in the case of any other meeting by a majority in number of the Members having a right to attend and vote being a majority together holding not less than ninety-~~five~~ per cent of the total voting rights at the meeting of all the Members.

The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted and, in the case of an annual general meeting, shall specify the meeting as such.

The notice shall be given to all the Members and to the directors and the auditors.

14 ~~11~~The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings or any resolution passed at that meeting.

Proceedings at general meetings

15 ~~12~~Each Member, for so long as it remains a Member of the Company, shall be entitled to appoint an authorised representative to attend, speak and vote on their behalf at general meetings and reference to the "Members" in these articles shall be construed accordingly.

16 ~~13~~No business shall be transacted at any meeting unless a quorum is present. Such number of Members as represents not less than two thirds of all Members entitled to vote upon the business to be transacted, or a proxy for such Member, shall be a quorum.

17 ~~14~~If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine.

- 18** ~~15~~ Any Member may participate in a general meeting by means of a conference telephone or similar communications system whereby all persons participating in the meeting can hear and address each other and participation in a general meeting in this manner shall be deemed to constitute presence at such meeting for all purposes including that of establishing a quorum. A general meeting held by such means shall be deemed to take place where the largest group of participants in number is assembled. In the absence of such a majority the location of the Members' chairman shall be deemed to be the place of the general meeting.
- 19** The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 20** ~~16~~ The chairman, if any, of the board of directors or in his or her absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he or she shall be chairman.
- 21** ~~17~~ If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the Members present and entitled to vote shall choose one of their number to be chairman.
- 22** ~~18~~ A director shall, notwithstanding that he or she is not a Member, be entitled to attend and speak at any general meeting.
- 23** The Chairman of the meeting may permit other persons, including Observers, who are not Members of the Company to attend and speak at a general meeting.
- 24** ~~19~~ The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. This notice shall be given to the same persons to whom notice of the Company's general meetings is required to be given and the notice must contain such information which such notice of a general meeting is required to contain. Otherwise it shall not be necessary to give any such notice.
- 25** ~~20~~ A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded in accordance with the Articles. Subject to the provisions of the Act, a poll may be demanded:
- a)** ~~(a)~~ by the chairman; or
 - b)** ~~(b)~~ by at least two Members having the right to vote at the meeting; or
 - c)** by a Member or Members representing not less than one tenth of the total voting rights of all Members entitled to vote on the resolution

and a demand by a person as proxy for a Member shall be the same as a demand by the Member.

- 26** ~~21~~ Unless a poll is duly demanded a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution.
- 27** ~~22~~ The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 28** ~~23~~ A poll shall be taken as the chairman directs and he or she may appoint scrutineers (who need not be Members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
- 29** ~~24~~ In the case of an equality of votes, whether on a show of hands or on a poll, the chairman shall be entitled to a casting vote in addition to any other vote he or she may have.
- 30** ~~25~~ A poll demanded on the election of a chairman or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 31** ~~26~~ No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken.
- 32** ~~27~~ A resolution in writing executed by or on behalf of each Member who would have been entitled to vote upon it if it had been proposed at a general meeting at which he was present shall be as effectual as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.

Votes of Members

- 33** ~~28~~ On a show of hands every Member who is present in person or by proxy shall have one vote. ~~On, unless the proxy is himself a Member entitled to vote, and on~~ a poll every Member present in person or by proxy shall have one vote.
- 34** ~~29~~ No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting shall be valid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.
- 35** ~~30~~ The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) =

"South West Fire Control-~~Service~~ Limited

I/We, **, of **, being a member/members of the above-named company, hereby appoint ** of **, or failing him, ** of **, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/~~extraordinary~~ general meeting of the company to be held on **, and at any adjournment thereof.

Signed on ** ."

- 36** ~~31~~ Where it is desired to afford Members an opportunity of instructing the proxy how he or she shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve) =

"South West Fire Control-~~Service~~ Limited

I/We, **, of **, being a member/members of the above-named company, hereby appoint ** of **, or failing him, ** of **, as my/our proxy to vote in my/our name[s] and on my/our behalf at the annual/~~extraordinary~~ general meeting of the company, to be held on **, and at any adjournment thereof.

This form is to be used in respect of the resolutions mentioned below as follows:

Resolution No.1 *for *against

Resolution No.2 *for *against.

*Strike out whichever is not desired.

Unless otherwise instructed, the proxy may vote as he or she thinks fit or abstain from voting.

Signed this ** day of ** ."

- 37** An instrument appointing a proxy shall be deemed to include the right to attend, speak, vote and to demand or join in demanding a poll and shall, unless the contrary is stated thereon, be valid as well for any adjournment of the meeting as for the meeting to which it relates.

- 38** ~~32~~ The appointment of a proxy and any authority under which it is executed or a copy of such authority certified as a true and accurate copy of the original or in some other way approved by the directors may-

a) ~~(a)~~ in the case of an instrument in writing, be deposited at the office, or at such other place within the United Kingdom as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote;

b) ~~(b)~~ in the case of an appointment contained in ~~an electronic~~ communication sent by electronic means, where an address has been specified for the purpose of receiving a communication sent by electronic communications means:

(i) in the notice convening the meeting, or

- (ii) in any instrument of proxy sent out by the Company in relation to the meeting, or
- (iii) in any invitation contained in ~~an electronic~~ communication sent by electronic means to appoint a proxy issued by the Company in relation to the meeting,

be received at such address not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment proposes to vote;

- c) ~~(e)~~** in the case of a poll taken more than 48 hours after it is demanded, be deposited or received as aforesaid after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll; or
- d) ~~(d)~~** where the poll is not taken forthwith but is taken not more than 48 hours after it was demanded, be delivered at the meeting at which the poll was demanded to the chairman or to the secretary or to any director;

and an appointment of proxy which is not deposited, delivered or received in a manner so permitted shall be invalid. In this article and the next, "address", in relation to a communication sent by electronic communications means, includes any number or address used for the purposes of such communications. In the calculation of the periods mentioned in this article, no account shall be taken of any part of a day that is not a working day.

- 39** ~~33~~ A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the instrument of proxy was duly deposited or, where the appointment of the proxy was contained in ~~an electronic~~ communication sent by electronic means, at the address at which such appointment was duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll.

Amendments to resolutions

40 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if—

- a) notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and**
- b) the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.**

41 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if—

- a) the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and**
- b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.**

42 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

Conduct of the Company's affairs

43 ~~34~~ The Members shall exercise all voting rights held by them in relation to the Company so as to procure (insofar as they are able by the exercise of such rights) that:

- a) ~~(a)~~** the Company fully complies with any obligations which from time to time it may have pursuant to Applicable Law, including the Local Government Act, Local Authorities Order and the Act, including but not limited to:
- (i) the requirement to state in all relevant documents that the Company is controlled by the relevant Fire and Rescue Authorities, as required by the Local Authorities Order;
 - (ii) the requirement to obtain the Audit Commission's consent to the appointment of the Company's auditor as required by the Local Authorities Order; and
 - (iii) the requirement, until the expiry of the period of four years beginning with the date of the meeting, to make available for inspection by any member of the public, a copy of the minutes of any General Meeting of the Company as required by the Local Authorities Order. In accordance with the Local Authorities Order, no copies of minutes are to be made available which include any matter the disclosure of which would be in breach of any enactment, or of an obligation owed to any person;
- b) ~~(b)~~** the activities of the Company are at all times consistent with the functions which may be performed by the Members in their respective capacities as public sector bodies and who for the avoidance of doubt in accordance with their statutory duties shall not exercise any degree of day to day control over the Company's affairs.

Change of Name

44 The Company may change its name by resolution of the board of directors, and such resolution shall include the consent of at least one Fire and Rescue Authority Director,

Number of directors

45 ~~35~~ Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum.

46 ~~36~~ Each Member shall be entitled for so long as it is a Member of the Company to appoint one director as that Member's Fire and Rescue Authority Director and may at any time remove such person and appoint another person in his or her place. Any person so appointed as a Fire and Rescue Authority Director shall be an employee, officer or elected member of the Member making the appointment. Any other director **(a Non Fire and Rescue Authority Director)** shall be appointed and removed by ordinary resolution of the Members, provided that the directors will be entitled to make recommendations to the Members regarding the appointment of any person as a director. Any appointment or removal of a Fire and Rescue Authority Director by a Member under this article shall take effect on and from the date on which notice in writing thereof is lodged at the office or delivered to the secretary or to a meeting of the directors.

47 ~~37~~ Removal of a Director shall be deemed to take place in any of the circumstances specified in article **47.57.**

Alternate directors

- 48** ~~38~~ Any Fire and Rescue Authority Director (other than an alternate director) may appoint any other director or any person who is an employee, officer or elected member of the appointing director's Fire and Rescue Authority to be an alternate director and may remove from office an alternate director so appointed by him. The appointment of an alternative director under this article by a Fire and Rescue Authority Director may only take place following written notification approving the appointment being made to the secretary by the relevant Member. The relevant Member may in addition remove from office an alternate director approved by it.
- 49** ~~39~~ An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his or her appointor is a member, to attend and vote at any such meeting at which the ~~director~~ Fire and Rescue Authority Director appointing him is not personally present, and generally to perform all the functions of his or her appointor as a director in his or her absence but shall not be entitled to receive any remuneration from the Company for his or her services as an alternate director. But it shall not be necessary to give notice of such a meeting to an alternate director who is absent from the United Kingdom.
- 50** ~~40~~ An alternate director shall cease to be an alternate director if his or her appointor ceases to be a ~~director~~ Fire and Rescue Authority Director; but, if a ~~director~~ Fire and Rescue Authority Director retires but is reappointed as a Fire and Rescue Authority Director or deemed to have been reappointed at the meeting at which he or she retires, any appointment of an alternate director made by him which was in force immediately prior to his or her retirement shall continue after his or her reappointment.
- 51** ~~41~~ Any appointment or removal of an alternate director shall be by notice to the secretary signed by the ~~director~~ Fire and Rescue Authority Director making or revoking the appointment or in any other manner approved by the directors.
- 52** ~~42~~ Save as otherwise provided in these articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his or her own acts and defaults and he or she shall not be deemed to be the agent of the ~~director~~ Fire and Rescue Authority Director appointing him.

Powers of directors

- 53** ~~43~~ Subject to the provisions of the Act, ~~the memorandum~~ and these articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the memorandum or articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by these articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
- 54** ~~44~~ The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of its powers.

Delegation of directors' powers

55 ~~45~~ The directors may delegate any of their powers to any committee consisting of one or more directors. They may also delegate to any managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more ~~members~~directors shall be governed by the articles regulating the proceedings of directors so far as they are capable of applying.

Retirement of directors

56 ~~46~~ The directors shall not be required to retire by rotation.

Disqualification and removal of directors

57 ~~47~~ The office of a director shall be vacated if:

- a)** ~~(a)~~ he or she ceases to be a director by virtue of any provision of the Act or he or she becomes prohibited by law from being a director; or
- b)** ~~(b)~~ he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
- c)** ~~(c)~~ he or she is, or may be, suffering from mental disorder and either:
 - (i) ~~he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months, or~~
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs; or
- d)** ~~(d)~~ he or she resigns the office by notice to the Company; or
- e)** ~~(e)~~ he or she shall for more than six consecutive months have been absent without permission of the directors from any meetings of directors held during that period and the directors resolve that the office be vacated, though if no meetings have been held during that six month period this article shall not apply; or
- f)** ~~(f)~~ he or she is directly or indirectly interested in any ~~contract~~proposed or existing transaction or arrangement with the Company and, in the opinion of the directors (acting reasonably) (including on recommendation by the secretary) has failed to declare his or her interest in the manner required by the Act and these articles or any other statutory requirement which may apply to that director; or
- g)** ~~(g)~~ in the case of a Fire and Rescue Authority Director, the Member who appointed him or her ceases to be a Member; or

- h) ~~(h)~~** in the case of a Fire and Rescue Authority Director, he or she ceases to be an employee, officer or elected member of the Member who appointed him or her, **and in the case of ceasing to be an elected member of a Member whether by disqualification or otherwise;** or
- (i) ~~(i)~~** **~~in the case of a Fire and Rescue Authority Director, who is an elected member, he or she ceases to be an elected member of the Member who appointed him or her or is disqualified from such membership; or~~**
- i) ~~(j)~~** he or she is validly removed from office by the Members pursuant to article **36.46** or, in the case of a Fire and Rescue Authority Director, by the Member who appointed him pursuant to article **36.46**.

Remuneration of directors

58 ~~48~~ Subject to the Local Authorities Order, the ~~directors other than the Non-Fire and Rescue Authority Directors~~ shall be entitled to such remuneration as the ~~Company Members~~ may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day. **The Non-Fire and Rescue Directors are entitled to such remuneration as the Members determine for their services to the Company as directors. In respect of remuneration for any other service which the Non-Fire and Rescue Authority Directors undertake for the Company this shall be determined by the directors in accordance with Article 60.**

Directors' expenses

59 ~~49~~ Subject to the Local Authorities Order no payments whatsoever shall be made to any Fire and Rescue Authority Director or any Observer who is for the time being an employee, officer or elected member of any Member. Save as the Members may otherwise agree in writing, no payment shall be made to any Observer. Subject to the foregoing, and to such general rules and limitations as the ~~Company Members~~ may by ordinary resolution determine from time to time, the directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

Directors' appointments and interests

60 ~~50~~ Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any ~~director~~ **Non-Fire and Rescue Authority Director** for his or her employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director. Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such ~~director~~ **Non-Fire and Rescue Authority Director** for his or her services as they think fit. Any appointment of a ~~director~~ **Non-Fire and Rescue Authority Director** to an executive office shall terminate if he or she ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company.

- 61** ~~51~~ Save as otherwise provided in these articles and subject to article ~~52,62~~, a director shall not vote in respect of any ~~contract~~proposed or existing transaction or arrangement with the Company in which he or she is directly or indirectly interested or any matter arising out of such ~~contract~~proposed or existing transaction or arrangement or any matter which conflicts or may conflict with the interests of the Company and if he or she does so vote his or her vote shall not be counted. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he or she is not entitled to vote. A director shall not be deemed to be interested in a ~~contract~~proposed or existing transaction or arrangement with any Member (or any other fire and rescue authority for the purposes of the Fire and Rescue Services Act 2004 or equivalent authorities in Scotland) merely by reason that he or she or his or her spouse or registered civil partner is an elected member, officer or employee of any Member (or any other fire and rescue authority for the purposes of the Fire and Rescue Services Act 2004 or equivalent authorities in Scotland).
- 62** ~~52~~ A director, whether a Fire and Rescue Authority Director or a Non- Fire and Rescue Authority Director who is an elected member, officer or employee of ~~a~~any Member shall comply with the requirements of any code of conduct of such Member for the time being in force in respect of elected members, officers and/or employees of such Member as the case may be including those requirements relating to the declaration of personal and prejudicial interests except and insofar as the requirements conflict with any other lawful obligations to which the director and/or the Company may be subject. Those directors shall respectively declare personal interests as defined in such codes at any meeting of the directors or committee at which the matter giving rise to the interest is considered and, in the case of prejudicial interests as defined in such codes, shall not participate in any decisions to be made by the Company and shall withdraw from any meeting of the directors or committee at which such matter is considered.
- 63** ~~53~~ Subject always to compliance with any of the codes referred to in Article ~~52,62~~ above the ~~Company~~Members may by unanimous resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these articles prohibiting a director from voting at a meeting of directors or of a committee of directors or counting in a quorum.
- 64** ~~54~~ Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he or she is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his or her own appointment.
- 65** ~~55~~ If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his or her ruling in relation to any director other than himself shall be final and conclusive.

Directors' gratuities and pensions

- 66** ~~56~~ The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any ~~director~~Non-Fire and Rescue Authority Director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company and for any member of his or her family (including a spouse or registered civil partner and a former spouse or former registered civil partner) or any person who is or was dependent on him, and may (as well before as after he or she ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit.

Proceedings of directors

- 67** ~~57~~ Subject to the provisions of the articles, the directors may regulate their proceedings as they think fit. Any director may invite any one or more persons (each an Observer) to attend, in an observer capacity, any meeting of the directors. An Observer may be required to leave the meeting upon a resolution of the directors but may be readmitted upon a further like resolution.
- 68** ~~58~~ A director may, and the secretary at the request of a director shall, call a meeting of the directors at any time. Any such notice shall include an agenda of the matters to be discussed at such meeting. Each director shall have one vote. In the case of an equality of votes the Chairman of the meeting shall be entitled to a casting vote in addition to any other vote he or she may have. But this does not apply if, in accordance with these articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- 69** ~~59~~ The quorum for the transaction of the business of the directors shall be such number of directors as represents not less than two thirds of all duly appointed directors provided that a quorum shall not exist unless there is also present such number of Fire and Rescue Authority Directors as represents not less than two thirds of all duly appointed Fire and Rescue Authority Directors. A person who holds office only as an alternate director shall, if his or her appointor is not present, be counted in the quorum.
- 70** ~~60~~ If such a quorum is not present within half an hour from the time appointed for the meeting or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day the next week at the same time and place or to such date, time and place as the directors may determine. If a quorum is not present at such reconvened meeting, the meeting shall be dissolved.
- 71** ~~61~~ The continuing directors may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.
- 72** ~~62~~ The directors may appoint one of their number to be the chairman of the board of directors and may at any time remove him from that office. Unless he or she is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he or she is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within ten minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.
- 73** ~~63~~ All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.
- 74** ~~64~~ A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors; but a resolution signed by an alternate director need not also be signed by his or her appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity.

75 ~~65~~ Any director may participate in a meeting of the directors by means of a conference telephone or similar communications system whereby all persons participating in the meeting can hear and address each other and participation in a meeting of the directors in this manner shall be deemed to constitute presence at such meeting for all purposes including that of establishing a quorum. A meeting of the directors held by such means shall be deemed to take place where the largest group of participants in number is assembled. In the absence of such a majority the location of the chairman shall be deemed to be the place of the meeting of the directors.

Secretary

76 ~~66~~ Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration (if not also a Fire and Rescue Authority Director) and upon such conditions as they may think fit; and any secretary so appointed may be removed by them.

Objects

77 The objects for which the Company is established are:

- (a)** To operate a regional control centre covering the fire and rescue authority areas of Avon, Cornwall, Dorset, Gloucestershire, Devon and Somerset, Wiltshire and Swindon and the Isles of Scilly as part of the English network of regional control centres, which, for the avoidance of doubt may extend to mobilisation of fire and rescue resources from or to anywhere within Great Britain (including any resources that can be used for the purpose of responding to incidents regardless of who the owner is) and to operate as a national co-ordination centre, as required from time to time. In particular, without prejudice to the generality of the foregoing and subject to any statutory guidance in issue from time to time, the Company is established to:
- (i)** enter into arrangements from time to time with any one or more fire and rescue authorities (FRA), within the meaning of the Fire and Rescue Services Act 2004 (FRSA), in England and any other organisation within the British Islands certified by the Secretary of State;
 - (ii)** procure, purchase, manage or operate mobilising or communications systems or services, or technology equipment or infrastructure required for the provision of control services or the operation of the national coordination centre;
 - (iii)** have regard to the policy of the Secretary of State in relation to the operation of regional control centres, in particular, but without prejudice to the generality of the foregoing, to the National Framework prepared by the Secretary of State pursuant to section 21 of the FRSA;
- (b)** In furtherance of the foregoing objects but not further or otherwise the Company shall have the following powers:
- (i)** To supply services of all kinds and to carry on any activity, including the employment of staff, normally undertaken by an organisation with these or similar objects
 - (ii)** To provide such office or other business accommodation for national functions and input to contract management on a national basis, as required from time to time.

- (iii) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the furtherance of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
- (iv) To sell, let, sub-let, lease, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient and to accept surrenders of leases and tenancies and to make allowances to and arrangements with tenants, as may be deemed expedient in the interests of the Company.
- (v) Subject to such consents as may be required by law, to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit.
- (vi) To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities and property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (vii) To take any gift of property, whether subject to any special trust or not, for any of the objects of the Company.
- (viii) To create subsidiary companies, enter into joint venture agreements and establish any body necessary or incidental to the carrying out of the objects of the Company.
- (ix) To affiliate or co-operate with any other organised body in the United Kingdom, Europe, or elsewhere, having objects similar to those of the Company, with a view to furthering the objects of the Company, and to amalgamate with any company having objects similar to those of the Company.
- (x) To make such rules and regulations for the management and administration of the Company and for matters connected therewith as the Company in its discretion think fit and from time to time to so add amend vary revoke or replace any such rules and regulations but so that nothing in this sub-clause shall be deemed to authorise any application of any part of the investments and property held by or on behalf of the Company or the income thereof otherwise than in conformity with these articles.
- (xi) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or auditors of the Company, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from such liability.
- (xii) To appoint and constitute such committees, boards or bodies (whether advisory or not) as the Company may consider desirable for the better management and administration of the Company and to make amend vary revoke and replace rules and regulations for the purpose of defining their functions powers and organisation and also (if the Company shall think fit) to pay an honorarium or fee or salary to and defray expenses incurred by any member of such committee board or body appointed as aforesaid.

- (xiii) To apply for and take out, purchase or otherwise acquire, any patents, patent rights, brevets d'invention, inventions, licences, conversions, trade marks, or secret processes, which may further the objects of the Company, and to grant licences to use the same.
- (xiv) To establish or promote any company for the purpose of acquiring all or any of the property, rights or liabilities of the Company, or for any other purpose which may seem calculated to benefit the Company.
- (xv) To pay all or any expenses incurred in connection with the promotion and incorporation of the Company, to remunerate any person, firms or company rendering services to the Company, either by cash payment or otherwise, and to recover costs from FRAs, other companies operating regional control centres and other persons as required.
- (xvi) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them or as shall seem to be in the best interests of the Company, its members, its subscribers or other users of the Company's services.

PROVIDED THAT:

- (c) In case the Company shall take or hold any property which may be subject to any trust, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trust.
- (d) The income and property of the Company wheresoever derived, shall be applied solely towards the promotion of the objects of the Company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend or bonus or otherwise howsoever by way of profit to the members of the Company PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company of:
 - (i) Interest on money lent to the Company by any member of the Company at a rate per annum not exceeding a reasonable and proper commercial rate;
 - (ii) Reasonable and proper rent for premises demised or let to the Company by any member of the Company;
 - (iii) Reasonable and proper remuneration to any member, officer or servant of the Company in return for any services actually rendered to the Company;
 - (iv) Any exhibition scholarship, fellowship, or other reward or prize established or paid out of the funds of the Company to any person bona fide holding the same;
 - (v) Fees, remuneration or other benefit in money or money's worth to a company of which a member of the Company may be a member, and such member shall not be bound to account for any share of profits it may receive in respect of any such payment.

Minutes

78 ~~67~~ The directors shall cause minutes to be made in books kept for the purpose ~~=~~

- (a) of all appointments of officers made by the directors; and**

(b) of all proceedings at meetings of the ~~Company and~~ Members, including copies of all Members' resolutions passed otherwise than at a general meeting including written resolutions passed, and all proceedings at meetings of the directors, and of committees of directors, including the names of the directors present at each such meeting

for a period of ten years from the date of resolution, decision or meeting.

The seal

79 ~~68~~ The seal shall be entrusted to the Company Secretary and shall be kept at the registered office with the Statutory Books of the Company and shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by at least one authorised director ~~and by the secretary or by a second director~~ in the presence of a witness who attests the signature.

Accounts

80 ~~69~~ Any Member shall (as such) and as a Fire and Rescue Authority and their auditors shall have the right to inspect any accounting records or other book or document of the Company except as restricted by statute.

Notices

81 ~~70~~ Any notice to be given to or by any person pursuant to the articles (other than a notice calling a meeting of the directors) shall be in writing or shall be given using electronic communications means to an address for the time being notified for that purpose to the person giving the notice. In this article and the next, "address", in relation to electronic communications means, includes any number or address used for the purposes of such communications.

82 ~~71~~ The Company may give any notice to a Member or director either personally, or by sending it by post in a prepaid envelope addressed to the Member or director at the address within the United Kingdom that he, she or it has notified to the Company, or by leaving it at that address, or by giving it using electronic communications means to an address for the time being notified to the Company by the Member or director.

83 ~~72~~ A Member present, either in person or by proxy, at any meeting of the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called.

84 ~~73~~ Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice ~~contained in an electronic communication was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators~~ sent using electronic means was properly addressed shall be conclusive evidence that the notice was given. A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice contained in ~~an electronic~~ communication sent by electronic means, at the expiration of ~~48~~ one hours after the time it was sent. For the purposes of this article, no account shall be taken on any part of a day that is not a working day.

Indemnity

85 ~~74~~ Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer ~~or auditor~~ of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company. The Company may also provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to above and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

86 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss. In this article—

- (a)** a “relevant officer” means any director or other officer of the company, and
- (b)** a “relevant loss” means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer’s duties or powers in relation to the company, or any pension fund or employees’ share scheme of the company.

Names, addresses and descriptions of subscribers

Cornwall County Council	County Hall Truro TR1 3AY	R, Lloyd-King Witness to the above signature: Heidi Ball Name: HEIDI BALL Address: GWELBRAE, FORTH COTH, CARNON DOWNS, CORNWALL Occupation: P.A. COUNTY LEGAL SERVICES
Devon and Somerset Fire and Rescue Authority	Headquarters Clyst St George Exeter EX3 0NW	M Pearson Witness to the above signature: Steven Yates Name: STEVEN YATES Address: 65, OLD VICARAGE ROAD, ST THOMAS, EXETER EX2 9BL Occupation: LOCAL GOVERNMENT OFFICER
Dorset Fire Authority	Service Headquarters Colliton Park Dorchester DT1 1FB	Jonathan Mair Witness to the above signature: Linda Stebbing Name: LINDA STEBBING Address: 30, WHITECROSS DRIVE, WEYMOUTH Occupation: LOCAL GOVERNMENT OFFICER
Gloucestershire County Council	Shire Hall Westgate Street Gloucestershire GL1 2TG	Terry Standing Witness to the above signature: Nigel Roberts

Name: NIGEL ROBERTS

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GLOUCESTER GL1 2TL

Occupation: LOCAL
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Keith Strickland

Witness to the above signature:
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Name: PHIL CHOW

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Occupation: ACCOUNTANT

Dated the 4 day of September 2007

Document comparison by Workshare on 22 July 2010

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SOUTH WEST REGIONAL MANAGEMENT BOARD

22 June 2010

Present:-

Councillors Roberts and Walker (Avon), Gribble (vice Gordon) and Healey (Devon & Somerset), Jones OBE (vice Butleel)(Dorset), Windsor-Clive (Gloucestershire) and Brig. Hall (Wiltshire).

Substitute Members attending in accordance with Standing Order 3(2):

Councillor Wren (Wiltshire).

Apologies:-

Councillors Kennedy (Cornwall), Boyd and Gordon (Devon & Somerset) and Bulteel (Dorset).

RMB/1. Election of Chairman

RESOLVED that Councillor Walker (Avon) be elected Chairman of the Board until its Annual Meeting in 2011.

RMB/2. Minutes

RESOLVED that the Minutes of the meeting of the Board held on 22 March 2010 be signed as a correct record.

RMB/3. Election of Vice-Chairman

RESOLVED that Councillor Healey (Devon & Somerset) be elected Vice-Chairman of the Board until its Annual Meeting in 2011.

RMB/4. 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 to declare any such interests at this time.

At this stage Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in those items relating to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company.

(SEE ALSO MINUTES RMB/5, 6, 7 AND 9(a) AND (b) BELOW)

RMB/5.

Firelink Cost Apportionment in the Event of Over-Usage of the System

(Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in this item in so far as it related to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company).

The Board considered a report of the South West Regional Firelink/Firecontrol Project Director (RMB/10/10), together with a presentation by the Regional Firelink/FiReControl Project Director and Steve Brealey (the South West Regional Delivery Manager) on options for the apportionment amongst the south west fire and rescue authorities of any additional costs arising from use of the Firelink radio system.

For the main part, fire and rescue authorities were protected from any additional costs associated with the system by entitlement to New Burdens funding from central government. The system operated by the allocation, regionally, of traffic units and a possibility existed that overusage by one or more fire and rescue services (for example, in responding to a major incident) may result in the regional Traffic Unit allowance being exceeded thereby generating additional cost which would need to be met by the south west fire and rescue services.

In determining how such an additional cost might be apportioned amongst the individual fire and rescue authorities, a number of options had been explored and three were presented to the Board for consideration:

- Option 1 – the cost of the additional traffic unit allowances be met from the fire and rescue authority/authorities incurring the costs;
- Option 2 – the apportionment of the cost of any additional traffic units amongst the individual fire and rescue authorities pro-rata to the number of radios used by each authority; and
- Option 3 – partly based on the number of radios but relating these to actual peak usage to determine the apportionment of the charge for any additional traffic units.

Both the Regional Project Board and the Executive Management Group had, following evaluation of the options, expressed the view that the third option was preferable as it recognised the inter-dependence of the fire and rescue authorities in relation to radio traffic management and should give each fire and rescue service a strong incentive to effectively manage radio traffic usage.

In the course of debating the report, Option 1 was advanced as the option to be commended to the constituent authorities for approval although this did not receive majority support. The Regional Firelink/FiReControl Project Director reminded the Board that, as the initial traffic unit allowance and any costs for over-usage would be determined on a regional basis, it would be necessary for all the fire and rescue authorities in the region to agree a common approach to the apportionment of any costs arising from over-usage.

Following further debate on the issue it was

RESOLVED by the majority of those present and voting to recommend that each South West Fire and Rescue Authority should adopt Option 3 for the apportionment of any costs associated with over-usage of the Firelink system.

(SEE ALSO MINUTE RMB/4 ABOVE)

RMB/6. Feedback On Meeting Of Regional Management Board Chairs And Vice-Chairs, London, 17 June 2010

(Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in this item in so far as it related to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company).

The Chairman reported on issues discussed at the meeting of Regional Management Board Chairs and Vice-Chairs held in London on 17 June 2010, specifically:

- the FiReControl/Regional Control Centre project. There was still uncertainty over the future of the project and concern had been expressed at the perceived failure of the Department for Communities and Local Government (CLG) to consult, at Member level, on the potential for further delays to the project. There were still considerable problems relating to the technology proposed for the project and consequently a number of other regions were now considering other options to FiReControl. It was anticipated that a parliamentary announcement over the future of the FiReControl project would be made prior to the forthcoming Fire Conference in Harrogate;
- ongoing concerns over the possibility of further increases in contributions towards the Firefighters Pensions Scheme. This matter would be subject to further discussion at a future meeting of Regional Management Board Chairs and Vice-Chairs to be held later in the year.

(SEE ALSO MINUTE RMB/4 ABOVE)

RMB/7. Workstreams Highlights Report

(Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in this item in so far as it related to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company).

The Board considered a report of the Regional Programme Manager (RMB/10/11) on progress since the last meeting of the Board on:

- the review of future governance arrangements;
- those projects being supported by the South West Regional Improvement and Efficiency Partnership (SW RIEP), 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;
- a regional fleet options review;
- an e-recruitment project;
- an Early Learning Fire Safety (ELFS) project; and
- expressions of interest being sought by SW RIEP for the next round of its capital innovations fund; and
- a summary of progress made since the last meeting of the Board by those workstreams addressing the following issues on a regional basis:
 - Business Improvement and Efficiency;
 - Climate Change and Sustainability Practitioners Group
 - Community Safety;
 - Equality and Diversity;
 - Procurement;
 - Human Resources Management and Development;
 - Regional Control Centre; and
 - Service Operations and Resilience.

Appended to the report was a summary of “red” milestones against the projects together with an indication of the action to be taken to resolve this.

With regard to those projects currently being supported by the South West Regional Improvement and Efficiency Partnership (SW RIEP), the report indicated that, pending the outcome of the new Government’s expenditure review, SW RIEP had placed a moratorium on any new capital or revenue expenditure commitments other than those projects with a firm legal commitment in place by 28 May 2010. The moratorium would be reviewed on 23 July by the South West Councils Chief Executives Group in light of the Budget announcement on 22 June 2010 but the worst case scenario was that there would be no RIEP funding available for 2011/12, with the £75,000 of uncommitted funding available for 2010/11 either being withdrawn completely or substantially reduced.

In relation to future governance arrangements, reference was made to the response received from the former Fire Minister, Shahid Malik MP, to the representations made by the Board, following its meeting on 28 January 2010, seeking the views of the Department for Communities and Local Government (CLG) to the proposed dissolution of the Board in favour of a more informal South West Forum of Fire Authorities (Minute RMB/29 refers). The former Minister had responded to indicate, amongst other things, that CLG would shortly be undertaking a review into the effectiveness of regional management boards but that, pending the outcome of this review, the government would expect such boards to continue given certain obligations placed upon them by the 2008 – 11 National Fire and Rescue Service Framework.

Since that time, however, the new Coalition Government had assumed power and, given the stated intention in its Programme for Government to “stop plans to force the regionalisation of the fire service”, it was suggested that the Board may wish to make further representations enquiring as to the status of the proposed review and re-affirming its wish to formally abolish the Board if possible.

RESOLVED

- (a) that the Chairman be authorised to make further representations on behalf of the Board to the new Fire Minister enquiring as to the status of the proposed review of regional management boards and re-affirming this Board's desire for formal dissolution if at all possible;
- (b) that, subject to (a) above, the progress of workstreams and the programme of work supported by the South West Regional Improvement and Efficiency Partnership (SW RIEP), as indicated in report RMB/10/11, be noted.

(SEE ALSO MINUTE RMB/4 ABOVE)

RMB/8. Regional Website

The Board received for information a presentation by the Regional Programme Manager on the new regional website (www.swfire.org.uk). The website was currently being rolled out to workstreams in phases and to date 216 users had been allocated user names and passwords. Board Members would shortly be issued with user names and passwords.

The site was intended as an information repository for regional programmes and to facilitate the sharing of best practice amongst fire and rescue services in the region. The site featured a public area populated with information such as Board agendas and minutes, together with a private, password-protected area, containing other information which the contributor could elect to make public. Those with access to the site would be able to specify to which Groups they wished to respond and elect to receive information about those Groups. The site also featured a training section providing usage instructions and a "Getting Started" section.

(SEE ALSO MINUTE RMB/13 BELOW)

RMB/9. Board Financial Outturn, Accounts and Annual Governance Statement 2009/10

(a) Board Financial Outturn 2009/10 (Including Draft Statement Of Accounts)

(Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in this item in so far as it related to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company).

The Board considered a report of the Treasurer to the Board (RMB/10/12) providing a final outturn position against the approved budget including contribution of required contributions from each constituent authority for 2009/10.

The final outturn indicated actual net spending of £147,054 against an approved net budget of £165,700. The surplus of £18,646, when added to the budgeted surplus of £5,500, gave a total of £24,146 available to carry forward to 2010/11.

The Board at its budget setting meeting on 28 January 2010 agreed, amongst other things, that any underspend from the 2009/10 financial year should be carried forward to the current financial year to enable constituent authority contributions to remain frozen at the level set in the 2006/07 financial year (£171,200 total) (Minute RMB/31 refers). Consequently, the 2010/11 financial year represented the fourth consecutive year that constituent authority contributions had remained unchanged.

The report also detailed costs in 2009/10 associated with the FiReControl (Regional Control Centre) project funding for which was met by the Department for Communities and Local Government (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 2010 and available for carry forward to 2010/11 was £1,236,365.

Appended to the report was a draft 2009/10 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 (CIPFA) 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 2010 and how the Board was funded;
- the Statement of Movement on the General Fund reconciling amounts required by statute to be included in the Income and Expenditure Account but which did not impact on the determination of the revenue budget requirement;
- the Balance Sheet recording assets and liabilities of the Board as at 31 March 2010; 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 for the Board as its gross income during 2009/10 had exceeded £1m. The Regulations also required the draft Accounts to be approved by 30 June 2010. 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 2010.

RESOLVED

- (a) that the draft Statement of Accounts for 2009/10, as appended to report RMB/10/12, be approved and the Chairman authorised to sign it on behalf of the Board;
- (b) that the surplus of £24,146 achieved against the approved budget for 2009/10 be noted.

(SEE ALSO MINUTE RMB/4 ABOVE AND RMB/9(b) BELOW)

(b) Board Annual Governance Statement 2009/10

(Councillors Brig. Hall and Wren each declared a **personal but non-prejudicial** interest in this item in so far as it related to South West Fire Control Ltd. – the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre – by virtue of their being, respectively, an Alternate Director and Authority-appointed Director on the Company).

The Board considered a report of the Clerk to the Board (RMB/10/13) to which was appended an Annual Governance Statement 2009/10. 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 (CIPFA) and the Society of Local Authority Chief Executives (SOLACE).

RESOLVED that the Annual Governance Statement required to accompany the Board's 2009/10 Statement of Accounts, as set out at Appendix A to report RMB/10/13, be approved and the Chairman and Clerk authorised to sign it on behalf of the Board.

(SEE ALSO MINUTES RMB/4 AND RMB/9(a) ABOVE)

RMB/10. Annual Benefits Report 2009/10

The Board received for information a report of the Regional Programme Manager (RMB/10/14) summarising benefits realised in 2009/10 from the programme of regional collaboration together with indicative forecast benefits for 2010/11.

The benefits review undertaken to inform the report had identified a number of areas requiring to be addressed (e.g. not all workstreams were taking a systematic approach to the identification and realisation of benefits; the benefits of the collaborative programme were not generally reflected in fire and rescue services' business plans and corporate objectives) and the report outlined measures proposed to address these Issues.

The report identified savings from each of the regional workstreams in 2009/10. The total of the estimated savings - £1.36m - were slightly less than the forecast of £1.458m contained in the previous Annual Benefits report, with the majority of the savings being non-cashable.

Appended to the report was, amongst other things, the Annual Efficiency Return to the Department for Communities and Local Government (CLG) from the Board. This Return was both backward looking (to 2009/10) and forward looking (to 2010/11). CLG had advised that only cashable savings (defined as efficiency measures that could lead to a reduction in Council Tax) should be recorded on the Return and it was noted that, as the bulk of savings from the regional collaborative programme were of the nature of increased capacity, they did not fall within the CLG definition of cashable savings.

RMB/11. Climate Change Annual Report

The Board received for information a report and presentation by the Regional Programme Manager and Chair of the Climate Change Practitioners Group (RMB/10/15) on progress in relation to climate change strategies made during the 2009/10 financial year and on action proposed for the current year.

All south west fire and rescue authorities had taken part in the 2009/10 Carbon Trust's Local Authority Carbon Management Programme (LACM) and had taken a collaborative approach to developing their individual Carbon Management Plans. Each authority had now approved its own Carbon Management Plan 2010 – 14 and which contained targets to reduce carbon emissions by between 20% and 30% by 2013/14 compared to 2008/09. Services already had projects in place to support their Carbon Management Plans, with further projects proposed for future years.

Evidence to date indicated that the carbon management programme was already producing savings for most south west fire and rescue services in energy usage although in compiling the annual report an issue had been highlighted as to the availability of accurate and up-to-date energy and fuel consumption data required to enable individual fire and rescue services to priorities and evaluate the impact of projects included in their Carbon Management Plans. Measures were in place to address this and a further report on the carbon savings achieved in 2009-10 would be submitted to a future meeting once the data issues had been resolved.

RMB/12. Proposed Board Meetings 2010/11

RESOLVED that the following dates for Board meetings in 2010/11 be approved, in each case the meeting to commence at 11.00hours at the Devon & Somerset Fire & Rescue Service headquarters:

- Tuesday 28 September 2010
- Monday 15 November 2010
- Wednesday 26 January 2011
- Thursday 24 March 2011
- Thursday 23 June 2011 (Annual Meeting)

RMB/13. Regional Communications Strategy

The Board received for information a report of the Regional Programme Manager (RMB/10/16) on revisions to the Regional Communications Strategy initially approved at the meeting held on 7 November 2007 (Minute RMB/25 refers).

The Strategy was intended as a guide for workstreams on message and communication tools available to them in addressing key audiences. The Strategy was not intended to be prescriptive. The changes in the revised Strategy reflected, amongst other things:

- the maturity of the regional collaborative programme;
- the development and launch of the regional website;
- the need to identify and share best practice in a structured way; and

- the need to improve overall effectiveness and value for money of the regional collaborative programme through the use of modern communication techniques.

(SEE ALSO MINUTE RMB/8 ABOVE)

The meeting started at 11.00hours and finished at 13.10hours.



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	RC/10/11
MEETING	RESOURCES COMMITTEE
DATE OF MEETING	16 JULY 2010
SUBJECT OF REPORT	FINANCIAL PERFORMANCE REPORT 2010/2011
LEAD OFFICER	TREASURER
RECOMMENDATIONS	<p>1. <i>That the Devon and Somerset Fire and Rescue Authority be recommended to approve:</i></p> <p>(a) <i>the revised capital programme for 2010/2011 to 2012/2013, as included as Appendix C to this report;</i></p> <p>(b) <i>the revised Prudential Indicators, as included as Appendix D to this report; and</i></p> <p>(c) <i>the revised Minimum Revenue Provision (MRP) Statement 2010/2011 as included as Appendix E to this report.</i></p> <p>2. <i>That, subject to (a) to (c) above, the Committee notes:</i></p> <p>(a) <i>the budget monitoring position in relation to projected spending against the 2010/2011 revenue budget;</i></p> <p>(b) <i>the performance against 2010/2011 financial targets.</i></p>
EXECUTIVE SUMMARY	<p>This is the first financial performance report to be considered for the current financial year which, in particular, provides an early indication of projected spending against the 2010/2011 agreed revenue budget.</p> <p>At this stage, projections indicate that revenue spending will be £0.486m less than budget, equivalent to just 0.65% of the total budget.</p> <p>This report also provides a summary of the Authority's forecast performance against its financial targets.</p>
RESOURCE IMPLICATIONS	As indicated in the report.

EQUALITY IMPACT ASSESSMENT	An initial assessment has not identified any equality issues emanating from this report.
APPENDICES	<p>Appendix A – Summary of Forecast Performance against 2010/2011 Financial Targets.</p> <p>Appendix B – Subjective Analysis of 2010/2011 Revenue Spending.</p> <p>Appendix C – Revised Capital Programme 2010/2011 to 2012/2013.</p> <p>Appendix D – Revised Prudential Indicators 2010/2011 to 2012/2013.</p> <p>Appendix E – Revised Minimum Revenue Provision (MRP) Statement 2010/2011.</p>
LIST OF BACKGROUND PAPERS	<p>Personal Preventative Equipment (PPE) Replacement – Integrated Clothing Project (ICP) Report RC/09/9 to Resources Committee 16 November 2009.</p> <p>Capital Programme 2010/2011 to 2012/1013 Report DSFRA/10/2 to DSFRA meeting held on the 19 February 2010.</p> <p>Treasury Management Strategy (Including Prudential and Treasury Indicators 2010/2011 to 2012/2013 Report DSFRA/10/3 to DSFRA meeting held on the 19 February 2010.</p>

1. **INTRODUCTION**

1.1 This report provides the first monitoring report for the current financial year. As well as providing projections of spending against the 2010/2011 revenue budget, the report also includes forecast performance against other financial performance indicators, including the prudential and treasury management indicators.

1.2 The report is presented in three sections;

SECTION A – Revenue Budget 2010/2011.

SECTION B – Capital Budget and Prudential Indicators 2010/2011.

SECTION C – Other Financial Indicators.

1.3 Appendix A to this report provides a summary of performance against each of our targets. The key issues relating to our forecast performance against each of these targets are explained within each section of this report.

2. **SECTION A - REVENUE BUDGET 2010/2011**

2.1 Current projections are for total revenue spending in 2010/2011 to be £74.649m, as compared to an approved budget of £75.135m, representing an underspend of £0.486m, equivalent to just 0.65% of the total budget.

2.2 The projections are based upon the spending position at the end of June 2010, historical trends, and information from budget managers on known commitments. It should be noted that whilst every effort is made for projections to be as accurate as possible, some budget lines are susceptible to volatility in spending patterns during the year, in particular retained pay costs which are linked to activity levels, and it is inevitable therefore that final spending figures for the financial year will differ than those projected in this report. Appendix B provides an analysis of projected spending against each of the subjective budget headings, and explanations of the more significant variations from budget are explained below in paragraphs 3 to 7 below.

3. **EMPLOYEE COSTS**

Wholetime Staff

3.1 At this stage spending against wholetime pay costs is anticipated to be £0.334m less than budget. It should be emphasised that this projection is based on an assumption of a zero pay increase from July 2010, as compared to the 1.0% provision that had been made in setting the 2010/2011 budget. Should the nationally negotiated settlement be anything more than zero, then those additional costs would need to be factored into future projections.

Retained Staff

3.2 Spending is forecast to be £0.234m underspent again on the assumption of a zero pay increase from July 2010. In making this projection an assumption has also been made that activity levels in the remainder of the financial year are consistent with the average for the same period for the last three financial years. It should be emphasised that by its very nature retained pay costs can be subject to significant variations e.g. volatility to spending caused from spate weather conditions.

Control Room Staff

- 3.3 Whilst salary costs for control room staff are forecast to be £0.308m under budget, as a result of additional control staff, originally employed by the Service as part of the RCC Initial Staffing Poll (ISP), being transferred to the employment of the Local Authority Controlled Company (LACC) from 1st April 2010, the New Burdens grant income will also now pass to the LACC and is therefore cost neutral to DSFRS overall budget position.

Non-Uniformed Staff

- 3.4 The saving of £0.128m against non-uniformed pay costs again makes an assumption that the national pay settlement will result in a zero pay award for most staff from April 2010.

4. TRANSPORT RELATED COSTS

Running Costs and Insurances

- 4.1 At this stage it is projected that savings of £0.080m will be achieved from transport running costs, as a result of increases in fuel costs not being as much as had been anticipated. This will need to be reviewed subject to volatility in fuel costs in the remainder of the financial year.

5. SUPPLIES AND SERVICES

Uniforms and Personal Protective Equipment

- 5.1 Members may recall that a previous decision was taken by the Authority (report RC/09/9 to Resources Committee 16 November 2009 refers) to implement the Integrated Clothing Project (ICP) as a replacement for the previous Personal Protective Equipment (PPE) contract which expired last year. In terms of the funding of this project it had been agreed that an amount of £0.357m would be set aside from an anticipated underspend against the 2009/2010 revenue budget, to part fund the total additional costs. In the event, the final outturn position for 2009/2010 did not provide sufficient underspend for this total amount to be set aside, and only £0.066m was able to be set aside, leaving the project £0.291m short of its implementation plan.
- 5.2 The projections included in this report reflect this additional cost of £0.291m on the basis that there will be sufficient underspend in this financial year to cover this cost. Should this position change in future forecasts then consideration will need to be given as to whether the original implementation plan can be afforded in this financial year.

6. INCOME

Grants and Reimbursements

- 6.1 As is identified in paragraph 3.3 of this report the amount of New Burdens grant will be less than budgeted as the grant will now be paid direct to the LACC.

7. CONTRIBUTION TO RESERVES

- 7.1 At this stage there are no recommendations made as to the transfer of any monies to reserves as it is too early in the financial year, and forecasts will be subject to change, particularly around retained pay costs. However, looking ahead, and given the scale of budget reductions that might be required in 2011/2012, it is my view that the Authority should be seeking to increase reserve balances as much as possible in anticipation of future budget reductions.

- 7.2 With this in mind all budget managers across the organisation have already been asked to consider the impact to their budgets of reductions of 10% in the current financial year, with a view to setting those savings aside in the Authority reserve balances. Any reductions will need to be risk assessed against the impact of reducing spend in those identified areas.
- 7.3 The outcome of this exercise, in terms of the amount of savings that are identified will be reported to the next meeting of Resources Committee to be held in October 2010.

8. SUMMARY OF REVENUE SPENDING

- 8.1 It has to be emphasised that the current forecast for an underspend of £0.486m is made very early in the financial year and will inevitably change as we move further into the year and some of the assumptions made are more quantifiable. The outcome of 2010 pay negotiations, for instance, may change the overall position.
- 8.2 Further updates of forecast spending will be provided at each future meeting of Resources Committee, together with any proposed actions in relation to significant variations from budget

9. SECTION B – CAPITAL PROGRAMME 2010/2011 AND PRUDENTIAL INDICATORS

- 9.1 The capital programme levels for the years 2010/2011 to 2012/2013 were agreed at the budget meeting held on 19 February 2010 (Report DSFRA/10/2 refers). Those levels were set as £6.847m for 2010/11, £4.069m for 2011/12 and £4.069m for 2012/13. Appendix C to this report provides a summary of a revision to this programme. It should be emphasised that this revision does not represent an increase in the overall capital programme; it merely reflects further slippage in spending in 2009/2010 of £0.404m, which is required to be carried forward to 2010/2011 to provide funding for the completion of those projects. Table 1 below illustrates that the overall programme, including spending in 2009/2010 has remained at the same total of £25.096m.

TABLE 1	Estates	Fleet and Equipment	Total
	£000	£000	£000
ORIGINAL PROGRAMME			
2009/2010 (forecast spend)	5.144	4.967	10.111
2010/2011	3.241	3.606	6.847
2011/2012	1.750	2.319	4.069
2012/2013	1.750	2.319	4.069
Total 2009/10 TO 2012/13	11.885	13.211	25.096
REVISED PROGRAMME			
2009/2010 (actual spend)	5.144	4.563	9.707
2010/2011	3.241	4.010	7.251
2011/2012	1.750	2.319	4.069
2012/2013	1.750	2.319	4.069
Total 2009/10 to 2012/13	11.885	13,211	25.096

- 9.2 A this stage of the financial year spending in 2010/2011 is profiled to be within the overall programme level of £7.251m. However, in light of the economic climate and the anticipated reductions in future revenue budgets, a review of those projects not yet started in 2010/2011 is currently underway with a view to deferring the start date of some projects into 2011/2012. It is anticipated that the outcome of this review will be to reduce capital spending against the 2010/2011 programme level of £7.251m, resulting in reduced debt charges costs in 2010/2011 and 2011/2012. This review will include a risk assessment of each project against the criteria used in deciding which projects should be included in the capital programme, underpinned by the Property Asset Management Strategy, considered elsewhere on the agenda to this meeting.
- 9.3 The outcome of this assessment will be reported to the next meeting of the Capital Programme Working Party before coming back to this Committee at its next meeting in October 2010.

Prudential Indicators (including Treasury Management)

- 9.4 At the same time as setting its capital programme at the budget meeting in February 2010, the Authority also approved its Treasury Management Strategy (report DSFRA/10/13 refers), which included its prudential indicators, to demonstrate that this level of programme was affordable, prudent and sustainable. These indicators are required to be revised to reflect the revision to the capital programme as outlined in paragraph 9.1 above.
- 9.5 Further changes to these indicators are also required as a consequence of accounting changes introduced by the statutory requirement to produce the statutory Accounts under International Financial Reporting Standards (IFRS) from 1 April 2010. The Treasury Management Strategy report referred to above highlighted that once the work had been completed to identify the required changes, then it may be necessary to revise the agreed prudential indicators. Since that report it has been identified that there are two issues from IFRS that impact on the approved indicators;
- the Private Finance Initiative (PFI) contract in relation to Severn Park Training Centre at Avonmouth.
 - The re-classification of three leasing contracts from 'operating lease' to 'finance lease'.
- 9.6 The most significant change is in relation to the PFI contract, which is now required to be included in the balance sheet as an asset, with a corresponding liability to pay future rentals over the remaining 19 years of the contract. This outstanding liability as at 31 March 2011 is estimated to be £1.911m. Similarly, in relation to the three leases now re-classified as 'finance leases' an obligation to pay future rentals of £4k is also required to be included in the balance sheet.
- 9.7 The impact of these changes to the indicators is to increase the Capital Financing Requirement (CFR) in each year, with an increase of £1.915m in 2010/2011 to bring the revised CFR for 2010/2011 to £34.043m. The purpose of the CFR indicator is to illustrate the total Authority exposure to debt to finance capital investment. It should be emphasised that these changes do not have any cash impact to the Authority nor do they incur any additional liability over and above that already funded, it merely reflects changes to accounting requirements as a consequence of the need to comply with IFRS.
- 9.8 Appendix D to this report provides a summary of the revised prudential indicators to reflect the changes outlined above.

Minimum Revenue Provision (MRP) Statement 2010/2011

- 9.9 The Treasury Management Strategy Report considered at the budget meeting in February 2010, also included the approval of what is called the MRP Statement. It is a statutory requirement for the Authority to approve such a statement prior to the beginning of the financial year.
- 9.10 **What is a Minimum Revenue Provision?** - Capital expenditure is generally expenditure on assets which have a life expectancy of more than one year e.g. buildings, vehicles, machinery etc. It would be impractical to charge the entirety of such expenditure to revenue in the year in which it was incurred and so such expenditure is spread over several years so as to try to match the years over which such assets benefit the local community through their useful life. The manner of spreading these costs is through an annual Minimum Revenue Provision.
- 9.11 As a consequence of the changes to the accounts introduced by IFRS, namely leases and PFI schemes, it is necessary for the original MRP statement to be revised to incorporate these changes. A revised MPR statement for 2010/2011 is included as Appendix E (changes in *italics*).

Performance 2010/2011

- 9.9 In relation to forecast performance against the prudential indicators in 2010/2011, the key issue to report at this stage is that it not anticipated that any of the prudential indicators (as amended in this report) are to be breached. Actual external borrowing as at June 2010 stood at £29.580m, forecast to be £32.128m at 31 March 2011, which is well below the authorised limit for external debt of £38.640m (the absolute maximum that the Authority has agreed as affordable).
- 9.10 In relation to investment returns, at this early stage in the financial year it is forecast that the income target of £0.070m will be achieved. An average return of 0.81% has been achieved on new investments made to the end of June 2010, as compared to the average LIBID 7 day rate (industry benchmark), for the same period of 0.42%.
- 9.11 Current external borrowing has been taken at an average borrowing rate of 4.24%. This compares with a target of 4.09% assumed in setting the debt charges budget for 2010/2011. Whilst at this time the actual performance is more than the budgeted target, as result of £3m additional borrowing undertaken early in the financial year (May 2010), it is forecast that this position will improve to within target by the end of the financial year.

10. SECTION C - OTHER FINANCIAL PERFORMANCE INDICATORS

Efficiency Savings

- 10.1 At the time of writing this report the Authority is still in the process of publishing its Annual Efficiency Statement, which will set an efficiency target for the current financial year. Performance against this set target will be reported in future performance reports.
- 10.2 The merger of ex-Devon FRS and ex-Somerset FRS was forecast to deliver cumulative cashable savings of between £1.6m and £3.0m by the year 2012/2013. The current forecast is that total savings of £3.639m will have been achieved by the year 2012/2013, therefore exceeding the higher target of £3.0m.

Aged Debt Analysis

- 10.3 As at 30 June 2010, an amount of £55,860 was due from debtors relating to invoices that are more than 85 days old, equating to 23.41% of the total debt outstanding, which represents a slight improvement from the previous quarter (23.98%). Table x below provides a summary of all debt outstanding as at 30 June 2010.

	Total Value £	%age
Within 28 days	176,796	74.10%
29-56 days	3,335	1.40%
57-84 days	2,591	1.09%
Over 85 days	55,860	23.41%
Total Debt Outstanding as at 30 June 2010	£238,582	100.00%

- 10.4 It should be emphasised that of the total debt over 85 days of £55,860, an amount of £36,564 relates to two debtors who have been slow in making payments, which since the last meeting have been subject to a successful court order for payment to be made by instalments over a six month period. The first of those instalments was due on the 24th June 2010, which at the time of writing this report had not been paid, and is therefore subject to further discussion with our legal advisors as to the next course of action. If those two debtors were removed from our analysis then the ratio would drop to 9.55%, and therefore within our set target of 10%.

Payment of Supplier Invoices within 30 days

- 10.5 The ratio of supplier invoices paid within 30 days (or other agreed credit terms) as 30 June 2010 was 98.14%, compared to our target figure of 98.00%. It should also be noted that the majority of suppliers are now being paid within 20 days, as a result of a Service decision to make a temporary change to the payment period down from 30 days to 20 days during the period of the recession, to assist smaller suppliers, in particular, with their cash flow position.

KEVIN WOODWARD
Treasurer

APPENDIX A TO REPORT RC/10/11

FINANCIAL PERFORMANCE INDICATORS 2010/2011

Revenue Budget	Forecast £m	Target £m	Variance (favourable) /adverse %
Forecast Spending	74.649	75.135	(0.65)%
Efficiency Savings to be achieved in 2010/2011	TBD	TBD	-
Cumulative Efficiency Savings from Combination by 2012/1013	3.639	3.000	(0.21)%

Prudential Indicators and Treasury Management Indicators	Forecast £m	Target £m	Variance (favourable) /adverse %
Capital Expenditure	7.251	7.251	(0.00)%
Capital Financing Requirement (CFR)			
- borrowing	32.128	32.128	(0.00)%
- other long term liabilities	1.915	1.915	(0.00)%
Authorised limit for external debt	34.043	40.488	(15.92)%
Operational boundary for external debt	34.043	37.276	(8.67)%
Investment Income	0.070	0.070	(0.00)%
	Actual (30 June 2010) %	Target %	Variance (favourable) /adverse %
Investment Return	0.81%	0.42%	(0.41)%
Cost of Borrowing	4.24%	4.09%	0.15%

Prudential Indicators and Treasury Management Indicators	Actual (30 June 2010) %	Target Upper limit %	Target Lower limit %	Variance (favourable) /adverse %
Limit of fixed interest rates based on net debt	100.00%	100.00%	70.00%	0.00%
Limit of variable interest rates based on net debt	0.00%	30.00%	0.00%	(30.00)%
Maturity structure of borrowing limits				
Under 12 months	3.52%	10.00%	0.00%	(6.48)%
12 months to 2 years	5.20%	15.00%	0.00%	(9.80)%
2 years to 5 years	9.62%	30.00%	0.00%	(20.38)%
5 years to 10 years	2.28%	50.00%	0.00%	(47.72)%
10 years and above	79.38%	100.00%	50.00%	(20.62)%

Other Indicators	Actual (30 June 2010) %	Target %	Variance (favourable) /adverse %
Aged Debt over 85 days	23.41%	10.00%	13.41%
Payments to Suppliers within 30 days	98.14%	98.00%	(0.14)%

Revenue Budget Monitoring Report 2010/11

Line No		2010/11 Budget	Year To Date Budget	Spending to Month 3	Projected Outturn	Projected Variance over/ (under) £000 (5)
		£000 (1)	£000 (2)	£000 (3)	£000 (4)	£000 (5)
	SPENDING					
	EMPLOYEE COSTS					
1	Wholetime uniform staff	32,675	8,044	8,046	32,341	(334)
2	Retained firefighters	12,363	3,015	2,645	12,129	(234)
3	Control room staff	2,440	594	519	2,132	(308)
4	Non uniformed staff	9,099	2,275	2,201	8,971	(128)
5	Training expenses	1,134	284	506	1,134	-
6	Fire Service Pensions recharge	1,939	769	4,161	1,939	-
		59,650	14,981	18,078	58,646	(1,004)
	PREMISES RELATED COSTS					
7	Repair and maintenance	1,074	269	216	1,074	-
8	Energy costs	648	162	50	648	-
9	Cleaning costs	384	96	36	384	-
10	Rent and rates	1,352	585	317	1,352	-
		3,458	1,112	619	3,458	-
	TRANSPORT RELATED COSTS					
11	Repair and maintenance	698	175	41	698	-
12	Running costs and insurances	1,194	413	341	1,114	(80)
13	Travel and subsistence	1,513	278	249	1,513	-
		3,405	866	631	3,325	(80)
	SUPPLIES AND SERVICES					
14	Equipment and furniture	2,678	669	645	2,678	-
15	Hydrants-installation and maintenance	142	35	(8)	142	-
16	Communications	1,181	295	549	1,181	-
17	Uniforms	1,061	265	142	1,352	291
18	Catering	249	62	47	249	-
19	External Fees and Services	160	40	86	160	-
20	Partnerships & regional collaborative projects	122	30	13	122	-
21	USAR Equipment	25	6	1	25	-
		5,618	1,402	1,475	5,909	291
	ESTABLISHMENT COSTS					
22	Printing, stationery and office expenses	466	150	86	466	-
23	Advertising	82	20	7	82	-
24	Insurances	356	234	158	356	-
		904	404	251	904	0
	PAYMENTS TO OTHER AUTHORITIES					
25	Support service contracts	638	132	134	638	-
		638	132	134	638	0
	CAPITAL FINANCING COSTS					
26	Capital charges	4,969	255	185	4,969	-
27	Revenue Contribution to Capital spending	0	0	0	0	-
		4,969	255	185	4,969	0
28	TOTAL SPENDING	78,642	19,152	21,373	77,849	(793)
	INCOME					
29	Treasury management investment income	(70)	(18)	(10)	(70)	-
30	Grants and Reimbursements	(2,340)	(585)	(1,066)	(2,033)	307
31	Other income	(1,029)	(257)	(237)	(1,029)	-
32	Internal Recharges	(68)	(17)	(10)	(68)	-
33	Contribution to/from Reserves	0	0	0	0	-
34	TOTAL INCOME	(3,507)	(877)	(1,323)	(3,200)	307
35	NET SPENDING	75,135	18,275	20,050	74,649	(486)

APPENDIX C TO REPORT RC/10/11

Proposed Capital Programme (2010/11 to 2012/13)									
Previous years spend (£000)	2009/2010 predicted outturn (£000)	Item	PROJECT	2010/11 (£000)	2011/12 (£000)	2012/13 (£000)	Total project costs (Exeter major projects) (£000)		
			Estate Development						
2,250	1,396	1	Exeter Middlemoor	44			3,690		
1,084	1,790	2	Exeter Danes Castle	169			3,043		
	71	3	SHQ major building/USAR major project (slippage 2008/09)	135					
	0	4	Major building works	0	1,000	1,000			
	1,538	5	Minor improvements & structural maintenance (including 2008/09 slippage)	2,761	750	750			
	173	6	Welfare facilities 2009/10	127					
	34	7	Diversity & equality	0					
	35	8	USAR works	0					
	107	9	Other Building Works (funded from Earmarked Reserves)	5	0	0			
	5,144		Estates Sub Total	3,241	1,750	1,750			
			Fleet & Equipment						
	4,069	9	Appliance replacement	2,061	2,119	2,119			
	142	10	Specialist Operational Vehicles	1,163					
	190	11	Vehicles (funded from Revenue)	0					
	137	12	Equipment	634	200	200			
	25	13	Asset Management Plan (Miquest) software	152					
	4,563		Fleet & Equipment Sub Total	4,010	2,319	2,319			
	9,707		Overall Capital Totals	7,251	4,069	4,069			
			Programme funding						
	8,298		Main programme	5,926	4,069	4,069			
	215		Revenue funds	0	0	0			
	914		Grants	1,193	0	0			
	280		Earmarked Reserves	132	0	0			
	9,707			7,251	4,069	4,069			

APPENDIX D TO REPORT RC/10/11

REVISED PRUDENTIAL INDICATORS	2010/2011 £m estimate	2011/2012 £m estimate	2012/2013 £m estimate
Capital Expenditure			
Non - HRA	7.251	4.069	4.069
HRA (applies only to housing authorities)	0	0	0
TOTAL	7.251	4.069	4.069
Ratio of financing costs to net revenue stream			
Non - HRA	3.80%	4.38%	4.63%
HRA (applies only to housing authorities)	0%	0%	0%
Capital Financing Requirement as at 31 March			
Non – HRA			
borrowing	32.128	33.816	35.428
other long term liabilities	1.915	1.885	1.848
HRA (applies only to housing authorities)	0	0	0
TOTAL	34.043	35.701	37.276
Annual change in Cap. Financing Requirement			
Non – HRA	3.940	1.658	1.575
HRA (applies only to housing authorities)	0	0	0
TOTAL	3.940	1.658	1.575
Incremental impact of capital investment decisions	£ p	£ p	£ p
Increase/(decrease) in council tax (band D) per annum	(£0.25)	(£0.10)	£0.00
TREASURY MANAGEMENT PRUDENTIAL INDICATORS			
	£000	£000	£000
Authorised Limit for external debt -			
borrowing	38.640	40.220	41.637
other long term liabilities	1.848	1.837	1.826
TOTAL	40.488	42.057	43.463
Operational Boundary for external debt -			
borrowing	35.428	36.837	38.094
other long term liabilities	1.848	1.837	1.826
TOTAL	37.276	38.674	39.920

	upper limit %	lower limit %
Limits on borrowing at fixed interest rates	100%	70%
Limits on borrowing at variable interest rates	30%	0%
Maturity structure of fixed rate borrowing during 2009/10		
Under 12 months	10%	0%
12 months and within 24 months	15%	0%
24 months and within 5 years	30%	0%
5 years and within 10 years	50%	0%
10 years and above	100%	50%

DEVON AND SOMERSET FIRE AND RESCUE AUTHORITY

REVISED MINIMUM REVENUE PROVISION (MRP) STATEMENT 2010/2011

Supported Borrowing

The MRP will be calculated using the regulatory method (option 1). MRP will therefore be calculated using the formulae in the old regulations, since future entitlement to RSG in support of this borrowing will continue to be calculated on this basis.

Un-Supported Borrowing (including un-supported borrowing prior to 1st April 2008)

The MRP in respect of unsupported borrowing under the prudential system will be calculated using the asset life method (option 3). The MRP will therefore be calculated to repay the borrowing in equal annual instalments over the life of the class of assets which it is funding. The repayment period of all such borrowing will be calculated when it takes place and will be based on the finite life of the class of asset at that time and will not be changed.

Finance Lease and PFI

In the case of Finance Leases and on balance sheet PFI schemes, the MRP requirement is regarded as met by a charge equal to the element of the annual charge that goes to write down the balance sheet liability. Where a lease of PFI scheme is brought, having previously been accounted for off-balance sheet, the MRP requirement is regarded as having been met by the inclusion of the charge, for the year in which the restatement occurs, of an amount equal to the write-down for the year plus retrospective writing down of the balance sheet liability that arises from the restatement. This approach produces an MRP charge that is comparable to that of the Option 3 approach in that it will run over the life of the lease or PFI scheme and will have a profile similar to that of the annuity method.

MRP will normally commence in the financial year following the one in which the expenditure was incurred. However, when borrowing to construct an asset, the authority may treat the asset life as commencing in the year in which the asset first becomes operational. It may accordingly postpone the beginning to make MRP until that year. Investment properties will be regarded as becoming operational when they begin to generate revenues.