

**DEVON & SOMERSET FIRE & RESCUE AUTHORITY**  
(Budget Meeting)

14 February 2011

Present:-

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

Apologies:-

Councillors Fry, Gordon and Way

**DSFRA/50. Minutes**

**RESOLVED** that the Minutes of the meeting of the Authority held on 16 December 2010 be signed as a correct record.

**DSFRA/51. Declarations of Interest**

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

Councillor Woodman 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 his being the Authority-appointed Director on the Company.

***(SEE ALSO MINUTES DSFRA/55, 60 AND 61 BELOW)***

**DSFRA/52. Address By The Fire Brigades Union**

In accordance with Standing Order 13, the Authority received an address from the Fire Brigades Union on the setting of the 2011/12 budget and budgetary issues facing the Authority in future years. The FBU commented on the outcome of the recent Government Comprehensive Spending Review and the government proposal to reduce grants by 25% by 2014/15. The FBU expressed concerns as to the effect of this on all public services. The FBU indicated that it supported meaningful and progressive change and would work in co-operation with the Service and Authority in delivering this.

**DSFRA/53. Minutes Of Committees**

**(a) Community Safety And Corporate Planning Committee**

The Chair of the Committee, Councillor Leaves, **moved** the Minutes of the meeting of the Committee held on 13 January 2011 which had considered, amongst other things:

- a report on future community safety (prevention and protection) strategy principles; and
- the Devon & Somerset Fire & Rescue Authority Draft Corporate Plan 2011/12 to 2013/14.

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

**(b) Human Resources Management And Development Committee**

The Chair of the Committee, Councillor Cann, **moved** the Minutes of the meeting of the Committee held on 21 January 2011 which had considered, amongst other things:

- a report on absence management;
- a report on compensation for compulsory and voluntary redundancies.

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

***(SEE ALSO MINUTES DSFRA/60 AND DSFRA/61 BELOW)***

**(c) Resources Committee**

The Vice-Chair of the Committee, Councillor Yeomans, **moved** the Minutes of the meeting of the Committee held on 28 January 2011 which had considered, amongst other things:

- a report on financial performance against approved budgets for 2011/12/
- a report on the proposed 2011/12 revenue budget and council tax levels;
- a report on the proposed Capital Programme 2011/12 to 2013/14; and
- a update report on treasury management activities for the third quarter of 2010/11.

**RESOLVED**

- (i) that the recommendations at Minutes RC/22 (2011/12 Revenue Budget and Council Tax Levels) and RC/23 (Capital Programme 2011/12 to 2013/14) be considered in conjunction with the reports on those matters elsewhere on the agenda for this meeting;
- (ii) that, subject to (a) above and in accordance with Standing Orders, the Minutes be adopted.

***(SEE ALSO MINUTES DSFRA/54(a), (b) and (c) below).***

**(d) Audit And Performance Review Committee**

The Chair of the Committee, Councillor Dyke, **moved** the Minutes of the meeting of the Committee held on 2 February 2011 which had considered, amongst other things:

- a report on Service performance during April to November 2010 against approved Corporate Plan goals, activities and targets;
- an Audit Commission progress report;
- a report on progress to date in the introduction of the International Finance Reporting Standards (IFRS);
- an internal audit and review progress report; and
- the Service's self-assessment report against the Key Lines of Enquiry (KLOEs) contained within the Department for Community and Local Government's (CLGs) Operational Assessment Toolkit.

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

**DSFRA/54. Revenue and Capital Budgets 2011/12**

**(a) Capital Programme 2011/12 To 2013/14**

The Authority considered a report of the Director of Service Support and the Treasurer (DSFRA/11/1) on the proposed Capital Programme for the Devon & Somerset Fire & Rescue Service for the period 2011/12 to 2013/14 and addressing both Service estate needs and fleet and equipment needs. Of particular note were proposals to:

- enhance training facilities at Exeter Airport (this would require a contribution from revenue funding);
- the receipt of land gifted to the Authority from both the Hartland Playing Field Association and Tarka Homes Ltd. which would enable improvement to Hartland fire station to take place; and
- a proposed pilot for the introduction of Light Rescue Pumps (LRPs).

A similar report had been presented to the Resources Committee at its meeting on 28 January 2011 which had approved the recommendations as set out.

Since that time, however, the Department for Communities and Local Government (CLG) had confirmed to the Authority award of an additional £2.02m of capital grant for 2011/12. Given the late notification, the proposed Capital Programme did not reflect this additional funding and it was intended that a further report be presented during the next committee cycle on how the sum might be utilised.

**RESOLVED**

- (i) that, in accordance with Financial Regulations, a contribution of £1.5million from the Revenue Budget be approved to part fund the proposed enhancement to the training facilities at Exeter Airport;
- (ii) that, subject to (i) above and (iii) below, the revised Capital Programme 2011/12 to 2013/14 as set out in report DSFRA/11/1 and summarised at Appendix A to these Minutes, be approved;
- (iii) that, as proposed in paragraph 1.9 of the report and indicated above, the Capital Programme for 2011/12 to 2013/14 be subject to a further report in the next committee cycle to determine utilisation of the additional capital grant allocation of £2.020m;
- (iv) that, in accordance with Financial Regulations, the acquisition (gifted) of land at Hartland, as outlined in paragraph 3.3 of this report, be approved.

***(SEE ALSO MINUTE DSFRA/53(c) ABOVE AND DSFRA/54(b) BELOW)***

**(b) Treasury Management Strategy (Including Prudential and Treasury Indicators Report 2011/12 To 2013/14)**

The Authority considered a report of the Treasurer (DSFRA/11/2) on the Treasury Management and Investment Strategy for 2011/12 and the Prudential Indicators associated with the proposed Capital Programme 2011/12 to 2013/14. A Minimum Revenue Provision Statement for 2011/12, as required by statute, was also included for approval.

**RESOLVED**

- (i) the Treasury Management Strategy and the Annual Investment Strategy as set out in report DSFRA/11/2 be approved;

- (ii) the prudential indicators and limits as set out in the report and summarised in Appendix B to these Minutes be approved;
- (iii) the Minimum Revenue Provision (MRP) statement for 2011/2012, as set out in Appendix C to these Minutes, be approved;
- (iv) that the Treasurer be delegated authority to effect movements between the separately agreed prudential limits for borrowing;
- (v) that the statement at paragraph 5.6 of the report that borrowing limits and the debt management strategy have been set to ensure that net borrowing remains below the capital financing requirement for 2011/2012 to 2013/2014, in line with the requirements of the CIPFA Prudential Code, be noted.

***(SEE ALSO MINUTES DSFRA/53(c) AND DSFRA/54(a) ABOVE)***

**(c) 2011/12 Revenue Budget and Council Tax Levels**

The Authority considered a report of the Treasurer and Chief Fire Officer (DSFRA/11/3) on the proposed revenue budget and associated Council Tax levels for 2011/12. The backdrop to the proposed budget was the 2010 Comprehensive Spending Review (CSR) when the government announced reductions in grants for fire and rescue authorities of 25% by 2014/15, representing a real term reduction of 13%. This reduction had been “backloaded” for fire and rescue authorities to provide time to implement changes without affecting the quality and breadth of service to communities.

The final Local Government Grant Settlement for the Devon & Somerset Fire & Rescue Authority represented, for 2011/12, a 1.1% reduction on the grant for the previous financial year but an increase of 1.9% in 2012/13 over 2011/12. These figures had changed only marginally from the provisional allocations announced in December 2010 which, on average, had seen reductions of 5.8% in 2011/12 and a further 0.7% in 2012/13.

In relation to capping, the government had recently undertaken a consultation on proposals to abolish the current system from 2012/13. For the forthcoming financial year, however, it would remain in place although precise capping criteria had still to be announced. The government had announced, however, its expectations for local authorities to set a zero percent Council Tax increase in 2011/12 and as an incentive to do this had introduced a Council Tax Reward Grant equivalent to a 2.5% increase in Council Tax in 2011/12.

It was likely that this would be used as the benchmark for capping considerations and consequently two budget options were proposed:

- Option A – increasing the Council Tax for a Band D property in 2011/12 by 2.5% over 2010/11; or
- Accept the Council Tax Reward Grant and freeze the Council Tax for a Band D property at the 2010/11 level.

Both options would afford the Authority the same level of spending power for 2011/12 but Option A would result in an increase in base budget which would be available to the Authority in future financial years. While Option B did carry some risk, particularly in relation to the 2015/16 financial year, it nevertheless represented a quite favourable settlement and would enable the Authority to meet its responsibility to contain Council Tax increases wherever possible.

Freezing the Band D Council Tax at the 2010/11 level (£71.77) would result in a 2011/12 revenue budget requirement of £76.240m, a 1.47% (£1.105) increase on the 2010/11 approved revenue budget. The report summarised the core revenue budget requirements for 2011/12 and also identified plans to achieve budget reductions both from 2011/12 to 2014/15 which were based on the principles of:

- improving efficiency;
- reducing costs/ and
- generating income.

Medium Term Financial Plan modelling had been undertaken to assess best and worst case scenarios for the scale of reductions required by 2014/15, indicating reductions of between £4.5m (best case) and £9.2m (worst case).

In accordance with the requirements of the Local Government Finance Act 1992, the Authority was required to consult local non-domestic rate payers on its proposals for expenditure. The report detailed the scale of the consultation undertaken in relation to the 2011/12 budget proposals together with the responses received as a result of that consultation, of which one of the main top line results was that the majority of respondents (77%) agreed, in response to the government's request, that Council Tax should not be increased.

The report also provided a statement on the robustness of the budget estimates and the adequacy of the levels of reserves and balances as required by the Local Government Act 2003.

## **RESOLVED**

- (i) That the following recommendation of the meeting of the Resources Committee, held on 28 January 2011, be approved;
  - (A) the level of council tax in 2011-12 for a Band D property be frozen at the 2010-11 level of £71.77, as outlined as Option B in paragraph 4.2 of report DSFRA/11/3;
  - (B) a Net Revenue Budget Requirement of £75,141,300 for 2011-12 be set;
- (ii) that as a consequence of the decisions at (i) (A) and (B) above;
  - (A) the tax base for payment purposes and the precept required from each billing authority for payment of the total precept of £43,942,942, as detailed on Page 2 of the budget booklet provided separately with the report and shown in the table overleaf, be approved;

<b>Billing Authority</b>	<b>Tax Base Used for Collection</b>	<b>Surplus/ (Deficit) for 2010/11</b>	<b>Precepts due 2011/12</b>	<b>Total due 2011/12</b>
	<b>£ p</b>	<b>£</b>	<b>£</b>	<b>£</b>
East Devon	57,076.00	-	4,096,345	4,096,345
Exeter	37,943.00	-	2,723,169	2,723,169
Mendip	40,437.40	35,023	2,902,192	2,937,215
Mid Devon	28,282.00	52,014	2,029,799	2,081,813
North Devon	34,807.30	(8,923)	2,498,120	2,489,197
Plymouth City	77,066.00	11,166	5,531,028	5,542,194
Sedgmoor	40,020.90	99,978	2,872,300	2,972,278
South Hams	38,100.80	33,000	2,734,494	2,767,494
South Somerset	60,469.30	5,620	4,339,882	4,345,502
Taunton Deane	40,390.60	(35,287)	2,898,833	2,863,546
Teignbridge	49,335.00	(6,995)	3,540,773	3,533,778
Torbay	48,820.60	69,000	3,503,854	3,572,854
Torrige	23,923.10	25,425	1,716,961	1,742,386
West Devon	20,850.80	15,648	1,496,462	1,512,110
West Somerset	14,751.70	8,128	1,058,730	1,066,858
<b>TOTAL</b>	<b>612,274.50</b>	<b>303,797</b>	<b>43,942,942</b>	<b>44,246,739</b>

- (B) the council tax for each property bands A to H associated with a total precept of £43,942,942, as detailed on Page 2 of the budget booklet provided separately with the report and shown in the table below, be approved;

<b>Valuation Band</b>	<b>Government Multiplier</b>		<b>Council Tax</b>
	<b>Ratio</b>	<b>%</b>	<b>£ p</b>
A	6/9	0.667	47.85
B	7/9	0.778	55.82
C	8/9	0.889	63.80
<b>D</b>	<b>1</b>	<b>1.000</b>	<b>71.77</b>
E	11/9	1.222	87.72
F	13/9	1.444	103.67
G	15/9	1.667	119.62
H	18/9	2.000	143.54

- (C) that the Treasurer's 'Statement of the Robustness of the Budget Estimates and the Adequacy of the Authority Reserve Balances' as included as Appendix D to the report, be noted.

**(SEE ALSO MINUTE DSFRA/53(c) ABOVE)**

**DSFRA/55. Confirmation of Rates Payable in 2011/12 under the Authority Approved Scheme of Members' Allowances**

(Councillor Woodman declared a **personal but non-prejudicial interest** in this matter, in so far as it related to the FiReControl Project, by virtue of his being the Authority appointed Director to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre).

The Authority considered a report of the Clerk (DSFRA/11/4) on the levels of basic and special responsibility allowances and expense reimbursements to be payable in 2011/12. The relevant Regulations required the Authority to confirm these details before the commencement of each financial year.

The report detailed the current rates of allowances and expense reimbursements as set following a major review in May 2008. The report also provided details of current travel and subsistence rates payable to local government staff.

The approved Members Allowances Scheme provided for uprating based upon advice received from the Local Government Association (LGA). The report indicated the LGA recommended increase for 2010/11 together with details of the provision made within the draft 2011/12 Revenue Budget to increase allowances. The report noted that the Authority had for the last two years resolved to freeze allowances at the 2008 level.

Councillor Yeomans **moved**, with Councillor Turner seconding:

“that, for 2011/12, there be no increase either in basic and special responsibility allowances or in the rates payable for travel and subsistence reimbursement”.

Councillor Cann **moved**, with Councillor Gribble seconding, that the motion proposed by Councillor Yeomans be **amended** by the deletion of the word “either” and the replacement of the words following “allowances” with “or subsistence reimbursement, but that the rate for travel reimbursement be increased from 40pence per mile to 52.2pence per mile”, the full amended motion to read:

“that, for 2011/12, there be no increase in basic and special responsibility allowances or subsistence reimbursement, but that the rate for travel reimbursement be increased from 40pence per mile to 52.2pence per mile”

The **amendment** was put to the vote and declared **lost** by 12 votes to 6.

Councillor Boyd then **moved**, with Councillor Woodman seconding, a **second amendment** to the original motion by Councillor Yeomans to delete all words after “allowances” and replace them with the words “but that the rates payable for travel and subsistence allowances should be set at parity with those rates currently payable to local government staff”, the full second amendment to the motion to read:

“that, for 2011/12, there be no increase either in basic and special responsibility allowances but that the rates payable for travel and subsistence allowances should be set at parity with those rates currently payable to local government staff”.

In accordance with Standing Order 25, a roll call vote was requested on the second amendment the results of which are reproduced below:

***For the second amendment***

Councillors Boyd, Burridge-Clayton, Eastman, Hughes OBE and Woodman.

***Against the second amendment***

Councillors Healey, Bown, Cann, Drean, Foggin, Gribble, Horsfall, Leaves, Mills, Mrs. Nicholson, Randall Johnson, Turner and Yeomans.

***Abstentions***

Councillors Dyke, Radford and Smith.

The second amendment was declared **lost** by 13 votes to 5, with 3 abstentions.

Councillor Cann then **moved**, with Councillor Burrige-Clayton seconding, a **third amendment** to the original motion by Councillor Yeomans to delete all words after “allowances” and replace them with the words “or subsistence reimbursement, but that the rate for travel reimbursement be increased from 40pence per mile to 50pence per mile”, the full amended motion to read:

“that, for 2011/12, there be no increase in basic and special responsibility allowances or subsistence reimbursement, but that the rate for travel reimbursement be increased from 40pence per mile to 50pence per mile”

The third amendment was put to the vote and declared **lost** by 10 votes against to 5 for, with three abstentions. There being no further amendments proposed, the original, unamended motion as **moved** by Councillor Yeomans and seconded by Councillor Turner was put to the vote upon which it was

**RESOLVED**, by 12 votes for to 5 against, that, for 2011/12, there be no increase either in basic and special responsibility allowances or in the rates payable for travel and subsistence reimbursement

***(SEE ALSO MINUTE DSFRA/51 ABOVE)***

**DSFRA/56. Personal Protective Equipment (PPE) Replacement**

The Authority received for information a report of the Director of Service Support (DSFRA/11/5) on the background to securing replacement personal protective equipment (PPE) for the Service. As previously reported, at the end of the former contract the Service had initially considered utilising the Integrated Clothing Project (ICP) for its replacement provision. Further examination of this option revealed a number of difficulties, not least the legal complications associated with the contract, which had resulted in the Service exploring alternatives.

Replacement provision had now been sourced through the Yorkshire Purchasing Consortium and offered a better specification of kit, thereby improving firefighter safety, and should realise savings for the Authority in the region of £164,000 over the life of the contract when compared to the ICP contract.

**DSFRA/57. Chairman's Announcements**

The Chairman circulated a list of activities undertaken on behalf of the Authority since its last meeting and including, amongst other things:

- attendance with the Authority Treasurer at a meeting with Bob Neill MP to discuss the grant settlement; and
- attendance at a meeting of the Local Government Association Fire Commission.



Additionally, the Chairman reported that he had received an invitation to attend, along with the Chief Fire Officer, a further meeting with Bob Neill MP to discuss Devon & Somerset's views on the localism agenda and aspirations for both the Authority and the Service.

**DSFRA/58. Chief Fire Officer's Announcements**

The Chief Fire Officer reported on a fire death that had occurred in Paignton on 13 February 2011. The casualty was an 85 year old man. The precise details of the incident were still being investigated.

At this stage in the meeting the Chief Fire Officer's Personal Assistant, Madeleine Miles, presented Councillor Bernard Hughes OBE, former Authority Chairman, with a photographic record of his ten years in office. Members of the Authority joined in congratulated Councillor Hughes on all that he had achieved both personally and on behalf of the Authority during this period.

**DSFRA/59. Exclusion of the Press and Public**

**RESOLVED** that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business on the grounds that they involves the likely disclosure of exempt information as defined:

- for Minutes DSFRA/60 and DSFRA/61 below, in Paragraph 4 of Part 1 of Schedule 12A (as amended) to the Local Government Act 1972, namely information relating to consultations between the Authority and representative bodies; and
- for Minute DSFRA/62, in Paragraph 3 of Part 1 of Schedule 12A (as amended) to the Local Government Act 1972, namely information relating to the business affairs of this and other Authorities.

**DSFRA/60. Human Resources Management and Development Committee**

(An item taken in accordance with Section 100B(4) of the Local Government Act 1972 during which the press and public were excluded).

(Councillor Woodman declared a **personal but non-prejudicial interest** in this matter, in so far as it related to the FiReControl Project, by virtue of his being the Authority appointed Director to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre).

The Chair of the Committee, Councillor Cann, **moved** the Exempt Minute of the meeting of the Human Resources Management and Development Committee held on 21 January 2011. The exempt minute addressed in principle considerations in relation to redundancy enhancements.

**RESOLVED**

- (a) that the recommendations at Minute HRMDC/26 (Redundancy Compensation for Compulsory and Voluntary Redundancies) be considered in conjunction with the report on this item elsewhere on the agenda for this meeting;

- (b) that, subject to (a) above and in accordance with Standing Orders, the Minutes be adopted.

**(SEE ALSO MINUTE DSFRA/51 ABOVE AND DSFRA/60 BELOW)**

**DSFRA/61. Redundancy Compensation For Compulsory And Voluntary Redundancies - Further Considerations**

(An item taken in accordance with Section 100B(4) of the Local Government Act 1972 during which the press and public were excluded).

(Councillor Woodman declared a **personal but non-prejudicial interest** in this matter, in so far as it related to the FiReControl Project, by virtue of his being the Authority appointed Director to South West Fire Control Ltd., the Local Authority Controlled Company (LACC) with overall governance responsibility for the South West Regional Control Centre).

The Authority considered a report of the Director of People and Organisational Development (DSFRA/11/6) on redundancy compensation to be applied in the event of compulsory and voluntary redundancies. This issue had been considered by the Human Resources Management and Development Committee at its meeting on 21 January 2011 which had approved, in principle and for the purpose of consultation with representative bodies, multipliers for use in calculating redundancy payments.

The report outlined the outcome of the consultations with the representative bodies, which in the main were favourable to the proposals, and also set out details of multipliers in use by other local authorities in the region.

**RESOLVED**

- (a) that the outcome of the consultations with representative bodies on the redundancy multiplier to apply, as set out in Section 5 of report DSFRA/11/6, be noted;
- (b) that, on the basis of this outcome and subject to (c) below, a multiplier of 2 be adopted for use in calculating redundancy payments arising from either compulsory or voluntary redundancies in relation to staff eligible to join the Local Government Pension Scheme i.e., non-uniformed and Control staff plus operational staff at Station Manager or above who have retired and been re-employed;
- (c) that a multiplier of 2.5 be adopted for use in calculating redundancy payments arising from either compulsory or voluntary redundancies specifically for the categories of staff referred to at (a) above and classified as "at risk" in the Temporary Staff Pool arising from the Regional Control Centre (RCC), other regional staff employed by the Devon & Somerset Fire & Rescue Service, appropriate RCC Project Team staff and other staff given notice up until 31 March 2011;
- (d) that it be noted that, on the basis of advice received to date, it would appear that other uniformed staff not conditioned to the Local Government Pension Scheme have no entitlement to an enhanced redundancy payment;
- (e) that the redundancy multiplier be reviewed annually to take into account budgetary and financial issues and the organisational planning needs of the Service.

**(SEE ALSO MINUTES DSFRA/51 AND DSFRA/60 ABOVE)**

**DSFRA/62. Options For Collaborative Working**

(An item taken in accordance with Section 100B(4) of the Local Government Act 1972 during which the press and public were excluded).

The Authority considered a report of the Chief Fire Officer (DSFRA/11/7) on the proposed establishment of a six-month pilot to facilitate closer, collaborative working with Dorset Fire & Rescue Service. Under the proposal, decisions would continue to be made in accordance with the respective constitutions of both fire and rescue authorities and there would be no delegated power or responsibility for the duration of the pilot.

A Political Overview Board would be established, the terms of reference for which were appended to the report, together with a Shared Management Board the terms of reference for which were also appended. Resources implications associated with the pilot were considered to be minimal and would be contained from within the existing budgets for the two services.

**RESOLVED**

- (a) that the principle of the Devon & Somerset Fire & Rescue Service and the Dorset Fire & Rescue Service exploring ways to strengthen their working relationship, as outlined in report DSFRA/11/7, be endorsed;
- (b) that, to facilitate this, closer working of the respective senior officer management teams during the period of the review be endorsed;
- (c) that the proposed governance arrangements for the review including the draft Terms of Reference for both the Political Overview Board and the Devon, Somerset & Dorset Shared Management Board be approved;
- (d) that the Chairman together with Councillors Dyke and Gribble be appointed to the Political Overview Board, the Term of Office for the appointments to be until the conclusion of the review or until the Members cease their Authority membership or Chairmanship as the case may be.

The meeting started at 10.00hours and finished at 12.20hours.

**APPENDIX A TO THE MINUTES OF THE BUDGET MEETING OF THE DEVON & SOMERSET  
FIRE & RESCUE AUTHORITY HELD ON 14 FEBRUARY 2011**

Proposed Capital Programme (2011/12 to 2013/14)					
2010/2011 predicted outturn (£000)	Item	PROJECT	2011/12 (£000)	2012/13 (£000)	2013/14 (£000)
		<b>Estate Development</b>			
-24	1	Exeter Middlemoor			
44	2	Exeter Danes Castle			
35	3	SHQ major building works	100		
	4	Major Projects - Training Facility at Exeter Airport	1,000	1,900	
882	5	Minor improvements & structural maintenance	1,750	1,750	1,750
80	6	Welfare Facilities			
34	7	Diversity & equality			
10	8	USAR works	460		
	9	Minor Works slippage from 2010-11	1,898		
<b>1,061</b>		<b>Estates Sub Total</b>	<b>5,208</b>	<b>3,650</b>	<b>1,750</b>
		<b>Fleet &amp; Equipment</b>			
1,628	10	Appliance replacement	411	1,400	1,700
344	11	Specialist Operational Vehicles	619		
44	12	Vehicles funded from revenue			
98	13	Equipment	125	200	200
13	14	Asset Management Plan (Miquest) software	139		
<b>2,127</b>		<b>Fleet &amp; Equipment Sub Total</b>	<b>1,294</b>	<b>1,600</b>	<b>1,900</b>
<b>3,188</b>		<b>SPENDING TOTALS</b>	<b>6,502</b>	<b>5,250</b>	<b>3,650</b>
		<b>Programme funding</b>			
1,807		Main programme	5,245	4,500	3,650
144		Revenue funds	797	750	
1,237		Grants	460		
<b>3,188</b>		<b>FUNDING TOTALS</b>	<b>6,502</b>	<b>5,250</b>	<b>3,650</b>

**APPENDIX B TO THE MINUTES OF THE BUDGET MEETING OF THE DEVON & SOMERSET  
FIRE & RESCUE AUTHORITY HELD ON 14 FEBRUARY 2011**

**PRUDENTIAL AND TREASURY INDICATORS**

PRUDENTIAL INDICATOR	2011/12 £m estimate	2012/13 £m estimate	2013/14 £m estimate
Capital Expenditure			
Non - HRA	6.502	5.250	3.650
HRA (applies only to housing authorities)	0	0	0
TOTAL	6.502	5.250	3.650
Ratio of financing costs to net revenue stream			
Non - HRA	4.35%	4.56%	4.93%
HRA (applies only to housing authorities)	0%	0%	0%
Capital Financing Requirement as at 31 March			
Non – HRA	31.154	33.434	34.671
HRA (applies only to housing authorities)	0	0	0
Other long term liabilities	1.885	1.847	1.836
TOTAL	33.039	35.281	36.507
Annual change in Cap. Financing Requirement			
Non – HRA	3.114	2.242	1.226
HRA (applies only to housing authorities)	0	0	0
TOTAL	3.114	2.242	1.226
Incremental impact of capital investment decisions			
Increase/(decrease) in council tax (band D) per annum	£ p (£0.47)	£ p (£0.39)	£ p (£0.47)
<b>TREASURY MANAGEMENT PRUDENTIAL INDICATORS</b>			
	£000	£000	£000
Authorised Limit for external debt - borrowing	36.229	37.885	39.251
other long term liabilities	1.930	1.917	1.856
TOTAL	38.159	39.802	41.107
Operational Boundary for external debt - borrowing	34.671	36.213	37.517
other long term liabilities	1.836	1.825	1.766
TOTAL	36.507	38.038	39.283

	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 2011/12		
Under 12 months	30%	0%
12 months and within 24 months	30%	0%
24 months and within 5 years	50%	0%
5 years and within 10 years	75%	0%
10 years and above	100%	50%

**APPENDIX C TO THE MINUTES OF THE BUDGET MEETING OF THE DEVON & SOMERSET  
FIRE & RESCUE AUTHORITY HELD ON 14 FEBRUARY 2011**

**MINIMUM REVENUE STATEMENT (MRP) 2011/12**

**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 1<sup>st</sup> 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.