

DEVON & SOMERSET FIRE & RESCUE AUTHORITY
(Ordinary Meeting)

30 May 2012

Present:-

Councillors Healey (Chairman), Mrs. Bakewell MBE, Bown, Brooksbank, Burridge-Clayton, Cann, Mrs. Chugg, Dyke, Eastman, Foggin, Fry, Gordon, Gribble, Horsfall, Hughes OBE, Mills, Radford, Randall Johnson, D Smith, J Smith, Woodman and Yeomans.

Apologies:-

Councillors Leaves and Way

DSFRA/10. 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.

No interests were declared at this point.

DSFRA/11. Questions by Members of the Authority

In accordance with Standing Order 14, Councillor Hughes OBE asked the Chairman (and he responded to) a question on the purported sale on e-bay of memorabilia in relation to the former Devon Fire & Rescue Service Ceremonial Unit – specifically the “colours” of the Unit.

In responding, the Chairman affirmed that no permission had been given for any such sale and that the Authority would not condone such action. Members commented on the potential for police involvement in this matter and asked that a report on the outcome of further investigations be submitted to future meeting.

DSFRA/12. Minutes of Committees

(a) Commercial Services Committee

The Chairman of the Committee, Councillor Healey, **MOVED** the Minutes of the meetings of the Committee held on 1 March, 5 April and 3 May 2012 which had considered, amongst other things:

On 1 March

- An update on the proposed partnership with Falck; and
- Updates on commercial leads and training academy business.

On 5 April

- A report on delegated limits for commercial activities;
- Business cases for industrial subcontracting and commercial training;
- A report on commercial matters generally and the development of an overarching business case; and
- Update reports on current commercial leads and training academy business.

On 3 May 2012

- Updates on commercial matters (specifically the development of an overarching business case) and on commercial leads and training academy business.

The Clerk reminded the Authority that the recommendations as contained at Minute CSC/42 of the meeting held on 5 April 2012 and relating to proposed delegated financial levels for investment in commercial activities and consequential amendments to Financial Regulations had been considered and approved by the Authority at its preceding Annual Meeting (Minute DSFRA/ refers).

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

(b) Human Resources Management and Development Committee

The Chairman of the Committee, Councillor Cann, **MOVED** the Minutes of the meeting of the Committee held on 19 March 2012 which had considered, amongst other things:

- An update on progress in replacing the former stage 1 Assessment and Development Centre (ADC) process with a technical assessment;
- A report on absence management and the health of the organisation;
- A draft Service Equality Plan 2012 – 16, with the accompanying report detailing consultation undertaken on and used to inform the Plan; and
- A report on redundancy compensation rates.

RESOLVED

- (i) that the recommendation at Minute HRMDC/36 (Redundancy Compensation Rates) be approved i.e. that there should be no change to the current rate (a multiplier of 2) but that the position be reviewed again in twelve months time;
- (ii) that the Equality Plan 2012 – 16, as referred to at Minute *HRMDC/34, be endorsed;
- (iii) that, subject to (i) and (ii) above, the Minutes be adopted in accordance with Standing Orders.

(c) Audit and Performance Review Committee

The Chairman of the Committee, Councillor Dyke, **MOVED** the Minutes of the meeting of the Committee held on 10 May 2012 which had considered, amongst other things:

- Information reports by the Audit Commission on its work in relation to the audit of the Authority's 2011/12 financial statements, the Audit Plan for 2011/12 and the initial risk assessment for the Value for Money conclusion;
- A report on the 2011/12 year end internal audit findings together with the 2012/13 Internal Audit Plan prepared in conjunction with the Devon Audit Partnership; and
- A report on the Authority's performance during April 2011 to February 2012 as against those measures and targets contained in the Authority's approved Corporate Plan 2011/12 to 2014/15

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

(d) Resources Committee Minutes 18 May 2012

The Vice-Chairman of the Committee, Councillor Yeomans, **MOVED** the Minutes of the meeting of the Committee held on 18 May 2012 which had considered a report, including a draft financial outturn, on the Authority's performance during 2011/12 against the agreed financial targets and approved revenue budget for that year.

RESOLVED

- (i) that the recommendation at Minute RC/21 (Financial Performance Report 2011/12: Quarter 4) be considered in conjunction with elsewhere on the agenda for this meeting and relating to the Financial Outturn 2011/12;
- (ii) that, subject to (i) above, the Minutes be adopted in accordance with Standing Orders

(SEE ALSO MINUTE DSFRA/13 BELOW)

DSFRA/13. Financial Outturn 2011/12

The Authority considered a report of the Treasurer (DSFRA/12/14) on the Authority's provisional financial outturn for 2011/12, for both capital and revenue, and recommending how the indicative underspend of £1.276m (1.69%) against the approved 2011/12 revenue budget could be utilised.

The level of underspend was as a result of effective budget management to limit spending on non-salary budget lines to essential issues only and from significant savings on retained costs resulting from a reduction in the number of operational mobilisations.

The report detailed reasons for variance in main areas of the budget, with overspends on wholetime, control room and non-uniformed staffing and firefighter pensions costs being off-set by underspends on retained pay, utility, repair and maintenance, equipment and furniture and communications equipment costs. Investment and the more commercial approach applied to the provision of external training had resulted in the original targets in these areas being exceeded. Higher than anticipated grant income had been received of which some £2.042m, received to fund specific purposes, had not been spent at year end but was eligible to be carried forward to 2012/13.

The Capital Programme had been increased in-year from £6.502 initially approved by the Authority at its budget setting meeting in 2011 to £7.580m. The increase reflected slippage from the previous year and new capital spending funded from grant income or revenue contributions. Total spending against the programme was £3.363m, some £4.217m less than the revised approved programme. Slippage against individual projects accounted for some £4.079m of the underspend but, as this only reflected a change in the timing of the projects, there was no adverse impact against approved Prudential Indicators. As a consequence of the slippage, however, there was no requirement for external borrowing during the year and all capital spending had been funded from other financial sources. A revised Capital Programme for 2012/13, amended to reflect inclusion of the slippage, would be reported to the next meeting of the Resources Committee.

The report proposed the transfer of the £1.276m underspend against the approved revenue budget into three Earmarked Reserves, namely for commercial services activities (£0.300m), capital funding reserve (£0.350m) and Comprehensive Spending Review (CSR) 2010 budget strategy reserve (£0.626m). In relation to the proposed transfer to the commercial services reserve, it was stressed that - in accordance with the statutory requirements – funding of all commercial activities would be on the basis of securing over time - as a minimum - full cost recovery together with an element of income generation. These transfers had been considered and commended for approval by the Resources Committee at its meeting on 18 May 2012 (Minute RC/21 refers).

Additionally, the report identified £0.420m currently in Earmarked Reserves but which were no longer required for their original purpose and as such were available for transfer to the General Reserve. Approval to this would increase the General Reserve from £4.453m to £4.873m, equivalent to 6.49% of the total revenue budget.

RESOLVED

- (a) that the following three proposed transfers to Earmarked Reserves, as detailed in paragraph 11.1 of report DSFRA/12/14 and outlined above, be approved;
 - (i) an amount of £0.300m be transferred to the Commercial Services Reserve, and;
 - (ii) an amount of £0.350m be transferred to the Capital Funding Reserve, and
 - (iii) an amount of £0.626m be transferred to the CSR 2010 Budget Strategy Reserve.
- (b) that the proposed transfer of £0.420m from Earmarked Reserves to the General Reserve, as detailed in paragraph 11.3 of the report, be approved;
- (c) That the capital determinations in relation to the funding of the 2011-12 capital spending (£3.363m) as set out below be approved:
 - that £2.545m be capitalised and funded from government grant; and
 - that an amount of £0.818m be capitalised and funded from revenue contributions to capital spending, either directly from the 2011/12 revenue budget or from Earmarked Reserve.
- (d) that subject to (a) to (c) above, the position in relation to the Revenue and Capital Outturn, as indicated in this report, be noted.

(SEE ALSO MINUTE DSFRA/12(d)(i) ABOVE).

DSFRA/14. Annual Treasury Management Report 2011/12

The Authority received for information – and as required by the Chartered Institute for Public Management Finance and Accountancy (CIPFA) Code of Practice on Treasury Management – a report of the Treasurer (DSFRA/12/15) on the performance of its borrowing and investment activities during 2011/12 as compared to its approved Treasury Management Strategy.

The report identified that no Prudential Indicators had been breached and that a prudent decision had been taken on investment decisions during the year, with priority being given to liquidity and security over yield.

DSFRA/15. Capital Bidding Process - Light Rescue Pump Project

The Authority considered a report of the Chief Fire Officer (DSFRA/12/16) on the process, as announced by the Fire Minister at the Local Government Association Fire Conference in March 2012, for securing central government funding for capital projects. Some £70m per year in 2013/14 and 2014/15 would be made available through a combination of pro rata distribution and a capital grant efficiency fund against which authorities could bid.

The report went on to outline proposals for submission of a bid by the Service based around the Light Rescue Pump (LRP) project.

RESOLVED

- (a) that details of the Capital Bidding Process 2013/14 and 2014/15 as set out in report DSFRA/12/16 be noted and the Authority approve in principle the submission of a bid for funding in 2013/14 linked to the Light Rescue Pump (LRP) project;
- (b) that approval and submission of the final bid, by the deadline of 2 July 2012, be delegated to the Chief Fire Officer following consultation with the Capital Programme Working Party;
- (c) that, to facilitate (b) above, a meeting of the Capital Programme Working Party be held on Monday 25 June 2012 (following preceding meetings of Human Resources Management and Development Committee and Members Forum).

DSFRA/16. Chief Fire Officer's Announcements

The Deputy Chief Fire Officer reported the following:

- A fatality of an elderly lady in Yeovil in April. The lady was a smoker and was known to other agencies. The Service was in the process of exploring with the other agencies what interventions if any may have been made earlier to prevent the death;
- The appointment of both the Authority Chairman and Chief Fire Officer to the National Resilience Board, which had responsibility for managing assets such as those sited at Station 60 (Urban Search and Rescue).

DSFRA/17. 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 item of business on the grounds that it involves the likely disclosure of exempt information as defined in Paragraph 3 of Part 1 of Schedule 12A (as amended) to the Act, namely information relating to the financial and business affairs of the Authority and other companies.

DSFRA/18. Major Capital Project - Requirement for Additional Resources

(An item taken in accordance with Section 100A(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/12/17) on progress to date with a major project included in the approved capital programme. Issues had arisen which required additional funding beyond that initially approved if the project were to proceed. The report outlined the strategic importance of the project to the Service and identified where the additional sum required could be met.

RESOLVED that expenditure of £350,000 be approved from the capital funding reserve established from the indicative underspend against the 2011/12 revenue budget to enable completion of the major capital project as indicated in report DSFRA/12/17.

The meeting started at 11.10hours and finished at 12.23hours