

## **RESOURCES COMMITTEE**

(Devon and Somerset Fire and Rescue Authority)

16 May 2013

### Present:-

Councillors Gordon (Chairman), Bown (vice Yeomans), Horsfall, Randall Johnson (vice Hughes OBE) and Woodman.

### Apologies:-

Councillors Hughes OBE and Yeomans

### **\*RC/18. Former Authority and Committee Members**

The Chairman and other Members present asked to have placed on record their appreciation for the contributions made both to the work of the Committee and the full Authority of Cathy Bakewell MBE and Dennis Smith who, following the recent local authority elections, would not be returning as Members of the Devon & Somerset Fire & Rescue Authority.

### **\*RC/19. Minutes**

**RESOLVED** that the Minutes of the meeting held on 4 February 2013 be signed as a correct record.

### **\*RC/20. Annual Grant to Service Ceremonial Unit 2013-14**

The Committee considered a report of the Chief Fire Officer (RC/13/5) on the making of a grant to the Service Ceremonial Unit by way of contribution to events scheduled for the forthcoming financial year and to assist towards the costs of replacement of certain consumables as identified in the report. The approved 2013-14 revenue budget contained provision to make grants. Financial Regulations required the level of grant sought by the Unit to be approved by the Committee.

Members acknowledged and asked to have placed on record their appreciation of the work of the unit in representing at the highest standard both the Devon & Somerset Fire & Rescue Service and the fire service nationally. Whilst being sympathetic to the requirement for grant funding from the Service, the Committee also felt that the Ceremonial Unit might benefit from seeking alternative, independent sources of finance (e.g. lottery funding), perhaps with support and assistance from the Service in doing so. The Committee also indicated that officers might wish to explore other options for financial support for the Unit, for example by a Service Level Agreement establishing an appropriate amount in the base budget so as to afford greater financial security for the Unit.

**RESOLVED** that a grant of £8,000 be made to the Ceremonial Unit for the 2013/14 financial year as a contribution towards those costs highlighted in paragraphs 2.2 to 2.4 of report RC/13/5.

### **RC/21. Financial Performance Report 2012-13: Quarter 4**

The Committee considered a report of the Treasurer to the Authority (RC/13/6) setting out the Authority's performance against approved financial targets as at the end of the fourth quarter (31 March 2013).

The draft financial outturn position indicated an underspend of £1.681m (2%) against the approved revenue budget for 2012-13. The underspend was largely (£1m) attributable to positive action by budget managers to secure savings against the budgets for which they were responsible. The savings so identified had also been removed from the base budget for 2013-14. The report also detailed other significant variations against the approved 2012-13 revenue budget including, amongst other things:

- an overspend of £0.357m against the wholetime staff pay budget;
- an underspend of £0.390m against the retained pay budget (accounted for by a reduction in activity levels);
- an underspend of £0.459m against non-uniformed pay costs;
- greater than anticipated Treasury Management income, which had exceeded the original target by £0.131m.

Three contributions to earmarked reserves were included in the outturn figures as follows:

- £0.139m in grants received during 2012-13 but currently unapplied;
- £0.150m to enable completion next year of works commenced during the current financial year relating to a replacement telephone system (£0.100m) and remedial work to repair leakage from an oil bunker container at Taunton Fire Station (£0.050m).

Proposals for utilisation of the underspend, together with the current position in relation to financial reserves and provisions held by the Authority, were also identified in the report.

The Authority's capital programme for 2012-13 had initially been set at £8.597m but had subsequently been increased to £10.647m as a result of carrying forward slippage from the previous year and also by the addition of new capital spending items to be funded either from grant income or revenue contributions. The draft outturn position indicated capital spending of £4.662m against the total approved programme of £10.647m. The report indicated how the total spending would be financed and also set out reasons for the slippage of £5.985m. No prudential indicator had been breached from capital activity in 2012-13.

Finally, the report detailed aged debt analysis and identified those debts outstanding for more than 85 days, for which rigorous recovery action was in train.

**RESOLVED** that the Authority, at its meeting on the 30 May 2013, be recommended to approve:

- (a) that the provisional underspend of £1.681m against the 2012-13 revenue budget be utilised to fund the following transfers to Earmarked Reserves, as outlined in paragraph 10.1 of report RC/13/5:
  - (i) £0.103m for essential spending pressures (£0.070m for breathing apparatus cylinder testing; £0.033m for specialist rescue level 4 boat training);
  - (ii) £1.578m to the Comprehensive Spending Review (CSR) 2010 Budget Strategy Reserve
- (b) That an amount of £0.314m within Earmarked Reserves be transferred to General Reserves as outlined in paragraph 11.5 of this report.
- (c) That, subject to (a) and (b) above, the following be noted:

- (i) the draft position in respect of the 2012-13 Revenue and Capital Outturn position, as indicated in this report.
- (ii) That the underspend figure of £1.681m is after;
  - (A) A transfer of £0.139m to the Grants Unapplied Reserve, as required under International Financial Reporting Standards (IFRS) relating to grants received during the financial year but not utilised;
  - (B) A transfer of £2.832m to the Capital Funding Earmarked Reserve, relating to agreed revenue funding towards capital spending not utilised;
  - (C) A transfer of £0.150m to an Earmarked Reserve to fund 2012-13 Budget Carry Forwards; and
  - (D) An increase of £0.798m in the Provision set aside to fund the impact of the Employment Tribunal relating to Part Time Workers (Less than Favourable Working Conditions), as outlined in paragraph 3.7 of the report.
- (d) that, subject to (a) to (c) above, the performance against agreed financial targets in 2012-13, as detailed in the report, be noted.

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

The meeting started at 10.00hours and finished at 11.53hours.