

DEVON & SOMERSET FIRE & RESCUE AUTHORITY
(Ordinary Meeting)

30 May 2013

Present:-

Councillors Healey (Chairman), Bown, Brazil, Brooksbank, Burridge-Clayton, Chugg, Colthorpe, Dyke, Eastman, Edmunds, Ellery, Gordon, Greenslade, Gribble, Knight, Leaves, Owen, Radford, Randall Johnson, J Smith, Woodman and Yeomans

Apologies:-

Councillors Horsfall and Prior-Sankey

DSFRA/7. Addresses by Representative Bodies

In accordance with Standing Orders, the Authority received an address by the Fire Brigades Union in summary expressing its opposition to the proposals as contained in the draft Corporate Plan (the consultation period for which had recently closed) and inviting the Service to submit alternative proposals to the meeting to be held on 10 July 2013.

DSFRA/8. Minutes of Committees

(a) Human Resources Management & Development Committee

The Chair of the Committee, Councillor Mrs. Bown, **MOVED** the Minutes of the meeting held on 18 March 2013 which had considered, amongst other things:

- a presentation on firefighters' pensions schemes; and
- a presentation on the equality and diversity recognition afforded to the Devon & Somerset Fire & Rescue Service by securing a ranking of 91st in the Stonewall Top 100 Employers.

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

(b) Commercial Services Committee

The Vice-Chair of the Committee, Councillor Dyke, **MOVED** the Minutes of the meeting held on 3 April 2013 at which he had presided in place of the Committee Chairman and which had considered, amongst other things:

- a business case on the sub-contracting of fire risk assessors;
- a report on competition law compliance;
- a report on the reform of competition law enabling private actions to be brought;
- a report on state aid; and
- an update on commercial matters.

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

(c) Audit & Performance Review Committee

The Chair of the Committee, Councillor Radford, **MOVED** the Minutes of the meeting held on 8 May 2013 which had considered, amongst other things:

- an update from Grant Thornton covering the Authority audit plan and planned audit fees for 2013-14;
- a report of the Treasurer on the response made on behalf of the Authority to assurances sought by Grant Thornton in relation to the Authority's procedure and processes to discharge its responsibilities in relation to fraud and corruption, law and regulation, accounting for estimates and related parties;
- a report on performance by the Service between April 2012 to February 2013 against those measures contained in the approved Corporate Plan; and
- a presentation on critical incident defusing.

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 held on 16 May 2013 which had considered, amongst other things:

- a report on a proposed annual grant to the Service Ceremonial Unit for the current financial year; and
- a report on performance against approved financial targets as at 31 March 2013.

RESOLVED

- (i) that the recommendation at Minute RC/21 (Financial Performance Report 2012-13: Quarter 4) be considered in conjunction with the item on the Provisional Financial Outturn 2012-13 below;
- (ii) that, in accordance with Standing Orders, the Minutes be adopted.

(SEE ALSO MINUTE DSFRA/9 BELOW).

DSFRA/9. Provisional Financial Outturn 2012-13

The Authority considered a report of the Treasurer (DSFRA/13/11) on the final outturn position (subject to audit) for revenue and capital spending for the 2012-13 financial year. For revenue, an underspend of £1.681m was reported, equating to approximately 2.14% of the approved budget of £78.677m. A significant portion of the total underspend (£1m of the £1.681m) was attributable to positive action by Service budget holders and the savings so identified had 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); and
- £2.832m capital funding reserve required to fund capital spending once incurred in 2013-14.

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. These had initially been considered by the Resources Committee at its meeting held on 16 May 2013 and recommended by that Committee for approval (Minute RC/21 refers).

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.

RESOLVED

- (a) that, as recommended by the Resources Committee, the following three proposed transfers to Earmarked Reserves (as outlined in paragraph 10.1 of report DSFRA/13/11) be approved:
 - an amount of £0.103m be transferred to an Earmarked Reserve to fund two one-off essential spending pressures not included in the 2013-14 revenue budget;
 - an amount of £1.578m be transferred to the CSR 2010 Budget Strategy Reserve;
- (b) that the proposed transfer of £0.314m from Earmarked Reserves to the General Reserve, as outlined in paragraph 10.3 of this report, be approved;
- (c) that the capital determinations in relation to the funding of the 2012-13 capital spending, as detailed in paragraph 15.1 of the report, be approved;
- (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/8(d)(i) ABOVE).

DSFRA/10. Annual Treasury Management Report 2012-13

The Authority received for information a report of the Treasurer (DSFRA/13/12) summarising Authority treasury management activities during 2012-13 in accordance with the requirements of the CIPFA Code of Practice on Treasury Management. A prudent approach had been taken to investment decisions during the year with priority being given to liquidity and security over yield. Against a backdrop of continued uncertainty in the aftermath of the 2008 financial crisis, a cautious approach had been followed whereby investments were determined by risk considerations resulting in relatively low returns compared to the borrowing rates. Despite this, however, the Authority still secured returns on investment above the LIBID 3 month rate (the benchmark return for short-term investments) and no Prudential Indicator had been breached.

DSFRA/11. Exclusion of the Press and Public

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972 the press and public were excluded from the meeting for the following item of business on the grounds that it involved the likely disclosure of exempt information as defined in Paragraphs 1 and 2 of Part 1 of Schedule 12A (as amended) to the Act, namely information relating to individuals and which could reveal the identity of individuals.

DSFRA/12. Proposed Management Restructure

(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/13/13) on a proposed restructure of the Senior Management Board in the interests of efficiency savings for the organisation. The report identified that the total cost of effecting these changes would be recovered in eight months.

RESOLVED

- (a) that the proposed arrangements, as set out in report DSFRA/13/13, for the release/voluntary redundancy of the Deputy Chief Fire Officer and the Director of Finance be approved and these two posts deleted from the establishment;
- (b) that the proposed arrangements in relation to the release/voluntary redundancy of the Assistant Chief Fire Officer (Service Delivery) be approved with the funding for the post being retained pending a further review;
- (c) that the arrangements for the Treasurer to the Authority role, which currently forms part of the Director of Finance post, be reviewed;
- (d) that expressions of interest be invited from all staff for early release (including voluntary redundancy) from the organisation.

The meeting started at 11.15hours and finished at 13.25hours.