

RESOURCES COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

8 December 2008

Present:-

Councillors Gordon (Chairman), Fry, Healey, Lewis, Way and Yeomans

Apologies:-

Councillor B. Hughes

***RC/12. Minutes**

RESOLVED that the Minutes of the meeting held on 3 October 2008 be signed as a correct record.

***RC/13. Declarations of Interest**

Members of the Committee were invited to declare any personal/personal and prejudicial interests they may have in any item(s) to be considered at the current meeting in accordance with the Authority's approved Code of Conduct.

No interests were declared.

***RC/14. Revenue Budget Monitoring Report 2008/2009**

The Committee considered a report of the Treasurer and Head of Financial Management (RC/08/9) that set out projections of income and expenditure for the first seven months of the financial year against the approved Revenue Budget for 2008/09 and which detailed any significant variations against individual budget lines.

At this stage, it was projected that spending would be £0.887m less than the approved revenue Budget, equivalent to 1.26%. The main reasons for this position were as a consequence of a higher number of vacancies than had been anticipated resulting in a saving on pay costs, coupled with a reduction in incident activity levels which had impacted on retained pay lines. Additionally, income had increased as a result of a Memorandum of Understanding with the South West Ambulance Trust (SWAT) in respect of co-responder activity.

The Head of Physical Assets referred to one off areas of spending which it was felt prudent that the Authority could fund from the underspend in 2008/09, so reducing the pressure on the budget in 2009/10. These areas were as follows:

- the virement of £0.211m from wholetime pay costs to fund in the current financial year the one-off purchase of replacement alerter transmitters, and;
- the establishment of an earmarked reserve of £0.175m to fund the de-commissioning costs in 2009/10 associated with the existing radio systems,

RESOLVED

- (a) That, given the indicative underspend against the Revenue Budget for 2008/09, the Devon and Somerset Fire and Rescue Authority be recommended to approve the following:
- (i) in accordance with Financial Regulations, the virement of £0.211m from wholetime pay costs to fund in the current financial year the one-off purchase of replacement alerter transmitters, as outlined in paragraph 8.8 of report RC/08/9, and;
 - (ii) the establishment of an earmarked reserve of £0.175m to fund the de-commissioning costs associated with the existing radio systems, as outlined in paragraph 8.9 of report RC/08/9;
- (b) That, subject to (a) above, the revenue budget monitoring position as outlined in this report be noted.

***RC/15. Affordable Capital Investment Plans for 2009/2010 to 2011/2012**

The Committee considered a joint report of the Treasurer and Head of Financial Management and Head of Physical Assets (RC/08/10) that highlighted the significant capital investment needs of a large rural fire and rescue authority such as Devon and Somerset and its inability to fund its requirements as a consequence of financial constraints. The Treasurer asked the Committee to endorse the affordable capital spending limits for the next three years as set out in Table 7 in paragraph 7.6 of the report, following which a more detailed report would be submitted to the next meeting in February 2009.

RESOLVED

That, subject to further consideration as part of the budget setting process for 2009/2010, the provisional capital investment limits for 2009/2010 to 2011/2012, as set out in paragraph 7.6 of report RC/08/10, be endorsed.

***RC/16. Provisional Grant Settlement 2009/10**

The Treasurer and Head of Financial Management advised the Committee upon the position in respect of the provisional revenue grant settlement for 2009/2010. This was the second year of a three-year grant covering the period 2008/2009 to 2010/2011 and the Minister confirmed recently that, for 2009/2010, the grant figures for local authorities would be as announced in the original three-year grant announcement, made in January 2008. For Devon and Somerset Fire and Rescue Authority (DSFRA) this announcement confirmed the grant figures for 2009/2010 and 2010/2011 as below.

- 2009/2010 £30.529m (2.1% increase over 2008/2009)
- 2010/2011 £31.245m (2.3% increase over 2009/2010)

These have already been accounted for in the Authority's Medium Term Financial Plan (MTFP) and therefore the provisional settlement announcement has no immediate impact in terms of financial planning.

The Treasurer and Head of Financial Management added that this announcement was provisional at this stage subject to a formal consultation period which would end on 7 January 2009. He indicated that it would be appropriate to respond to the consultation exercise to express disappointment with the methodology used to distribute Fire Formula Grant, in particular, the inequitable distribution of Supported Capital Expenditure (SCE R) - based upon population and not asset base - and also the fact that grant distribution did not take account of sparsity factors.

Councillor Gordon **MOVED** (and was seconded by Councillor Yeomans):

“That the Treasurer and Head of Financial Management be authorised to respond to the consultation exercise on the provisional revenue grant settlement on behalf of the Committee as appropriate”.

Upon a vote, the motion was carried unanimously.

RESOLVED that the Treasurer and Head of Financial Management be authorised to respond to the consultation exercise on the provisional revenue grant settlement on behalf of the Committee as appropriate”.

***DENOTES DELEGATED POWER WITH AUTHORITY TO ACT**

The meeting started at 14.00hours and finished at 15.25hours.