



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

**M. Pearson
CLERK TO THE AUTHORITY**

**To: The Chair and Members of the Devon &
Somerset Fire & Rescue Authority**

(see below)

**SERVICE HEADQUARTERS
THE KNOWLE
CLYST ST GEORGE
EXETER
DEVON
EX3 0NW**

Your ref :
Our ref : DSFRA/MP/SY
Website : www.dsfire.gov.uk

Date : 9 February 2017
Please ask for : Steve Yates
Email : syates@dsfire.gov.uk

Telephone : 01392 872200
Fax : 01392 872300
Direct Telephone : 01392 872329

DEVON & SOMERSET FIRE & RESCUE AUTHORITY
(Budget Meeting)

Friday, 17th February, 2017

The Budget Meeting of the Devon & Somerset Fire & Rescue Authority will be held on the above date, **commencing at 10.00 am in the Conference Rooms, Service Headquarters, Exeter** to consider the following matters.

M. Pearson
Clerk to the Authority

SUPPLEMENTARY AGENDA

PLEASE REFER TO THE NOTES AT THE END OF THE AGENDA LISTING SHEETS

3 Fire and Rescue Indemnity Company Ltd. – Appointment of Member Voting Representative (Pages 1 - 4)

Aide Memoire of the Director of Corporate Services attached. It is proposed that this should be considered under item 3 (Items which, in the opinion of the Chair, should be considered at the meeting as matters of urgency).of the previously-published agenda for the Authority budget meeting on 17 February 2017.

7. d Community Safety & Corporate Planning Committee (Pages 5 - 6)

The Chair of the Committee, Councillor Eastman, to **MOVE** the Minutes of the meeting held on 13 February 2017 attached.

RECOMMENDATION that the Minutes be adopted in accordance with Standing Orders.

MEMBERS ARE REQUESTED TO SIGN THE ATTENDANCE REGISTER

Membership:-

Councillors Healey (Chair), Ball, Bown, Burrige-Clayton, Chugg, Coles, Colthorpe, Dyke, Eastman, Edmunds, Ellery, Greenslade (Vice-Chair), Hendy, Hill, Julian, Knight, Leaves, Radford, Randall Johnson, Redman, Riley, Thomas, Way, Wheeler, Woodman and Yeomans.

NOTES

1.	<u>Access to Information</u> Any person wishing to inspect any minutes, reports or lists of background papers relating to any item on this agenda should contact the person listed in the “Please ask for” section at the top of this agenda.
2.	<u>Reporting of Meetings</u> Any person attending a meeting may report (film, photograph or make an audio recording) on any part of the meeting which is open to the public – unless there is good reason not to do so, as directed by the Chairman - and use any communication method, including the internet and social media (Facebook, Twitter etc.), to publish, post or otherwise share the report. The Authority accepts no liability for the content or accuracy of any such report, which should not be construed as representing the official, Authority record of the meeting. Similarly, any views expressed in such reports should not be interpreted as representing the views of the Authority. Flash photography is not permitted and any filming must be done as unobtrusively as possible from a single fixed position without the use of any additional lighting; focusing only on those actively participating in the meeting and having regard also to the wishes of any member of the public present who may not wish to be filmed. As a matter of courtesy, anyone wishing to film proceedings is asked to advise the Chairman or the Democratic Services Officer in attendance so that all those present may be made aware that is happening.
3.	<u>Declarations of Interests (Authority Members only)</u>
	(a). <u>Disclosable Pecuniary Interests</u> If you have any disclosable pecuniary interests (as defined by Regulations) in any item(s) to be considered at this meeting then, unless you have previously obtained a dispensation from the Authority’s Monitoring Officer, you must: <ul style="list-style-type: none">(i). disclose any such interest at the time of commencement of consideration of the item in which you have the interest or, if later, as soon as it becomes apparent to you that you have such an interest;(ii). leave the meeting room during consideration of the item in which you have such an interest, taking no part in any discussion or decision thereon; and(iii). not seek to influence improperly any decision on the matter in which you have such an interest. If the interest is sensitive (as agreed with the Monitoring Officer), you need not disclose the nature of the interest but merely that you have a disclosable pecuniary interest of a sensitive nature. You must still follow (ii) and (iii) above.
	(b). <u>Other (Personal) Interests</u> Where you have a personal (i.e. other than a disclosable pecuniary) interest in any matter to be considered at this meeting then you must declare that interest no later than the commencement of the consideration of the matter in which you have that interest, or (if later) the time at which the interest becomes apparent to you. If the interest is sensitive (as agreed with the Monitoring Officer), you need not disclose the precise nature of the interest but merely declare that you have a personal interest of a sensitive nature. If the interest is such that it might reasonably be perceived as causing a conflict with discharging your duties as an Authority Member then, unless you have previously obtained a dispensation from the Authority’s Monitoring Officer, you must not seek to improperly influence any decision on the matter and as such may wish to leave the meeting while it is being considered. In any event, you must comply with any reasonable restrictions the Authority may place on your involvement with the matter in which you have the personal interest.
4.	<u>Part 2 Reports</u> Members are reminded that any Part 2 reports as circulated with the agenda for this meeting contain exempt information and should therefore be treated accordingly. They should not be disclosed or passed on to any other person(s). Members are also reminded of the need to dispose of such reports carefully and are therefore invited to return them to the Committee Secretary at the conclusion of the meeting for disposal.
5.	<u>Substitute Members (Committee Meetings only)</u> Members are reminded that, in accordance with Standing Order 35, the Clerk (or his representative) must be advised of any substitution prior to the start of the meeting. Members are also reminded that substitutions are not permitted for full Authority meetings.

This page is intentionally left blank

Agenda Item 3

DEVON & SOMERSET FIRE & RESCUE AUTHORITY (Budget Meeting)

AGENDA ITEM 3 – ITEMS REQUIRING URGENT ATTENTION

REPORT REFERENCE NO.	AIDE MEMOIRE
MEETING	17 FEBRUARY 2017
DATE OF MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (Budget Meeting)
SUBJECT OF REPORT	FIRE AND RESCUE INDEMNITY COMPANY LTD. (FRIC) – APPOINTMENT OF MEMBER VOTING REPRESENTATIVE
LEAD OFFICER	Director of Corporate Services
RECOMMENDATIONS	<p><i>(a). that the Authority consider the contents of this report (including the options as set out at paragraph 2.5) and determines how it would wish to exercise its Member Voting Representative function; and</i></p> <p><i>(b). that the Clerk to the Authority be authorised to serve any notices on the Company to give effect to any decisions at (a) above and which might be required to secure compliance with the Articles of Association of the Company.</i></p>
EXECUTIVE SUMMARY	This report advises on the requirement for the Authority to appoint a Member Voting Representative (equivalent to exercising a shareholder vote) at General Meetings of the Fire and Rescue Indemnity Company Ltd.
RESOURCE IMPLICATIONS	Contributions made by this Authority towards the costs of the mutual are contained from within existing resources
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The contents of this Aide Memoire are considered compatible with existing equalities and human rights legislation.
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	Report DSFRA/13/21 (Future Insurance Arrangements) to the Authority meeting held on 19 December 2013.

1. BACKGROUND

- 1.1 At its meeting on 19 December 2013 the Authority considered report DSFRA/13/21 (“Future Insurance Arrangements”) on a proposal for the Authority to participate (along with eight other fire and rescue authorities) in the establishment of a mutual insurance consortium – the Fire and Rescue Indemnity Company Ltd. (“the Company”) – to manage a discretionary pooling of funds for insurance purposes.
- 1.2 The proposal had been subject to detailed evaluation involving both financial modelling and exploration of the legal power to establish such a consortium, as detailed in the report to the Authority. In its first year of trading, operation of the Company realised, cumulatively, savings greater than initially modelled which have been transferred to company reserves to off-set any future liabilities (e.g. contributions by individual authorities to the mutual fund). This innovative model is, therefore, strong evidence of a successful fire-fire collaboration securing effectiveness and efficiency.
- 1.3 In terms of governance arrangements, the report identified that Director appointments on the consortium would be kept to a minimum with Directors drawn from appropriate professionals (in terms of experience, knowledge and expertise) within the participating fire and rescue authorities supported by an external organisation (Regis) with experience in the establishment and operation of mutuals (including claims handling).
- 1.4 On the basis of the report, the Authority resolved (Minute DSFRA/36 refers) to approve participation in the Company and to appoint the Service Risk and Insurance Manager as a Director on the Board of the Company. For clarification purposes, this role not is not remunerated.

2. REQUIREMENT TO APPOINT MEMBER VOTING REPRESENTATIVE

- 2.1 The Articles of Association for the Company provide, amongst other things:
- (a) that only an authority may be a “member” (equivalent to a shareholder) of the mutual (Part 3, Clause 23.1.1);
 - (b) that each “member” to exercise one vote at General Meetings (either in respect of a written resolution, a poll or show of hands) (Part 3, Clause 27);
 - (c) that a “member” may appoint a proxy to attend a General Meeting, subject to the proxy being an officer or employee of the “member” (Part 3, Clause 37); and
 - (d) that, **with effect from 1 January 2017**, the Company will hold at least one General Meeting (to be referred to as “the Annual General Meeting”) in every twelve month period (Part 3, Clause 28).
- 2.2 In line with (d) above, Notification was received on Friday 10 February (i.e. post-despatch of the agenda for this Authority meeting) that the first such Annual General Meeting will be held on Thursday 25 May 2017 at the Little Ship Club, London. This does, however, raise a governance issue not apparent in 2013 but which requires a decision by the Authority before its next scheduled meeting on 9 June 2017. This is set out below.

- 2.3 The Notification received invites the Authority, amongst other things, to appoint a Member Voting Representative. In effect, this is equivalent to a shareholder in a company to afford each of the members (i.e. the participating fire and rescue authorities) a say – from the individual authority perspective and at a strategic level - in matters relating to the direction, operation and performance of the mutual. Given the potential for conflicts of interest, this role cannot be exercised by the Service appointed Director to the mutual as, in that capacity, the primary duty of that individual is to serve the best interests of the mutual and not the appointing authority (although, in practice, the two should be aligned).
- 2.4 By virtue of local government law (specifically, Section 101 of the Local Government Act 1972), however, the Authority cannot delegate the Member Voting Representative function to an individual Member but can delegate this either to a Committee or an Officer of the Authority.
- 2.5 The following options would, therefore, seem to be open to the Authority:

Option A – the full Authority exercises the Member Voting Representative function but appoints an Officer as its Proxy for the purpose of actual attendance at Company General Meetings.

As the Member Voting right is vested in the Authority as a whole (which is a stand-alone legal entity), it would not necessarily be practicable or represent good value for money for all Authority Members to attend Company General Meetings, hence the proposal to appoint a proxy to do this. Additionally, this option would require a quorate meeting of the Authority to be called, potentially at short-notice, to consider the agenda for any Company General Meeting (once received) and determine whether there would be any issues on which the Authority would wish to exercise its vote and to instruct the proxy to vote accordingly. For this reason, this option is not considered particularly practicable.

Option B – Delegate the Member Representative Voting function to an existing Committee (e.g. Resources Committee), with the appointment of an Officer Proxy to attend the Company General Meeting.

This option offers the ability for input at Member level and the potential advantages of either aligning the business to a scheduled Committee meeting or – if necessary – calling a special Committee meeting which should be easier than having to call a special full Authority meeting. The Resources Committee usually meets in mid-May of each year to consider the provisional out-turn and is scheduled to meet on 17 May 2017. The date of this meeting would certainly align with the Company Annual General Meeting proposed for 25 May.

As with Option A, an Officer Proxy could also be appointed to attend the meeting and exercise any vote as may be instructed by the Committee. If this option is preferred, it is suggested that the Officer Proxy should be one of the Authority's Proper Officers – either the Head of Paid Service (Chief Fire Officer) or the Section 112 (equivalent to the Section 151 Officer i.e. that officer with responsibility for the proper conduct of the Authority's financial affairs) (the Treasurer).

Option C – Delegate the Member Voting Representative function to one of the Authority's Proper Officers (i.e. either the Head of Paid Service [Chief Fire Officer] or the Section 112 [i.e. 151] Officer [the Treasurer]. This would seem to afford the most pragmatic solution given that one of the functions of a Proper Officer is to ensure, amongst other things, that the best interests of the Authority are always protected.

2.6 The Authority is invited to consider the contents of this report and the options identified above in determining how it would wish to exercise its Member Representative Voting function in relation to General Meetings of the Fire and Rescue Indemnity Company Ltd.

MIKE PEARSON
Director of Corporate Services

COMMUNITY SAFETY & CORPORATE PLANNING COMMITTEE (Devon and Somerset Fire and Rescue Authority)

13 February 2017

Present:-

Councillors Eastman (Chair), Colthorpe, Leaves (Vice-Chair) and Coles (sub Hill).

Apologies:-

Councillors Bown and Ellery.

* **CSCPC/13 Minutes**

RESOLVED that the Minutes of the meeting held on 28 September 2016 be signed as a correct record.

* **CSCPC/14 Creating an Integrated Risk Management Plan (IRMP)**

The Committee received for information a report of the Assistant Chief Fire Officer – Service Improvement – (CSCPC/17/1) that set out the approach that the Devon & Somerset Fire & Rescue Authority was proposing to take in the development of its new Integrated Risk Management Plan (IRMP).

The Authority had previously included its IRMP within the Corporate Plan: “Creating Safer Communities: Our Plan 2015 to 2020” but it was felt that this document was aimed at setting out the vision and direction the Service wished to go in whereas the IRMP was setting out the mechanisms through which this could be delivered. The aims of an IRMP were to:

- Improve community safety and make a more effective use of fire and rescue service resources;
- Reduce the incidence of fires; reducing loss of life in fires and accidents; reducing the number and severity of injuries;
- Safeguard the environment and protect the National Heritage;
- Provide communities with value for money.

The Service had established a Working Group to look specifically at the IRMP. The Working Group would be looking to:

- research actual risk faced by communities across Devon and Somerset;
- quantify data into a risk rating for measurement enabling improvement and understanding how our activities affect risk;
- re-evaluate the Service’s Protection, Prevention, and Response arrangements against actual risk; and
- produce options for consideration.

It was noted that the options produced by the Working Group would be submitted to a Members' Forum in March 2017. A draft version of the proposed IRMP would then be submitted to this Committee for consideration at its next meeting on 21 April 2017.

* **CSCPC/15 Rollout of New Home Safety Approach**

The Committee received for information a report of the Assistant Chief Fire Officer – Service Delivery – (CSCPC/17/2) that set out the proposed rollout of a new and improved Home Fire Safety process that it was anticipated would:

- free up capacity within Groups;
- have a dedicated team of technicians with fully equipped vans to deliver home safety services;
- result in an increase in Home Safety Visits to over 20,000 per year;
- roll-out a consistent process across the Service which enabled the most vulnerable members of our community to be targeted and gain improved access to services including the booking and agreement of visits at the point of contact.

It was noted that, whilst this would result in a cost to the Service of £281k in 2017/18, it would provide more accurate targeting of the most vulnerable people in the community via a consistent and measurable and scalable approach.

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

The meeting started at 10.00 am and finished at 11.25 am