

DEVON & SOMERSET FIRE & RESCUE AUTHORITY
(Ordinary Meeting)

7 June 2019

Present:-

Councillors Randall Johnson (Chair), Best, Biederman, Bown, Buchan, Clayton, Coles, Colthorpe, Doggett, Drear, Eastman, Hannaford, Healey MBE, Napper, Peart, Prowse, Radford, Redman, Saywell, Singh, Thomas, Trail BEM, Vijeh, Way, Wheeler (Vice-Chair) and Yabsley.

DSFRA/7 **Minutes of Committees**

a **Human Resources Management & Development Committee**

The former Chair of the Committee, Councillor Bown, **MOVED** the minutes of the meeting held on 18 March 2019 which had considered, amongst other things:

- a report on publication of the latest Gender Pay Gap report for the Devon & Somerset Fire & Rescue Service;
- an update on progress made to secure a more diverse and inclusive workforce;
- a report on absence management; and
- a report on the key themes emerging from the People strand of first tranche of inspections of fire and rescue services undertaken by Her Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS).

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

b **Chief Fire Officer's Appraisals Panel**

The Chair of the Panel, Councillor Randall Johnson, **MOVED** the Minutes of the meetings held on 22 March and 14 May 2019 which had considered, amongst other things:

22 March 2019

- a report on remuneration for the Deputy Chief Fire Officer post;
- an end of year appraisal for the interim Chief Fire Officer; and
- an appointment process for Deputy Chief Fire Officer.

14 May 2019

- an appraisal for Chief Fire Officer Lee Howell.

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

c **Standards Committee**

The Chair of the Committee, Councillor Thomas, **MOVED** the Minutes of the meeting held on 8 April 2019 which had considered a review of the Members' Code of Conduct and associated complaints guidance.

RESOLVED

- (i) that the recommendation at Minute SC/11(a)(i) (relating to appointment of Independent Persons) be considered in conjunction with item DSFRA/8 below;

- (ii) that, as recommended by the Standards Committee at Minute SC/11(a)(ii), (iii) and (iv):
1. remuneration be approved for Independent Persons on the basis of £100 for each standards issue they are involved in;
 2. an indemnity be granted to Independent Persons (in line with the Authority's indemnity for officers and Members) to meet any reasonable costs incurred in securing appropriate legal advice and representation in respect of any civil or criminal proceedings that may arise from their involvement in Authority standards matters – this indemnity to be subject to the reimbursement to the Authority of any expenditure incurred under the indemnity in the event that any court sanction is imposed that is not subsequently overturned on appeal;
 3. the Members' Code of Conduct be amended by:
 - i. incorporation of the following definition of harassment in paragraph 2.4 of the Code:

“harassment” may be defined as any unwanted behaviour which the individual subject to that behaviour feels offensive or which makes them feel intimidated or humiliated. This can happen on its own or alongside other forms of discrimination. Examples of unwanted behaviour include:

 - spoken or written words or abuse;
 - offensive tweets, e-mails or comments on social networking sites;
 - images and graffiti;
 - physical gestures;
 - facial expressions; and
 - jokes
 - ii. inserting the following into paragraph 4.1 of the Code (General Obligations, you must...):

“(6) comply and co-operate fully and openly in any formal standards investigation in which you are either the Subject Member or a witness”
 - iii. inserting the following into paragraph 4.1 of the Code (General Obligations, you must not...):

“(10) make trivial or malicious allegations against a fellow Member (or Members) of the Authority”
- (iii) that, subject to (i) and (ii) above, the Minutes be adopted in accordance with Standing Orders.

(SEE ALSO MINUTE DSFRA/4(d) OF THE AUTHORITY ANNUAL MEETING HELD ON 7 JUNE 2019 AND MINUTE DSFRA/9 BELOW).

d **Audit & Performance Review Committee**

The Chair of the Committee, Councillor Healey, **MOVED** the Minutes of the meeting held on 10 May 2019 which had considered, amongst other things:

- letters produced by both the Treasurer and Committee Chair for the external auditor (Grant Thornton) in compliance with international auditing standards and relating to the Authority's financial statements for the year ended 31 March 2019;
- a report on work completed in accordance with the 2018-19 internal audit plan;
- a report on the proposed 2019-20 internal audit plan;
- a draft Annual Statement of Assurance for 2018-19, as required by accounts and audit regulations and the Fire & Rescue Service National Framework and to accompany the Statement of Accounts;
- an update on the Corporate Risk Register;
- a report on performance of the Devon & Somerset Fire & Rescue Service during 2018-19; and
- a review of the Authority's policy relating to the Regulation of Investigatory Powers Act (RIPA) 2000.

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

e **Resources Committee**

The former Chair of the Committee, Councillor Coles, **MOVED** the non-restricted Minutes of the meeting held on 15 May 2019 which had considered, amongst other things:

- an annual report on treasury management performance during 2018-19;
- a report on the provisional financial outturn for 2018-19 (a copy of which was included with the agenda for this Authority meeting, for ease of reference);
- a report on the proposed Reserves Strategy for 2019-20 (a copy of which was included with the agenda for this Authority meeting, for ease of reference);
- a report on revisions to the Capital Programme 2019-20 to 2021-22 (a copy of which was included with the agenda for this Authority meeting, for ease of reference);
- a report on the financial performance of Red One Ltd. (the Authority's commercial trading arm) during 2018-19;
- a report on a proposed Red One Ltd. Business Plan for 2019-20; and
- an assurance report on the proposed Red One Ltd. Business Plan.

RESOLVED

- (i) that, as recommended by the Resources Committee and subject to (ii) below:
 1. the transfer of the provisional underspend against the 2018-19 revenue budget (reported as £1.892m to the Resources Committee) to the Reserve for Capital Funding be approved;
 2. the Reserves Strategy 2019-20 be approved and published;

3. the revised Capital Programme and associated Prudential Indicators 2019-20 to 2021-22, as summarised at Appendices A and B to the Minutes of the Resources Committee and to these Minutes, be approved;
- (ii) that it be noted that, subsequent to the recommendations of the Resources Committee as identified at (i) above, the final outturn position includes an additional £0.004m underspend bringing the total to £1.896m and that as a result of this:
1. a total of £1.896m would be transferred to the Reserve for Capital Funding;
 2. the revised Capital Programme 2019-20 to 2021-22 would include the additional £0.004m revenue funding; and
 3. the figures presented in the Reserves Strategy would be amended to reflect (1) and (2) above;
- (iii) that, subject to (i) and (ii) above, the Minutes be adopted in accordance with Standing Orders.

(SEE ALSO MINUTES DSFRA/11 AND DSFRA/12 BELOW)

DSFRA/8 Standards Committee - Appointment of Independent Persons

The Authority considered a report of the Director of Corporate Services (DSFRA/19/13) on issues relating to the appointment of Independent Persons for standards issues, as required by the Localism Act 2011.

At its meeting on 8 April 2019, the Standards Committee had resolved, amongst other things to recommend the Authority (Minute SC/11(a)(i) refers:

“to delegate authority to the Monitoring Officer to undertake a process for an determine the appointment of two Independent Persons, with the term of office for each Independent Person to limited to two years, renewable once”.

The report identified that, pending completion of the process to secure two Independent Persons, there was the potential for a situation whereby the Authority may be without an Independent Person (and thereby not compliant with the relevant legislation). To avoid this, it was proposed that the previous Independent Person be re-appointed to the Authority until a successor was appointed or until the Authority Annual Meeting in 2020 (whichever is the sooner).

RESOLVED that Fr. David Watson be re-appointed as one of the Authority’s Independent Persons pending appointment of a successor or until the Authority Annual Meeting in 2020, whichever is the sooner.

DSFRA/9 Local Pensions Board - Further Considerations

The Authority considered a report of the Director of Corporate Services (DSFRA/19/14) on issues relating to membership of the Authority’s Local Pensions Board. Based on the Board’s current operating protocols, the initial four year term of office of one of the existing Scheme Manager representatives (the Clerk to the Authority) would expire in 2019 and the Authority was invited to consider appointment to the resultant vacancy.

Additionally, the Board had requested an increase the size, in part to address previous difficulties in securing quorate meetings of the Board. The report identified four potential options to secure an additional Scheme Manager representative and confirmed that the Head of Human Resources had delegated authority to appoint Scheme Member representatives. Should the request be approved, then revised quorum agreements would be implemented.

RESOLVED

- (a). that the Authority Clerk and Monitoring Officer be re-appointed as a Scheme Manager representative on the Local Pensions Board for a further four-year term of office (to expire in 2023);
- (b). that the overall size of the Board be increased from 6 to 8 (one additional Scheme Manager and one additional Scheme Member representative) and in this respect:
 - (i) the Clerk to the Authority be delegated authority to undertake a process to identify and appoint a relevant external person with the requisite subject matter knowledge and experience to serve as a Scheme Manager representative;
 - (ii) the external post be remunerated at a level of £500 per annum plus travel and subsistence expenses;
 - (iii) that it be noted that the Head of Human Resources has delegated authority to undertake a process to identify and appoint Scheme Member representatives to the Board;
- (c). that the revised quorum arrangements for the Board (50% of the membership, to comprise at least one Scheme Manager and Scheme Member representative) be approved.

DSFRA/10 Exclusion of the Press and Public

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972, the press and public (with the exception of Dr. Sian George and Lisa Compton [Red One Ltd] for Minute DSFRA/12) be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Paragraph 3 of Schedule 12A (as amended) to the Act, namely information relating to the financial and business affairs of any particular person – including the authority holding that information.

DSFRA/11 Resources Committee - 15 May 2019 - Restricted Minutes

(An item taken in accordance with Section 100A(4) of the Local Government Act 1972 during which the press and public were excluded from the meeting).

The former Chair of the Committee, Councillor Coles, **MOVED** the Restricted Minutes of the meeting held on 15 May 2019 which had considered, amongst other things:

- a report on the financial performance of Red One Ltd. as at Quarter 4 of the 2018-19 financial year;
- a report on a proposed five-year Business Plan for Red One Ltd.; and
- a report on independent assurance obtained by the Authority on the Red One Ltd. Business Plan.

RESOLVED

- (a). that the recommendations at Minutes RC/34 (Red One Ltd. Business Plan) and RC/35 (Red One Ltd. Business Plan Assurance) be considered during the Red One Ltd. Annual General Meeting;
- (b). that, subject to (a) above, the Minutes be adopted in accordance with Standing Orders.

(SEE ALSO MINUTE DSFRA/12 BELOW)

(At this point [11.45am] the meeting adjourned, reconvening for the Red One Ltd. Annual General Meeting at 12.05pm).

DSFRA/12

Red One Ltd. Annual General Meeting

(An item taken in accordance with Section 100A(4) of the Local Government Act 1972 during which the press and public, with the exception of Dr. Sian George and Lisa Compton [Red One Ltd.], were excluded from the meeting).

(Councillors Saywell and Thomas each declared a personal, non-pecuniary interest in this item by virtue of being appointed by the Authority as non-executive directors on the Board of Red One Ltd. In accordance with the terms of the dispensation granted by the Authority at its Annual Meeting on 8 June 2018 (Minute DSFRA/5(a) refers), both Councillors spoke at the meeting but took no part in voting on any issue and left the room during any such vote).

The Authority, as sole shareholder, attended the Annual General Meeting of Red One Ltd., chaired by Dr. Sian George as Board Chair for Red One Ltd. As part of this meeting, the Authority received a presentation from Dr. George and Lisa Compton on the proposed five-year Red One Ltd. Business Plan. This included, amongst other things:

- background to the establishment of Red One Ltd;
- trading and profits from Red One Ltd. to the Devon & Somerset Fire & Rescue Service for the financial years 2014-15 to 2018-19;
- a comprehensive review of governance for the company including the adoption of new Articles of Association and Board structure based on accountability and professionalism;
- total profit and loss projections for the financial years 2019-20 to 2023-24 and for each of the main revenue streams (Scheduled Training; Driver Training; Standby Rescue Training; "Bespoke" Training; and Recruits Training);
- corporate objectives for the five-year period of the Plan.

The Authority had been provided with copies of the five-year Business Plan and assurance on the Plan commissioned by the Authority, along with the covering reports to the Resources Committee in support of these documents (reports RC/19/13 and RC/19/14 respectively refer).

The Authority Chair then invited questions from Authority Members, which were responded to by the representatives of the Board present at the meeting. On conclusion of the questions, Councillor Hannaford **MOVED**, with Councillor Peart seconding, that the recommendations at Minutes RC/34 and RC/35 of the Restricted Minutes of the Resources Committee meeting held on 15 May 2019 be approved.

This was put to the vote and declared **CARRIED** whereupon it was

RESOLVED

- (a). that, as recommended by the Resources Committee, the five-year Business Plan for Red One Ltd. be approved;
- (b). that, in addition to (a) above, the other recommendations at Minutes RC/34 and RC/35 of the Restricted Minutes of the Resources Committee meeting held on 15 May 2019 be approved.

(In accordance with Standing Order 25(3), Councillor Bown requested that her vote against this decision be recorded and Councillor Way requested that his abstention from voting on this matter be recorded).

The Meeting started at 11.17 am and finished at 2.03 pm

**APPENDIX A TO THE MINUTES OF THE DEVON & SOMERSET FIRE & RESCUE
AUTHORITY ORDINARY MEETING 7 JUNE 2019 - REVISION TO CAPITAL
PROGRAMME 2019-20 TO 2021-22**

PROJECT	2019/20	2019/20	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000	£000	£000
	Approved Budget	Slippage & Approvals	Revised Budget	Approved Budget	Approved Budget	Indicative Budget	Indicative Budget
Estate Development							
Site re/new build	1,100	17	1,117	3,100	200	0	0
Improvements & structural maintenance	3,307	595	3,902	7,100	7,700	9,300	7,000
Estates Sub Total	4,407	612	5,019	10,200	7,900	9,300	7,000
Fleet & Equipment							
Appliance replacement	1,793	0	1,793	3,800	3,300	2,700	2,200
Specialist Operational Vehicles	1,134	0	1,134	2,300	1,400	900	1,900
Equipment	366	187	553	200	200	200	200
ICT Department	268	0	268	0	0	0	0
Water Rescue Boats	46	0	46	0	0	0	0
Fleet & Equipment Sub Total	3,607	187	3,794	6,300	4,900	3,800	4,300
Overall Capital Totals	8,014	799	8,813	16,500	12,800	13,100	11,300
Programme funding							
Earmarked Reserves:	3,439	756	4,195	11,145	4,628	0	0
Revenue funds:	2,614	0	2,614	2,614	2,614	2,614	2,614
Capital receipt							520
Application of existing borrowing	1,961	43	2,004	1,491	5,308	10,436	5,905
Contributions			0	1,250	250	50	2,261
Total Funding	8,014	799	8,813	16,500	12,800	13,100	11,300

**APPENDIX B TO THE MINUTES OF THE DEVON & SOMERSET FIRE & RESCUE
AUTHORITY ORDINARY MEETING 7 JUNE 2019 - REVISION TO CAPITAL
PROGRAMME 2019-20 TO 2021-22**

<u>PRUDENTIAL INDICATORS</u>	INDICATIVE INDICATORS 2022/23 to 2023/24				
	2019/20 £m Estimate	2020/21 £m Estimate	2021/22 £m Estimate	2022/23 £m Estimate	2023/24 £m Estimate
Capital Expenditure					
Non - HRA	8.813	16.500	12.800	13.100	11.300
HRA (applies only to housing authorities)					
Total	8.813	16.500	12.800	13.100	11.300
Ratio of financing costs to net revenue stream					
Non - HRA	4.09%	4.03%	4.06%	4.04%	4.54%
HRA (applies only to housing authorities)	0.00%	0.00%	0.00%	0.00%	0.00%
Capital Financing Requirement as at 31 March	£000	£000	£000	£000	£000
Non - HRA	25,444	24,851	28,081	36,667	40,390
HRA (applies only to housing authorities)	0	0	0	0	0
Other long term liabilities	1,112	1,010	907	791	656
Total	26,556	25,861	28,988	37,457	41,045
Annual change in Capital Financing Requirement	£000	£000	£000	£000	£000
Non - HRA	(191)	(695)	3,127	8,469	3,588
HRA (applies only to housing authorities)	0	0	0	0	0
Total	(191)	(695)	3,127	8,469	3,588
<u>PRUDENTIAL INDICATORS - TREASURY MANAGEMENT</u>					
Authorised Limit for external debt	£000	£000	£000	£000	£000
Borrowing	26,910	26,787	29,678	39,094	43,003
Other long term liabilities	1,265	1,162	1,056	947	823
Total	28,174	27,949	30,733	40,041	43,826
Operational Boundary for external debt	£000	£000	£000	£000	£000
Borrowing	25,637	25,544	28,274	37,260	40,983
Other long term liabilities	1,209	1,112	1,010	907	791
Total	26,847	26,656	29,284	38,168	41,774
<u>Maximum Principal Sums Invested over 364 Days</u>					
Principal Sums invested > 364 Days	5,000	5,000	5,000	5,000	5,000

<u>TREASURY MANAGEMENT INDICATOR</u>	Lower Limit %
Limits on borrowing at fixed interest rates	70%
Limits on borrowing at variable interest rates	0%
Maturity structure of fixed rate borrowing during 2017/18	
Under 12 months	0%
12 months and within 24 months	0%
24 months and within 5 years	0%
5 years and within 10 years	0%
10 years and above	50%

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