

RESOURCES COMMITTEE

(Devon & Somerset Fire & Rescue Authority)

2 July 2020

Present:

Councillors Coles (Vice-Chair), Biederman, Drean (Chair), Peart, Radford, Wheeler and Yabsley

In attendance:

Councillor Randall Johnson – Authority Chair (in accordance with Standing Order 38(1)).

* **RC/24**

Minutes

RESOLVED that the Minutes of the meeting held on 13 February 2020 be signed as a correct record.

* **RC/25**

Urgency Decisions - 2019-20 Revenue Budget Outturn

The Committee received for information a report of the Treasurer (RC/20/9) that set out the decisions taken under the Authority's urgency provisions in accordance with its Standing Order given the current government guidelines relating to social distancing during the Covid-19 pandemic.

The decisions taken on 2 June 2020 were:

- (a) that, in accordance with Standing Order 39(4) and following consultation with the Chair of the Resources Committee, the following be approved:
 - (i) A transfer of £0.286m 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) that, in accordance with Standing Order 27 and following consultation with the Authority Chair, the following be approved:
 - (i) A transfer of £2.348m to the Reserve for Capital funding;
 - (ii) revisions to the Capital programme for 2020-21 as set out in the paper REVISION TO CAPITAL PROGRAMME 2020-21 TO 2022-23

It was noted that the decisions taken under the urgency provisions were published on the Authority's website in accordance with Standing Orders.

* **RC/26**

Covid-19 Financial Implications

The Committee received for information a report of the Treasurer (RC/20/10) that summarised the work undertaken to date in respect of the financial impact of the Covid-19 pandemic for 2020-21 and which also set out the key risks in the future.

The Treasurer advised that this Authority had received two payments of £0.280m and £1.319m in Section 31 grant funding from central government as part of the £3.2bn of measures introduced to support local authorities during the Covid-19 pandemic. It was anticipated that this funding would be sufficient, however, that position may change in the event of a second wave of the virus in the South West region.

The Treasurer indicated that the long term financial stability of the Authority had been reviewed in light of Covid-19 with the Executive Board and it was felt that the revenue position for 2020-21 was positive overall. There had been a slowing down or ceasing of some of the activities planned. There would be significant impact on the Capital Programme due to issues with suppliers and further information on this would be provided in the next report to the Committee on Financial Monitoring. There would also be an impact on Council Tax in 2021-22 due to the issues with collection rates for local authorities in 2020-21. An announcement had been made by the Government on 2 July 2020 that major precepting authorities (including Police and Fire) would benefit from a scheme enabling any collection fund deficit to be repaid over 3 years. The Treasurer advised the Committee that she was unsure if this would mitigate the risks for the Authority and therefore, she would be looking carefully at the Authority's Reserves Strategy to ensure that any budget shortfall or resourcing requirements in 2021-22 could be covered.

Reference was made to the potential drop in income for some local authorities which it was estimated could be as much as 10% and the Government support that was forthcoming to cover this. The Treasurer responded that information released on 2 July 2020 indicated that this related to income in the year such as on fees and charges or parking receipts, amongst others. The Government had indicated that each local authority had to fund the first 5% of any losses in year and Government would fund 75% of the 95% remaining but this did not apply to Council Tax receipts. The Treasurer advised that the Service was eligible for this funding and she would forward a copy of the press release to Committee members for information.

The Chief Fire Officer reassured the Committee that the Service had undertaken a review of all of its activities in the light of Covid-19 and was refocussing the organisation accordingly; only spending money where necessary to ensure it was in a good position to meet its future financial pressures.

The Committee thanked the Treasurer and all staff at this point for the all the work that had been undertaken during this difficult period of time.

* **RC/27** **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 the officers of Red One Ltd. and Councillors Saywell and Thomas [Authority appointed Non-Executive Directors on the Board of Red One Ltd.]) be excluded from the meeting for the following items of business on the grounds that they involved the likely disclosure of exempt information as defined in the following Paragraph of Part 1 of Schedule 12A (as amended) to the Act:

- Paragraph 3 (information relating to the financial and business affairs of any particular person – including the authority holding that information).

* **RC/28** **Restricted Minutes of Resources Committee held on 13 February 2020**

(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 the officers of Red One Ltd. and Councillors Saywell and Thomas [Authority appointed Non-Executive Directors on the Board of Red One Ltd.]) were excluded from the meeting).

RESOLVED that the Restricted Minutes of the meeting held on 13 February 2020 be signed as a correct record.

* RC/29

Red One Limited Financial Performance 2019-20: Quarter 4

(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 the officers of Red One Ltd. and Councillors Saywell and Thomas [Authority appointed Non-Executive Directors on the Board of Red One Ltd.]] were excluded from the meeting).

NB. Councillors Saywell and Thomas were present for this item in a non-voting capacity as Non-Executive Directors of Red One Ltd. (in support of Dr Sian George) but did not speak.

The Committee received for information a report of the Treasurer and Dr Sian George (Non-Executive Chair of the Board of Red One Ltd.) (RC/20/11) on the financial performance of Red One Ltd. in quarter 4 of 2019-20.

Reference was made to the financial position for Red One Ltd. going forward into 2020-21 and beyond. It was confirmed that a significant, long term contract had recently been won by Red One. It was noted that further information would be released to the Authority in due course.

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

The meeting started at 2.15 pm and finished at 3.45 pm

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