

**MINUTES OF THE MEETING OF THE
SOUTH EAST FIRE & RESCUE SERVICES
CHIEFS AND CHAIRS
HELD ON MONDAY 25 SEPTEMBER 2006 AT 10.30 HRS
AT THE REIGATE MANOR HOTEL, REIGATE, SURREY**

These minutes are subject to confirmation by the Regional Management Board at its next meeting.

Members:

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| * Cllr L Barnard | Cabinet Member for Public Protection, West Sussex County Council |
| * Cllr B Abraham | Cabinet Member for Safer Communities, Isle of Wight Fire Authority |
| * Cllr Dr P Bryant | Chairman, Royal Berkshire Fire Authority |
| * Cllr M F Cartwright | Chairman, Hampshire Fire & Rescue, Fire Authority |
| * Cllr B Cope | Chairman, Kent & Medway Fire & Rescue Authority |
| Cllr R Jelf | Cabinet Member for Community Safety, Oxfordshire County Council |
| * Cllr J Farrow | Substitute Member, Oxfordshire County Council |
| * Cllr M Murphy | Chairman, East Sussex Fire Authority |
| * Cllr D Rowlands | Chairman, Buckinghamshire & Milton Keynes Combined Fire Authority |
| * Cllr Mrs C Stevens | Executive Member for Community Safety, Surrey County Council |

* = Present

In Attendance:

CFO J Bonney	Hampshire
CFO M Burrell	West Sussex
CFO I Cox	Royal Berkshire
CFO D Prichard	East Sussex
CFO D Smith	Buckinghamshire
DCFO D Howells	Hampshire
DCFO R Pearson	Surrey
DCFO M Smythe	Oxfordshire
A/CFO P Street	Isle of Wight
ACO C Kerr	Kent
Anne Downing	West Sussex
Chris Salt	West Sussex
Diane Henshaw	West Sussex
Shani Moyle	West Sussex
Sue Klein	East Sussex

CHAIRMAN'S ANNOUNCEMENTS

Councillor John Farrow was welcomed to the meeting as a substitute member in the absence of Councillor Ray Jelf.

APOLOGIES FOR ABSENCE (Item 1)

CFO C Hendry (Kent), CFO J Parry (Oxfordshire) and CFO S Myers (Surrey)

DECLARATIONS OF INTEREST (Item 2)

There were none.

PROCEDURAL MATTERS (Item 3)

There were no questions from Members.

RCC GOVERNANCE ISSUES (Item 4)

Councillor Barnard welcomed members to what promised to be an interesting meeting.

Consultation Outcomes

CFO Burrell opened the proceedings by going through the Government's responses to the consultation on detailed proposals for the governance of Regional Control Centres (RCCs) laid out in FRS Circular 13-2006 (copy attached). This circular represented guidance on the establishment of Local Authority Controlled Companies (LACCs) to run RCCs on behalf of Fire & Rescue Authorities (FRAs) in their region.

Major Concerns of FRAs

The following questions prompted particular comments:

Q2: Should the local authority companies be restricted in the scope of their activities as described in this consultation document, or should they be given the freedom to diversify?

CFO Bonney was concerned that the costs for in-scope and out of scope activities were becoming an increasing issue. Councillor Murphy was concerned about possible conflicts of interest which might arise from being a member of the Board and of a FRA. Members were also concerned that the Board could change its scope of activities at its first AGM without waiting for two years.

Q3: Should authorities be given complete freedom in the composition and selection of board members and the naming of their company?

Again, there was concern that companies would be able to make their own decisions once they had been set up.

Other Key Concerns of FRAs

- **Voting**

Members considered various voting options, including proportional, non-proportional, linked to costs, not linked to costs, and any combination of these. Option 1 was the status quo, one vote per authority, and Option 2 was based on the costs of SE control rooms, less 30%, again with one vote per authority; it was stressed that the figures were based on the latest information from the Department of Communities and Local Government (DCLG). Option 3 gave proportional votes, linked to population, but not costs, and Option 4 gave proportional votes based on costs. The DCLG's preferred option was proportional voting, based on population, with regions making their own decisions on how to achieve this. The DCLG had also stated that no **region** would be disadvantaged, and any losses would be covered, but had not specified that no individual **authority** would be disadvantaged – this would be for regions to decide. It was agreed that this would be difficult to establish where there were Combined Fire Authorities and County Council Fire Authorities in the same region.

Members were content for larger FRAs to have a larger proportion of votes, but did not want the number of members to increase. It was agreed to have nine members with weighted votes according to population – this would give Hants and Kent 4 votes each, Surrey 3 votes, the Isle of Wight 1 vote and the other five FRAs 2 votes each, with the Chairman of the Board having a casting vote.

- **Cost Apportionment**

Members considered six options for sharing costs: Option 1, the DCLG preference, pro-rata according to population; Option 2 – pro-rata according to Council Tax base; Option 3 – pro-rata according to the number of calls received; Option 4 – pro-rata according to voting structure within the RCC Board; Option 5 – equal shares; and Option 6 – hybrid system, with a fixed element linked to population or council tax base, and a variable element depending on call numbers. It was noted that Option 6 was similar to the FiReLink model, and other regions were edging towards this.

Members discussed the various options and concluded that a hybrid system was their preferred option. To minimise disruption to funding each year, it was suggested that the elements be split 90:10, with 90% based on population and 10% based on call numbers, which would also act as an incentive to reduce call numbers through increased community safety activity. There were infinite hybrid variations which could be considered and some examples would be provided for the RMB meeting on 18 October 2006.

- **Funding**

It was confirmed that a replacement programme for software was in place to be funded by the Government.

- **Business Case**

A limited version would be available in March 2007, and a 30 page précis would be issued to Members.

- **Human Resources (HR) Issues**

Shani Moyle was working for the SE Region as HR Lead and had recently attended the national HR Working Group, chaired by Councillor Jerry Willmott. The DCLG had given £27k for LACCs to provide their own HR support for the first year of establishment and there were a number of interim arrangements to be considered, including consultation, recruitment, staff transfer/retention, shift patterns, staffing numbers, recruitment and selection, Assessment Centres, TCS, policies and procedures, HR administration and IT software.

Options for the long term provision of HR services included using the services of another local authority, in house provision, or outsourcing. These options were currently being considered nationally.

- **Conflicts of Interest**

Annexe A to FRS 44-2006 is attached and gives details of RCC Local Authority Companies and Declarations of Interests.

- **National Governance**

There was a proposal for an FRS mutual assurance scheme to come into existence from 1 April 2007 which it was recommended that RCC companies use.

Timetable and Programme for LACC Establishment

Ms Henshaw explained that the RMB would need to give good reasons to the DCLG if it felt it would be unable to meet the 1 January 2007 deadline for setting up the LACC. The SE RMB was in the second tranche and should, therefore, be in a position to meet this deadline. ACO Kerr had set out his thoughts on a timetable which could take the establishment date through to June 2007. Members agreed that this process could be shortened to give an establishment date in February/March, or 'spring' 2007.

Members could agree most of the principles at the RMB meeting on 18 October and individual Fire & Rescue Authorities should discuss these at their meetings in December. The RMB would then give their final agreement in January and this would be reported back to FRAs at their January/February meetings and then, for final ratification by the RMB.

Members were concerned about 'selling' the concept to their FRAs without definitive costs and were informed that the full Business Case would be available in March 2007. However, they were re-assured that there would be no costs to FRAs for 2007/08, although there would be a commitment to future costs. It was agreed that Ms Henshaw would include in her letter to the DCLG that the absence of a Business Case was making it difficult to get Members' agreement.

Ms Henshaw confirmed that the lawyers were happy with the draft Memorandum of Association, but that Eversheds were looking again at the draft Articles of Association to ensure that they were appropriate to the needs of the South East – Eversheds had already been appointed by the government, who would meet these additional costs. Members agreed that they would not wish to amend the Articles unnecessarily.

It was noted that the Board would comprise elected members, but that these would be corporate members, ie actual Fire & Rescue Authorities. This would alleviate the need to change paperwork when members changed, and avoid possible problems with unavailability of members, or possible conflicts of interest. Ms Henshaw would discuss members' concerns about any conflicts between the interest of the Board and of their individual FRAs at the Lawyers' meeting being held at DCLG on 26 September.

Ownership Structure

CFO Burrell asked for Members' thoughts on when the LACC should be handed over, and whether it should be handed to another FRA , before it went live. Members agreed that West Sussex should continue to look after the LACC until it had been set up and appointed shadow members, at which point it would no longer be the responsibility of the RMB – this would be 6-12 months before it went live. CFO Bonney pointed out that there would still be a lot of internal work for the LACC including the recruitment of staff, TUPE, and accommodation issues. As the DCLG was committed to funding the LACCs they should take on the work as quickly as possible.

Members agreed that it would be good for continuity for West Sussex to continue to provide interim officers/structure to run the LACC until it was operational.

Meeting with FBU

CFO Burrell had recently met with the FBU who were seeking a joint letter regarding the wider problems of the RCC, which they asserted had been done in Avon. Members were concerned that the RMB's job was to deliver the RCC project and that such a move was about three years too late! CFO Prichard suggested that the FBU be invited to agree with a joint CFOA/LGA statement.

Project Costs/Capacity Implications

CFO Burrell advised Members that concerns had been raised at the Project Board meeting regarding costs and the capacity to meet the ever-increasing demands of the DCLG for different projects to be delivered. It was agreed that CFO Burrell should draft a pre-cursory letter to the DCLG in advance of the Minister's visit to the RCC groundbreaking ceremony, expressing Members' concerns that the project was in danger of foundering due to lack of resources.

ARRANGEMENTS FOR FUTURE MEETINGS (Item 5)

Members' noted that Surrey FRS HQ had terminated its catering contract but thanked DCFO Pearson for his offer to continue to use the facilities available for future RMB meetings – outside caterers would be used to provide lunches.

DATES OF FUTURE MEETINGS (Item 6)

17 January 2007 and 4 April 2007, commencing at 11.00 hours, at Surrey Fire & Rescue HQ, Reigate.

The meeting closed at 13.50 hours.

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Chairman