

**AGENDA MANAGEMENT SHEET**

<b>Name of Committee</b>	<b>County Council</b>		
<b>Date of Committee</b>	<b>12 December 2006</b>		
<b>Report Title</b>	<b>Establishment of West Midlands Fire and Rescue Services Regional Control Centre Company</b>		
<b>Summary</b>	<p>This joint report proposes that the Council, in its capacity as Warwickshire Fire and Rescue Authority, approves the Council's participation in the Regional Fire Control Company in the terms outlined in this report.</p> <p>Cabinet at its meeting on 7<sup>th</sup> December has been asked to consider the detailed proposals referred to in this report and to recommend them to Council for approval.</p>		
<b>For further information please contact:</b>	<table><tr><td>William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a></td><td>David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a></td></tr></table>	William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a>	David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a>
William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a>	David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a>		
<b>Would the recommended decision be contrary to the Budget and Policy Framework?</b>	No		
<b>Background papers</b>	<p>Cabinet 25<sup>th</sup> May 2006, item 6: FireControl governance arrangements- a response to the ODPM's consultation paper</p> <p>Draft articles of association, available by contacting Sian Stroud: 01926 476719.</p>		

**CONSULTATION ALREADY UNDERTAKEN:-**

Details to be specified

- |                           |                                     |  |
|---------------------------|-------------------------------------|--|
| Other Committees          | <input checked="" type="checkbox"/> | Cabinet 7 <sup>th</sup> December 2006  |
| Local Member(s)           | <input type="checkbox"/>            |  |
| Other Elected Members     | <input checked="" type="checkbox"/> | Richard Hobbs, Dave Shilton, Richard Chattaway<br>(re Cabinet report 7 <sup>th</sup> December) |
| Cabinet Member            | <input checked="" type="checkbox"/> | Richard Hobbs (re Cabinet report 7 <sup>th</sup> December)                                     |
| Chief Executive           | <input type="checkbox"/>            |  |
| Legal                     | <input checked="" type="checkbox"/> | Sian Stroud  |
| Finance                   | <input checked="" type="checkbox"/> | Chris Jukes  |
| Other Strategic Directors | <input type="checkbox"/>            |  |
| District Councils         | <input type="checkbox"/>            |  |
| Health Authority          | <input type="checkbox"/>            |  |
| Police                    | <input type="checkbox"/>            |  |
| Other Bodies/Individuals  | <input type="checkbox"/>            |  |

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- |  |                          |
|--|--------------------------|
| Further consideration by<br>this Committee | <input type="checkbox"/> |
| To Council                                 | <input type="checkbox"/> |
| To Cabinet                                 | <input type="checkbox"/> |
| To an O & S Committee                      | <input type="checkbox"/> |
| To an Area Committee                       | <input type="checkbox"/> |
| Further Consultation                       | <input type="checkbox"/> |

**Council – 12 December 2006**

**Establishment of West Midlands Fire and Rescue Services  
Regional Control Centre Company**

**Joint Report of the Strategic Director of Community  
Protection and County Fire Officer and the Strategic  
Director of Performance and Development**

**Recommendation**

That Council, in its capacity as Warwickshire Fire and Rescue Authority:

- (i) notes the steps being taken to establish the West Midlands Fire and Rescue Services Regional Control Centre Company by January 2007;
- (ii) agrees that the County Council participates as a Member of the Company on terms substantially as outlined in this report and its appendices;
- (iii) appoints Councillor Richard Hobbs as a Director of the Company;
- (iv) authorises the Strategic Director of Community Protection and County Fire Officer, the Strategic Director of Performance and Development and the Strategic Director of Resources to take such steps as may be reasonably necessary to finalise the company documentation in order that the Company may be established by January 2007;
- (v) notes that further reports will update Council on developments in the Fire Control project and the operation of the Company and in particular proposals for financial apportionment being developed at a local and national level.

**1. Background**

- 1.1 The Cabinet at its meeting on 7<sup>th</sup> December has been asked to consider the progress being made to establish the West Midlands Fire and Rescue Services Regional Control Centre Company and to recommend to Council, as Fire and Rescue Authority, the Council's participation in the new company in the terms outlined in the attached report and the above recommendations.
- 1.2 The report to Cabinet and its appendix is attached at Appendix 1 to this report.

## 2. Conclusion

- 2.1 Council is asked to consider the attached report and any comments made by Cabinet on 7<sup>th</sup> December, and to approve the recommendations outlined above giving effect to the Council's participation in the West Midlands Fire and Rescue Services Regional Control Centre Company.

David Carter	William Brown
Strategic Director of Performance & Development	Strategic Director of Community Protection

22 November 2006

## AGENDA MANAGEMENT SHEET

<b>Name of Committee</b>	<b>Cabinet</b>		
<b>Date of Committee</b>	<b>7 December 2006</b>		
<b>Report Title</b>	<b>Establishment of West Midlands Fire and Rescue Services Regional Control Centre company</b>		
<b>Summary</b>	This joint report proposes that the Cabinet recommends that Council, in its capacity as Warwickshire Fire and Rescue Authority, approves the Council's participation in the Regional Fire Control Company in the terms outlined in this report.		
<b>For further information please contact:</b>	<table><tr><td>William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a></td><td>David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a></td></tr></table>	William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a>	David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a>
William Brown Strategic Director of Community Protection Tel; 01926 423231 <a href="mailto:williambrown@warwickshire.gov.uk">williambrown@warwickshire.gov.uk</a>	David Carter Strategic Director of Performance and Development  Contact: Sian Stroud Tel: 01926 416719 <a href="mailto:sianstroud@warwickshire.gov.uk">sianstroud@warwickshire.gov.uk</a>		
<b>Would the recommended decision be contrary to the Budget and Policy Framework?</b>	No		
<b>Background papers</b>	Cabinet 25 <sup>th</sup> May 2006, item 6: FiReControl governance arrangements- a response to the ODPM's consultation paper  Draft articles of association, available by contacting Sian Stroud: 01926 476719.		

### CONSULTATION ALREADY UNDERTAKEN:-

Details to be specified

Other Committees

Local Member(s)

- |                           |                                     |  |
|---------------------------|-------------------------------------|--|
| Other Elected Members     | <input checked="" type="checkbox"/> | Richard Hobbs, Dave Shilton, Richard Chattaway |
| Cabinet Member            | <input checked="" type="checkbox"/> | Richard Hobbs                                  |
| Chief Executive           | <input type="checkbox"/>            |  |
| Legal                     | <input checked="" type="checkbox"/> | Sian Stroud                                    |
| Finance                   | <input checked="" type="checkbox"/> | Chris Juckes                                   |
| Other Strategic Directors | <input type="checkbox"/>            |  |
| District Councils         | <input type="checkbox"/>            |  |
| Health Authority          | <input type="checkbox"/>            |  |
| Police                    | <input type="checkbox"/>            |  |
| Other Bodies/Individuals  | <input type="checkbox"/>            |  |

**FINAL DECISION NO**

**SUGGESTED NEXT STEPS:**

Details to be specified

- |   |                                     |
|---|-------------------------------------|
| Further consideration by this Committee | <input type="checkbox"/>            |
| To Council                              | <input checked="" type="checkbox"/> |
| To Cabinet                              | <input type="checkbox"/>            |
| To an O & S Committee                   | <input type="checkbox"/>            |
| To an Area Committee                    | <input type="checkbox"/>            |
| Further Consultation                    | <input type="checkbox"/>            |

## Agenda No

### Cabinet – 7 December 2006

#### Establishment of West Midlands Fire and Rescue Services Regional Control Centre Company

#### Joint Report of the Strategic Director of Community Protection and County Fire Officer and the Strategic Director of Performance and Development

##### Recommendation

That Cabinet recommends that the Council, in its capacity as Warwickshire Fire and Rescue Authority:

- (i) notes the steps being taken to establish the West Midlands Fire and Rescue Services Regional Control Centre Company by January 2007;
- (ii) agrees that the County Council participates as a Member of the Company on terms substantially as outlined in this report and its appendices;
- (iii) appoints Councillor Richard Hobbs as a Director of the Company;
- (iv) authorises the Strategic Director of Community Protection and County Fire Officer, the Strategic Director of Performance and Development and the Strategic Director of Resources to take such steps as may be reasonably necessary to finalise the company documentation in order that the Company may be established by January 2007;
- (v) notes that further reports will update Council on developments in the Fire Control project and the operation of the Company and in particular proposals for financial apportionment being developed at a local and national level.

## 1. Background

- 1.1 Members will be aware that as part of the Fire and Rescue Service modernisation agenda the Government requires a greater degree of regional collaboration in the provision of fire and rescue services. One facet of this is Fire Control, whereby it is proposed that fire control services, currently undertaken locally by each F&R service, are integrated into and delivered through nine regional control centres by 2009/10. The Government is procuring the IT and other infrastructure contracts necessary to establish the regional Fire Control centres, although there is clarification required regarding the long-term business continuity arrangements and the allocation of financial

responsibility for the regional Fire Control centres; the Government has this month published a business plan intended to assist in moving the debate forward.

- 1.2 The Government proposes that in each region, the Fire and Rescue Authorities work together through the medium of a specially established company. The rationale is that the company model gives the Regional Fire Control centres a separate legal identity, and provides a clear governance structure through which the Fire and Rescue Authorities can own the Fire Control centre and control its operations.
- 1.3 Through the West Midlands Regional Management Board (RMB), the Fire Authorities in the West Midlands have been driving forward a number of regional projects, including the West Midlands Fire Control project. A new Fire Control centre is currently under construction at the Wolverhampton Business Park. A number of operational and financial matters are yet to be resolved by the Government and formal consultation with staff is yet to be undertaken by the Fire and Rescue Authorities. However the Government requires that the company is established as soon as possible although there will be considerable lead-in time until the regional Fire Control centre is ready to come into operation and take on its responsibilities as a service provider.
- 1.4 Discussions have been undertaken at meetings of the West Midlands RMB and the Programme Board over the past year regarding the establishment of the Fire Control centre and more recently, the company. A Fire Control Project Board meets regularly to consider detailed operational issues and sub-groups considering human resources, financial implications, and legal issues, are also meeting both regionally and nationally. The West Midlands RMB intends to demonstrate its commitment to collaborative working by becoming the second region to establish the regional Fire Control company, and has committed to doing so by January 2007.
- 1.5 The East Midlands region established its company on 17<sup>th</sup> November adopting similar provisions as suggested below for the West Midlands. Post incorporation there is further work to be undertaken in all regions, in consultation with regional RMBs and with Government, to develop the role of the company and its directors and the principles for apportioning costs for Fire Control within regions and on a national scale. Within the Fire Authorities in the West Midlands the Chairs/portfolio holders have agreed that population may be a suitable basis for apportioning costs but detailed costs modelling is still to be undertaken once further information about the project's overall costs is known at a national and local level.
- 1.6 The West Midlands RMB meets again on 1<sup>st</sup> December at which time a further report will be taken asking members to approve the final draft of the articles of association. However it should be noted that the Chairs or portfolio holders of the five Fire and Rescue Authorities have already agreed to recommend to their respective Authorities the key principles outlined below upon which the approval of each individual Fire and Rescue Authority is now sought.



## **2. Proposal to Establish the Company**

- 2.1 It is proposed that a company limited by guarantee is established, the members of which are the regional Fire and Rescue Authorities: West Midlands, Hereford and Worcestershire, Staffordshire, Shropshire and Wrekin, and Warwickshire. As a guarantee company, the liability of each of the members is limited to a nominal value of £1. Each member will be entitled at all times to appoint a director to the Board, which will manage the day to day operation of the company.
- 2.2 The documentation necessary to establish the company comprises three key documents: the memorandum of association, the articles of association and the members' agreement. The memorandum and the articles are public documents that set out the basic powers and operations of the company, and must be registered at Companies House. The members' agreement is a private document that sets down in further detail how the members (the Fire and Rescue Authorities) will work together to ensure the company runs smoothly and individual members' interests are adequately protected on key decisions.
- 2.3 The Government requires that the memorandum is consistent across all regions in the country. The memorandum has now been finalised and is attached at Appendix 1.
- 2.4 The articles of association can be subject to regional variation but need to be finalised before the company can be incorporated. The current draft of the articles will be available following the West Midlands RMB meeting on 1<sup>st</sup> December, or by contacting the authors of the report.
- 2.5 Given the need to further develop cost apportionment principles, the parameters of directors' and members' decision-making powers on key issues, and the process for funding the company and setting an annual budget, it is not proposed that the members' agreement be finalised at this stage. As each Fire and Rescue Authority's consent will be required to the financial and other arrangements set out in the members' agreement, a further report will be taken to Council when these proposed arrangements are finalised and have been debated by the RMB.
- 2.6 The RMB has received reports on the proposed establishment of the company, taken advice from the RMB's legal advisers in Warwickshire's Law and Governance Division and Fire and Rescue Authority members have also taken advice from their own lawyers. The Government has agreed to fund the costs of external independent legal advice from Eversheds on behalf of the West Midlands Fire and Rescue Authorities as a final check on the company documentation before it is submitted for approval to Companies House in January 2007.
- 2.7 The Chairs/portfolio holders of the Fire and Rescue Authorities in the West Midlands have agreed to recommend the following key points to their Authorities:

- The company will be called the “West Midlands Fire and Rescue Services Regional Control Centre”;
- The five FRAs in the West Midlands (outlined at paragraph 2.1) shall be the members of the company;
- There shall be no other members unless all members unanimously otherwise;
- Each member is entitled to appoint one director at all times;
- The 5 initial directors will be the Chairs or portfolio holders of the FRAs;
- Initially the company will have 5 directors, but there will also be scope to appoint other directors if the members unanimously agree;
- There are no weighted voting rights: each member has one vote, each director has one vote;
- The Chair will not have a casting vote – any deadlock in decision-making would be resolved through dispute resolution;
- The Chair could rotate but would initially be West Midlands FRA Chair;
- Unanimous consent of members will be required on key issues of significant value or risk to individual Fire and Rescue Authorities;
- The Memorandum allows for a Fire and Rescue Authority to exit the company on notice although it will remain liable to discharge its statutory responsibilities in respect of fire control and the Government is likely to require its continued involvement in the regional Fire Control centre in some form.

2.8 In Warwickshire it is therefore proposed that Cllr Richard Hobbs, as portfolio holder for Community Protection, is appointed by the County Council as a director of the company.

2.9 The regional Chief Fire Officers will clearly have a key role to play in advising the company and it proposed that the company would also be supported by legal, financial and human resources advisors. The company would initially receive company secretarial support from the legal advisers to the RMB although this could be reviewed when the company becomes operational.

2.10 At the present time the company is expected to become operational from 2009. Once the regional Fire Control centre becomes operational the composition of the Board of Directors would need to be reviewed to ensure that the Board continues to meet the region’s needs.

### **3. Conclusion**

3.1 The regionalisation of fire control functions is a national programme that is already substantially underway. The Government requires that each region establishes a company through which regional Fire Control projects can be delivered. In the West Midlands region good progress has been undertaken, by the RMB and its Programme Board, Fire Control Project Board and other working groups, to set down the processes by which the Fire Control project will operate.

3.2 Work is still to be undertaken to establish the financial principles underpinning the operation of the company and each Fire Authority’s contribution to the costs of both the regional and the national Fire Control project. However this

should not prevent the West Midlands Fire and Rescue Services Regional Control Centre company being incorporated and remaining dormant while further negotiations take place.

- 3.3 The Council, in its capacity as Warwickshire Fire and Rescue Authority, is requested at its meeting on 12<sup>th</sup> December 2006, to approve the participation of the County Council as a member of the company, and to approve the appointment of Cllr Richard Hobbs as a director of the company.
- 3.4 Further reports will be taken to Council in the new year when the proposals for financial apportionment and other key issues concerning the actual operation of the regional Fire Control centre have been further developed.

David Carter	William Brown
Strategic Director of Performance & Development	Strategic Director of Community Protection

20 November 2006

**APPENDIX 1**

**The Companies Acts 1985 to 1989**

**Company limited by guarantee and not having a share capital**

**Memorandum of association**

**of [LACC] Limited**

- 1 The name of the Company is [LACC] Limited and in this document it is called the **Company**.
- 2 The registered office of the Company will be situated in England.
- 3 The objects for which the Company is established are:
  - (a) To operate a regional control centre covering the fire and rescue authority areas of [\*\*, \*\*, \*\* and \*\*] as part of the English network of regional control centres, which, for the avoidance of doubt may extend to mobilisation of fire and rescue resources from or to anywhere within Great Britain (including any resources that can be used for the purpose of responding to incidents regardless of who the owner is) and to operate as a national co-ordination centre, as required from time to time. In particular, without prejudice to the generality of the foregoing and subject to any statutory guidance in issue from time to time, the Company is established to:
    - (i) enter into arrangements from time to time with any one or more fire and rescue authorities (**FRA**), within the meaning of the Fire and Rescue Services Act 2004 (**FRSA**), in England and any other organisation within the British Islands certified by the Secretary of State;
    - (ii) procure, purchase, manage or operate mobilising or communications systems or services, or technology equipment or infrastructure required for the provision of control services or the operation of the national coordination centre
    - (iii) have regard to the policy of the Secretary of State in relation to the operation of regional control centres, in particular, but without prejudice to the generality of the foregoing, to the National Framework prepared by the Secretary of State pursuant to section 21 of the FRSA
  - (b) In furtherance of the foregoing objects but not further or otherwise the Company shall have the following powers:
    - (i) To supply services of all kinds and to carry on any activity, including the employment of staff, normally undertaken by an organisation with these or similar objects
    - (ii) To provide such office or other business accommodation for national functions and input to contract management on a national basis, as required from time to time.

- (iii) To purchase, take on lease or in exchange, hire or otherwise acquire any real or personal property and any rights or privileges which the Company may think necessary or convenient for the furtherance of its objects, and to construct, maintain and alter any buildings or erections necessary or convenient for the work of the Company.
- (iv) To sell, let, sub-let, lease, dispose of or turn to account all or any of the property or assets of the Company as may be thought expedient and to accept surrenders of leases and tenancies and to make allowances to and arrangements with tenants, as may be deemed expedient in the interests of the Company.
- (v) Subject to such consents as may be required by law, to borrow or raise money for the purposes of the Company on such terms and on such security as may be thought fit.
- (vi) To invest the moneys of the Company not immediately required for its purposes in or upon such investments, securities and property as may be thought fit, subject nevertheless to such conditions (if any) and such consents (if any) as may for the time being be imposed or required by law and subject also as hereinafter provided.
- (vii) To take any gift of property, whether subject to any special trust or not, for any of the objects of the Company.
- (viii) To create subsidiary companies, enter into joint venture agreements and establish any body necessary or incidental to the carrying out of the objects of the Company.
- (ix) To affiliate or co-operate with any other organised body in the United Kingdom, Europe, or elsewhere, having objects similar to those of the Company, with a view to furthering the objects of the Company, and to amalgamate with any company having objects similar to those of the Company.
- (x) To make such rules and regulations for the management and administration of the Company and for matters connected therewith as the Company in its discretion think fit and from time to time to so add amend vary revoke or replace any such rules and regulations but so that nothing in this sub-clause shall be deemed to authorise any application of any part of the investments and property held by or on behalf of the Company or the income thereof otherwise than in conformity with this Memorandum of Association.
- (xi) To purchase and maintain insurance for or for the benefit of any persons who are or were at any time Directors, officers or auditors of the Company, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company and to such extent as may be permitted by law otherwise to indemnify or to exempt any such person against or from such liability.
- (xii) To appoint and constitute such committees, boards or bodies (whether advisory or not) as the Company may consider desirable for the better management and administration of the Company and to make amend vary revoke and replace rules and regulations for the purpose of defining their functions powers and organisation and also (if the Company shall think fit) to pay an honorarium or fee or salary to and defray expenses incurred by any member of such committee board or body appointed as aforesaid.

- (xiii) To apply for and take out, purchase or otherwise acquire, any patents, patent rights, brevets d'invention, inventions, licences, conversions, trade marks, or secret processes, which may further the objects of the Company, and to grant licences to use the same.
- (xiv) To establish or promote any company for the purpose of acquiring all or any of the property, rights or liabilities of the Company, or for any other purpose which may seem calculated to benefit the Company.
- (xv) To pay all or any expenses incurred in connection with the promotion and incorporation of the Company, to remunerate any person, firms or company rendering services to the Company, either by cash payment or otherwise, and to recover costs from FRAs, other companies operating regional control centres, and other persons as required
- (xvi) To do all such other things as are incidental or conducive to the attainment of the above objects or any of them or as shall seem to be in the best interests of the Company, its members, its subscribers or other users of the Company's services.

PROVIDED THAT:

- (a) In case the Company shall take or hold any property which may be subject to any trust, the Company shall only deal with or invest the same in such manner as allowed by law, having regard to such trust.
  - (b) The income and property of the Company wheresoever derived, shall be applied solely towards the promotion of the objects of the Company and no portion thereof shall be paid or transferred directly or indirectly by way of dividend or bonus or otherwise howsoever by way of profit to the members of the Company PROVIDED THAT nothing herein shall prevent any payment in good faith by the Company of:
    - (i) Interest on money lent to the Company by any member of the Company at a rate per annum not exceeding a reasonable and proper commercial rate;
    - (ii) Reasonable and proper rent for premises demised or let to the Company by any member of the Company;
    - (iii) Reasonable and proper remuneration to any member, officer or servant of the Company in return for any services actually rendered to the Company;
    - (iv) Any exhibition scholarship, fellowship, or other reward or prize established or paid out of the funds of the Company to any person bona fide holding the same;
    - (v) Fees, remuneration or other benefit in money or money's worth to a company of which a member of the Company may be a member, and such member shall not be bound to account for any share of profits it may receive in respect of any such payment.
- 4 The liability of the members is limited.
- 5 Every member of the Company undertakes to contribute to the assets of the Company, in the event of the same being wound up while it is a member, or within one year after it ceases to be a member, for payment of the debts and liabilities of the Company contracted before it ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding one pound.
- 6 If upon the winding up or dissolution of the Company there remains, after the satisfaction of all

its debts and liabilities, any property whatsoever, the same shall be paid to or distributed among the then current members of the Company on a pro rata basis by reference to the amount of expenditure incurred by such member.

WE the several persons whose names and addresses are subscribed, are desirous of being formed into a Company, in pursuance of this Memorandum of Association.

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**Names, addresses and descriptions of subscribers**

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Dated the \*\*                      day of \*\*                      \*\*

Witness to the above signatures: