



**Report**

Report number/reference: <b>RMB/CJ</b>	Date issued: 19 <sup>th</sup> July 2007
Agenda Item: <b>16 C iii</b>	Date of Meeting: 26 <sup>th</sup> July 2007
This report is: <b>For information and action</b>	Meeting Venue: Warwickshire CC Shirehall, Warwick
Report Status: To propose that Warwick University be appointed to undertake independent research to develop a Cost Apportionment Model for the allocation of the future operational costs of the Regional Control Centre due to be operational in 2010.	

Report Title:

***Regional Control Centre – Development of Cost Apportionment Model***

Report Author: Chris Jukes WMRMB Programme Accountant
---

Circulated to:	Please forward to:
WMRMB WMRMB Treasurers' Group	

Summary:  This report sets out a proposal for taking forward the development of the Cost Apportionment Model for the future Regional Control Centre.
--

Recommendation(s):  The WMRMB is recommended to approve: <ul style="list-style-type: none"> <li>a) The appointment of Warwick University to develop a Cost Apportionment Model for the future Regional Control Centre; and</li> <li>b) The allocation of £3,000 from the contingency budget of the 2007/08 WMRMB approved budget to meet the costs of such work.</li> </ul>
--

For further information, please contact:	
Chris Jukes WMRMB Programme Accountant (Warwickshire County Council)	 01926 412672  01926 412962  chrisjukes@warwickshire.gov.uk

---

## **1. Background Details:**

---

At the WMRMB Programme Board meeting on 26<sup>th</sup> March 2007 the legal advisor to WMRMB presented a report on the establishment of the Regional Fire Control Company.

Following consideration of this report the Board requested that a further report be produced for a future WMRMB meeting appraising the range of cost apportionment options available for allocating the costs of the future Regional Control Centre (RCC) to individual Fire & Rescue Authorities (FRAs) within the West Midlands Region. No national costing model exists.

Regional Treasurers at their meeting on 15<sup>th</sup> March 2007 recommended that the Programme Accountant produce the report setting out proposals for the development of a draft costing model. This recommendation was approved by the WMRMB Programme Board meeting on 26<sup>th</sup> March 2007; leading to a *RCC Cost Apportionment Discussion Paper* being prepared for consideration by the region's Chief Fire Officers. Following consideration by the Chief Fire Officers at their Forum Meeting held on 26<sup>th</sup> April, a recommendation was made for the independent development of a suitable, transparent and robust costing model.

In order to facilitate this 'independent' piece of work within very narrow time constraints available, Warwick University (*with whom Warwickshire County Council operate a Masters' Degree student placement programme*) have been approached to resource and research the cost model development utilising Management Science and Operational Research senior students. The University has agreed to undertake this project on behalf of WMRMB. The project commenced on 1<sup>st</sup> June and should be completed by September 2007. The student undertaking the work is Santo Mukherji who is supported by two professors from Warwick Business School, Vladimir Deinenko and Victor Podinovski.

The cost of the project is £2,500 plus any travelling expenses/out of pocket expenses incurred by the student undertaking the project. Therefore, it is recommended that a budget of £3,000 is made available.

### **Recommendations**

The WMRMB is recommended to approve:

- a) The formal appointment of Warwick University to develop a Cost Apportionment Model for the future Regional Control Centre; and
- b) The allocation of £3,000 from the contingency budget of the 2007/08 WMRMB approved budget to meet the costs of such work.

---

## **2. Legal Issues**

---

There are no legal issues arising from this report.

---

## **3. Financial Implications:**

---

That WMRMB agree to the recommendations set out within this report on the use of available resources in 2007/08 to assist in the delivery of the WMRMB modernisation programme.

---

## **4. Background Papers:**

---

There are no background papers to this report.

---

## **5. Attachments:**

---

There are no attachments to this report.

---