

**COMMERCIAL SERVICES COMMITTEE**  
(Devon and Somerset Fire and Rescue Authority)

5 April 2012

Present:-

Councillors Healey (Chairman), Boyd, Dyke, Gribble, Randall Johnson and Smith

Apologies:-

Councillor Mills

**\*CSC/40. Minutes**

**RESOLVED** that the Minutes of the meeting held on 1 March 2012 be signed as a correct record.

**\*CSC/41. Declarations of Interest**

Members of the Committee were asked to consider whether they had any personal/personal and prejudicial interests in items as set out on the agenda for this meeting and to declare any such interests at this time.

No interests were declared.

**CSC/42. Delegated Limits for Commercial Activity**

The Committee considered a report of the Treasurer (CSC/12/7) that set out proposals for the delegation of financial limits to the Committee in terms of investment towards commercial activities.

During the discussion on this matter, it was suggested that the Committee should receive an update on the financial position at each of its meetings so that the cumulative levels of investment into commercial activities could be monitored to facilitate, if necessary, amendments to the delegated limits in due course. The Treasurer indicated that this information could be prepared for submission to the Committee as requested.

**RESOLVED** that the Devon and Somerset Fire and Rescue Authority be recommended to approve:

- (a) the proposed delegated financial levels for investment towards commercial activities, as outlined in paragraph 2.5 of report CSC/12/7 (and as appended to these Minutes);
- (b) the proposed revisions to Financial Regulations as set out in the Appendix to report CSC/12/7 (and as appended to these Minutes; and,
- (c) the revision to the Terms of Reference for this Committee as set out at paragraphs 2.7 and 2.8 of this report.

**\*CSC/43. Business Cases for Industrial Subcontracting and Commercial Training**

The Committee considered a report of the Director of People and Organisational Development (CSC/12/8) that outlined the individual Business Cases for Industrial Subcontracting and Commercial Training as set out in paragraphs 2 and 3 of report CSC/12/8.

**RESOLVED** that the Business Cases for Industrial Subcontracting and Commercial Training as set out at paragraphs 2 and 3 respectively of report CSC/12/7 be approved.

**\*CSC/44. Exclusion of the Press and Public**

**RESOLVED** that, in accordance with Section 100A(4) of the Local Government Act 1972 the press and public 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 Paragraph 3 of Part 1 of Schedule 12A (as amended) to the Act, namely information relating to the financial and business affairs of the Authority.

**\*CSC/45. Commercial Matters**

(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 Committee considered a report of the Director of People and Organisational Development (CSC/12/9) as presented by the Chief Fire Officer that addressed the production of an overarching Business Case for the Authority to support the exercise of its commercial trading activities and which also updated the Committee on the developments in relation to the joint venture enterprise with Falck DS. A representative of Bevan Brittan (the legal advisers for the Authority's commercial trading activities) was in attendance to advise the Committee on the position in respect of Falck.

In terms of the Business case, the Committee received a presentation that set out three options based on indicative profit levels for consideration. Each of the options presented outlined the scale, number and type of contract that would be required to achieve the indicative profit levels, together with associated costs.

The Chief Fire Officer advised the Committee that all of the options presented were ambitious given the current financial climate. He added that Officers' shared the Committee's aspiration to generate as much income as possible from commercial activities. He suggested that, in order that any target profit level set was achievable, close monitoring on a regular basis would be needed to ensure that any adjustments could be made by the Committee in due course as appropriate.

The Committee discussed the options put forward at length and indicated that it was felt that the Service should be aiming for the highest level of return. It was proposed by Councillor Randall Johnson (and seconded by Councillor Boyd):

"that, subject to further detailed investigation of the financial implications, the Committee pursues Option 3 - as outlined in the presentation given at the meeting - as the overarching Business Case for the Authority's commercial trading activities to develop into a full Business Case for submission to a future meeting for approval".

Upon a vote, the motion was carried unanimously.

**RESOLVED**

- (a) That, subject to further detailed investigation of the financial implications, the Committee pursues Option 3 - as outlined in the presentation given at the meeting - as the overarching Business Case for the Authority's commercial trading activities to develop into a full Business Case for submission to a future meeting for approval;
- (b) That the position in relation to the proposed joint venture with Falck be noted.

**\*CSC/46. Update on Current Commercial Leads/Opportunities**

(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 Committee received for information a report of the Director of People and Organisational Development (CSC/12/10) detailing progress with the main leads and opportunities being pursued by the Commercial Services Team over and above those detailed in the FalckDS business plan and separate to those relating to the Training Academy.

**\*CSC/47. Training Academy Update**

(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 Committee received for information a report of the Director of People and Organisational Development (CSC/12/11) on progress to date, achievements and plans for the future in relation to the Training Academy. The report provided details of work carried out and invoiced from 1 April 2011 and bookings up to 31 March 2012.

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

The meeting started at 10.00hours and finished at 11.55hours