

COMMERCIAL SERVICES COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

2 November 2012

Present:-

Councillors Healey (Chair), Dyke, Mills, Randall Johnson, D. Smith and Woodman

Apologies:-

Councillor Gribble

***CSC/21. Minutes**

RESOLVED that the Minutes of the meeting held on 12 September 2012 be signed as a correct record.

***CSC/22. Budget Monitoring Report 2012/13 - Quarter 2**

The Committee received for information a report of the Treasurer to the Authority (CSC/12/22) on the position for the second quarter of the current (2012/13) financial year of the budget for commercial activities. The Treasurer confirmed that the commercial service activities were making a profit for the service. The approach of seeking to generate income during difficult times currently being faced by all private and public sector organisations was commended by the Committee.

The report forecast a total income from commercial activities for 2012/13 of £0.951m, some £0.276m less than the budgeted income target for the year of £1.277m. Savings from other commercial budget heads totalling £0.016m would, however, reduce the overall shortfall to £0.260m and it was further recognised that the forecast position could well change by the year end. In any event the total forecast shortfall in income would be more than offset by savings elsewhere in the Service Training budget.

The £1.277m income target for 2012/13 was based on income generated during the previous year and an assumption that existing business would grow. The current economic climate had, however, impacted detrimentally on the training budgets of other fire and rescue services resulting in the anticipating growth in income proving more problematic to secure.

Since setting the 2012/13 commercial services budget an overarching five-year business plan (2013 – 17) and detailed business plan for 2013/14 had been developed and approved by the Committee. Both plans identified levels of up-front investment costs associated with establishing a start-up company such as Red One Ltd. and reflected all other relevant costs. The plans had also been informed by sound market research indicating significant financial growth over a five year period in a range of existing and new market segments.

***CSC/23. Exclusion of the Press and Public**

RESOLVED that, in accordance with Section 100A(4) of the Local Government Act 1972 the press and public were 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 and other companies.

***CSC/24. Establishment Of FalckDS**

(At item taken in accordance with Section 100A(4) of the Local Government Act 1972 during consideration of which the press and public were excluded from the meeting).

The Chief Fire Officer apprised the Committee on latest developments in relation to the proposed joint venture between the Service and Falck, specifically the drafting of appropriate contractual documentation agreeable to both parties. Once finalised, the documentation would be submitted to a future Authority meeting for approval.

***CSC/25. Update on Commercial Matters (including current Commercial Leads and Opportunities)**

(At item taken in accordance with Section 100A(4) of the Local Government Act 1972 during consideration of which the press and public were excluded from the meeting).

The Committee received for information a verbal update on:

- commercial ventures being progressed in collaboration with Falck; and
- other commercial opportunities being explored or progressed.

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

The meeting started at 10:00hours and finished at 11:20hours.