

COMMERCIAL SERVICES COMMITTEE

(Devon and Somerset Fire and Rescue Authority)

15 January 2015

Present:-

Councillors Healey (Chair), Edmunds, Leaves, Randall Johnson and Woodman

Apologies:-

Councillors Ball and Dyke

***CSC/19. Minutes**

RESOLVED that the Minutes of the meeting held on 6 November 2014 be signed as a correct record.

***CSC/20. Red One Limited - Appointment of Directors**

The Committee considered a report of the Director of People and Commercial Services (CSC/15/1) on resignations from and appointments to the Board of Directors of Red One Ltd.

Members accepted that while resignations and new appointments were made in accordance with Articles of Association for Red One Ltd. (as prescribed by the Companies Act 2006), they would nonetheless wish to be informed of any such changes at the earliest opportunity.

RESOLVED

- (a) that any changes in the membership of the Board of Directors of Red One Ltd. be notified by e-mail to Members of the Commercial Services Committee as soon as reasonably practicable and reported formally to the earliest appropriate meeting of the Committee;
- (b) that, subject to (a) above, the report be noted.

***CSC/21. Exclusion of 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 and other companies.

***CSC/22. Commercial Update December 2014**

(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 Commercial Business Development Manager (CSC/15/2) on commercial leads and opportunities currently being progressed.

***CSC/23. Financial 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 Head of Finance reported, for information, on the financial performance of commercial activities for the period April to November 2014. Although turnover was below the budgetary target for the current financial year, gross profit was in excess of the target and expenses below the budgeted amount.

CSC/24. Trading Company Contract between Authority and Red One Ltd.

(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 Clerk to the Authority (CSC/15/3) on the outcome of a review primarily of the Trading Company Contract between the Authority and Red One Ltd.

The Contract defined the relationship between the Authority and Red One Ltd. in relation to commercial trading activities and governed issues such as agreed contracts, licences, intellectual property, insurance, liability, data protection, charges and termination etc. The Authority had approved entering into the contract for an initial three year period at its meeting on 20 February 2012 (Minute DSFRA/74(b) refers).

In undertaking the review, the opportunity had also been taken to propose minor modifications both to the Committee's terms of reference and to the Authority's approved Scheme of Delegations to align these with actual working practices and procedures for commercial trading activity.

RESOLVED

- (a) that the Authority be recommended to approve:
 - (i) the revised Trading Company Contract between the Authority and Red One Ltd, as appended to report CSC/15/3, subject to clause 3.4, Schedule 1 (dealing with the secondment of Authority staff) to the document being amended as indicated at the meeting,
 - (ii) the revisions to the Terms of Reference for this Committee and to the Authority's approved Scheme of Delegations as set out in paragraphs 3.7 and 4.2 of the report and detailed below:

Committee Terms of Reference

Amend to read: "To authorise the entering into of contracts for the provision by Red One Ltd. of goods and services to third parties as may be referred by the Chief Fire Officer from time to time"

Scheme of Delegations

Amend Section 4 (Matters Delegated to Chief Fire Officer) to insert new Section (f) (Commercial Activities) as follows:

- (a) Authority to enter into individual commercial trading contracts for the provision of services/goods by Red One Ltd. to third parties, subject to such contracts being within areas for which the Commercial Services Committee has specifically authorised a business case to trade commercially (the business case to duly reflect appropriate legislative requirements such as risk and opportunities presented etc.);
 - (b) to exercise, on behalf of the Authority, any other written approvals (other than the entering into of contracts for the provision of services/goods by Red One Ltd. to third parties) as required by the Trading Company Contract between the Authority and Red One Ltd.
- (b) that the revised Trading Company Contract be subject to further review as may be required to protect the interests of the Authority.

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

The meeting started at 10.00hours and finished at 12.00hours