

REPORT REFERENCE NO.	DSFRA/18/8
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY
DATE OF MEETING	30 APRIL 2018
SUBJECT OF REPORT	PROCESS FOR APPOINTMENT OF AUTHORITY NON-EXECUTIVE DIRECTORS TO THE BOARD OF RED ONE LTD.
LEAD OFFICER	Director of Corporate Services
RECOMMENDATIONS	<p><i>(a) that the Clerk be delegated authority to identify and commission an independent external company specialising in the appointment of non-executive directors to undertake a process to identify and recommend to the Authority up to three Authority Members to serve as non-executive directors on the Board of Red One Ltd.;</i></p> <p><i>(b) that, to facilitate (a) above and to allow for expressions of interest to be sought from all those eligible to be considered, the term of office of those Authority Members currently appointed as non-executive directors on the Board of Red One Ltd be extended to the Authority meeting in July 2018 (date to be confirmed).</i></p>
EXECUTIVE SUMMARY	This report advises on the proposed process for the appointment of Authority non-executive directors on the Board of Red One Ltd.
RESOURCE IMPLICATIONS	Nil.
EQUALITY RISKS AND BENEFITS ANALYSIS (ERBA)	The contents of this report are considered compatible with existing equalities and human rights legislation
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	<p>Report DSFRA/15/7 (“Commercial Activities – Governance Options”) to the Authority meeting on 29 July 2015 (and the Minutes of that meeting).</p> <p>Report DSFRA/15/28 (“Commercial Governance – Further Developments”) to the Authority meeting on 14 December 2015 (and the Minutes of that meeting).</p> <p>Report DSFRA/17/11 (“Schedule of Appointments to Committees, Outside Bodies etc.”) to the Authority Annual Meeting on 12 June 2017 (and the Minutes of that meeting).</p> <p>Report DSFRA/17/22 (“Red One Ltd – Appointment of Directors”) to the Authority meeting on 26 July 2017 (and the Minutes of that meeting).</p> <p>Report DSFRA/17/34 (“Commercial Governance – Developments”) to the Authority meeting on 18 December 2017 (and the Minutes of that meeting).</p>

1. BACKGROUND

- 1.1. Over the past three years the Authority has approved a number of changes to the governance of its commercial trading activities, delivered through Red One Ltd. (“the company”). These changes have seen, amongst other things:
- the appointment of two independent non-executive directors with strong commercial backgrounds to the company Board (one to serve as Board Chair);
 - the appointment of three non-executive directors appointed from membership of the Authority to serve on the Board (and consequent dissolution of the former Commercial Services Committee).
- 1.2. Two of the three non-executive directors appointed from membership of the Authority were appointed at the Authority’s Annual Meeting in June 2017, with a term of office until the next Annual Meeting in 2018 (Minute DSFRA/5 of the meeting held on 12 June 2017 refers).
- 1.3. Appointment of the third was confirmed by the Authority at its meeting on 26 July 2017 (Minute DSFRA/24 refers) following a process commissioned in accordance with the Authority decision on 12 June 2017 (Minute DSFRA/5), which featured a selection process undertaken by an independent external company specialising in the identification and appointment of non-executive directors. The term of office was again until the Annual Authority Meeting in 2018.
- 1.4. This report now addresses a proposed process for the subsequent appointment of non-executive directors from Authority membership to the company Board.

2. PROPOSED PROCESS FOR APPOINTMENT OF AUTHORITY NON-EXECUTIVE DIRECTORS

- 2.1 It is proposed that, in accordance with the previous process, the Clerk be delegated authority to identify and commission an independent external company specialising in the appointment of non-executive directors to undertake a process to identify and recommend to the Authority up to three Authority Members to serve as non-executive directors on the company Board. It is anticipated that, in the first instance, this process will entail inviting expressions of interest from Authority Members. Such an approach would provide independent and expert objectivity, transparency and be entirely consistent with that previously approved by the Authority, as referenced in paragraph 1.3 above.
- 2.2 As previously mentioned, the term of office of those Authority members currently appointed to serve as non-executive directors on the company Board is until the Authority Annual Meeting on 8 June 2018. There could, however, be changes in Authority membership as a result of elections for Plymouth City Council in May of this year and constituent authority annual meetings. Given this, it is suggested that the Authority might wish consider extending the term of office of those Authority members currently appointed to serve as non-executive directors on the company Board until its July 2018 meeting (date to be confirmed). This would allow for expressions of interest to be sought from all those eligible to be considered in early June, the selection process to be conducted in June/July with appointments determined by The Authority at its July 2018 meeting. A similar process and term of office could then be adopted for subsequent appointments of non-executive directors from membership of the Authority.

MIKE PEARSON
Director of Corporate Services