

Shropshire Fire Risk Management Services Ltd. Performance Reporting

For further information about this report please contact Martin Timmis,
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1 Purpose of Report

This report provides information on the performance of the Fire Authority controlled company, Shropshire Fire Risk Management Services.

2 Recommendations

The Committee is asked to note the report.

3 Background

In April 2013 the Fire Authority agreed to establish a local authority controlled company, to be known as Shropshire Fire Risk Management Services Ltd (the company).

Subsequently (in September 2013), the Fire Authority agreed that the company should report quarterly to the Audit and Performance Management Committee, with the first twelve months' performance being measured against the company's first year Business Plan. Future performance indicators would be decided by the Committee. This is the fourth such report to the Committee.

The purpose of reporting is to provide an opportunity for the Fire Authority to assure itself that the financial affairs of the company are in order and to enable the tracking of profitability and business growth.

4 Performance Indicators

The following indicators were set out in the Business Plan:

- Pre-tax profitability
- Number of new customers
- Number of retained customers (beyond Year 1)

- Number or percentage of tenders won
- Value of tenders won
- Number of complaints received / upheld
- Number of compliments received
- New business from recommendation
- Positive quality feedback forms (from training courses, premises visits)
- Continued reduction in business fires (linked to Fire Service targets)

As Members will appreciate, this performance monitoring information is commercially sensitive. It has, therefore, been set out in paper 17, which is exempt and will be considered in closed session.

5 Review of Business Plan

As over 12 months have now elapsed since the company began trading, it is timely for the company Business Plan to be reviewed. The Company Manager is currently working on this and the Plan will be brought before Members for consideration in due course.

6 Fire Industry Association Complaint

In February 2014 the Fire Industry Association (FIA) submitted a complaint to the European Commission alleging that the UK Government is in breach of European Union state aid rules. FIA contends that the use of the fire service 'brand' by fire and rescue service trading companies constitutes state aid. FIA included Shropshire and Wrekin Fire Authority's company in the list of companies, which, it alleged, were receiving such state aid.

The European Commission originally responded that it considered any potential advantage to be 'de minimis', in that it was below the threshold of EUR 200,000 over three years. FIA then provided additional information, putting forward a case that the advantage did exceed the threshold. As a result the Commission has now written to the UK Government requesting a response to the issues raised by FIA. In turn, the Department for Communities and Local Government (DCLG) has written to this Fire Authority, requesting information.

Officers have submitted a response to DCLG on behalf of Shropshire and Wrekin Fire Authority. In addition, they have been involved in the joint response, co-ordinated by the Local Government Association and the Chief Fire Officers Association.

An update on the latest developments will be provided to Members at the meeting.

7 Financial Implications

There are no financial implications arising directly from this report, which contains historical data relating to the company's performance.

8 Legal Comment

There are no legal implications arising directly from this report.

9 Initial Impact Assessment

As this report contains only historical data an Initial Impact Assessment has not been completed.

10 Appendices

Exempt papers – Shropshire Fire Risk Management Services Ltd:

17a – Directors' Report and Financial Statements for the period ended 31 March 2014, including Detailed Trading and Profit and Loss Account for the period

17b – 2014/15 Financial Statements

17c – Performance information

11 Background Papers

There are no background papers associated with this report.