

LEICESTERSHIRE

FIRE and RESCUE SERVICE

Status of Report: Public Agenda Item: 13

Meeting: Combined Fire Authority
Date: 25th September 2014
Subject: Sale of Redundant Fire Appliances
Report by: Chief Fire and Rescue Officer
Author: Joe Tasker (Head of Appliances & Equipment, Training & Workforce Development)
For: Decision

1. Purpose

The purpose of this report is to inform the Combined Fire Authority (CFA) of the potential income generation of circa £137,000 to £165,000 for the sale of the current redundant Scania and Volvo fire appliances.

2. Executive Summary

- 2.1 The CFA currently has a pumping appliance replacement profile of 10 years with the first of the Scania Pump Rescue Ladders (PRL) entering into service in 2003. The Fleet Management Strategy 2011-14 has now been completed with all operational, training and reserve appliances being both of a uniform specification and of one manufacturer, allowing these first Scania appliances to be available for disposal.
- 2.2 Following the last procurement of 6 PRL appliances in 2013/14 and the subsequent redistribution of other front line appliances this has resulted in the requirement for the CFA to dispose of 5 Scania PRL appliances complete with associated equipment, such as ladders, positive pressure ventilation and light portable pumps; and 1 Fire Cadets' Volvo Appliance. This has the potential for a significant capital receipt.

3. Report Detail

- 3.1 Historically redundant fire appliances have had poor residual values with many fire and rescue authorities either scrapping or donating their end of life fleet. The CFA is no different and has engaged previously with Khaskovo in Bulgaria, Mogadishu as well as trading companies such as Caterpillar™ and Fire World Museum to dispose of appliances.

- 3.2 In recent years the CFA has sold appliances through Essex Fire Trading obtaining between £5,000 and £8,000 plus VAT for Dennis Sabre appliances and around £12,000 plus VAT for Volvo FL6 appliances. However, Scania based fire appliances have the ability to command greater residual values.
- 3.3 Recent national sales of Scania based appliances have shown prices of around £25,000 plus VAT. However with the quality, age, service record, and specification of the CFA's appliances it was envisaged that potentially better prices could be achieved.
- 3.4 Interest in the CFA's appliances has been shown from Essex Fire Trading™, Babcock's™ and Southern Ireland Brigades. The potential and actual capital receipts are discussed within the finance section of this report.
- 3.5 The CFA has for clarity another high value appliance that will be ready for disposal within 2015 following the commissioning of the recently ordered replacement Aerial Ladder Platform (ALP). No specific prices are available as yet for redundant Scania based Bronto 32MDT ALPs, however this could have the potential to command as much as £50,000 or more.

4. Report Implications / Impact

4.1 *Legal (including crime and disorder)*

The CFA has a legal duty and moral duty to dispose of appliances responsibly within the procurement cycle and to obtain best value with public finances.

4.2 *Financial (including value for money, benefits and efficiencies)*

- a) It was estimated that each redundant Scania PRL Fire Appliance could command between £25,000 and £30,000 plus VAT and the Volvo appliance could achieve between £12,000 and £15,000 plus VAT. This in real terms could net an income of between £137,000 and £165,000 in capital receipts. However, this was subject to market forces within difficult financial times in the Fire Sector.
- b) To date the CFA has received £117,000 plus VAT of capital income for the sale of four redundant Scania fire appliances. There are at present 2 remaining appliances (1 Scania and 1 Volvo) to sell however they are currently being retained during the current industrial action. When this is completed it is estimated that they will achieve a sale price between £37,000 and £45,000 plus VAT.

4.3 *Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)*

None identified in this report.

4.4 *Staff, Service Users and Stakeholders (including the Equality Impact Assessment)*

None at this time.

4.5 ***Environmental***

The sale of redundant appliances will be in line with the Fleet Management Strategy in regards to environmental issues.

4.6 ***Impact upon Our Plan Objectives***

Achieving excellence in managing our Service – all vehicles must represent good value for money.

5. **Recommendations**

The CFA are asked to approve a policy disposing of redundant fire appliances on the open market to obtain the best possible prices.

6. **Background Papers**

Fleet Management Strategy 2011-2014

7. **Appendix**

None