

Status of Report: Public

Meeting: Combined Fire Authority

Date: 19 June 2019

Subject: Review of Non-Operational Estate including Support Service Accommodation

Report by: The Chief Fire and Rescue Officer

Author: Matthew Wallace (Director of Estates and Building Services, Leicester City Council)

For: Decision

Purpose

1. This report seeks Combined Fire Authority (CFA) approval of the recommendations and actions arising from an independent review of the non-operational estate and support service accommodation. The report also informs the CFA of findings from a strategic review of the estates and facilities team and operational estate.

Recommendations

2. The CFA is asked to:
 - a) Approve the recommendations and action points of the Estates Review. (Appendix section 7 tables 3 to 5)
 - b) Note the review recommendations with regards to the existing estates and facilities service and operational estate. (Appendix section 5 Tables 1 to 2)
 - c) Approve an addition to the capital programme for the strip out and office remodelling of the second floor Birstall HQ up to £240K.
 - d) Acknowledge the costs and location of a new consolidated L&D Training Centre will be subject to final approval within a full business case.

Executive Summary

3. An Estates review has been undertaken by the Director of Estates and Building Services at the Leicester City Council. The 'Estates Review: Plan for asset management and remodelling of the estates team' is shown as the **Appendix** and provides an overview of the CFA's current estate and how it is managed.

4. The review concentrates on the non-operational premises and support service accommodation and identifies a number of action points to improve the estate and transform it in to a high performing, fit for purpose asset portfolio. The review also includes an independent assessment of the Estates and Facilities team, focussing on its structure, performance, governance, systems and processes.
5. Investment opportunities have been identified in the operational estate, which will be subject to forthcoming analysis within the Integrated Risk Management Plan (IRMP) 2020-2024.

Background

6. Following an estates review update reported to the CFA at its meeting of 6 February 2019, it was agreed that a review of the non-operational estate including support service accommodation be conducted and with an independent challenge. The independence provided by Leicester City Council.
7. The 'Estates Review: Plan for asset management and remodelling of the estates team' is attached as the **Appendix** and has been undertaken by the Director of Estates and Building Services at Leicester City Council.
8. The review identifies a number of key strategic asset objectives (Section 6 of the **Appendix**) to deliver a more effective and efficient service within the constraints of austerity.
9. In particular, the review focusses on non-operational buildings and premises. These are identified as:
 - a) Headquarters at Birstall;
 - b) Premises within the Leicestershire County Council, County Hall campus, to include; Workshops and Fleet Maintenance; Appliances and Equipment; and Stores and Procurement;
 - c) Training, Learning and Development Department sites to include; Loughborough Training Centre; Shephed Fire and Rescue Station; Southern Fire and Rescue Station; Kendrew Barracks in Rutland and Neovia Logistics (Caterpillar site) Desford;
 - d) Occupation Health premises adjacent to Wigston Fire and Rescue Station.
10. The operational estate is acknowledged to be based on the current IRMP. The review has identified investment opportunities which will be informed by the IRMP 2020-2024.
11. The review contains a number of recommendations and timeline action points (Tables 3 to 5 in the Appendix) in relation to the non-operational estate. These recommendations support the provision of effective and efficient support functions representing value for money based upon make or buy decisions; consolidating and centralising capabilities where possible. Key recommendations include:
 - a) Consolidation and centralisation of Learning and Development training facilities;

- b) Review sites for relocating a centralised Learning and Development training facility;
- c) Upgrade the Fire Training Unit;
- d) Review the potential benefits of relocating the Corporate Support Department (Stores and Equipment; Appliances and equipment; and Workshops and Fleet Management);
- e) Optimise the utilisation of the Headquarters building;
- f) Continue to work and collaborate within the Leicestershire One Public Estate forum to identify shared services and co-location opportunities.

Report Implications / Impact

12. *Legal (including crime and disorder)*

- a) Any redevelopment or refurbishment work will require the appropriate planning permission and conform to all required building regulations.
- b) The Policing and Crime Act 2017 makes provision for collaboration between the emergency services. This Act places broad duties on the blue light services to consider entering into a collaboration agreement with one or more other relevant emergency services in the interests of the efficiency and effectiveness of that service and those other services. The IRMP and Estates Review will include liaison with EMAS and Leicestershire Police along with our LA partners at all stages using the One Public Estate program as one of the vehicles.

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

- a) An earmarked reserve of £6m is available to support the outcomes of the estates review.
- b) Early indicative costs for the optimisation of Birstall and the centralising of the Learning and Development function is £240K and £4m respectively. An estimated £1.5m of the £4m will be required to replace Fire Training Unit. In addition, a sum of £90K has been provided within this year's (2019/20) budget to develop and deliver the business case including project management, planning and design.
- c) The Review identifies investment requirements for Wholetime and On Call fire and rescue stations and this will be subject to and influenced by the IRMP.

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

- a) The primary risk is that the budget is not sufficient to complete all of the desired work to the level expected or required. This may require an additional budget plan over the longer term or a scaling back of proposals.
- b) Temporary accommodation solutions may be required for individual builds. This would need to be factored into the available budget or additional funding

secured.

- c) Any proposed changes in service provision will be considered within the Integrated Risk Management Plan (IRMP) 2020-2024 and included in public consultations and communication material.
- d) Blue light collaboration has the potential to present complex legal challenges and barriers in relation to the equitable ownership of financial and organisation risk.
- e) There is the risk of complex controls being incorporated into projects to ensure buildings comply with energy and sustainability statutory compliance criteria. The complexity of which can lead to inefficient use of utilities/resources and early equipment failure. Keeping the building services philosophy simple, removing complex temperature, ventilation and lighting controls where possible and making them familiar to the users will be incorporated into the programme.
- f) LFRS has learnt that new build does not necessarily present reduced revenue costs in facilities management and use of resources. Expectations at all levels must be managed.
- g) There is a risk that significant expenditure on the provision of training facilities will cause the CFA's VAT Partial Exemption Limit to be breached. If this were to occur, then all CFA supplies rated as exempt VAT will not be recoverable from Her Majesty's Revenue and Customs (HMRC) and would incur significant cost to the CFA. The impact of VAT will be fully assessed and calculated as part of the overall financial evaluation.
- h) The Royal Institution of Chartered Surveyors' Building Cost Information Service (BCIS) is forecasting that tender prices will rise 3.3% in the year ahead and between 4.5% and 5.5% every year until 2020 at least. The risk being that these will continue to rise thereafter potentially aggravated by Brexit.

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

- a) Refurbishment and redevelopment work has a significant impact on operational personnel and their ability to provide continuity of service. If temporary accommodation is required, it should be of a standard that is fit for purpose and provides the firefighters with the facilities required to remain effective.
- b) In accord with the People Strategy there will be early staff and representative body engagement in user requirements and subsequent design specifications within the program of works.
- c) All changes will be subject to a People Impact Assessment within Project methodology.

16. **Environmental**

- a) Redevelopments and refurbishments do have a short term impact on the local environment due to increased site traffic and noise disruption.
- b) Following completion of the builds environmental issues are potentially improved based on the use of modern building techniques and materials. (subject to the identified risks on the complexity of building services)

17. **Impact upon Our Plan Objectives**

- a) An improved estate contributes towards our aims to 'respond effectively to incidents' and having 'an engaged and productive workforce'. Improvements also present 'value for money' as running costs and ongoing maintenance costs should reduce.

Background Papers

- a) Estates Plan Update (CFA 12 December 2018) <https://leics-fire.gov.uk/wp-content/uploads/2018/12/estates-planning-final.pdf>
- b) Estates Review Update (CFA 6 February 2019) <https://leics-fire.gov.uk/wp-content/uploads/2016/06/estates-review-update-final.pdf>
- c) SMT May 2019 – Review of in House Fleet Maintenance Report
- d) SMT May 2019 – L&D Re-Development

Appendices

Estates Review Plan for asset management and remodelling of the estates team

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