

Status of Report: Public

Meeting: Combined Fire Authority

Date: 12 December 2018

Subject: Estates Plan Update

Report by: The Chief Fire and Rescue Officer

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For: Information Only

Purpose

1. The purpose of this report is to update the Combined Fire Authority (CFA) on progress made on the Estates Plan and how it will fit within the Integrated Risk Management Plan (IRMP) 2020-2024.
2. The budget for 2019/20 will be presented to the CFA in February 2019. Work on the estates plan is taking place in parallel to the budget, and this report provides an update in advance of the CFA considering the budget.

Recommendation

3. The Committee is recommended to acknowledge and note the contents of this report

Executive Summary

4. The Estates Strategy included in the February 2018 CFA meet (Budget Strategy 2018/19 to 2020/21) has been renamed the Estates Review 2018/19 – 2020/21 and will be aligned to the (IRMP) 2020-2024. This will enable the support of wider objectives in line with community risks and new operational requirements identified in IRMP analysis.
5. Feasibility of previously identified projects (CFA Feb 2018 – Budget Strategy 2018/19 to 2020/21) have been undertaken. The current sites of Eastern and Western fire and rescue stations need to be redeveloped with accommodation that satisfies the outputs of the IRMP, subject to affordability. Co-location of LFRS's Training Centre at Leicestershire Police Headquarters has been discounted. Scoping of future requirements and options are underway.
6. Additional discussions have been ongoing with Leicestershire County Council over the future of the Western Annexe site. Future use of space at LFRS Headquarters is another discussion that is ongoing.

7. Current prioritisation of redevelopments/refurbishments are based upon organisational need and the condition of the estate. These include three (3) whole-time and five (5) On-Call fire and rescue stations plus updating LFRS's training facilities. The quantum amount of which may require a bespoke budget plan over a longer period.
8. Planning the future strategy is made more difficult by uncertainty over our financial position beyond 2019/20, where we currently have no clarity from the Government.

Background

IRMP

9. All of the building works of the Leicestershire Fire and Rescue Service's (LFRS) 'Towards 2020' IRMP proposals have been successfully delivered. These included the provision of suitable accommodation to meet firefighters' operational needs for the changes to crewing systems at Wigston fire and rescue station (Day Crewing Plus), Market Harborough and Lutterworth fire and rescue stations (both day crewing).

Estates Review Budget

10. In 2016/17, the budget first created a "management of change" reserve. In February 2018 the CFA agreed that the best use of this fund was to facilitate a longer term review of the operational estate with the aim to secure efficiencies in the revenue budget and is currently at £6million. Financial uncertainty beyond 2019/20 may require the use of some of this resource for other purposes in the future, but at present this is not anticipated.
11. The three projects that were identified then as being subject to evaluation included:
 - a) Relocation of the current Training Centre (TC) at Loughborough to a new, purpose built facility which will be shared with the Leicestershire Police at Enderby.
 - b) The rebuilding of Eastern fire and rescue station on the same site.
 - c) The relocation of Western fire and rescue station to shared premises with Leicestershire Police at Beaumont Leys.

Work Undertaken/Underway

12. Feasibility has identified that it is not viable to relocate the Training Centre to the Police HQ at Enderby; or Western fire and rescue station to Beaumont Leys Police Station.
13. In March 2018 the Senior Management Team (SMT) agreed to the renaming of the Estates Strategy to the Estates Review 2018/19-2020/21 and that it should be incorporated within the (IRMP) 2020-2024 as it presents opportunities to:
 - a) Question the suitability of existing sites and review locations within a revised IRMP process; and,

- b) Identify collaboration in shared premises and/or purpose built premises on land owned by LFRS if any fire and rescue station is relocated.
14. Under this directive, further work has been undertaken at Western and Eastern fire and rescue stations to determine the feasibility of relocation. In summary, given that both sites are of an appropriate size to accommodate a “modern day” fire and rescue station; both are suitably located within their risk profiles to support the attendance standards and offer prominence; that there are no alternative sites currently available; and no “windfall” sale price would be expected, there is no benefit in relocating either station.
 15. Design and sketch proposals based upon extant duty systems for each of Western and Eastern fire and rescue stations gives indicative costs of £2.5million to rebuild. (total £5million)
 16. Similar work has been undertaken on the On-Call fire and rescue stations confirming that within current planning assumptions they are located in about the right place matching risk profiles to satisfy attendance standards.
 17. More recent IRMP and SMT meetings have reaffirmed that the next IRMP will inform on future operational requirements; and, that this will present the opportunity to take a fresh approach in future designs to support and facilitate wider objectives (e.g. good fit to service delivery requirements – Safer people Safer Places) potentially reducing accommodation size, capital and ongoing revenue costs; not to mention potential income generation from co-location.
 18. Since the paper was presented to the SMT at their meeting in March, discussions have been ongoing with Leicestershire County Council over the future of the Western Annexe site. (accommodates Workshops and Fleet, Appliances and Equipment, Stores and Procurement) The current agreement to occupy the site includes an implied lease term of 99 years from 1st April 1997. Future use of space at Headquarters is another discussion that is ongoing.

Where We Are Now

19. LFRS has 23 properties consisting of:
 - a) 20 operational fire and rescue stations:
 - ✓ 5 x Wholetime;
 - ✓ 6 x Day Crew Plus ‘DCP;’
 - ✓ 3 x Day Crew; and,
 - ✓ 6 solely On-call.
 - b) Headquarters (HQ) at Birstall;
 - c) Learning and Development (L&D) Centre at Loughborough;
 - d) Workshops and Fleet, Appliances and Equipment, Stores and Procurement at Western Annex of County Hall; and,
 - e) An Occupational Health Unit. (attached to Wigston fire and rescue station)

20. The fire training capability is provided at Loughborough, Neovia Logistics at Desford and Kendrew Barracks (previously known as RAF Cottesmore Rutland).
21. Condition surveys undertaken in 2016 have resulted in a comprehensive 10 year planned, prioritised and costed schedule of minor work underwritten within the capital programme across the estate. This ensures compliance with all Health and Safety and other relevant legislation/codes of practice including inclusion and diversity (adequate provision of female facilities and disabled access). This work does not require funding from the Estates Strategy Reserve.

Co-location/Collaboration

22. LFRS is an active partner in the One Public Estate (OPE) programme. LFRS continue to take advantage of the unique relationship with East Midlands Ambulance Service (EMAS) and Leicestershire Police to identify co-location across the joint estates within Leicester, Leicestershire and Rutland.
23. The Rutland One Public Estate (ROPE) programme will continue to make progress next year. The Rutland Hub Options Appraisal – Stage 2 Report and subsequent meetings with Helen Briggs (CE Rutland CC), Cllr Oliver Hemsley (Leader Rutland CC) and Cllr Kenneth Bool (Chairman Rutland CC and CFA member) indicate that the future may include a health and social care hub with blue light partners considering alternative options further down the line. LFRS continue to contribute to ROPE Project board.
24. LFRS currently accommodates East Midlands Ambulance Service (EMAS) at Birstall HQ and Leicestershire Police at Coalville Fire and rescue station.
25. EMAS have confirmed that they no longer require space at Castle Donington fire and rescue station. Further opportunities continue to be pursued with EMAS at Coalville fire and rescue station. Negotiations with EMAS are ongoing; Meetings with the EMAS Financial Director are underway to agree terms at both sites.
26. Looking ahead, EMAS and Leicestershire Police have expressed an interest in co-locating at some of our fire and rescue stations and Leicester City Council are looking into the feasibility of occupying the first floor office space at Central fire and rescue station. As already mentioned, future use of space at Headquarters is another discussion that is ongoing.

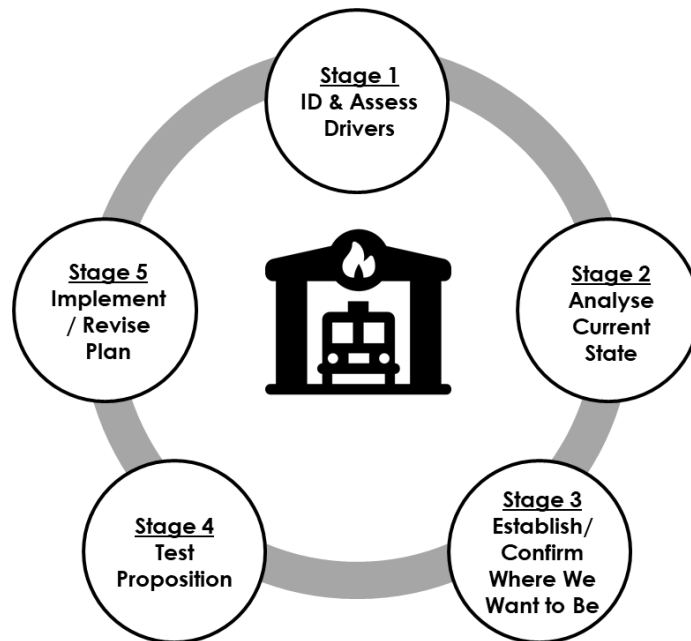
Estates and Facilities Future

27. The Integrated Risk Management Plan (IRMP) sets out the organisation's priorities and proposals for effective service delivery over a three-year cycle with the current plan finishing in 2020.
28. Preparation of the next plan is due to commence shortly and in accordance with SMT the outcomes of the IRMP will influence any future improvements to the estate portfolio. This methodology complies with The Fire and Rescue National

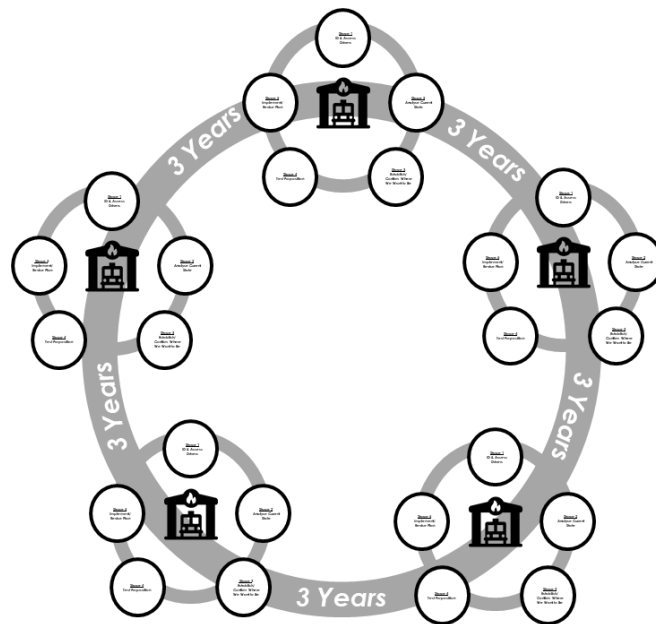
Framework for England in that the allocation of resources matches and mitigates reasonably foreseeable identified risks.

29. The Estate Review will be aligned to enable the outcomes of the IRMP and ensure that property assets are used to fully support service needs in the most efficient and effective way. It is also to provide innovative solutions to sustainability and energy efficiency where viable.

30. Diagram 1 – Key Stages to Estates Review



31. Diagram 2 – Estates Review Fit with IRMP



32. The benefits of the Estates Review include:
- a) Support and facilitate wider objectives in line with community risks and new operational requirements;
 - b) Ensure LFRS maintains a safe and legally compliant portfolio;
 - c) Ensure LFRS has a lean, well maintained affordable portfolio managing costs efficiently and effectively;
 - d) Encourage better intelligence on running costs and the ability to benchmark performance internally and externally;
 - e) Ensure building improvements promote accessibility, sustainability and energy efficiency;
 - f) Maximise space and partnership/sharing opportunities where it is in the interests of efficiency and effectiveness, adapting the property portfolio to generate income;
 - g) Reduce the environmental impact of the Corporate Property Stock.
33. Current prioritisation of the redevelopments/refurbishments are based upon organisational need and the condition of the estate. The following is a prioritised list:
- a) Training Centre (TC) Loughborough
 - b) Loughborough Fire and rescue station (likely to be incorporated in TC)
 - c) On-Call Fire and rescue stations:
 - ✓ Uppingham
 - ✓ Billesdon
 - ✓ Kibworth
 - d) Western and Eastern Fire and rescue stations
 - e) On-Call Fire and rescue stations:
 - ✓ Market Bosworth
 - ✓ Ashby.
 - f) Western Annex to be incorporated into the program as details are developed.
34. The Training Centre replacement has been treated as a priority due to a number of issues including limited capacity and space, life expectancy of the Fire Training Unit and restricted planning permissions on live burns. The proposed direction of travel includes 'sweating the asset' to stay within the £6million budget. Options on future provision of L&D are currently being scoped and will be subject to sketch proposals for each with high level budget requirements plus planning commentary.
35. The schedule of works within the conditions survey undertaken in 2016 has been integrated within the Estates Review to prevent unnecessary capital expenditure.

Estates Considerations

36. LFRS is an active partner in the One Public Estate (OPE) programme and continue to take advantage of the unique relationship with East Midlands Ambulance Service (EMAS) and Leicestershire Police to identify co-location with all of the joint estates within Leicester, Leicestershire and Rutland.
37. We are in a good position to reconsider how we go about locating our resources and managing our estate from acquisitions, design and the way we dispose of any surplus accommodation.
38. All locations will be subject to analysis on travel isochrones based upon attendance standards determined by the IRMP (currently 10 and 20 minutes) to enable land searches to determine feasibility of alternative locations. Specific sites will be subject to more detailed analysis on travel, demand and risk. Travel is also relevant to the training centre location to minimise disruption and travel time/costs.

Report Implications/Impact

39. 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.
40. Financial (including value for money, benefits and efficiencies)
 - a) The reserve for the then estates strategy was first created in 2016/17 budget and it was agreed to fund a longer term review of the operational estate by the CFA at its meeting in February 2018. This included a focus on the adequacy and running costs of fire stations including co-location opportunities; and may also be used to support other measures which improve the cost effectiveness of buildings (including generation of revenue). It is currently valued at £6million. If justifiable on a spend to save basis, a case for borrowing may also be put to the CFA in order to increase the sum available. This will depend on future work.
 - b) Options appraisals will be supported by a sum of £0.1million provided in the 2019/20 budget.
 - c) Indicative costs for Eastern and Western excluding relocation equate to £5million within current design assumptions to rebuild. SMT and IRMP meetings are

steering the programme into a more affordable approach.

- d) Indicative costs based upon external research for the replacement of a Fire Training Unit range from in excess of £400,000 to £1million. Training Centre options including refurbishment of Loughborough are now underway and will provide high level budget requirements.
- e) Indicative costs for refurbishing the 5 On-Call stations have not been provided at this stage. Costed options appraisals will be undertaken in the future, informed by the forthcoming IRMP.

41. 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 or station location will need to be considered within the next Integrated Risk Management Plan (IRMP) 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.

42. 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.

43. 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)

44. Impact upon Our Plan Objectives

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.

45. **Background Papers**

Crown Copyright (2018) – Fire & Rescue National Framework For England
<https://www.gov.uk/government/collections/fire-and-rescue-national-framework-for-england>

Budget Strategy 2018/19 to 2020/21 (Budget Strategy 2018/10 – 2020/21 – Formal Resolution) CFA February 2018.

<http://www.leicestershire-fire.gov.uk/wp-content/uploads/2016/06/item-08-budget-strategy-report-2018-19-to-2020-21.pdf>

Additional papers are available on request from members.

46. **Appendices**

None.

47. **Officers to Contact**

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