

## **Report of the Head of Asset Management**

### **6. Asset Management Strategy**

#### **Purpose of report**

1. To provide information and update the Fire Authority on the progress made in the delivery of the Service's Asset Management Strategy to replace five fire stations and build four strategic training facilities.

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#### **Recommendation**

***It is recommended that the Fire Authority note the progress being made in the delivery of the Asset Management Strategy.***

#### **Introduction and Background**

2. In March 2011 the Policy and Resources Committee agreed indicative budget allocations for a range of capital building schemes which included five new fire stations for Hereford, Redditch, Worcester, Malvern and Bromsgrove. These fire stations had been highlighted as a priority for replacement following extensive condition surveys completed as part of the Service's Asset Management Strategy. In addition, there was a need to provide four Strategic Training Facilities across Herefordshire and Worcestershire, which the Chief Fire Officer advised were urgent and of vital importance.
3. The Policy and Resources Committee authorised HWFRS officers to carry out options appraisals within specified financial parameters. The concept of the approval of indicative budgets for each building scheme would enable officers to negotiate more effectively, and secure opportunities as they arise which would maximise efficiencies for the Fire and Rescue Authority (FRA). The Policy and Resources Committee requested that the Chief Fire Officer and Treasurer seek approval for specific scheme allocations once all investigative work and analysis had been completed.
4. Following completion of option appraisals, further approval was gained from the Policy and Resources Committee to proceed with replacement options for Malvern, Bromsgrove and Worcester, with approval to build Strategic Training Facilities at Kidderminster, Evesham, Peterchurch and Kingsland. This paper will now outline the progress to date of these schemes as well as the other projects being undertaken to replace fire stations in Hereford, Redditch and Evesham.

## **Malvern Fire Station**

5. Planning approval for a replacement fire station was gained on 22<sup>nd</sup> November 2012 with the proposal to replace the fire station at the existing location in Malvern Link. Whilst construction work is being undertaken, the fire station staff, equipment and vehicles have been temporarily relocated to the Service's Operational Logistics site at Betony Road in Malvern. The project has been tendered and construction commenced in May 2013. By using the existing foundations and part of the existing steel structure, significant savings have been realised. An artist's impression of the new building is given in Appendix 1 and construction is due for completion by early summer 2014, with the fire station staff moving back into the building at this time.

## **Bromsgrove Fire Station**

6. The option agreed by the Policy and Resources Committee proposed that the Service enter into a lease arrangement with West Mercia Police to deliver a jointly occupied building. By sharing facilities on the same site, it is estimated that there will be a number of efficiencies gained in energy management and service contracts. The project formed part of the 'Total Place' initiative and is supported as an example of the Government's 'Capital and Asset Pathfinder' national project. The building is owned by the Police, who have undertaken design and construction works in conjunction with officers of the Service. The project has been adapted with facilities to accommodate the new shift system, 'Day Crewing Plus', which will operate in Bromsgrove. Construction commenced in November 2012 and the building is due for completion in spring 2014. An artist's impression is given in Appendix 2.

## **Worcester Fire Station**

7. Following extensive research into available site locations, six sites were identified as offering potential for a new Worcester Fire Station. Two of these sites were acceptable in providing fire cover based upon the risk profile of the area. Following discussion with the owners of the sites, one site emerged as the preferred option and discussions over an agreement to provide a new station commenced with a developer. This resulted in a full design being undertaken to allow a detailed specification to be agreed and an artist's impression of the proposed building is shown in Appendix 3. Given the specific nature of the project, an extensive contract has been drafted to provide assurance to the Service over site ownership and delivery of the project. This took longer than expected due to specific site conditions, but this agreement has now been completed and the project gained planning approval in September 2013. The project is currently entering the tender stage to nominate a contractor to deliver the build phase. Officers of the Service will manage each stage of the works to ensure the end product meets our needs in every respect.

## **Strategic Training Facilities**

8. The Strategic Training Facilities (STF) project proposed two types of training facility, which would provide realistic hot-fire training scenarios for fire fighters and support their essential training programme. This safeguards the Health and Safety of fire fighters and assists in maintaining competence in the use of

breathing apparatus. The first type of facility burns wood within a steel structure, which broadly resembles a residential property. This provides very realistic training scenarios and training is supported with an additional working at height steel structure at the location. This type of facility was completed in September 2013 at Peterchurch, but unfortunately due to planning and land purchase issues at Kingsland, the North Herefordshire facility will not be commencing in the near future. Alternative options to deliver a facility in North Herefordshire will now be explored but currently there is not an opportunity to be considered. A photograph of the Peterchurch facility is given in Appendix 4.

9. The second type of training facility utilises LPG gas to create fire situations housed within a brick built building which also resembles a traditional residential property. This type has been introduced at Evesham, with construction completed in March 2013. A project to enhance an existing facility at Kidderminster with a second floor burn-room was completed in September 2013. The facility at Evesham is presented in Appendix 5.

### **Hereford Fire Station**

10. Officers of the Service have been in extensive discussion with Herefordshire Futures, an organisation leading on the regeneration of Hereford City by providing expertise and liaising with key partners. Three sites have been examined in detail as part of a major link-road development scheme, but unfortunately none of these satisfy minimum requirements for a fire station location. After examining a range of other potential options, a new site appears to offer an excellent opportunity for replacement and this is detailed in a separate paper being presented to the Policy and Resources Committee.

### **Redditch Fire Station**

11. In line with the work in Bromsgrove, it was hoped that a joint Police and Fire Station could be developed at the existing fire station location in Redditch. This would have been a reciprocal agreement to the Bromsgrove arrangement and it was proposed that HWFRS would own the site and manage the construction, with the Police leasing part of the building. Draft site drawings were completed but the Police requirements have changed to the degree that they will now be making alternative arrangements. Following further discussions with Worcester County Council, a re-build adjacent to the current location has been rejected and the search for a new location will now be undertaken.

### **Evesham Fire Station and Strategic Training Facility**

12. Although not part of the original Asset Management Strategy, an opportunity has arisen to replace Evesham Fire Station and the Strategic Training Facility at an acceptable location within Evesham. This project forms part of a wider development scheme to regenerate Evesham town centre, being led by Wychavon District Council. Following authorisation from the Policy and Resources Committee, officers of the Service are working with Wychavon District Council to examine the feasibility of the project and will return to the Policy and Resources Committee to gain approval to proceed following negotiation of these details.

## Budget Position

13. When the Policy and Resources Committee approved the indicative budget allocations for this programme of capital building schemes in March 2011, a funding 'gap' of £4.4m was highlighted. It was expected that this gap would be closed through efficiencies made during the contract negotiation phase and competitive procurement. At this stage, savings of £2.2m have been made in schemes that have reached this stage, and based on this experience a further £1.0m is anticipated. The balance of the gap has been closed with the receipt of an additional £1.1m capital grant not anticipated in March 2011. Appendix 6 illustrates that the March 2011 funding gap will be closed once the capital construction programme is complete.

## Conclusion/Summary

14. All of the projects being delivered, as detailed above, have had contract tender returns within their initial overall budget estimated allocations agreed with the Policy and Resources Committee in March 2011. Some will be delivered with significant savings over the original contract estimates and an indication of these estimated savings is given as Appendix 6. By replacing these fire stations, on-going maintenance costs will be reduced and, in addition, will safeguard our resources for the future.
15. It is recommended that the Fire Authority note the content of this paper and support the progress being made in the delivery of the Asset Management Strategy.

## Corporate Considerations

<b>Resource Implications</b> (identify any financial, legal, property or human resources issues)	Financial - Yes – Paragraph 13. - Information only Legal - Yes - Whole document – information only Assets – Yes - whole document
<b>Strategic Policy Links</b> (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	Yes - Asset Management Strategy
<b>Risk Management / Health &amp; Safety</b> (identify any risks, the proposed control measures and risk evaluation scores).	Yes – Paragraph 8
<b>Consultation</b> (identify any public or other consultation that has been carried out on this matter)	No

<b>Equalities</b> (has an Equalities Impact Assessment been completed? If not, why not?)	N/A
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## **Supporting Information**

Appendix 1 – Artist’s Impression of Proposed Malvern New Fire Station

Appendix 2 – Artist’s Impression of Proposed Bromsgrove New Fire Station

Appendix 3 - Artist’s Impression of Proposed Worcester New Fire Station

Appendix 4 – Peterchurch Training Facility

Appendix 5 – Evesham Strategic Training Facility

Appendix 6 – Budget Position.

**Background papers** - None

## **Contact Officer**

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## Appendix 1 – Artist's Impression of Proposed Malvern New Fire Station



## Appendix 2 – Artist's Impression of Proposed Bromsgrove New Fire Station





### Appendix 3 - Artist's Impression of Proposed Worcester New Fire Station



### Appendix 4 – Peterchurch Strategic Training Facility



## Appendix 5 – Evesham Strategic Training Facility





## Asset Management Strategy Update : P&R 19-Nov-2013

	A.M.S approved P&R Mar 2011	Agreed increase for STF	Contract Savings	Anticipated Savings	Additional Grant	Agreed increase Evesham	Latest Position
<b><u>Expenditure</u></b>							
Strategic Training Facilities	2.000	0.276					2.276
Bromsgrove - Notional	4.200						4.200
Malvern	3.086		(1.086)				2.000
Worcester	5.476		(1.076)				4.400
	14.762	0.276	(2.162)	0.000	0.000	0.000	12.876
Other Schemes	10.655			(1.036)		0.058	9.677
	25.417	0.276	(2.162)	(1.036)	0.000	0.058	22.553
<b><u>Resources</u></b>							
Expected Receipts	(2.863)						(2.863)
Bromsgrove - Notional	(4.200)						(4.200)
LPSA Reward Grant	(0.332)						(0.332)
Capital Grant 2011/12	(1.173)						(1.173)
Capital Programme to 2014/15	(12.484)						(12.484)
E&D Capital Grant		(0.238)					(0.238)
LPSA Capital Grant		(0.036)					(0.036)
Capital Grant 2012/13					(1.169)		(1.169)
Wychavon						(0.058)	(0.058)
	(21.052)	(0.274)	0.000	0.000	(1.169)	(0.058)	(22.553)
Shortfall	4.365	0.002	(2.162)	(1.036)	(1.169)	0.000	0.000