

Late Item

In accordance with Section 100B 4(b) of the Local Government Act 1972 (as amended) the Chairman will be asked to allow consideration of the following late item as a matter of urgency because of the need to enter into formal agreements with Wychavon District Council prior to the date of the next meeting.

In the opinion of the Proper Officer, the discussion relating to the appendix to this report is likely not to be open to the public on the grounds that it would be likely to involve the disclosure of exempt information within the meaning of section 100A(4) of the Local Government Act 1972, namely

- *information relating to the financial or business affairs of any particular person (including the authority holding that information).*

Hereford & Worcester Fire Authority
Policy & Resources Committee
25th March 2015

Report of Head of Legal Services

Evesham Fire Station

Purpose of report

1. To seek approval of revised terms for the re-provision of Evesham Fire Station in light of additional project costs that have now been identified.

Recommendations

It is RECOMMENDED that the Head of Legal Services, in consultation with the Chief Fire Officer and Director of Finance, be authorised to enter into an agreement with Wychavon District Council for the sale and replacement of Evesham Fire Station on terms that:

- (i) the Fire Authority will contribute an initial £150,000 towards the cost of the development;***
- (ii) any additional costs in excess of the partners' currently identified funding, as detailed in appendix 1 (exempt information), be shared equally between the Fire Authority and Wychavon District Council.***

Background

2. Members will recall that in March 2013, following an approach from Wychavon District Council, this Committee agreed in principle to the sale of the existing Evesham Fire Station to the Council in order to facilitate the development of a Waitrose supermarket in the Town. A new fire station and strategic training facility (STF) are to be built on land adjacent to the Evesham Leisure Centre off Abbey Road.

3. A further report was brought to the last meeting of this Committee on 7th January when it was agreed that the Fire Authority would contribute £150,000 - £250,000 towards the costs of the new fire station, to reflect the benefits to this Authority of having a new building with lower maintenance and running costs. The report also identified that:
 - (a) the new site is a challenging one from a development perspective because of its former uses as a sewage treatment works and then a landfill site;
 - (b) there has previously been Japanese Knotweed on the site and we will need to protect the building against any reoccurrence of this;
 - (c) we were at that stage still awaiting the outcome of a detailed ground investigation survey which would then need to be discussed with the Environment Agency to determine their requirements with regard to remediation of the site and the design of the foundations; and
 - (d) it was not possible at that stage to make an accurate estimate of the cost of developing the new fire station.

Current Position

4. Since the last meeting we have now received the detailed ground investigation survey and additional remediation costs have been identified although we are still awaiting the recommendations from the Environment Agency.
5. In light of the above developments it has been necessary for both parties to revisit the costs of the scheme and more particularly, the risk that the final costs could increase further. The nature of the ground conditions and the necessary remediation works are such that we will not be sure of the eventual costs until the works are complete. There is therefore an element of risk in the scheme.
6. Appendix 1 to this report sets out the development funds that are currently available from the parties and our best estimate of the worst case scenario in terms of costs, based on the information we currently have. The eventual figure could be more or less than this.

[Note – Appendix 1 is confidential and contains ‘exempt information’ relating to the future tendering of the construction works. This is therefore provided for Members only]

7. Following further negotiations and in order to manage the risks for both parties, it is proposed that any costs in excess of the currently identified funding (as shown in appendix 1) will be shared equally between the Fire Authority and Wychavon District Council. Based on the estimates at appendix 1, that would mean a potential cost to the Fire Authority of approximately £495,000. This is an additional £245,000 compared to the amount already approved by Members.

Conclusion/Summary

8. The possibility of attracting a Waitrose supermarket to Evesham is an important economic development opportunity for the town as well as an opportunity for the Fire Authority to provide a new fire station at significantly less cost than would normally be the case. Although the revised proposals increase the likely contribution from the Fire Authority and involve a degree of risk, your officers believe this still represents good value for money and is justified in terms of the overall benefit both the Fire Authority and the community.

Corporate Considerations

Resource Implications (identify any financial, legal, property or human resources issues)	The additional costs can be met from within existing capital resources.
Strategic Policy Links (identify how proposals link in with current priorities and policy framework and if they do not, identify any potential implications).	This proposal supports Our Strategy to provide appropriate premises in the right locations that enable our staff to carry out their roles effectively
Risk Management / Health & Safety (identify any risks, the proposed control measures and risk evaluation scores).	None
Consultation (identify any public or other consultation that has been carried out on this matter)	None
Equalities (has an Equalities Impact Assessment been completed? If not, why not?)	None identified

Supporting Information

Appendix 1 – Project costs (Exempt Information)

Background papers – Policy & Resources Committee 27th March 2013
Policy & Resources Committee 27th January 2015

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