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26 August 2020

Dear Member,

Horsham Fire Station Task & Finish Group - Friday, 28 August 2020

Please find enclosed the following documents for consideration at the meeting of the Horsham Fire Station Task & Finish Group on Friday, 28 August 2020 which were unavailable when the agenda was published.

Agenda No	Item
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| 4. | Horsham Fire Station & West Sussex Fire & Rescue Service Training Centre and Appendix A – Draft Decision Report (Pages 3 - 14) |
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Yours sincerely

Tony Kershaw
Director of Law and Assurance

To all members of the Horsham Fire Station Task & Finish Group

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Horsham Fire Station Task and Finish Group

28 August 2020

Horsham Fire Station and West Sussex Fire and Rescue Service Training Centre

Report by Director of Law and Assurance

1. Summary

- 1.1 The Task and Finish Group (TFG) is asked to consider the draft decision report (Appendix A) which sets out a proposal to deliver a new live fire training centre to improve and extend training provision for the firefighter workforce and a new Horsham fire station which will replace the one at Hurst Road.
- 1.2 The project has changed significantly from the original plans for a joint project with other emergency services, for a commercial training offering and for income from an energy plant on the site. For various reasons those aspects of the proposal have had to be removed. The TFG will wish to examine whether the proposal continues to make sense in its revised scope and to be satisfied that the financial consequences for the delivery of the project have been fully tested.
- 1.3 In terms of Fire and Rescue Service outcomes for the project the report explains the risks identified in the Fire and Rescue Integrated Risk Management Plan (IRMP) 2018-2022 and the improvement needs identified in the Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) report which are to be addressed by the project. It provides the case to release capital investment of £20.85m to construct the new facility and the additional revenue costs which result and why it is being considered a priority in the capital programme.
- 1.4 Following this meeting, any comments and recommendations will be presented to Cabinet for consideration ahead of its meeting on 15 September 2020.

2. Focus for scrutiny

- 2.1 Members of the TFG are asked to provide their comments to Cabinet ahead of its decision on 15 September 2020. Areas to consider are:
 - a. Whether the TFG endorses the service rationale for the Horsham Fire Station and Fire & Rescue Service (FRS) Training Centre in relation to the FRS Improvement Plan;
 - b. Whether the financial implications of the revised proposal are clear and accounted for - the allocation of £20.85m capital (with £461,415 additional design fees) and an additional £830,000 ongoing revenue costs;
 - c. Whether the project should be given priority in the capital programme.
 - 2.2 The Chairman will summarise the debate to inform the feedback to the Cabinet.
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3. Details

3.1 The background and context to this item for scrutiny are set out in the attached report including resource and risk implications and all factors taken into account.

Tony Kershaw

Director of Law and Assurance

Contact Officer: Rachel Allan, 0330 222 8966

Appendices

Appendix A: Draft Decision Report

Appendix B: Additional Information on Response Times

Background papers

None

Cabinet	Ref No: CAB07 (20-21)
15 September 2020	Key Decision: Yes
Provision of Horsham Fire Station and Service Training Centre	Part I
Report by Executive Director Place Services and the Chief Fire Officer	Electoral Divisions: All
<p>Summary</p> <p>This report proposes the delivery of a new live fire training centre and a new Horsham fire station at Highwood to replace the one at Hurst Road. The project responds to the risks identified within the Authority's Integrated Risk Management Plan (IRMP) 2018-2022.</p> <p>In addition, the recent HMICFRS report identified areas for improvement aligned with items identified within the IRMP, such as: diversity & inclusion, firefighter skills, recruitment and retention and ensuring the adequacy of the WSFRS estate. Fire and Rescue Services training and preparedness for dealing with high rise scenarios is also a significant area under national scrutiny and the new facility would provide the training to address this requirement within West Sussex.</p> <p>The scheme aims to:</p> <ul style="list-style-type: none"> • Provide a new operational Fire Station, accommodating whole-time crews, fire appliances and other key teams such as People and Organisational Development (incorporating the training delivery department). • Provide a new, centralised training centre for the Fire Service to replace the facility at the former Horley fire station and the Worthing site including an upgraded and enhanced training offer with live fire training, incident command and breathing apparatus training. • Release the Horsham and Horley estates and part of the site at Worthing. <p>The previous decision (Ref No: FR2218.19, March 2019) approved £1.5m capital budget to complete the design phase works under a Pre-Construction Services Agreement (PCSA).</p>	
<p>West Sussex Plan: Policy Impact and Context</p> <p>This proposal will support the delivery of three of the five priorities in the West Sussex Plan by releasing out of date facilities and the associated land to enable future opportunities and by the provision of significantly improved facilities:</p> <ul style="list-style-type: none"> • Ensuring West Sussex is a prosperous place • Our communities being strong, safe and sustainable • Being a council that works for our communities 	
<p>Financial Impact</p> <p>The revenue impact of delivering the Horsham Fire and West Sussex Fire and Rescue Training Centre is £830k per annum over the life of the project.</p>	

Recommendations

That Cabinet:

- (1) Endorses the delivery of Horsham Fire Station and FRS Training Centre at Highwood in Horsham with the allocation of £20.85m in the capital programme to fund the completion of the project including £461,415 of additional design fees and noting the additional pressure on the revenue budget of £830k per annum;
- (2) delegates authority to the Director of Property and Assets to procure the completion of the design works for the revised scope as set out in the report and for the delivery of the build project;
- (3) authorises the submission of applications for full planning permission for the project;
- (4) subject to receipt of planning permission delegates authority to the Director of Property and Assets to enter into a construction contract with the successful bidder and
- (5) Confirms that the Fire and Rescue assets at Horley and Hurst Road Horsham and part of the site at Worthing, as detailed in the report, are declared surplus to service requirements.

Proposal

1. Background and Context

- 1.1 West Sussex Fire & Rescue Service must make provision to train and develop a firefighter workforce in compliance with national guidance and health and safety legislation.
- 1.2 The Authority's Integrated Risk Management Plan (IRMP) 2018-2022 provides an assessment of all risks to life and injury within the West Sussex community. It has identified key areas for improvement including live fire training, fire fighter safety, adequate training of firefighters and development of their specialist skills and improved provision for an inclusive and diverse workforce. The review by Her Majesty's Inspectorate of Constabulary and Fire Rescue Services (issued June 2019) echoes the concerns identified in the IRMP and the need for improved facilities
- 1.3 WSFRS are currently limited in the high-rise scenario training (referenced in the IRMP). The Grenfell Report (Phase 1) has provided the impetus for shift change in the way fire fighters must now be trained. Currently training of this nature is limited and must be undertaken out of county as and when available which is both cost prohibitive and time consuming to travel to. It is also disproportionately difficult to access for the retained workforce due to constraints around working patterns.
- 1.4 WSFRS currently buy live fire training from several locations, including Gatwick Airport under a Service Level Agreement. This Agreement is due to expire in December 2020 and there is uncertainty over the long-term viability. WSFRS have negotiated to extend this Agreement on a rolling yearly basis, however, Gatwick's longer-term plans will mean removal of the current fire training ground area. In addition, Gatwick requires airside access and the need to be escorted to the training ground, all of which reduce the available training delivery time. As the facility is only available during the day it is also challenging for our retained crews as many must request leave from their primary employment.
- 1.5 The forecast WSFRS firefighter recruitment profile is due to increase significantly over the next 3-5 years meaning that greater volume of live fire training will be required, which Gatwick's 50 days of provision cannot accommodate. Given the reduction in experiential learning through reducing numbers of operational incidents, coupled with the increase in new firefighters and the national learning from critical events (such as Grenfell), we need to increase our capacity in live fire training, which the new facility will provide. In addition, the facility will provide increased local training capacity in both breathing apparatus and incident command training, which are also essential to future proof the discharge of statutory requirements.
- 1.6 Currently we train 12 new recruits per annum, which we forecast will increase to 24 in 2021/2/3 etc. We also believe that (based on historical recruitment information) additional training of 30 RDS staff per year will be required. Also, the current expansion to the WSFRS learning and development offering will increase the demand for additional training of 348 firefighters per year, which equates to 1 additional training day (per annum)

for each wholetime firefighter. In total, these requirements will result in an increased training capacity demand of at least 30 additional training days per year, which cannot be met through the existing facilities.

- 1.7 Horsham Fire station is an example of a fatigued and outdated building where a capital investment is required to modernise facilities in line with current working standards (e.g. diversity & inclusion and addressing workplace contamination).
- 1.8 The proposed training facility will provide leading edge technology which will set it apart as a centre of excellence in live fire training in the south of the country, while the proposed fire station building will provide modern design layouts to required standards and an incident command centre capable of supporting the full spectrum of training expertise in this field.

Business Case development and project delivery

- 1.9 There have been changes to the original outline business case, which was based on a 'one public estate' partnership proposal with blue light partners. The withdrawal of Sussex police and ambulance service from the project was outlined in decision (Ref No: FR2218.19, March 2019). Subsequently it was confirmed that the planned income from a commercial training offer could not be assured and a site review identified that the energy facility could not be accommodated meaning the grant would not be available. These led to a number of revisions of the scope of the scheme and a need to review the financial elements of the business case.
- 1.10 The new facility is now classified as a capital delivery project and does not include any associated revenue income. The original business case was at no cost to council because the anticipated commercial and energy generation revenue covered the borrowing costs. The project will now increase the pressure on the council's revenue budget by £830k per annum. The primary use of this facility will be for WSFRS firefighters, but the combination of the incident command facility and live fire training may attract out of County interest and we will continue to look at opportunities to share resources where appropriate with neighbouring authorities.
- 1.11 This project was previously approved up to and including the appointment of the main contractor (Willmott Dixon) in October 2019 to complete the design phase works, after a successful tendering process. £1.5m of the previously approved total capital budget was allocated to the project to undertake RIBA design stages 2-4.
- 1.12 Following the completion of Stage 2, the project continued into developing the approved concept design under RIBA Stage 3 but needed to consider design solutions and value engineering in order to meet the construction budget as published in the capital programme in February 2020, whilst also ensuring that the project brief was met. As a result of this, the current revised proposal was identified.
- 1.13 Design works at RIBA Stage 3 have been paused (pending this decision) prior to RIBA Stage 4 commencing.
- 1.14 The contractors have confirmed that they are able to recommence Stage 4 design in September 2020 with no additional cost to WSCC provided the

project is approved as revised against the original outline business case as noted above and summarised in this report.

1.15 The main benefits of this scheme are identified as follows:

- Modernising facilities for WSFRS to increase standards of training and safety.
- Removing the risk of insufficient training capacity for WSFRS recruits and existing firefighters.
- Increasing accessibility and frequency of live fire training and breathing apparatus training for all firefighters within local commuting distance.
- Increasing accessibility and frequency of incident command offering for all firefighters.
- Improve upon WSFRS facilities in relation to inclusion and diversity standards.
- Improve upon WSCC's environmental contribution towards a carbon neutral estate by 2030.
- Address obligations for exposure to contaminants and reducing workplace risks to firefighters.
- Avoid costly refurbishment of Horsham, Horley and Worthing sites, each of which would not deliver the scope required to future service provision.

1.16 It is expected that Planning Approval can be gained later in 2020 and construction works will commence in line with procurement procedures thereafter. An ecological survey has been undertaken and the relocation of newts present identified for relocation by mid-October 2020.

1.17 As part of this project the current training facilities at Horley, the fire station at Hurst Road in Horsham and part of the estate in Worthing consisting of two buildings used for training, that are located either side of the fire station will all become redundant as this project is delivered. Therefore, they will be surplus to the requirements of the service and can be released for re-use or disposal in due course.

2. Proposal Details

2.1 It is proposed that the project for a new Fire and Rescue training facility and fire station for Horsham described in this report be agreed and delivered by re-commencing design activity during September 2020 completing RIBA 3 & 4 under the current PCSA agreement.

2.2 It is then proposed a procurement exercise is launched to appoint a contractor to complete the necessary design work, including the submission of a planning application, and to construct the fire station and live fire training centre buildings leading into a start on site of construction works around July 2021.

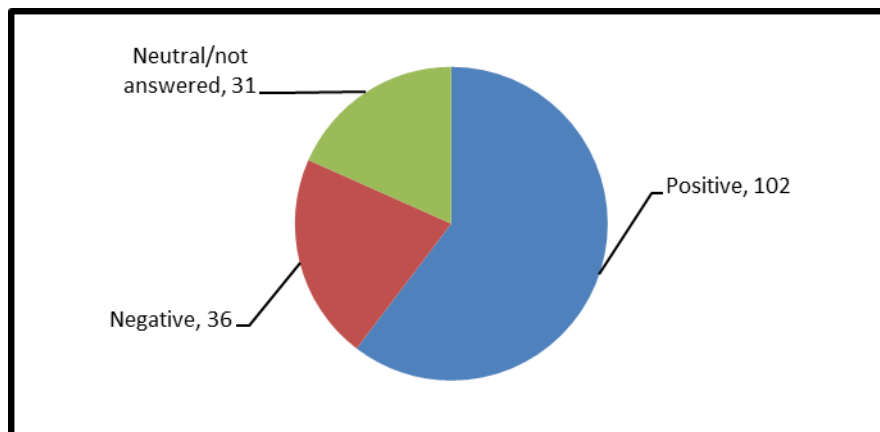
2.3 It is anticipated that the construction works will require circa 16 months to complete, with full handover of the facilities to WSFRS around November 2022. This timeline will be revisited once contractors are recommissioned on RIBA Stage 4 and planning approval gained later this year.

2.4 However, delivery of any project dates is still subject to the risks around and associated with the Covid-19 outbreak, as discussed further under section 6

Factors taken into account

3. Consultation

- 3.1 Highwood Mill care home is adjacent to the site and WSFRS have made several visits to discuss the scheme with the residents. These meetings have gone well, and the residents are keen to be kept abreast of developments. The next visit to update the residents was scheduled for June 2020 but will need to be re-arranged due to social distancing requirements.
- 3.2 A public consultation into the impact on fire and rescue emergency response of the relocation of the fire station was held between 8th August and 19th September 2018. This is a statutory requirement applying to any fire station relocation where response times may change as a result. Our response standard is measured on a service wide basis, and there would be a small improvement overall. Whilst there is a slight negative impact on the response in the Horsham area this is balanced by minor improvements into Chichester North and Crawley.
- 3.3 The consultation did not cover areas such as building design, traffic impact, noise etc which forms part of the standard public consultation during the Planning determination period.
- 3.4 169 responses were received in total (165 online, 3 via email, one letter). A summary of the consultation responses received are shown below.



- 3.5 A Horsham satellite fire station was, at an early phase of the project, discussed at the Strawford site; however, this was cost prohibitive at a project cost of £3m, and so all retained fire fighters will now be located as originally envisaged at Highwood Mill.
- 3.6 Contractors Willmott Dixon held a Public Exhibition based on the Stage 2 Information (Concept Design) at Horsham Library between 4th-11th March. Two periods within this time frame were attended by the project team and WSFRS to discuss the project.
- 3.7 About 40 people attended these two sessions. Many were impressed and excited that a new facility of this kind is being planned. However, there were comments regarding the proximity of the fire station to the adjacent

amenities, the design (colour scheme), use of the Highwood Mill access road, planting and ecology strategy, flood strategy, noise and the training tower. Attendees were advised of planning application dates and that these concerns would be dealt with during this phase of the project.

4. Financial Implications

4.1 Revenue Impact Summary

The revised project proposal will mean increase costs over the first ten years of the operation of scheme as follows. Negative numbers indicate lower expected costs and positive numbers indicate higher expected costs.

	Year 1 £000s	Year 2 £000s	Year 3 £000s	Year 4 £000s	Year 5 £000s	Year 6 £000s	Year 7 £000s	Year 8 £000s	Year 9 £000s	Year 10 £000s	MTFS period average £000s	10 year average £000s
FRS Training budgets	-81	-81	-81	-81	-81	-81	-81	-81	-81	-81	-81	-81
Live Fire Specialist Maintenance	90	90	90	90	90	90	90	90	90	90	90	90
Other premises costs excl capital financing	61	62	63	90	91	92	94	95	96	98	69	84
Capital financing costs	737	737	737	737	737	737	737	737	737	737	737	737
Total Impact on revenue budgets	807	808	809	836	837	838	839	841	842	844	815	830

4.2 Revenue consequences of proposal

The inclusion of a live fire training facility and a more complex building in general means higher maintenance standards. As such, a reduction in facilities maintenance costs is unlikely. In addition, the live fire facility demands the use of a highly specialist maintenance contractor. South Wales Fire & Rescue Service has recently built a live fire training facility and have provided information to support the projected £90,000 a year maintenance costs.

The maintenance revenue budgets will need to consider the whole life cycle costings prior to setting any budget for the new facility, to ensure that the 50-year lifespan is supported through an adequate maintenance regime. The resource implications for the Council, taking costs averaged over the first ten years of the scheme, mean the forecast revenue consequences of the proposal after implementation in 2025/26 are to:

- reduce Fire & Rescue Service costs by £81,000 a year;
- increase specialist facilities maintenance by £90,000 a year;
- increase other premises related costs by over £84,000 a year; and
- increase capital financing costs by nearly £737,000 a year.

In summary, the overall revenue impact is to increase costs to the Council by over £830,000 a year. As explained in 1.11 above, these costs are additional costs not currently included in the Council's Medium-Term Financial Strategy as the original planned project contained a commercial offer that covered the anticipated borrowing costs.

4.3 Capital consequences

The capital consequences of the scheme compared to the approved capital budget are as shown in the table below.

The design fees have exceeded the previously approved £1.5m capital budget allocation due to changes in the project's scope. These changes have included a redesign of the main facility which no longer supports commercial training and a more advanced design of live fire training building. An additional £460k has been spent on these elements which is indicated below.

	Actuals 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Forecast 2022/23 £000	Forecast 2023/24 £000	Total £000
Scheme Costs Already Approved						
Horsham Fire Station and Training Centre - <i>Design Fees</i>	641	859				1,500
Capital Programme Allocation						
Horsham Fire Station and Training Centre - <i>Design Fees</i>		461				461
Horsham Fire Station and Training Centre - <i>Construction</i>			17,117	2,957	306	20,385
Total Profiled Expenditure						
Horsham Fire Station and Training Centre - <i>Pre & Post Construction</i>	641	1,319	17,117	2,957	306	22,350*

* Total Forecast Construction Cost £22,346,260.83

4.4 Benchmarking

The benchmarking analysis suggests there are further opportunities to lower costs for the overall scheme and to reduce the £2.5m contingencies as risks are treated, transferred or terminated. As such the £22.346m overall estimated scheme cost should be viewed as a cap at the top end of expectations.

4.5 Cost Schedule Summary

The cost summary for the project is summarised below, and shows the breakdown in pre-construction and construction costs associated with the scheme:

Description	Preferred Option (£M)
Total Pre-Construction Costs	£1.96
Total Construction Costs	£20.38* *Including £2.5 contingencies as risk.
Total Project Cost	£22.35

5. Legal Implications

- 5.1 The works packages will be tendered at the end of RIBA Stage 4 and a contract sum returned for review. After due diligence, review and approval of this figure, WSCC will enter into a contract to build the project for a confirmed contract cost.
- 5.2 As this is a Design and Build project it is a 2 stage approach without the need for further competition between stage 1 and 2. The procurement decision to appoint Wilmott Dixon has already taken place at Stage 1 and is not needed again for Stage 2.
- 5.3 There will be a further Officer Key Decision for the award of the build element and a Stage 4 (Award Decision).

6. Risk Implications and Mitigations

- 6.1 The Stage 3 project risk register has been developed to help plan and manage project risks over the life of the project.). It indicates a range of risks which exist on the project, with the highest scoring items being factors which may prevent meeting the project budget and programme. All these risks have been additionally impacted by the presence of the of Covid-19 pandemic and far reaching effects upon supply chain resources, which is also an independent risk.
- 6.2 A total Client risk contingency of £2.5m is currently included within the overall project budget, which the Client Cost Manager considers to be adequate to mitigate all financial risks, including those identified above.
- 6.3 The five highest rated risks on the current register are shown below;

Risk	Mitigating Action (in place or planned)
Project cost budgets exceeded	Business case has been regularly updated and a new option costed that is within budget. Work has been paused to enable costs to be managed during the project revision.
WSCC access road adoption for construction purposes	Investigate alternative forms of access and egress to the site via the A24 slip road
Level of capital receipt achieved through Disposal of WSCC assets.	Agree a programme for release with firm and expert advice for marketing and sale at the optimum time reducing the risk of any impact on further borrowing costs.
Delay in full funding approval leads to increased design or construction costs	Business case presented 3rd June 2020 and timetable for governance settled and to be adhered to

- 6.4 Any delay to The Decision will impact on the project team availability, resulting in an increased risk to the current delivery programme and allocated costs. For these reasons it is proposed to re-appoint Willmott Dixon during September 2020, which would avoid this risk.
- 6.5 The risks of not proceeding with the project would be to maintain the status quo' with regards to the training and development of all West Sussex firefighters. Limiting training facilities as per the current provision would similarly limit firefighter effectiveness in the field. The Council needs to invest in upgrading their facilities in order to provide the level of realistic fire training required to ensure firefighter competencies are maintained and increase firefighter effectiveness.

7. Other Options Considered (and reasons for not proposing)

- 7.1 Following the completion of Stage 2 action was taken to consider design solutions and value engineering in order to meet the construction budget, whilst also ensuring that the project brief was met. Other options were included in the original outline business case and the project scope has needed to be revised significantly as set out in the background section above. It should be noted that the lack of commercial training availability does not affect the fire station operations or the training of WSFRS personnel.

8. Equality and Human Rights Assessment

- 8.1 The public sector equality duty does not have direct implications for the project set out in this report save that the improved facilities are directly linked to the need to achieve compliance with diversity and inclusion requirements for fire fighters.

9. Social Value and Sustainability Assessment

- 9.1 Sustainability considerations will be fully imbedded in the design of the new building as it develops and will support the County Council's goals in relation to combatting climate change.
- 9.2 The contractor appointment will reflect the County Council's duty under the Public Services (Social Value) Act 2012.

10. Crime and Disorder Reduction Assessment

- 10.1 None
Lee Harris
Executive Director Place Services

Sabrina Cohen-Hatton
Chief Fire Officer

Contact Officer: Nick Burrell
Strategic Manager Growth & OPE

Background papers: None