

Essex Fire Authority

Essex County Fire & Rescue Service



MEETING

AGENDA ITEM

Policy & Strategy Committee

7

MEETING DATE

REPORT NUMBER

23 September 2015

EFA/077/15

SUBJECT

Fleet Workshops Redevelopment

REPORT BY

Mike Clayton - Finance Director & Treasurer

PRESENTED BY

Mike Clayton - Finance Director & Treasurer

SUMMARY

For some years the condition of the Service's vehicle workshop at Lexden has been deteriorating. The nature of the building components make maintenance and refurbishment unduly complicated. The Fleet and Equipment Services Function underwent a service review in 2013 that resulted in the creation of the Fleet and Equipment Transformation Board that considered a number of recommendations and a way forward for Fleet Services into the future.

This report recommends a way forward for one key workstream; Resolving the Property Challenge. The intention is to design and deliver a solution for a new facility on the existing site at Lexden, Colchester.

Funding of £1.13m is requested to progress a construction project to tender evaluation. At that stage the full business case will be brought forward once the overall project cost is known.

RECOMMENDATIONS

Members of the Essex Fire Authority are asked to:

1. Agree the requirement for a new Fleet Services facility;
2. Agree the initiation of a project to design and tender for the construction of a new Fleet Services Facility at a cost of up to £1.13m; and
3. Agree that Lead Members should represent the Authority on the Project Board.

BACKGROUND

The current Fleet Workshops site occupies a corner position to the south west of Colchester town centre. The location is mainly residential although the site itself is adjacent to a school and an ambulance station and the Authority's site includes the Urban Search and Rescue base. The recent relocation of stores and the Breathing Apparatus Workshop to the site assisted in the vacation of Hutton. The site comprises a main building with a series of outbuildings with a concrete yard area providing parking and testing areas.

Although serviceable as a site and layout the utilisation is hampered by the building constructions. Most of the buildings are constructed of clad steel frame, with a high proportion of the construction materials containing asbestos. Standard maintenance items such as roofs and windows cannot be replaced without a significant safety risk. Elements of all the buildings have been patched repaired to the point that there is a significant risk of failure in the next few years. Dated design elements such as a single entry door on the main building greatly restrict the effective use of the current facilities, hampering the fleet workshops performance.

There are currently three options available to the Authority regarding the facility:-

- 1 Relocation of the Fleet Workshops facility;
- 2 Demolition and rebuild of the current facility; and
- 3 Outsource vehicle maintenance.

The relocation of the Fleet Workshops does solve a number of issues arising from trying to continue the service during a substantial redevelopment project and would be expected to be the cheapest overall solution. In considering the relocation option, a number of sites, organisations and local authorities have been contacted within the local area. The main options for relocation are to the Authority's headquarters site at Kelvedon Park, or within the Colchester area.

There are potential difficulties and additional expenditure associated with moving to the Kelvedon Park site as the current electricity supply arrangements for the site would not be sufficient to accommodate the workshops. In addition the change in use for the site, as well as the design of the workshop facility would require consent from the local planning authority. Discussions with Colchester Borough Council have not, to date, identified a suitable alternative site at the time of writing this report.

Work will continue over the coming months to determine whether there would be a suitable alternative location for the proposed development.

The opportunity to develop a new workshop facility on the same site is therefore the preferred option at this time and the proposed financial authority for the design costs reflects this option. The position will be monitored through the early stages of the design process so that if a suitable freehold site became available this option would be brought back for Member consideration.

The option to outsource vehicle maintenance is not recommended. Two studies in recent years have confirmed that the labour rate and operating efficiency of the existing workshop facility are competitive and that an outsourced option would increase the overall fleet maintenance costs for the Authority.

Design to tender stage Proposal

Local site searches have confirmed that the demolition and rebuild (Option 2) of the existing facility is the only viable option available for the Authority within the Colchester area and available at this time. Redevelopment with Fleet Services still in operation on the site does present significant logistical issues considering the size and nature of the buildings. A temporary relocation to a suitable alternative facility would be beneficial in both time and money.

Because there are no suitable alternative sites available Officers have brought forward this proposal to request finance and time to progress a redesign of the existing site. Work has been undertaken to identify user requirements for a modernised facility. Although at the outset the design work could be transferred to alternative locations; as work progresses site transfer later becomes more expensive. Once the design is completed and the specification issued for tender the Authority will be committed to the site.

It is proposed with the support of Members that work continues on the existing site design to the procurement stage of the construction project. When the design and the specification for the build are completed the Authority will be in a position to consider whether to progress the development on the strength of a tender proposal from a contractor.

Design to Tender Stage Costs

The following figures are an estimation of the total project cost. As with all construction works it will be some time after completion of the project that costs will have full certainty.

In order to establish costs the Board supported Fleet Management to identify user requirements for a replacement facility. Utilising sizes and relevant construction cost data a possible construction figure has been achieved. Using the experience of other construction projects a sum has been allocated to the design and tender process.

Outline Construction Costs

It should be noted that the following costs have not been allowed for:-

- Any temporary accommodation arrangements;
- Any relocation or redesign costs if an appropriate site is identified;
- Any statutory services upgrades;
- Planning fees above a standard application (e.g. an appeal);
- Forthcoming changes in planning or building regulations that change the design;
- Any future changes in asbestos removal legislation;
- The type of construction contract that the build is let on; and
- Any changes to the current OJEU expectations.

The total project cost currently anticipated to be around £11m to provide an up to date facility on a similar footprint to the existing buildings. The design proportion of this would amount to £1.13m.

There is a significant issue in the redevelopment of the Fleet facility with users of the site still in place. Part of the design criteria will require a solution to this issue.

Outline Programme

The outline timescale proposed is as follows:-

Work Item	Outline delivery date
Members agreement to design fees	September 2015
Product descriptions agreed for the construction	November 2015
OJEU process starts for design team	March 2016
Design Team appointed via European regulations	September 2016
Completion of design	June 2017
Tender and adjudication of construction works	December 2017
Construction contract agreement	February 2018
Construction completion	May 2019

As with all significant contracts there could be some timescale slippage in either direction.

RISK MANAGEMENT IMPLICATIONS

The risks arising from this paper are varied and significant. The Project Board, including Lead will monitor the implications for the Authority from the programme and Property Services Manager will supply risk information to the Board from the design and construction processes through formalised issues and risk identification and monitoring processes.

Failing construction items, plant and machinery bring their own risk management issues.

FINANCIAL IMPLICATIONS

This project was not included in the 2015/16 budget, and it is not expected that any significant design costs will be incurred in the financial year, depending on the progress in the procurement of the design team. The direct expenditure on the maintenance of the fleet is £2.5m per annum with a further £0.2m for the costs of the site. The timing of the design work will ensure that any changes to fleet size or composition as a result of the 2020 project can be reflected in the requirements for the new building. Should the project not proceed once the design phase has been completed there will be a one-off revenue charge for the costs incurred.

LEGAL IMPLICATIONS

There are a number of legal implications arising from the Fleet and Equipment project and the construction.

The maintenance and repair of service vehicles along with the legal obligations to vehicle users and other road users carries legal implications. There are legal ramifications for the Authority's current and future treatment of Asbestos containing materials. The asbestos containing products and encapsulating materials on site will only continue to degrade and will present significant health risks to building occupiers.

There are a number of legal questions arising from externalities such as the Disability Discrimination Act and Workplace Acts.

USE OF RESOURCES

The Fleet and Equipment, Urban Search and Rescue and Stores functions are all key parts of this Authority's delivery obligations for an operational service. Combined with the implications of a dated and deteriorating facility the project could be considered as an imperative use of resources.

ENVIRONMENTAL IMPLICATIONS

As one of the larger single facilities that the Authority owns, any improvement in key performance costs will make an improvement to the carbon footprint of the Authority.

EQUALITY IMPLICATIONS

Improvement in the facilities associated with the Lexden site will ensure current equality standards in terms of access and facilities are achieved.

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of appendices attached to this paper:	
List of background documents (not attached):	
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