

Portfolio Holder Decision WFRS Training and Response Point

Portfolio Holder	Portfolio Holder for Finance and Property
Date of decision	December 14 th 2023
Signed	

Decision taken

That the Portfolio Holder - Deputy Leader (Finance and Property) approves the movement of £1.512m capital resources from the Warwickshire Fire & Rescue Service (WFRS) Leamington Office Space Refurbishment Project to the WFRS Training Facility and Response Point Project to enable delivery and approves the adjustment of the total cost of each project in the capital programme accordingly.

2.0 Reasons for decision

- 2.1 The Portfolio Holder - Deputy Leader (Finance and Property) has specific powers within the Constitution to make virements between schemes that have already been approved and are in the capital programme between the sums of £1m and up to £3m.
- 2.2 The Portfolio Holder for Fire and Community Safety is supportive of the recommendation to vire money between two WFRS schemes that have already been approved and are in the capital programme and has liaised with the Portfolio Holder for Finance and Property concerning this decision.

3.0 Background information

WFRS Training Facility and Response Point

- 3.1 The WFRS Training Facility and Response point will provide a state-of-the-art firefighting training simulator, designed to meet the training needs of WFRS now and into the future.
- 3.2 The facility can replicate a variety of fire event scenarios in a safe and controlled environment. The facility will provide the knowledge skills and understanding to enable our people to operate effectively, assertively, and safely for the benefit of our communities.
- 3.3 The breathing apparatus facility takes the form of a modular training unit known as 'Minerva'. The unit has been purchased and is currently being stored with the manufacturer. The capital budget remaining for delivery of the overall facility project is £1.5m. This will be insufficient to undertake the works required to install and make operational the Minerva, leading to the virement requested in this Report.
- 3.4 Since the commissioning of the Minerva unit, there have been problems with finalising a location for the facility. Planning consents have proved challenging and there have been consequential delays to installation. Following an unsuccessful attempt to locate the unit at Lea Marston, an alternative site has been identified on Warwickshire County Council (WCC) owned land at Paynes Lane, Rugby. Planning permission has been secured and the project is programmed to be delivered in April 2024.
- 3.5 In addition, market conditions have also changed fundamentally and inflation has led to increased costs for capital works, meaning that the overall cost of the scheme has grown.
- 3.6 Whilst awaiting provision of the Minerva facility, WFRS continues to incur revenue costs through the purchase of specialist hot fire training from a neighbouring fire service. Once the Minerva unit is operational, these costs will cease. Further, it is anticipated that the facility will also be used by external contractors which will attract revenue income to WCC.
- 3.7 To enable completion of the Minerva project, it is proposed that capital funding is re-allocated from the already approved capital programme allocation for the WFRS Leamington Office Space Refurbishment Project. The strategic objective of the capital investment for the office space was to improve the efficient and effective operation of the WFRS by ensuring the office space met the then need for staffing requirements. The overall objective in delivering the Training Facility and Response project remains the same – supporting the efficient and effective operation of the WFRS - and so it is considered that the proposed movement of capital funding will still support the overall objectives for which the original investment was made and is a more effective use of the funds given changes in ways of working.

Leamington Spa HQ Office Refurbishment.

- 3.8 A capital allocation of £2.150m was made to the WFRS Leamington site to upgrade and modernise the office space. This funding allocation was focused on the office space and was not allocated for the refurbishment of the fire station itself, which has benefited from previous investment. The WFRS Leamington office space is dated but meets the basic requirements of a workplace.
- 3.9 Since the Covid-19 pandemic, there has been significant change to the ways in which staff use workspaces. The Council estate is now used much differently, and colleagues work in a more fluid and agile way. Whilst the WFRS Leamington office space is still utilised regularly, seven days a week, colleagues now work from a variety of locations including Shire Hall, fire stations and from home.
- 3.10 Such changes in working patterns and locations mean that there is less pressure on the Leamington office space and therefore less of a need to invest capital to the same extent on upgrading the office space. Into the future, options could be considered on the use of this office space by WFRS and the wider WCC through an evidence-based business case.
- 3.11 The WFRS Leamington Office Space Refurbishment Project will be revised, and any refurbishment required to meet the changing staffing needs will be completed within the bounds of the remaining budget of £0.640m.

The Proposal

- 3.12 Following evaluation of tenders, a contractor has been identified to carry out the civil engineering works at Paynes Lane at a cost of £3.022m.
- 3.13 As noted above, the current remaining budget for the Minerva project is £1.5m. WFRS is seeking to meet the shortfall through a move of £1.512m from the WFRS Leamington Office Refurbishment Project to the WFRS Training Facility and Response Point.
- 3.14 It is proposed that the Portfolio Holder for Finance and Property approves the transfer of the funding to enable delivery of the Paynes Lane Training and Response Point scheme.

4.0 Financial implications

- 4.1 The proposed WFRS Training Facility and Response Point at Paynes Lane is now fully costed, for delivery at £3.022m.

Paynes Lane capital budget breakdown and full project costs

Description		Cost (£)
Contractor civils fees		2,340,007
Professional Fees - Stages 3-7 (2%) Project Manager (2%)		45,867
Professional Fees - Stages 3-7 (2.2%) Clerk of Works - Building Electrical & Mechanical (2%) Construction Design & Management (0.2%)		50,453
Consultant Fees		165,000
Planning Application Fees		1,680
Building regulation fee		4,300
Surveys & Orders		140,092
Contingency (10% of Contract Sum)		274,739
Total Project Build Cost		3,022,138
Minerva - Installation & Delivery		760,000
Total Overall Project Cost		3,782,138
Approved Budget		
Minerva Purchase	770,000	
Civil Engineering	1,500,000	2,270,000
Budget Deficit		-1,512,138

- 4.2 The budget deficit of £1.512m for the successful delivery of the scheme will be funded by the virement being requested.
- 4.3 A 10% contingency (£0.275m) is built into the budget for the scheme. If any of this funding is not required it will initially be reallocated back to the WFRS Leamington Office Refurbishment Project, pending approval of the business case for the revised works.

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Portfolio Holder	Cllr. Peter Butlin Portfolio Holder for Finance and Property peterbutlin@warwickshire.gov.uk

Urgent matter?	No
Background confidential or exempt Information	No
Is the decision contrary to the budget and policy framework?	No

List of background papers

Previous Cabinet and/or Council decisions relating to -

- The WFRS Training Facility and Response Project
- The Leamington Spa HQ Office Refurbishment

Members and officers consulted and informed

Cllr Andy Crump; Portfolio Holder for Fire and Rescue and Community Safety
WCC Corporate Board
Chief Fire Officer - Ben Brook
WFRS - Fire Leadership Team
WCC - Lead Commissioner Development & Assets
WCC - Delivery Lead Soft Facilities Management
WCC - Finance
WFRS - Commercial Training
WFRS - Training & Development
John Hopper - Procurement
Nichola Vine - Legal
Nicole Conway - Democratic Services
Andrew Felton - Finance