

Governance, Audit and Scrutiny Committee
3 December 2013

Report by
Director of Finance & Assets/
S.151 Officer

CAPITAL PROGRAMME 2014/15 ONWARDS – VEHICLES, ESTATES AND IT

REPORT EXECUTIVE SUMMARY

This report sets out for approval the proposed capital programme for vehicles, estates and IT for 2014/15 onwards.

The programme has been developed through the Service's Board structure and approved by CMT at their meeting on 11 November 2013.

RECOMMENDATIONS

1. That Members consider the capital programme for vehicles, estates and IT for 2014/15 onwards and make any recommendations to the Fire Authority as necessary.

VEHICLE REPLACEMENT PROGRAMME 2014/15 ONWARDS

2. The last 12 months has seen the delivery of 8 new fire engines and an Aerial Ladder Platform. These vehicles represent the best part of £3m of investment in key front-line assets for the Service.
3. The rolling programme of vehicle replacement continues and the schedules for 2014/15 to 2018/19 are set out in Appendix 1.

ESTATES 2014/15 ONWARDS

4. The Authority's Estate has undergone significant improvement and investment in the last 7 years. Schemes have completed at a number of locations, e.g. Beverley, Peaks Lane Grimsby, Scunthorpe, Winterton, Waltham, Goole and Service Headquarters. Notably, the Control Room refurbishment is now complete and the station rebuild at Clough Road, Hull is in the construction phase. Further work to secure a freehold site for the construction of a new station at Brough is at an advanced stage.
5. The base Estates Capital Programme for 2014/15 and 2015/16 is as follows:-

2014/15	-	£240k – Brigg refurbishment £180k – Howden rewire and refurbishment £350k – Hull CPU Bransholme rewire and refurbishment £200k – Invest to Save – Premises £150k – Station End Equipment Enabling Works – East Coast and Hertfordshire Control Project £1.1m – Brough – creation of new station £125k – Service Headquarters conversion of the Stores space *
Total 2014/15		<u>£2.345m</u>
2015/16	-	Block allocation of £700k

* Cross-refers to the Training Infrastructure report elsewhere on this agenda

6. The Invest to Save allocation is aimed at premises schemes that will yield revenue savings. Examples of this would be the replacement of old oil fired heating boilers that would result in utility/oil savings on an on-going basis.
7. The Brigg, Howden and Hull CPU schemes earmarked for 2014/15 are the next three priority station schemes based on the Authority's database of condition surveys with legislative compliance being a key consideration, e.g. Electricity at Work regulations.
8. In addition to the Estates programme set out above, subject to Member approval, the schemes contained within the Operational Training Infrastructure report elsewhere on this agenda would be incorporated into the capital programme for 2014/15 onwards.

IT 2014/15 ONWARDS

9. IT infrastructure within the Service has also undergone major investment in the last 3 to 4 years. The creation of a state of the art Data Centre at Headquarters has been completed which is instrumental to the needs of the Authority and as part of its role in the East Coast and Hertfordshire Control Room Project.

10. The Service's own Wide Area Network (WAN) has now been completed after many months of planning and installation.
11. The IT capital programme for 2014/15 onwards is as follows:-

2014/15	
Replacement Programme (including Microsoft Enterprise Agreement)	£165k
Data Centre and Additional Equipment	£45k
Station End and Operational Communications Equipment	£60k
Mobile and Flexible Working	£15k
Development of Communication Channels (voice, instant messaging, etc)	£20k
Information Systems	£15k
Total	£320k

2015/16	
Replacement Programme (including Microsoft Enterprise Agreement)	£170k
Data Centre and Additional Equipment	£60k
Mobile and Flexible Working	£25k
Station End and Operational Communications Equipment	£15k
Development of Communication Channels (voice, instant messaging, etc)	£20k
Information Systems	£30k
Total	£320k

12. The main element of the 2014/15 and 2015/16 IT Capital Programme relates to the Replacement Programme for hardware equipment. Other capital expenditure is proposed which supports the ongoing development of the Data Centre in Service HQ, Station End Equipment enabling works (to support the East Coast and Hertfordshire Consortium project) and also further advances in mobile and flexible working.
13. The summary financial impact of the proposals in this report is shown below in Table 1.

Table 1 – Proposed Vehicles, Estates and IT Capital Programme 2014/15 to 2017/18

	2014/15 £m	2015/16 £m	2016/17 £m	2017/18 £m	2018/19 £m
Vehicles					
Heavy	2.940	-	1.400	2.210	1.400
Light	0.357	0.419	0.222	0.222	0.384
Estates	2.345	0.700	0.700	0.700	0.700
IT	0.320	0.320	0.320	0.320	0.320
Total	5.962	1.439	2.642	3.452	2.804

14. The programme once approved will be incorporated into the budget and Medium-Term Financial Plan that will be approved by Members at the February 2014 Fire Authority.

STRATEGIC PLAN COMPATIBILITY

15. The report and the proposals outlined within it are designed to support the Authority's three key strategic priorities by providing operational staff with fit-for-purpose resources to enable them to effectively perform their roles.

FINANCIAL/RESOURCES/VALUE FOR MONEY IMPLICATIONS

16. The financial impact of the proposals is detailed in Table 1. Subject to approval of the recommendations contained within the report, the net financial effect of the proposals will be incorporated into the Authority's revenue and capital plans for 2014/15 onwards that will be presented for consideration and final approval at the Fire Authority in February 2014.
17. The most appropriate method of financing the assets set out in this report will be determined on the basis of value for money and risk to the Authority. This will be undertaken prior to the start of the financial year in liaison with the Authority's Treasury Management advisors.

LEGAL IMPLICATIONS

18. Up to date, modern and fit for purpose vehicles, premises and IT equipment are essential in order for the Authority to meet its legal responsibilities to both employees and its communities.

EQUALITY IMPACT ASSESSMENT/HR IMPLICATIONS

19. No direct issues arise from this report.

CORPORATE RISK MANAGEMENT IMPLICATIONS

20. It is essential that an ongoing programme of replacement is in place to ensure that assets are 'fit for purpose' and to mitigate against the risks of financial resources not being synchronised with service planning.
21. In determining an appropriate programme of replacement, due consideration has been given to expected asset lives, planned operational requirements and financial implications. This aspect of service planning is now undertaken by the Service's Operational Assurance Board and the Infrastructure Board to ensure involvement from all key internal stakeholders.

HEALTH AND SAFETY IMPLICATIONS

22. Health and Safety considerations and responsibilities are paramount and to that end the Authority aims to provide suitable and sufficient equipment and vehicles to ensure effective service delivery.

COMMUNICATION ACTIONS ARISING

23. No direct issues arising.

DETAILS OF CONSULTATION

24. This report has been developed through the Operational Assurance Board and Infrastructure Board framework to ensure key stakeholders across the organisation have appropriate input into the development of the Programme.

BACKGROUND PAPERS AVAILABLE FOR ACCESS

25. Annual Statement of Accounts 2012/13 and Medium-Term Financial Plan for 2013/14 to 2015/16.

RECOMMENDATIONS RESTATED

26. That Members consider the capital programme for vehicles, estates and IT for 2014/15 onwards and make any recommendations to the Fire Authority as necessary.

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