

AGENDA ITEM:

REPORT TO:	MERSEYSIDE FIRE & RESCUE AUTHORITY (SPECIAL MEETING)
DATE:	22ND OCTOBER 2012
REPORT NO.	CFO/150/12
REPORTING OFFICER:	CHIEF FIRE OFFICER
CONTACT OFFICER:	DEPUTY CHIEF EXECUTIVE
OFFICERS CONSULTED:	LEGAL SERVICES
SUBJECT:	MERSEYSIDE JOINT CONTROL CENTRE (JCC) APPROVAL TO PROCEED

**APPENDIX A Plans of Merseyside Joint Control
Centre****ATTACHED – HARD COPY**Purpose of Report

1. To update Members on the design work and costing exercise undertaken as part of the first stage of a two-stage contract with Kier Construction Ltd for the Joint Control Centre (JCC) for Merseyside and to seek approval to award the second stage of the contract to construct the centre.

Recommendation

2. That Members;
 - i. Note the processes undertaken and outcomes of the pre-construction activities (1st Stage) in particular the proposed site layout, building design and construction costs in the form of a “Maximum Agreed Price” (MAP).
 - ii. Approve the continuation of the project to deliver a joint command and control with the police and award the second stage construction contract to Kier Construction Ltd : and
 - iii. Grant delegated authority for the Clerk to the Authority to conclude appropriate lease arrangements with the Police Authority. .

Executive Summary

The Authority has previously approved in principle the development of a joint Merseyside Command and Control Centre (JCC) at SHQ Bridle Road and also the award of the first stage (PSCP10) of a two-part contract with Kier Construction to further develop the design.

Kier's design team has worked with the combined fire/police project team to achieve all first stage objectives and deliverables.

The design phase has been complicated and significant changes to the scheme have been necessary mainly as a consequence of evolving police security requirements. The revised plans are set out in appendix A.

The final cost of the project is £7.6m in line with budgets originally set aside. The Fire Authority will invest £3.6m - this is also in line with budgets set aside for the project.

Partners have agreed the principle terms and conditions of a Development Agreement & Lease together with a service-charge.

A final design proposal together with a maximum agreed price of £6.0 m are two of the primary deliverables from the first stage of the contract.

Subject to Authority approval and award of the second stage of the contract to Kier (PSCP6) enabling works are due to start on site in November 2012. Construction of the new 2-storey extension to the rear of the existing SHQ restaurant will start after the Christmas break. Practical completion will be December 2013.

Introduction & Background

3. Members will recall that the outcome of the feasibility study to determine the optimum site for the JCC concluded that the facility should be located at MFRA's HQ site and would be a mixture of refurbishment and new build. This option satisfied all key-criteria and was the most cost effective by a significant margin.(CFO/84/112)
4. The Fire Authority then directed the Chief Fire Officer to undertake a procurement exercise through the North West Construction Hub (NWCH).
5. The mini-tender competition was won by Kier Construction Ltd and the Chief Fire Officer approved the award of contract for the first stage to Kier.(CFO/113/12)
6. Kier's design team has worked with the combined fire/police project team to achieve all first stage objectives and deliverables.

Site Layout & Building Design

7. Before arriving at the final proposal a number of other site configurations were considered but eventually ruled-out on the basis of security requirements. The main issue with the earlier schemes was that elements of the scheme which are deemed part of the Critical National Infrastructure by central government such as the control room/contact centre and strategic command areas were located too close to our southern boundary. As the area on the other side of our boundary is outside of our control the project team were unable to satisfy themselves that adequate measures to prevent vehicle-borne attack could be guaranteed. Without any realistic chance of providing a reasonable “stand-off” distance the cost of adequately target-hardening the perimeter gable-end was prohibitively expensive.
8. Members will recall that earlier schemes also relied on securing a right of way agreement with the owners of the Atlantic Park development to access the rear of the yard via the Atlantic Park service road from Bridle Road. This is not required with the final proposal as the scheme provides three other means of access/egress to the site:
 - Existing vehicle entrance from Bridle Road is retained.
 - A new vehicle entrance from Bridle Road formed by demolishing approximately 12m of the existing stores Access via Farriers Way on to the land acquired from Sefton MBC for additional parking.
9. The proposed design solution is attached as appendix A and comprises:
 - New build two-storey extension attached to the rear of the existing two-storey section of the SHQ building by means of an atrium to ensure adequate light in to both the existing and the new. This will house both police and fire command and control centres on the ground floor and major incident command above.
 - A complete, high quality refurbishment of the accommodation located off the side of the building including the conference facilities extending in to the existing stores
 - Refurbishment/ re-decoration of other areas of SHQ not directly affected by the work.
 - Providing an access road from Farriers Way on to the newly acquired “Sefton” land
 - Providing circa 200 additional car parking spaces on new land
 - Providing a compact operational training unit on the new land comprising of a training tower and pit.
 - Additional passive security measures still to be defined by Merseyside Police and to be funded exclusively by Merseyside Police.

Equality & Diversity Implications

18. The design of the JCC will comply in full with the requirements of the Equality Act 2011 and current Building Regulations.

Staff Implications

19. MACC staff currently located at the Derby Road site in Bootle will have to re-locate to Bridle Road, a distance of 4.2 miles by road. Bus routes run along Bridle Road and there are bus stops within 100m in both directions. Aintree train station is less than 1 mile away.
20. The re-location is not expected to cause staff any undue travel difficulties. It is expected that a negotiated solution would be reached with staff around a small amount of support for transport cost increases (for those suffering an increase) in line with Authority policy on relocation.
21. The new site will provide much improved facilities and working environment for staff.

Legal Implications

22. A Development Agreement and Head of Terms are being finalised between Merseyside Fire and Rescue Authority (MFRA) and Merseyside Police Authority (MPA) which cover the fundamental points of the agreement intended to form the basis of a formal contract and cost apportionment and responsibilities during the design and build phases of the project.
23. The Development Agreement includes an agreement for lease clause which obliges MFRA to grant a lease and MPA to enter into a lease on practical completion of the project. The Development Agreement is conditional on the following matters:
 - (i) the obtaining of detailed planning consent
 - (ii) Agreeing the specification
 - (iii) No judicial review of the planning application being made
 - (iv) MFRA entering into a PSPC6 Building contract with Kier
 - (v) MFRA acquiring the leasehold land (title number MS5488117) to the rear of Fire Service Headquarters required for car parking

If any of the above conditions are not met the parties will share the abortive costs of the project.

24. The form of lease will be attached to the Development Agreement and will be signed in substantially the same form as that attached to the Development Agreement. The lease will deal with the terms of MPA's occupation of the JCC including a service charge for utilities, maintenance and services.

25. On or before MFRA entering into the build phase of the project (PSPC6) MPA must enter into the Development Agreement. Negotiations with regards to the Development Agreement and lease are at an advanced stage and the parties should be in a position to sign the agreement in the near future.
26. Planning permission will be required and Kier will submit applications as part of this stage of the project. This process has now begun and it is possible that some work may commence in advance of the full planning permission. The Chief Fire Officer will manage any such works to minimise risks to the Fire Authority.
27. Negotiations are at an advanced stage to acquire land at the rear of HQ in order to provide additional car-parking for the circa additional 250 staff. The land is in the ownership of Sefton Council.

Financial Implications & Value for Money

Capital Costs

28. The initial approved total capital budget for the project is shown in the table below and was £7.6million. In addition to the originally reported £6.6m Members will recall they set aside a specific reserve of £1m in relation to the project recognising that:
 - a. aside from the main construction of the new facilities there was a need to ensure that the remainder of the HQ building and site was fit for purpose and that there was a consistency of building quality across the whole.
 - b. there was a requirement to create a new back up control room at the Training and Development Academy in Croxteth (TDA).
 - c. there was a need to manage the inevitable risk associated with major capital projects of any kind (A variation of only 10% would be equivalent to £0.5m).

Original Budget						
			Total		Police	Fire
			£'m		£'m	£'m
Build Cost			5.8		3.6	2.2
Land For Parking			0.2			0.2
ICT Infrastructure			0.4		0.3	0.2
Project Management			0.2		0.1	0.1
Contingency			1.0			1.0
			7.6		4	3.6

29. Build costs have increased marginally as the design of the building has progressed and as costing certainty has been achieved. In particular complete re-design of the site and building design has been necessary as MP has taken external advice on requirements for security for critical national infrastructure buildings. The review has resulted in a higher ratio of new build compared to

refurbished accommodation and new build costs are higher than refurbishing. A regime of intensive value engineering (VE) has contained the increased build costs to £6.0m without compromising the quality or effectiveness of the building.

30. Members will be aware that to provide the requisite number of car parking spaces the Authority is negotiating with Sefton MBC to acquire 2.4 acres of land at the rear of SHQ. Sefton had initially valued this land at in excess of £0.46m. Our initial estimate for this was that it might be possible to negotiate a lower price and provision of £0.2m was made. It was agreed with Sefton that an independent valuation would be obtained to agree the sale price. The District Valuer has valued the land at £0.37m based on a 99 year Leasehold. This variation in the land cost can be contained within the budget contingency set aside for the project.
31. The lift and shift of the MACC systems and re-location of the Secondary Control to the TDA will cost £0.36m.
32. It is proposed to take the opportunity of having construction teams on site to enhance existing areas of SHQ that do not form part of the Kier contract works. In essence this will see the existing two-storey block refurbished and layouts improved to better match the business needs. The budget figure for the works identified to date is £0.25m

<u>Current Budget</u>			Total	Police	Fire
			£'m	£'m	£'m
Build Cost			6.000	3.600	2.400
Land For Parking			0.370		0.370
ICT Infrastructure			0.400	0.240	0.160
Project Management			0.270	0.162	0.108
Consistency of Building			0.250		0.250
New Backup control			0.350		0.350
			7.640	4.002	3.638

33. It has been agreed to apportion the main project capital costs (on the basis of 60% MPA and 40% MFRA. The land purchase will be funded by MFRA since we retain that asset.
34. The project is to be funded as set out in the table overleaf. A recommendation on whether to fund the Authority capital investment through borrowing or use of the capital investment reserve (Currently £6m) will be made during the budget process.

		£'m
Police Contribution		4.0
Control Room Grant		1.1
Sale of Derby Road		0.7
MFRA Capital Resources		1.8
		7.6

Revenue

35. MFRA will make savings from the closure of the Derby Road site and the associated running costs of £0.1m per annum.
36. A basis has been agreed for apportioning the running costs of the new building. A service charge will be made to the police based predominantly on floor space usage. The overall growth in running cost for the new HQ building from the existing building can be contained within current budgets.

Risk Management, Health & Safety, and Environmental Implications

37. In order to provide adequate controls and management of risk a PRinCE2 project management approach has been employed in line with other major projects run in recent times by the Authority. The organisational structure spans all partners. A Steering Group comprising of Elected Members and Principle Officers sits at the top of the organisational structure. A conventional PRinCE2 Project Board manages the day-day issues and risks.
38. The design team have been briefed to incorporate construction measures which will result in a BREEAM standard of at least "Very Good"
39. The design team have liaised with the counter-terrorism unit to ensure appropriate safeguards are provided to the site.
40. The Construction (Design Management) Regulations 2007 will be fully complied with at the construction phase of the project and independent consultants will be appointed to advise.
41. Suitable arrangements will be made for business continuity and in particular fall back arrangements for MACC whilst building and decant take place. Once relocated the fall back arrangements for MACC are intended to be provided at the TDA.

Contribution to Our Mission – To Achieve: "Safer Stronger Communities – Safe Effective Firefighters"

42. Creation of a Joint Control Centre will provide reassurance to, and improve the perception of the public that emergency services working in collaboration will lead to a more effective response.
43. Experienced control personnel with local knowledge enable a optimum response to incidents. There is also potential for reduction in response times and improved

management of response through a multi agency approach.

44. The co-location of Fire, Police, and NWAS Operational Planning Teams with Local Authority Emergency Planning Teams will foster cross-pollination of ideas and greater understanding and appreciation of service-specific issues in the context of multi-agency planning. It will also lead to improvements in the sharing of information, e.g., gazetteer building in command and control for potential 'risk sites i.e., COMAH Sites'.
45. In addition there are likely to be enhanced staff training opportunities, which will accrue through a single, seamless approach.

BACKGROUND PAPERS

CFO/084/12

CFO/113/12

NA

Glossary of Terms

JCC: Joint Control Centre

NWCH: North West Construction Hub

MFRS: Merseyside Fire & Rescue Service

MP: Merseyside Police

BREEAM: Building Research Establishment Environmental Assessment Method

COMAH: Control of major accident hazards

NWAS: North West Ambulance Service