

MERSEYSIDE FIRE AND RESCUE AUTHORITY			
MEETING OF THE:	AUTHORITY (ANNUAL GENERAL MEETING)		
DATE:	9TH JUNE 2022	REPORT NO:	CFO/031/022
PRESENTING OFFICER	CFO PHIL GARRIGAN		
RESPONSIBLE OFFICER:	NICK SEARLE	REPORT AUTHOR:	STEWART WOODS / GM BEN RYDER
OFFICERS CONSULTED:	TDA PROJECT BOARD & EXECUTIVE GROUP		
TITLE OF REPORT:	CONSTRUCTION OF A NEW MULTI-PUMP SUPERSTATION, TRAINING AND DEVELOPMENT ACADEMY / NATIONAL RESILIENCE CENTRE OF EXCELLENCE AT LONG LANE, AINTREE		

APPENDICES:	APPENDIX A:	DRAFT PLANNING CONDITIONS
	APPENDIX B:	TRAINING MODEL
	APPENDIX C:	PATHWAY TO NET ZERO
	APPENDIX D:	EIA

Purpose of Report

1. To request that Members, consider the content of this report and provide final approval for the combination of Aintree and Croxteth Fire Stations and the construction of a new multi-pump superstation, Training and Development Academy/National Resilience Centre of Excellence at Long Lane, Aintree.

Recommendation

2. That Members;
 - a) Approve the combining of Croxteth and Aintree Fire Stations into a single site at Long Lane, Aintree as per Integrated Risk Management Plan (IRMP) 2021-24.
 - b) Approve the purchase of the land at Long Lane, Aintree for £3.938m.
 - c) Approve the construction of a new multi-pump superstation, Training and Development Academy/National Resilience Centre of Excellence at Long Lane, Aintree as per IRMP 2021-24, and
 - d) Approve the capital budget allocation of £39.198m as outlined in the finance section of the report, and the associated £14.253m borrowing. Note, the Authority has incurred costs to date of £1.2m and received £1.7m from Home Office and a further £0.2m available from unspent home office grant. Therefore, the Authority is being asked to commit to £36.098m of Authority expenditure.

- e) Award a Design and Build contract to Wates construction as detailed in the finance section.
- f) Instruct the Marketing for sale of Croxteth Fire station, Aintree Fire station and Vesty 5a and 5b and Richie Avenue with a report brought back to members for final approval.
- g) Note and give delegated powers to the Chief Fire Officer in consultation with the Director of Finance and Procurement and the Monitoring Officer to progress collaborative opportunities (including sponsorship) which are currently under consideration with Mersey rail / National Highways and specialist smoke control systems (Certus) should in the case of sponsorship the value exceed the current delegated powers of £25,000.

Introduction and Background

- 3. On the 30th June 2021, the Authority approved the Integrated IRMP 2021-24. The consultation process for the IRMP 2021-24 was conducted between 01st March 2021 and the 24th May 2021 and was reported to the Authority via report CFO/039/21.
- 4. Merseyside Fire and Rescue Service's IRMP 2021-24 states that:

 'We plan to: Combine the stations at Aintree and Croxteth to create a super-station (Hybrid/Specialist Rescue station) along with a new Training and Development Academy to be built on land at Long Lane, Aintree.' (**IRMP 2021-24 page 33**)
- 5. On the 30th June 2021, the Authority considered report CFO/040/21 and resolved that the merger of Aintree and Croxteth Fire Stations at a new site at Long Lane, Aintree be approved subject to a 12-week period of public consultation to commence from 15th July 2021.
- 6. On the 29th July 2021, the Authority approved the appointment of Wates as the main contractor for the new TDA pre construction works. The cost incurred to date including initial feasibility study, site investigation and pre construction is £1.2 m.
- 7. On the 11th November 2021, the Authority considered the outcomes of the public consultation as reported in CFO/040/21 and subsequently approved officers to progress with a formal planning application reported in CFO/061/21.

Planning

- 8. A formal planning application was submitted on the 15th December 2021 to Liverpool City Council (LCC).
- 9. The planning application was considered and approved at the Liverpool City Council planning committee on the 03rd May 2022. The planning application was

received by the committee with no objections from the committee members, statutory consultees or members of the public. The chair of the planning committee and the wider members of the committee expressed their support for the proposal recognising the positive impact this development will have on the Liverpool City Region and communities of Merseyside.

10. The granted planning permission is subject to entering into a section 106 legal agreement which will be completed following the outcome of this Authority meeting.
11. The planning approval has a number of planning conditions associated with the scheme, none of which do we feel are detrimental to the smooth running of the site in the long term. The planning officer report and draft planning conditions is attached in appendix 'A'.
12. The planning conditions do impose some challenges however, officers in conjunction with Wates will work with the Local Authority to discharge, manage and mitigate the risks associated to these conditions. These pre-commencement conditions are imposed to ensure that the development is constructed in an appropriate manner taking account of any environmental issues. The project team and Wates are progressing through each condition with Liverpool City Council and will discharge each condition appropriately throughout the construction phase.

Service & Operational Improvements

13. The site at Long Lane, Aintree is a key strategic deliverable within the Authority's IRMP 2021-24.

a) Response Times (CFO/040/21)

The move to Long Lane will improve response times into Aintree, Croxteth and pan-Merseyside as per the tables below:

Site	Aintree station area	Croxteth station area	Overall
Current stations	00:04:54	00:04:06	00:04:29
Long Lane	00:04:05	00:03:46	00:03:55

KPI	IRMP 2017/20		IRMP Supplement 2019/21		IRMP 2021-24 (with proposed Long Lane site)	
	Overall Performance	Average Response Time	Overall Performance	Average Response Time	Overall Performance	Average Response Time
Performance	91.70%	00:06:07	93.70%	00:05:52	93.90%	00:05:50

b) Improved Training (CFO/061/21)

The training zones will be fully immersive enabling our firefighters to enhance their skills against foreseeable risk in realistic conditions. The zones are designed to be multi-functional and are able to be adapted in order to provide a wider range of incident types in line with MFRS's Standard Operating Procedures (SOP's) and build the desperately needed capacity that the current site can no longer support, the new site will further enhance MFRS's commercial market appeal.

The site at Long Lane, Aintree will act as an enabler in supporting a cultural shift in how we train our people. The site will provide the necessary infrastructure and facilities for the Authority to achieve its vision of being the best fire and rescue service in the UK. The site will become a beacon of excellence for the Service and for our communities.

c) Exercising & Responding to Major Incidents

The enhanced training facilities will allow training against our established 'Training Model' (see Appendix 'B') which is not readily achievable at our current site. The model takes account of:

- The core training required for MFRS staff to be competent in areas risk critical to their role.
- National Security Risk Assessment – (NSRA: Produced by Cabinet Office). Foreseeable risk at a National Level (Example: Six High Impact Incidents Types: Terrorist Related Incidents, Marine Incidents, Wildfire, Flooding, Fires in large buildings and Fires at recycling and waste processing plants.).
- Community Risk Register – (CRR: Produced by Merseyside Resilience Forum). Foreseeable risk at a Local/Merseyside Level (Example: MTA, Marine (will be phased within future developments), Tunnels, High Rise etc).
- Empirical Data – Incident Data provided by MFRA's Strategy and Performance Directorate (Example: Types of primary fires attended).
- Significant Incident Reports – Information provided by Ops Assurance Team including significant incident reports, case studies and learning from public inquires etc.
- Cognisance of National Operational Guidance and Emerging Risks such as Lithium Ion Batteries.

d) A National Resilience Centre of Excellence (CFO/040/21)

Building on our lead Authority status for National Resilience the MFRS has secured £1.7m of funding from Home Office. This funding combined with an additional £0.2m of Home Office provided National Resilience funding will be used as a capital contribute to the build of a National Resilience Centre of Excellence.

The establishment of the National Resilience Centre of Excellence will further cement the relationship that MFRS has with the Home Office. The Strategic Resilience Board and National Resilience Boards will operate from here.

e) Improved Facilities and Accessibility (CFO/040/21)

As detailed in CFO/040/21, the current Aintree, Croxteth and TDA buildings are not capable of offering our staff or communities the facilities they require. The sites are not fully accessible to all and lack the necessary facilities for a diverse workforce. The latest Access audit highlights circa £500k of recommendation alone to improve accessibility.

The new development will be accessible to all, including a changing places facility, gender neutral facilities, Mother and Baby facilities, Prayer room and staff wellbeing facilities and garden.

The development will also accommodate a youth engagement/Prince's Trust facility and meeting rooms accessible to the local community.

An access appraisal was submitted with the planning application with the planning officer reporting – all accessibility measures have been incorporated into the scheme and officers now find the provision to be acceptable in accordance with policy UD4 of the Local Plan.

f) Secondary Fire Control

A new secondary fire control will be constructed in the heart of the TDA building adjacent to the National Resilience Assurance Team (NRAT) and International Search and Rescue offices (ISAR). This will further improve our relationship with Home Office and further embed National Resilience into MFRA.

The new secondary control is a significant improvement on the current facilities in line with learning from the prolonged use of secondary control during Covid. The improved layout of the control room, dedicated breakout space and a new watch manager's office located within the National Resilience centre of excellence part of the building.

g) Sustainability / Net Zero Slide

The new development has been designed to be 75% better than BSRIA benchmarks, which is a 46% decrease in carbon emitted compared to the last three new fire station built in Merseyside and a circa 80% less than our current sites at Aintree, Croxteth and the TDA. No fossil fuels will be used on site, with improved thermal envelope, air source heat pumps and the installation of Photovoltaic Panels. Appendix 'C' highlights the pathway to achieving Net Zero Carbon for the site by 2040 in line with the City Region strategy.

Twenty three electric vehicle points will be included within the car parking including accessible spaces which represents 12% of the overall car parking spaces. The planning officer report concluded that the proposal is considered to be in accordance with the climate change measures identified in policies R7 and R10 of the Local Plan.

A number of opportunities to recycle and reuse existing building and equipment from the current site to the new development are being considered to reduce the environmental construction impact. For example, Garages, temporary classrooms, ICT equipment and training towers.

The reuse of existing infrastructure will also reduce the overall cost of the development.

h) Environment

A number of green measures have been incorporated into the site which is not located within a sustainable location but includes:

- A BREEM rating of 'Very Good'
- The planting of 158 mature trees on the site
- A staff wellbeing garden with pond and habitat area to enhance wildlife and increase biodiversity
- Ecology improvements to support bird and bat breeding and safeguarding terrestrial mammals during construction and in operation.
- The use of a 'Scrubber plant' to clean smoke generated in fire training activities.

g) Flexible design approach

The design of Long Lane site allows for a phased approach to the development in order to allow the Authority to develop further operational training zones to accommodate current and future risks. Approximately 2 – 3 acres of the site has been designated as future development land for further training facilities to be developed to train against risks such as Marine / Renewable energies and emerging technologies.

Cost Plan

14. The project was a specific agenda item at the Fire Authority Budget Strategy Day on the 20th January 2022 with an estimated £35m budget figure indicated to members. The budget Authority meeting on the 24th of February 2022 approved the 2022/23-26/27 medium term financial plan which included provision for the updated £35m TDA capital scheme.
15. Members resolved they would consider the final affordability of the TDA scheme once planning was considered and the final costs were known.
16. Since February, Wates construction have carried out a second stage tender market testing exercise on over 75 work packages ranging from Joinery, steel

work, specialist training equipment and groundworks. Each tender package has been sent to the market obtaining a number of quotes for each package against the current specification and design drawings.

17. RLB are appointed directly by Merseyside Fire and Rescue to carry out independent cost consultancy and Quantity Surveyor duties to verify the Wates proposals and interrogate the market tested costs. They have found these to be in line with current market trends, providing the Authority with reassurance that the cost plan has been through a robust quality control process.
18. Market intelligence and tender price forecasting indicate that Russia's invasion of Ukraine has altered the outlook for the global economy. Conflict and the roll-out of sanctions have ushered in a new era of economic complexity and inflation has increased as a direct result. Swings in commodity prices have been dramatic with record rises in fuel and energy prices.
19. So far, the greatest impact to UK construction has come from higher oil and gas prices. High energy costs are feeding through to the production of energy-intensive construction products and materials, and we have seen several surcharges and price increase notifications as a result. Although down from their recent peaks, energy prices have yet to settle and are in a state of flux. Many producers use forward energy contracts / price hedging so there is typically a lag between wholesale energy cost rises and the impact on the cost of manufacturing products and materials, so even if the situation improves and prices fall in the short-term, the input cost of manufacturing these energy-intensive products and factory gate prices may not fall.
20. Whilst the long-term utility costs are difficult to determine alongside those related to business rates, Members will note that the proposal and new operating model will result in the Authority reducing its capital assets/ overheads i.e. the disposal of Aintree FS, Croxteth FS, Vesty 5 (a) & 5 (b) and Richie Avenue stores.
21. Brexit, the pandemic, the energy crisis and the war in Ukraine are having a compounding effect on the market.
22. Fabricated structural steel sections, for example, were already 65% higher in February 2022 than they were just before the pandemic hit. Since then, British Steel has announced an additional £250/tonne increase for all new orders, followed by another £100/tonne in early April 2022. British Steel blamed the sustained high level of steelmaking costs and continued disruption to international trade flows for the hikes. With the supply chain anticipating further rises, customers are placing new orders at record pace, thinking that if they do not buy now and fix costs, in a few months' time steel will be even more expensive.
23. The contract has been negotiated to provide the most protection from price inflation utilising a JCT Design & Build contract.

24. Wates have presented a commercial cost plan which is detailed in the financial section below, a JCT design and build contract will be entered into with Wates if Authority approval is obtained.
25. The design of the new site enables this scheme to be constructed in a phased approach, sensitive to financial/budgetary variations. Therefore, the Authority would be able to manage its fiscal resources based on risk of future unknown cost assumption. This will enable construction cost to remain within the approved budget tolerances, elements of the scheme such as external classrooms /storage and ancillary buildings could be phased or removed in order to ensure the development continues within budget, with the minimum impact on the risk critical training model.
26. A number of collaborative opportunities (including sponsorship) are under consideration with Merseyrail/National Highways and specialist smoke control systems from Certus. These may reduce the overall construction costs yet further and also grow future commercial opportunities. This has purposefully been omitted from the cost plan until any savings are realised. To date the proposals have been in regard to the provision of equipment to utilise for training, the extent of any collaboration or sponsorship has not been explored further at this stage.
27. The construction of the Long Lane site will see the relocation of a number of staff based across the wider MFRA estate portfolio, this will in turn allow MFRA to make a number of efficiencies across its property portfolio. It is envisaged that Vesty 5a and 5b along with a small storage unit on Richie Avenue, Aintree will become surplus to requirements. The estimated capital receipts for these three properties will generate a further £1.2m and reduce revenue running cost by circa £50k per annum.
28. As a result of the above and with Officers working closely with Wates and the wider design team and supply chain, Officers believe the offer presented represents best value and mitigates the risk of future inflationary increases. RLB consider this offer to be unique in the current economic climate as many tier one contractors are seeking to introduce fluctuation mechanism to transfer the risk back to the client.

Land Deal

29. The Authority have conditionally exchanged contracts and a £376k deposit for the land at Long Lane in June 2021. The conditional exchange was based upon set criteria being successfully obtained and subject to that criteria the completion of the land purchase taking place on or before 22nd June 2022 or the purchase of the land is at risk. The completion of the purchase was conditional on three main items:
 - a) The grant of Satisfactory Planning Consent;
 - b) Public consultation on the relocation of Croxteth Fire station & Training centre and Aintree Fire station into this site having taken place;

- c) Formal approval by Merseyside Fire and Rescue Authority to purchase the land.
30. The first two items above have successfully been obtained, therefore, if the Authority provide final approval to purchase the land, the Authority is legally bound to complete the land purchase at a sum of £3.76m before 22nd June 2022.

Equality and Diversity Implications

- 31. A full Equality Impact Assessment (EIA) has been completed. The EIA will continue to be reviewed and revised throughout the construction phase of project. (Appendix D)
- 32. All associated Equality, Diversity and Inclusion considerations have been completed through the corporate management of the project. The MFRA Equality, Diversity and Inclusion Team have been integral to the project management structure.
- 33. The Project Manager has engaged extensively with the staff networks, most significantly via the Chairs and Vice Chairs meeting; this has been ongoing since the inception of the project.

Staff Implications

- 34. The provision of sector leading facilities at the new TDA site with an infrastructure fit to meet the ambitions of MFRS will exponentially improve the working conditions and training provision for MFRS personnel.
- 35. There has been a detailed consultation and communication process delivered by MFRS in line with Service Instruction 0881 (Consultation and Engagement Framework).
- 36. The Consultation and Communication Sub-Group will continue to engage with staff in order to positively influence the project.
- 37. As with any new build there will always be training implications. With the creation of a new Training and Development Academy this will require significant training and familiarisation requirements for members of staff who will be based at the new site to be able to operate the site safely and effectively.
- 38. It is proposed that a small implementation team work with construction partners to produce user manuals, session plans and associated risk assessments for the new site. This will ensure a seamless transition to the new site with limited impact on risk critical operational training.

Legal Implications

- 39. The planning permission has been granted subject to certain conditions as detailed in paragraph 11. Some of the requirements will not be able to be

addressed until the construction phase and in the event they could not be met the Authority would have already purchased the land although this risk is being mitigated as detailed in paragraph 12. The remaining implications in respect of the proposed purchase of the land at Long Lane are contained within the body of the report.

40. Further to a tender competition on a Crown Commercial Services framework as detailed in CFO/045/21 Members approved the appointment of Wates Construction to undertake the necessary works under the pre-construction services agreement.
41. Under the framework and same tender competition Wates Construction Members also approved Wates Construction to be the contractor for the main build. However, this was subject to the proposed build of a new multi-pump superstation, Training and Development Academy/National Resilience Centre of Excellence at Long Lane, Aintree being approved by Members. If the proposal is approved, a design and build contract would need to be agreed between both parties prior to any commencement of the build or any further commitment being entered into by the Authority in respect of the same.

Financial Implications & Value for Money

42. The current Medium Term Financial Plan (MTFP) 2022/23 – 2026/27 capital programme includes a £35.027m provision for the new TDA and superstation, of which £11.615m is to be funded from borrowing with the balance from specific resources (reserves, capital receipts, and Home Office funding). The costs associated with the scheme can be broken down:

a) Pre-construction and Design costs	£1.200m
b) Land Purchase	£3.938m
c) Fees (construction phase)	£0.117m
d) ICT (including new control and command suite)	£0.951m
e) Construction Costs	£28.821m
Total	£35.027m

43. The revenue costs associated with the planned £11.615m borrowing and increased running costs were estimated at £0.950m, and included within the 2022/23 – 2026/27 MTFP.
44. Officers have been working with Wates to make sure the design of the site is sufficiently flexible to allow for phasing of build elements and future expansion. Officers have chosen to defer some construction of non-urgent build elements such as external classrooms / Garages and Marine simulation to contain the overall construction costs. Following the receipt of the construction bids, costs

increased from £28.821m by £4.621m to £33.442m. The decision to defer some build elements will be kept under constant review during the build phase, and should the Authority's financial position become more favourable, officers may seek approval from Members to bring some of the deferred build back.

45. Following lengthy negotiations the bid from Wates construction now includes for greater price security and protection against further inflationary rises if approval to proceed is granted today and final terms and conditions are agreed before the end of July 2022.

46. Officers have reviewed the ICT ask and have reduced the planned spend from £0.951m to £0.501m. The intention will be to contain any further ICT expenditure within the existing capital programme or the reuse of equipment to achieve the desired outcomes.

47. The revised scheme costs are;

a) Pre-construction and Design costs	£1.200m
b) Land Purchase	£3.938m
c) Fees (construction phase)	£0.117m
d) ICT (including new control and command suite)	£0.501m
e) Construction Costs (no greater than)	£33.442m
Total	£39.198m

48. Funding of the £4.171m (£39.198m - £35.027m) increase in scheme costs;

a) Increase in Capital Receipts (Vesty / Richie Ave)	£1.200m
b) Increase in Capital Reserve (2021/22 Qtr 4 adjustment grant increase)	£0.133m
c) Allocate unspent Home Office Grant	£0.200m
d) Increase in Borrowing	£2.638m
Total	£4.171m

49. As the current MTFP includes the revenue costs associated with the original £11.615m borrowing costs, the additional £2.638m would increase the revenue costs by £0.160m. However, the sale of Vesty and Richie Avenue would free up £0.050m budget so the net increase is £0.110m. The MTFP's 2024/25 budget is

currently £67.050m, so the c£0.110m increase equates only to less than a 0.2% point, and so could be viewed as immaterial and affordable.

50. This report has outlined the need to investment in a new TDA and station in the area. The associated costs and funding of the scheme have been included in the current MTFP and the approval of the scheme would not materially change the current forecast financial position.
51. Members will recall that the MTFP is based on a number of key assumptions, specifically pay awards (2.5% p.a. = £1.3m) and Government funding increases (1% or £0.3m p.a.). The MTFP indicates a small, less than £1m, potential challenge by 2026/27, however, due to the significant uncertainty over the future funding and expenditure the Authority agreed to deal with any financial challenge once the future Government funding had been confirmed.
52. The financial risk for the Authority is that the key assumptions in the current MTFP (pay and Government funding) do not hold out over the MTFP and at a future point the Authority will need to consider new savings to balance the budget. The cost of the new TDA and station have been built into the MTFP, but the scheme will commit £1.1m of budget for the next 40 years, and therefore it will marginally reduce the available controllable budget. However, the Authority will still have a £55m controllable budget. Any future savings if required would need to be found from these budgets (employee, premises, transport and supplies and services costs).
- 53.

Risk Management, Health & Safety, and Environmental Implications

- 54.
55. A risk register has been developed to manage and mitigate associated risks. The register is reviewed regularly at the Project Board. The Chair/Vice Chair of the Project Board escalate risks by exception to the project's Executive Group led by the Deputy Chief Fire Officer.
56. The MFRS's clean kit principle as outlined in the Health Safety and Welfare Committee – Joint Statement has been a key element in the design of the site.
57. The MFRS's Health and Safety Manager is a key member of the Project Board and has and will continue to provide technical advice and support in relation to the mitigation of contaminants and firefighter safety.
58. The enhanced infrastructure and training facilities provided at the new site will exponentially improve MFRA's ability to train against foreseeable risk in line with National Operational guidance.
59. Firefighter safety has been a key factor in developing this proposal.

60. It is anticipated (utilising predictive software) that the response times for the area will reduce by circa 34 seconds. This improvement will clearly benefit the public in the areas serviced by the new station.

Contribution to Our Vision: *To be the best Fire & Rescue Service in the UK.*

Our Purpose: *Here to serve, Here to protect, Here to keep you safe.*

61. The capital scheme at Long Lane, Aintree is an integral component of the IRMP 2021-24. The building of a new Training and Development Academy, National Resilience Centre of Excellence and Search and Rescue Super-Station is intrinsic to our vision.
62. The scheme will significantly improve the locality and this will be demonstrable through a Team Liverpool / Centre for Local Economic Strategies (CLES) case study.
63. The CCS framework has strict social value targets in place for Design and Build contracts let under their framework, these will be monitored and measured as the build progresses with outcomes reported back to members. Measures include but not limited to - Local employment, armed forces, apprentices, training, local supply chain, voluntary hours and work placement hours, school visit and community projects.

BACKGROUND PAPERS

CFO/009/21	DRAFT IRMP 2021-24
CFO/039/21	INTERGRATE RISK MANAGEMENT PLAN 2021-24 POST CONSULTATION REPORT
CFO/040/21	STATION 18 & 19 MERGER LONG LANE SITE
CFO/045/21	APPOINTMENT OF MAIN CONTRACTOR FOR NEW TDA PRE CONSTRUCTION WORKS
CFO/058/21	OUTCOMES FROM CONSULTATION OF CROXTETH AND AINTREE FIRE STATIONS
CFO/061/21	FORMAL PLANNING APPLICATION FOR THE LONG LANE SITE

GLOSSARY OF TERMS

BSRIA	B uilding S ervices R esearch and I nformation A ssociation
MFRA	M erseyside F ire and R escue A uthority is the physical and legal entity. When writing reports MFRA is the “object”.
MFRS	M erseyside F ire and R escue S ervice is the service provided by MFRA. When writing reports MFRS is the “action”