



**Hampshire  
& Isle of Wight**  
FIRE & RESCUE AUTHORITY

## **HIWFRA Full Authority**

Purpose: Approval

Date: **15 FEBRUARY 2022**

Title: **ISLAND ESTATE INVESTMENT (YEAR 2)**

Report of Chief Fire Officer

### SUMMARY

1. Following the approval of £1.1 million investment in the island estate by the Hampshire & Isle of Wight Fire Authority (HIWFRA) in September 2020, this report seeks further funding of £1.7 million to deliver the second year of priority estate improvement works in the 2022/23 financial year.
2. This funding will meet the criteria set out by the estate asset management plan to provide all our people with **'safe, secure and sealed buildings... meeting all HSE & building regulations criteria for an occupied building'** in line with the Corporate Services Strategic Plan 2020-25 which stipulates that our estate will be fit for continued operational use in line with the Service Safety Plan 2020-25.

### BACKGROUND

3. Estate condition surveys were commissioned in 2018 to understand the physical condition of the built environment on the island.
4. These surveys provided a snapshot of the condition of the island estate and recommended investment areas for the next ten years to maintain statutory compliance, functionality of components and address health and safety within buildings.
5. The calculation of the Alternative Notional Amount demonstrates the challenges faced by the Isle of Wight Council (IWC) in supporting the island estate to the same level as mainland comparators whilst at the same time being challenged to fund other key statutory services such as those for children, adult social care and homelessness. The improvement of the Isle of Wight estate was also flagged as a key issue within the business case

that was submitted to and approved by Government for the Combined Fire Authority (CFA).

6. The physical condition of fire service buildings on the island are considerably below the standard of those on the mainland. As with many public organisations, including Hampshire & Isle of Wight Fire & Rescue Service (HIWFRS), the IWC risk assesses its estate condition to prioritise investment. Given the variety and profile of the IWC building stock, this has resulted in several years where fire service buildings have not been the priority.
7. This inability for direct investment over several years has led to a reduction in the standard of the physical built environment from which the fire service operates. Having now delivered the first year of investment, key issues have been addressed, but the overall condition remains below the standard of the mainland estate.
8. In September 2018, the Fire Authority approved five Estate Design Principles as part of the Estates Strategy. Since the combination of the Hampshire and Isle of Wight services, these Design Principles are now being adopted across the island estate, with all estate investment works helping achieve these principles, which are:
  - (a) Support Core Service functionality
    - Our estate will be located strategically to provide efficient operational mobilisation and specialist training facilities. Our buildings will provide flexible/drop in office space for all our staff to utilise.
  - (b) Enable Partnerships and Income Generation
    - Our estate will support and enable partnership working with blue light, local authority, charity and commercial partners while providing opportunity to generate income for the Service.
  - (c) Provide a Healthy and Inclusive Workplace
    - Our estate will support the health and wellbeing of our people by providing clean and safe zoning to manage fireground contamination risk, inclusive rest and wellbeing spaces and by supporting a diverse workforce with the provision of gender neutral and individualised welfare facilities.

(d) Physically Secure

- Our estate will be physically secure by design while supporting community use and engagement with accessible and flexible spaces.

(e) Simple, Robust and Sustainable

- Our estate will be efficiently managed, developed and maintained using simple, robust yet sustainable construction technologies, materials and finishes. Our buildings will be as energy efficient as possible and will embed fire safety and carbon reduction technology.

9. A comprehensive list of priority remedial and building project work has been identified based on the condition surveys and a gap analysis of the Design Principles.
10. As outlined in the September 2020 report, these project works have been prioritised over a four-year period, with the most urgent works having been delivered in year one. Upon further assessment of the condition of the estate during 2021, along with a better understanding of the condition of the buildings since taking ownership in April 2021, this programme now seeks funding approval for the year two asset upgrades.
11. As with the paper submitted for the year one investment, any further investment needs will be brought to the Fire Authority for consideration at a later date.
12. The works identified will support and align with the recently approved Authority Carbon Reduction Pathway which commits the organisation to reduce carbon emissions across our estate and be net zero by 2050.

### SUPPORTING OUR SAFETY PLAN AND PRIORITIES

13. **Public Value:** *We plan over the longer term to ensure our decisions and actions deliver efficient and effective public services.*
  - (a) Targeting investment in the HIWFRA estate will reduce reactive maintenance burden of the estate, reactively managing the estate will cost more in the long term and is not an efficient approach to estate management. Equally, the approach outlined within this report will allow economies of scale by bundling works together, ultimately reducing the overall cost.
14. **Our People:** *We look after each other by creating great places to work and promoting the health, wellbeing and safety of our people.*

- (a) Whilst targeting investment in the HIWFRA estate and aligning works to our Design Principles, we hope to achieve a positive impact for our people and building users, contributing to the Service being a forward thinking and great place to work.

## COLLABORATION

- 15. Currently, across our island fire stations there are existing partnerships in place which align with HIWFRS strategic priorities, driving multi-agency working 'hubs' whilst providing valuable income generation to the Service.
- 16. The fire stations on the island have potential to attract further partnership agencies, given that the estate is mainly a retained estate with large lecture rooms and multi-use spaces. However, in their current condition they would not attract the required occupation interest and income that the sites on the mainland do.
- 17. Making the buildings more robust and sustainable, improving the physical appearance and evidencing key investment over all sites will increase partner and community interest in the estate, allowing the Service to increase site usage and income to the organisation not only to our external communities but by winning over the hearts and minds of island-based teams.

## PROGRESS OF ESTATE WORKS ON THE ISLAND

- 18. Following the approval by the Authority for the year one works, several projects have now been successfully delivered across the island. These projects have met our Design Principles and Carbon Reduction strategy:
  - (a) Newport has had asbestos walls removed and new appliance bay doors installed to the workshops. This has removed two potential health and safety risks to staff.
  - (b) Newport, East Cowes, Ryde, Bembridge, Shanklin, Ventnor, Freshwater & Yarmouth have all received fire alarm system upgrades which are now fully integrated with our alarm monitored system, supporting early indication of fires on site.
  - (c) All ten sites on the island have had local vehicle extract ventilation (LEV) systems installed for appliance bay contamination control.
  - (d) Newport & Ryde have had power generators replaced to improve resilience.

- (e) Shanklin, Ventnor & Yarmouth have had pedestrian doors and windows replaced, increasing security and the thermal efficiency of the sites.
- (f) Sandown, Shanklin & Yarmouth have had roof replacements to prevent historic water ingress to the buildings. This has improved building infrastructure, thermal efficiency and protects the fabric of the building long term.
- (g) In addition to this, Yarmouth has had an upgraded kitchenette and carpeted lecture room as the site has been requested by the Coast Guard to occupy, this in turn will increase our income generation.

#### PROPOSED NEXT PHASE OF ESTATE WORKS ON THE ISLAND

19. Should approval be given to the next phase of investment, the following works have been allocated to be delivered next year to further support our island stations:
- (a) **All Sites**, electrical infrastructure upgrades to replace obsolete and failing incoming electrical distribution equipment, modernise the systems and prepare for the future with 25% additional capacity added to main low voltage distribution boards.
  - (b) **Shanklin**, appliance bay door upgrade to improve security and support Carbon Reduction Pathway by improving thermal efficiency.
  - (c) **All Sites**, topographical and drainage surveys, to bring island stations in line with mainland sites for records and repairs to underground infrastructure, as well as plan any future mitigation for how we use the site, eg, washing of vehicles.
  - (d) **Newport, Cowes, Bembridge, Ventnor, Freshwater**, roof replacements to support building infrastructure and Carbon Reduction Pathway by improving thermal efficiency.
  - (e) **Newport, Ryde, Bembridge, Sandown, Shanklin, Freshwater**, kitchen upgrades to support our colleagues and also to attract partners to these locations and increase our income generation.
  - (f) **Bembridge**, accommodation/dormitory installation to create up to four individual sleeping quarters and a shared wash area. This will allow staff travelling to the island and/or working on duty to stay on site at no cost to the Service; maximise the use of our estate.

## RESOURCE IMPLICATIONS

20. Existing budgets are insufficient to carry out the continued investment necessary on the island given the scale. Utilising existing budgets will result in the cancellation of the majority of planned maintenance work across the mainland estate during 2022/23 which would not be a recommended asset management approach and will likely increase reactive maintenance costs.
21. Providing additional funding, as recommended within this report, will ensure that targeted investment in the mainland estate can continue alongside works on the island.
22. To manage the scale of work required across the estate, works have been grouped into common programmes across the sites, allowing greater economies of scale for procurement and a streamlined approach for resource allocation.
23. The in-house Property & Facilities team will manage the programme of works, however the £1.7m investment will include consultancy fees for technical support for the projects.
24. As originally stated in the September 2020 report, the condition surveys of the estate on the island identified further investment required in future years, following the initial 2021/22 year.
25. The programme outlined in the September 2020 report identified a circa £4.2 million of estates investment required on the island. With £1.1 million delivered during 2021/22 and a further £1.7 million sought within this report, it is estimated that a further £1.4 million is required during the 2023/24 year. For the current recommendation, the £1.7m funding sought will be allocated from one-off revenue resources in 2022/23 as set out in the Budget Report.
26. In addition to this maintenance investment, the Service is actively working with partners on the island, notably Hampshire Constabulary and the Office of the Police & Crime Commissioner (OPCC) to identify opportunities for collaborative estate investment. This work is particularly focussed on the Newport area of the island. Any required investment would be subject to a full business case and brought to the Fire Authority for consideration at a later date.

## IMPACT ASSESSMENTS

27. An Impact Assessment has not been conducted at this stage. Following the usual approach of Impact Assessments for estates projects, it is the recommendation that, should funding be approved, an overarching Impact Assessment for the entire programme of works will be completed.

28. This approach has been agreed with the internal Organisational Assurance team, meaning Stage 1 and 2 impact assessments are carried out with a consistent approach once the more detailed project impacts are identified.

### LEGAL IMPLICATIONS

29. There are no identified legal implications in the work that is proposed. All Construction Design Management (CDM) and Health & Safety regulations will be adhered to as expected for works of this nature.
30. All works will be carried out in accordance with approved procurement frameworks.

### OPTIONS

31. **OPTION 1 (Recommendation)** – Allocate a budget of £1.7 million to be spent on identified priority asset repairs across the island fire stations:
- (a) Associated risks relating to this approach would be the possibility of running buildings that already have end of life systems, such as flat roofs degrading to a point of failure before the associated project commences.
  - (b) As additional resilience, the reactive maintenance contract is in place for the island stations which will pick up ad hoc repairs in year as and when they fail.
32. **OPTION 2** – Do not approve the additional funding request, requiring all identified works to be funded from existing revenue budgets.
- (a) Incorporating the scale of the repairs for the island stations into the current estate revenue programme and risk assessing all 62 sites, targeting key areas for investment will increase pressure on the revenue budget and will cause further spend on reactive budgets as items already at end of life start to fail. This runs the risk of uncontrollable annual overspend on reactive budgets.
  - (b) Teams on the island would see little impact on their buildings, losing the hearts and minds of the staff due to continued lack of investment reducing the attractiveness of recruiting staff to the service due to outdated estate facilities.
  - (c) The only mitigation for this option is to increase the reactive maintenance budget year on year to deal with increasing failures of end-of-life infrastructure to help us patch repair to the point a project can be funded from the revenue budgets.

## RISK ANALYSIS

33. Overarching risks associated with each option have been outlined in the previous section of this report to provide clarity on each option to aid decision making.
34. Linked risks for the delivery of the programme centre around the unpredictable nature of inflation and the impact on the project costs in future years, hence a proportional allowance being made.
35. A recent study by the University of Portsmouth has identified that the Isle of Wight's physical segregation from the mainland has an impact on the delivery of public services in several ways, including the increase in costs to deliver services and works on the Island. This 'Island Premium' results due to the size of the market, limited numbers of suppliers and additional fixed (eg, transport) costs which can lead to relatively higher prices being charged by or for the supply of goods and services when compared with mainland authorities.
36. Given the context of paragraph 35, best efforts will be made to group works to achieve the most cost-effective delivery, however an element of increased costs due to the Island geography has been made in the cost estimates.
37. The UK Exit from the EU continues to have the possibility of impacting project delivery and cost; however, an allowance has been made within the requested funding to help mitigate this.
38. The COVID-19 pandemic continues to have an impact on work delivery in terms of availability of resources (both labour and materials) and varying costs for standard materials. The projects have been carefully packaged to support economies of scale and to provide a more attractive package to potential tendering companies as well as provide value for money for the Service.

## EVALUATION

39. When evaluating the success of delivery of the projects identified in the programme, there will be two success factors. Firstly, the increased efficiency/sustainability of the buildings for future years and how they support organisational needs whilst reducing reactive costs. Secondly, the perception of the Service by our staff and local communities as a modern, forward leaning organisation.
40. There will be no changes to policy or approach as a result of this paper and the estate will, as currently, be a corporately managed estate working on the remit of being fit for the needs and requirements of the organisation.



## CONCLUSION

41. The Fire Authority Design Principles are central to the Estate Strategy and are key in ensuring that our buildings support our people, our operational need and our local communities. The continued investment in the island estate provides an unprecedented opportunity for the Service to continue to move forward with a clear and proactive approach to corporate estate asset management.
42. Maintaining and proactively investing in the whole estate ensures that our buildings are fit for purpose and meet the needs of a modern fire and rescue service.
43. The recommendation is to align the condition of the built environment across the mainland and island estates to allow us to work from a single baseline of condition and provide facilities which support our people and the work we undertake.

## RECOMMENDATION

44. That **Option 1** be approved by the Hampshire & Isle of Wight Fire & Rescue Authority and £1.7 million funding to deliver works across the island estate in 2022/23 financial year is allocated from one-off revenue resources in 2022/23 as set out in the Budget Report.

## BACKGROUND PAPERS

45. This paper continues the programme of investment works first raised in the Shadow Authority submitted paper “CFA/IWFRS ESTATES IMPROVEMENT” tabled in September 2020.
46. This paper furthers the detail and expands the actions of Corporate Services, identified in the initial business case for the new Combined Fire Authority published on the 22 March 2018. Public Link to this document is here: <https://democracy.hants.gov.uk/documents/s13742/Report.pdf>
47. In addition, the above paper was built around a previous document written on the 21 February 2017 which also identified the need to invest within the island estate. Public Link to this document is here: <https://democracy.hants.gov.uk/ieListDocuments.aspx?CIId=179&MIId=509&Ver=4>

48. University of Portsmouth Study on the 'Island Factor'. Public Link to this document is here: <https://www.iow.gov.uk/documentlibrary/view/island-factor-report-by-university-of-portsmouth-phase-1>

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