

Hampshire Fire and Rescue Authority

Finance and General Purposes Committee

Item 7

1 November 2016

Vehicle replacement programme: proposals for 2017/18 to 2021/22

Report of the Chief Officer

Contact: Iain Hardcastle and Tim Mansbridge Telephone: 023 8064 4000

1 Summary

- 1.1 The purchase of pumping appliances and other fire-fighting vehicles is going to change significantly compared to the past as a result of our recently completed operational risk review. This will mean changes in the size and types of vehicle along with the equipment and technologies that they are fitted with. Since the final outcomes of the Risk Review have been known, we have purchased vehicles in line with the vehicle replacement programme from 2016/17 in order to support the efficiency savings that are required. To further enhance this, we will continue to extend the life of other vehicles as required and if deemed suitable.
- 1.2 The Chief Officer has agreed to defer the following vehicles into the 2017/18 replacement plan. This sits within his delegated powers and varies the 2016/17 vehicle replacement programme.
- 1.3 Other vehicle changes and deferrals planned under Delegated Authority:
- Purchase 22 Cars/vans to maintain staff mobility needs following the cessation of the essential and casual car user schemes at the end of 2016 calendar year.
 - Purchase of 11 operational vehicles at end of lease periods if deemed financially viable
 - Incident Command Unit deferred to 2017/18.
 - Safe and Well (KS2 Education Vehicle) deferred to 2017/18.
 - Personnel Carrier conversion for the USAR team.

This is what was agreed in the last VRP paper in November 2015.

2 Recommendation

- 2.1 That the Committee recommends to the Hampshire Fire and Rescue Authority the vehicle replacement programme for the years 2017/18 and 2018/19, as set out in Appendix 2 to this report, at its meeting on 21 February 2017.

3 Planning our vehicle needs

- 3.1 Our current fleet comprises of 371 vehicles (Appendix 1 provides a list for Members' information). Hampshire Fire and Rescue Service (HFRS) has a well-established procedure for determining vehicle disposal and replacement requirements. Whilst we

have a long term replacement plan, for medium-term financial planning (MTFP) purposes, we focus on the next five financial years in this report. Once approved, the replacement programme is included in the HFRA's three-year capital programme.

- 3.2 Vehicle replacement policies are continually reviewed so as to ensure that HFRS maximise their investment on each asset and ensure value for money on a "whole life" basis. Life cycles may also change to reflect the changing nature of emergency response and to account for technological improvements in vehicles and equipment. For example, all large goods vehicles built or registered after 1 January 2014 must be compliant with new emission regulations. This has added significantly to the unit cost of each base chassis.
- 3.3 Our future emergency response capability was determined by the outcomes of the Risk Review process which was agreed by the Fire Authority in February 2016. The three are:
- First Response Capability,
 - Intermediate Response Capability and
 - Enhanced Response Capability.
- 3.4 Several prototype (proof of concept) vehicles have been specified, designed, procured and delivered to HFRS. These vehicles are currently out on stations and being evaluated by operational users. The final vehicle specifications are subject to the outcomes of the user trials we are currently undertaking. Pending the outcomes of the evaluations, we will be able to determine the final specification for each of the three vehicle capabilities.
- 3.5 We continually review the way that light vehicles are provided to our staff to meet the operational and administrative needs of the Service. This ensures that we always provide "fit for purpose" vehicles as cost effectively as possible.
- 3.6 The vehicle replacement (life) policies remain unchanged as follows;
- Pumping appliances: front-line, training and reserves – 14 Years
 - Other specialist vehicles including: aerial ladder platforms, water carriers, response support vehicles, off-road fire fighting vehicles – 15 Years
 - Ancillary vehicles (vans and lorries) – 8 Years
 - Cars/Personnel carriers – 6 Years

Until 2020 we will have the legacy of vehicles acquired under "operational lease" agreements'. HFRS resorted to operational leasing from 1997 until 2004 because of the borrowing limits placed on it by central government at the time. This has proved to be complicated and generally more costly than outright purchase but it makes sense in most cases to negotiate a lease extension rather than hand a vehicle back before the end of its economic life. We intend to continue the extension of operational leases on all vehicles if it is considered more economic than handing them back and replacing them. Alternatively, if deemed cost effective to do so, we will continue to purchase some of the vehicles at the end of their lease period

4 Update on the current year's vehicle replacement programme

- 4.1 Progress is being made on the current year's programme. The following list summarises the current position and includes the changes that have been made within the approved capital budget.

PROTECT COMMERCIAL

Vehicle type	Number	Progress
2015/16 starts programme		
Water/Foam Carrier	3	Carried forward to 2016/17 programme. See update below.
Light Off Road Fire-fighting Vehicles (4x4)	2	Completed and delivered
Heavy Off Road Fire-fighting Vehicle (4x4)	1	Completed and delivered
Safe and Well (KS2 Education Vehicle)	1	Ordered and in production, delivery expected December 2016
Provided Vehicles for FDS Officers	17	Completed and delivered

2016/17 starts programme		
Enhanced Capability Appliances	2	Will be ordered late 2016 so as to spread delivery of new vehicle commissioning and associated training over a manageable period
Intermediate Capability appliances	5	Will be ordered as soon as prototype evaluation has been completed and outcomes analysed.
First Response Capability appliances	6	Will be ordered as soon as prototype evaluation has been completed and outcomes analysed.
Water Carriers	4	Three carried forward from 2015/16 and combined with one in 2016/17 to make a total of four. Continued requirement confirmed in May 2016 due to the risk review outcomes. The supply of four identical vehicles will be placed. Ordering four such vehicles as a single lot should attract volume discounts from suppliers. Supply contract to be placed late 2016/17
Incident Command Unit	1	Defer to 2017/18
Safe and Well (KS2 Education Vehicle)	1	Defer to 2017/18
Fire Investigation Dog Vehicles	2	User requirement specification produced and formal supplier quotes requested via appropriate CCS frameworks
Personnel Carriers	2	1 carried forward from 2015/16. Both vehicles for Princes Trust (self-funded from Princes Trust budget)
Personnel Carrier conversion	1	Specialist conversion for USAR to carry crew and equipment. Defer to 2017/18
General Purpose Van	1	To replace existing, age expired, pool vehicle

PROTECT COMMERCIAL

Cars/Light vans	12	To replace existing, age expired, vehicles
Cars/Light vans	22	Required to maintain staff mobility once essential and casual car user facility have been removed in December 2016. Four of these vehicles to be alternative fuel types.
Provided Vehicles for FDS Officers	14	Ordered, delivery scheduled for November 2016

4.2 It remains important to maintain a dynamic and flexible vehicle replacement programme which can support the changing needs of the Service.

5 Provisional vehicle replacement programme for 2017/18 to 2018/19

5.1 We are continuing the practice started in 2011 to produce a five year programme. This longer term visibility helps to inform the replacement programme.

5.2 The provisional programme is set out as Appendix 2. The following points should be noted:

- The outcomes of the Risk Review have determined our emergency response capability. Although the capabilities have been determined, the final specification for each vehicle will not be known until the evaluation of the prototype vehicles has been completed. Our current planning assumption is that our operational response vehicles will be designed and developed around the three key categories of response capability as previously mentioned. Until the final design is known, we have to estimate the cost of each vehicle and the associated equipment. There may be some changes when we have determined the final specifications.
- In the longer term it is likely that the annual capital cost of the vehicle replacement plan will reduce as a result of the changes to the emergency response capability and quantities of vehicles which we require. To achieve this change there is some 'front loading' of capital spend, which is funded from previous years underspends. We will do our utmost to "flatten" plans so that similar numbers of vehicles are purchased year on year thus avoiding significant peaks and troughs in future capital programmes
- Work to determine how departmental, pool and provided vehicles will be used in the future has been completed. The actual profile across financial years has now been finalised but there may still be minor adjustments made so as to reduce excessive procurement activity in any single year.

5.3 The first three years of this provisional programme will be included in the draft capital programme which will be reported, as part of the budget 2017/18, to the HFRA at its meeting on 21 February 2017.

6 Inflation

6.1 The programme in Appendix 2 is priced at 2015/16 outturn prices with 3% added

year on year to reflect manufacturing price increases over the period of the programme.

7 Supporting our corporate priorities, aims and objectives

- 7.1 Responding to Incidents. A dynamic and flexible vehicle replacement programme enables HFRS to manage the changing requirements of response and support vehicles and to improve the way in which we respond to and support incidents.
- 7.2 Assets and Money. The vehicle replacement programme helps us to ensure that our vehicles are efficiently and effectively utilised. We regularly review the disposition of our fleet and question whether the replacement of vehicles is fully vindicated and appropriate.

8 Risk analysis

- 8.1 The main risk is financial with the costs of some vehicles being sensitive to European exchange rates. This is mitigated as far as possible by using regional and national frameworks to procure our vehicles.
- 8.2 To date the impact of extending the life of appliances has been minimal but it does increase the risk of unforeseen mechanical failure. The HFRS Fleet Manager will continue a programme a robust regime of planned and responsive maintenance to minimise risk.

9 People impact assessment

- 9.1 The proposals in this report are considered compatible with the provisions of the equality and human rights legislation.

10 Environmental impact assessment

- 10.1 A telematics solution has been developed as part of our pool/provided vehicles project and will provide a range of environmental information. The strategy of implementing smaller and lighter appliances will also contribute towards our carbon reduction targets, as will the introduction of a number of alternatively fuelled light vehicles into the HFRS fleet .

11 Resource implications

- 11.1 The vehicle replacement programme is subject to the HFRA approving the funding of the capital programme at its budget meeting on 21 February 2017. This provisional replacement programme, together with any needs to improve the HFRA's built estate, will be incorporated into a draft capital programme.

12 Background information [Section 100D – Local Government Act 1972]

The following documents disclose the facts or matters on which this report, or an important part of it, is based and has been relied upon to a material extent in the preparation of the report.

- Hampshire Fire And Rescue Service Plan 2015-2020
- Risk Review Consultation Outcomes – 3 Vehicle strategy

PROTECT COMMERCIAL

Note: The list excludes: (1) published works; and (2) documents that disclose exempt or confidential information defined in the Act.

PROTECT COMMERCIAL

	Appendix 1: Fleet Composition @ 30-09-16	
ALP	Aerial Ladder Platform - Stn 01, 24, 54	3
ARV	Animal Rescue Vehicle - Stn 11, 48	2
CAR	Car – HQ Pool, HQ Property Services	4
CORES	Co-Responder Vehicle – Various stations, Driver Training	23
C/VAN	Crew Van – Various station based, HQ, Community Safety/Education, PTV	42
CSU	Command Support Unit - HQ	1
CSV	Command Support Vehicle - Stn 01, 02, 28, 32, 49	5
EC	Estate Car - FDS, FDS Spare, Driver Training, Tech' Services, HQ Pool, PTV, USAR	66
EPU	Environmental Protection Unit - Stn 05, 33	2
FISU	Fire Investigation Support Unit - Arson Task Force	1
FLT	Fork Lift Truck - Stn 48, Training Centre, USAR	3
FRV	First Response Vehicle - 16	1
GPV	General Purpose Van – Tech' Services, Hydrants, Academy, HQ Pool,	41
H4T	Heavy 4x4 Tender - Stn 02, 03, 50	3
HDIM	Hazmat/DIM Vehicle – Stn 30	1
ICU	Incident Command Unit - HQ	1
IRU	Incident Response Unit - Stn 56	1
K9SV	Canine Support Vehicle - Arson Task Force, USAR	5
L4P	Light 4x4 Pump - Stn 29, 31, 32, 47, 52, 55, 58, Driver Training, County Reserve	10
L4T	Light 4x4 Tender - Stn 02, 04, 05, 08, 13, 16, 17, 34, 36, 44, 45,	12
MCCP	Mobile Community Contact Point - Stn 24	1
MISU	Maritime Incident Support Unit - Stn 18	1
MWS	Mobile Workshop – Tech' Services	1
OSU	Operational Support Unit - HQ Pool	1
PCV	Personnel Carrying Vehicle (15 Seat) - Training Centre, HQ Pool, PTV	5
PICK UP 4x4	Nissan Navara - Stn 48, HQ Pool, Technical Services	4
PM	Prime Mover – MAN (HVP) - New Dimensions/USAR - Stn 44, 45, 58, 6 x USAR	9
RP	Rescue Pump (CAFS)	17
RSV	Response Support Vehicle - Stn 01, 23, 53, County Reserve	4
SFV	Small Fires Vehicle - Stn 01, 24, 54	3
SKS1	Schools Key Stage 1 Unit - Community Safety	2
SKS2	Schools Key Stage 2 Unit - Community Safety	2
SRU	Search & Rescue Unit - USAR	1
TRAILER	Kitchen Fire Safety Trailers - Stn 24, 53 Car Trailers - Stn 01, 18, 30, Service Delivery Mobile Exhibition Trailer - HQ Pool Diesel Re-fuelling Unit - Technical Services Rural Safety Trailer - Stn 48	9
WRC	Water Carrier – Stn 31, 32, 03, 04,17,47	6
WRL	Water Tender Ladder - Front Line	27
WRL	Divisional Reserve - Stn 02, 18, 24, 30, 31, 53	7
WRL	Training Centre	3
WRL	Driver Training	2
WRT	Water Tender - Front Line	32
WRT	Divisional Reserve - Stn 01, 24, 30	3
WRT	Training Centre	2
WRT	Driver Training	1
WRU	Water Rescue Unit - Stn 17	1
TOTAL		371