

Hampshire Fire and Rescue Authority

Finance and General Purposes Committee

Item 7

4 November 2015

Property and physical asset related matters

Report by the Chief Officer

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1 Summary

- 1.1 This report deals with asset related matters where action has already been taken under delegated powers, or where approval is sought for more significant actions. These are reported in accordance with the Authority's Scheme of Delegation.

2 Recommendations

- 2.1 That the Committee notes the actions taken under delegated powers (see paragraph 3.2).
- 2.2 That the Committee approve the grant of a lease to Hampshire County Council of the former training annexe at Eastleigh Fire Station, on the proposed terms set out in paragraph 5 below.

3 Introduction

- 3.1 The Hampshire Fire and Rescue Authority (HFRA) scheme of delegation approved on 4 June 2014 delegates to the Director of Professional Services authority to agree the terms and arrangements for:
- the acquisition or disposal of any land, premises or interest in land the consideration for which does not exceed £250,000; and
 - the acquisition or disposal by way of lease or licence of any land for terms not exceeding 10 years with rents or licence fees not exceeding £25,000 per annum.
- 3.2 Any transactions approved under these delegated powers need to be reported subsequently to the Finance and General Purposes Committee. This report describes actions taken using these powers.

4 Winchester Fire Station, Winnall Close, Winchester, SO23 0LF

- 4.1 A licence for alterations has been granted to the Police and Crime Commissioner (PCC) for Hampshire under the terms of their lease of the former Road Safety Centre at Winchester Fire Station.

4.2 The alterations involved the fitting of kitchen units, a sink with associated water supply, waste and power points to the first floor office.

5 Eastleigh Fire Station Former Training Annexe – Lease to Hampshire County Council

5.1 Terms have been provisionally agreed for a new lease to Hampshire County Council (HCC) of the former training annexe at Eastleigh Fire Station, for the purpose of operating the Occupational Health and Wellbeing (OH&W) service for the joint service partnership (known as H3) between Hampshire Constabulary (HC), HCC and Hampshire Fire and Rescue Authority (HFRA).

5.2 The lease is for a 10 year term at nil rent from July 2014 with a break clause operable by HFRA in the event that the OH&W service ceases to be provided from the premises.

5.3 HFRA will continue to bear the running costs for the building in accordance with the protocol set up by the Joint Working Programme Delivery Board whereby investment in properties occupied under the joint service partnership remain the responsibility of the owning organisation.

5.4 Whilst HFRA is bound by the requirements of the Fire and Rescue Services Act (2004) and this disposal appears to be at less than best consideration, legal advice confirms that, so long as the transaction is appropriate for the HFRA in the delivery of its function, which does not have to be limited to this transaction, this can override the value assessment.

5.5 In this respect this transaction supports the strategic approach to the provision of services that are provided by H3 staff delivering outcomes to all founding partners including HFRA. There are corresponding arrangements for services delivered from HCC premises. The equivalence of this value has been agreed and confirmed between HFRA and HCC.

5.6 A notional annual rent for the premises if let on the open market under similar terms as the proposed lease, save as to rent, and capitalised over the 10 year lease term would be in the region of £140,000.

5.7 Running costs for the building (business rates, utilities) for the previous financial year were in the region of £24,000 excluding routine maintenance.

5.8 The opportunity cost to the HFRA in continuing to maintain the annexe and discharge its running costs is considered to have been met by the provision of the services and notional occupation by HFRA within the Integrated Business Service (IBC) located at Hampshire County Council. The Occupational Health and Wellbeing service also provides a service to HFRA staff. The costs are consequently considered to be balanced.

6 Fleet Management System Partnership with Oxfordshire Fire and Rescue Service (OFRS)

- 6.1 HFRS were approached by OFRS with a view to sharing a single fleet management system. After exploring the opportunity the solution has solved a significant operational challenge being faced by OFRS, developed the fleet management system to the benefit of, but at no cost to, HFRS and will generate a revenue for HFRS of around £15k over the term of the agreement. It has the potential to act as a catalyst for closer working with OFRS in associated areas.
- 6.2 The arrangement is underpinned by a Partnership Agreement authorised by the Chief Officer for the period 1 July 2015 to 15 May 2017.

7 Supporting our corporate aims and objectives

- 7.1 One of the Authority's priorities is to manage assets, including buildings, land and equipment in a cost effective way. The proposals and actions taken in this report support this objective.
- 7.2 A second priority is to build working relationships with partners to support our Service by spreading costs, increasing resilience and improving service quality. The actions in section 4 of this report support this aim.

8 Risk analysis

- 8.1 There are no significant risks arising from the proposals and actions in this report.

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 Resource implications

- 10.1 All asset related matters in this report are considered to be cost effective and can be met from within existing resources.
- 10.2 The income from sharing premises will contribute to the Authority's efficiency savings programme as detailed within the medium term financial plan (MTFP).

11 Background papers

- 11.1 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 Scheme of Delegation to Officers
<http://www.hantsfire.gov.uk/financialregulations.htm#schemeofdelegation>

[Medium Term Financial Plan Update 9 September 2015](#)

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