

Cambridgeshire  
Fire and Rescue Service  
Property Asset Management Plan

October 2009



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## **1.0 INTRODUCTION**

### **1.1 Purpose and Scope of Plan**

This Asset Management Plan (AMP) identifies the key strategic policy and resource influences affecting the Cambridgeshire Fire and Rescue Service (CFRS) and in response to these sets a broad direction for asset management over the medium term enabling its property portfolio (and associated professional support) to be optimised to meet identified needs. It facilitates rational property decision making based on identified service priorities. It is intended as a practical tool which helps to define, implement and measure how CFRS:-

- Makes its investment decisions
- Maintains and improves its assets
- Increases the cost effectiveness of its portfolio
- Promotes innovation and development in asset management
- Listens and responds to property users

The plan has a 5 year time horizon but is updated annually to provide a 'rolling plan'. It is restricted to consideration of property assets that the CFRS owns or uses rather than wider infrastructure assets such as vehicles and equipment. The scope of the plan is therefore restricted to land and buildings. The plan sets the context and a programme of action for the CFRS property portfolio over the medium term. It is intended for a wide audience including:

- Members - to support decisions on investment priorities in the portfolio
- Senior managers - to identify portfolio changes to meet their needs
- Public – a statement of CFRS asset management practices and priorities

### **1.2 Format and Content of the Plan**

The document is arranged in four sections with appendices containing supporting material.

- Section one provides a statement of strategic direction for property asset management through an analysis of the environment in which the CFRS is operating and its own priorities in response to this.
- Section two describes CFRS current policy and practice with respect to asset management, and is designed to provide a commentary against current 'Best Practice' in asset management. Asset management is a part of the Use of Resources component of the Comprehensive Area Assessment (CAA) and the AMP provides also an audit against the Key Lines of Enquiry (KLOEs) used through the CAA inspection process.
- Section three provides information on the size and nature of the property portfolio under thematic headings, and is designed to raise awareness of emerging issues in the estate.
- Section four provides a review of portfolio performance and a programme of action. This identifies key achievements looking backwards and intended short and medium term action in looking forward under the broad strategic direction defined through Section one.

## 2.0 The Planning Context and Strategic Direction

### 2.1 Influences for Change

The Asset Management Plan (AMP) does not exist in isolation but is set within the context provided by other plans. All these plans are in part a response to the wider external drivers impacting on CFRS. The Integrated Risk Management Plan (IRMP), Best Value Performance Plan and Fire Authority Plan, which have a medium term perspective, are updated on an annual basis and set out CFRS aims, objectives and targets. The AMP is also underpinned by a range of other plans and strategies which both contribute to it and amplify it. The AMP is designed to support and integrate with these other plans by reflecting how the CFRS portfolio and its management need to change over time to ensure the service's priorities are delivered.

The AMP is influenced by the wider policy and resource context within which it is set. Looking ahead there are five overarching factors to which the CFRS needs to respond all of which have asset implications. -

1. **Expenditure Constraints** - There is a need to adapt to the climate of severe public expenditure restraint and within this CFRS's own budgetary pressures which are likely to have a continuing impact over the medium term. In such a climate of expenditure constraint there is a need to plan to optimise utilisation and / or to release monetary resources tied up in buildings.
2. **Demographic Changes** - The changing demography of the area is likely to affect the distribution and nature of demand for CFRS response. The infrastructure needs associated with new housing and population growth plus a changing demographic profile, such as an increasingly elderly population, are likely to contribute to a changing geography of risk and hence of service response. This may support re-profiling of facilities, including re-location of existing facilities to ensure adequate response is maintained.
3. **Changing pattern of risk** - The nature of risk to which CFRS responds is evolving with an increasing emphasis on people rather than property; and on prevention in addition to response. There is also a broadening pattern of response. With fire prevention increasingly contributing to reduced responses to fire incidents, responses to road traffic accidents are increasing and the demands of wider civil emergencies such as inland water rescues or those related to flood incidents from climate warming represent areas of increased risk. This broader range of responses may lead to a modified service delivery model and ultimately a revised pattern of accommodation to support it.
4. **Regionalisation** - The Fire and Rescue Services Act 2004 introduced a regional dimension to fire and rescue services. The Act opened up the prospect of cross-boundary working and the potential for efficiencies savings from *sub-regional collaboration*. As part of this regionalisation of the service the CFRS control centre will move to a new regional base. There is also potential to collaborate in other areas such as joint procurement, shared use of training and bundling of support services.

5. **Partnership Working** - Central government's agenda of developing sustainable communities and improved resource efficiency through better or shared use of accommodation and improved integration of public sector agencies. Whilst there are often practical limitations on sharing facilities the potential for joint use with services such as has been recognised by CFRS and needs to be developed within a broader policy framework for partnership working.

## 2.2 CFRS Priorities and Aspirations

CFRS articulates its aims and objectives through its Fire Authority Plan and a range of strategies which underpin this. Whilst some of these are currently being updated some general trends can be identified:-

1. **Service Modernisation** – A desire to drive through a 'step change' in organisational performance through use of improved working practices, changes to service culture and improvement in process and procedures. There is an internal leadership drive to improve performance and to demonstrate efficiency across a broad range of activities. The CFRS aspires to excellent status in the future. This drive is associated with changing and modernising the service but also demonstrating to the public its overall value for money. Within asset management there is need to embrace and demonstrate consistency with best practice, use of performance measures and a strategic, innovative and collaborative approach to the use of assets.

There is an aspiration reflected across all the CFRS plans and policies to modernise the service. This is an all embracing aspiration which impacts on service delivery models, working practices and service image. Implicit in this policy is the need to retain the ethos of the service which is concerned with saving lives but also a need to improve integration between the uniformed and non-uniformed service elements; counter silo-mentality where it exists and to promote CFRS as a responsive modern public service. This requires tackling the pervading fire fighter culture at operational level.

2. **Promoting flexible working practices** – There is an emphasis on improving service flexibility. On the operational side this is about ensuring flexibility of fire stations in terms of location and through time as the geography of risk changes. The Workforce Strategy is also promoting more flexible working arrangements (within the constraints imposed by the service) such as 'hot-desking' and home-working, in particular for traditionally office based staff. This can provide benefits for staff whilst also improving space utilisation. It has been recognised that the existing HQ is an inflexible administrative building with numerous cellular offices and rooms.
3. **Developing CFRS's community role** – The CFRS is seen as a focus for the community with an active, fit and 'can do' image which enhances its education and preventative remit. This aspiration for reaching out into the community has yet to be fully amplified through facilities at fire stations and its asset implications has not been fully articulated. There is therefore a need to define what this community role means in practice.

4. **Estate modernisation** –CFRS recognises the need to maintain operational efficiency through its buildings and facilities, which includes responding to the environmental agenda set by climate change. It has an aspiration to rebuild a number of facilities and to improve its approach to sustainability across its broad range of activities thereby reducing its overall carbon footprint. An overall reduction in space used is an important contribution to this target, as is promoting sustainability through procurement and design of new buildings and retro-fit of existing buildings through measures such as use of micro-renewable, insulation, energy efficient lighting and appliances.

### 2.3 The Resource Context – (Revenue and Capital Expenditure)

CRFS budgeted revenue expenditure of £27,960,000 in 2008/09 with Property expenditure representing 3.6% at £1,014,000. This amounted to a 2% increase in property related expenditure over 2007/08, which in turn compares favourably with an increase in total revenue expenditure of 6% in the same period. Spending pressures were noted in respect of staff, borrowing, training and data management, without any efficiency gains likely to be realised.

The 2008/09 capital programme amounted to £3.65m, with property expenditure of £1.55m and a further £3m earmarked for property by 2012. This represents an initial period of renewal of stations constructed in the 1950/ 60's. In addition the population and number/ diversity of dwellings is forecast to grow over the next 20 years.

### 2.4 Key Issues in Asset Management

A number of issues have been identified in terms of asset management and the property services required to support these. These include both a mix of current imperatives and incipient problems whose impact has yet to be fully recognised or quantified:-

**Population growth** - Cambridgeshire and Peterborough have witnessed significant growth in population and dwellings over the last decade and further substantial increases are forecast over the next 20 years or so. Population growth between 2006 – 2031 is forecast at 25% [from around 750,000 to 950,000] with the number of dwellings set to grow by 35% [from around 330,000 to 445,000]. This growth will not be spread evenly – it will be spread across the CFRS area but concentrated within new settlements and expansion of existing communities. As a consequence the service profile is likely to require significant remodelling and investment in new facilities.

**Obsolete buildings** - The vast majority of fire stations were constructed in the 1950/ 60s. Whilst generally well maintained [with the exception of Cambridge] a number have been identified as unfit for purpose, including Huntingdon [which incorporates the main training facility] and SHQ. Given the increasing obsolescence of the estate coupled with changing demands arising from population growth, it is important to ensure that a long term view is taken to planning capital expenditure, whilst having regard to life cycle costings.

**Optimising the portfolio** – releasing value or intensifying use or reducing costs  
Life cycle costings are an important consideration when considering whether to rebuild or refurbish. Significant variations in outturn are likely to be seen when a strategic, as opposed to piecemeal, approach is adopted. One of the benefits of a strategic approach could be the propensity to dispose of sites with high alternative use value. The CFRS portfolio contains a number of such sites, in particular Cambridge fire station. Given the current economic climate and depressed property market, it is recognised that, in the short to medium term, best value may not be realised from disposal of prime assets. However, this period represents an opportunity to plan to optimise opportunities for the development and the release of valuable surplus assets. SHQ is likely to be a good example of a site which is inefficient in operational terms but could have significant latent value.

**Community Focus** – Whilst there is a CFRS aspiration to promote community outreach and engagement which is consistent with central government policy there is lack of clarity about what this means in practice for the CFRS physical estate. There is a need to develop a simple, but explicit statement of the asset management implications of community engagement and through this to define and clarify what this means in terms of urban and rural stations, accommodation needs, funding and operating basis etc. As the portfolio represents a physical manifestation of the CFRS in the community there may also be issues around building design, accessibility, appearance etc. Open, welcoming facilities are more likely to encourage use than more formal purely functional buildings.

**Sustainability** - the age profile of the portfolio in part constrains the portfolio from being environmentally friendly and sustainable over the long term. Greater emphasis in the future will need to be given to the environmental aspects of buildings, such as energy and water consumption and to the overall carbon footprint of the portfolio.

## 2.5 Some Key Challenges in Asset Management

A number of key challenges have been identified which may have to be considered over the medium term. These are:-

**Exploiting Latent value in portfolio** - The 2006 review identified a large number of sites with development potential; mostly for residential use. These include Cambridge, Huntingdon, Ramsey, Dogsthorpe, Stanground, St Ives and SHQ. The question is – how to exploit this value and release resources for CFRS? Traditionally a piecemeal approach has been adopted to development, on a case by case basis. However, it is now recognised that a forward looking collective approach is more likely to release the most valuable sites, whilst concentrating operational development on existing sites as well as new sites set aside for the Fire Service through planning gain. Decisions regarding the future use of Cambridge fire station and the Huntingdon HQ are pressing. Both sites likely to have significant latent value but realising this value may be difficult, time consuming and beyond CFRS's comfort zone. An alternative long term approach is proposed at 2.6 below but in the short to medium term consideration might be given to relocating SHQ to Cambridge.

**Pattern of fire stations** – There is a question of whether the current pattern of fire stations consistent with future needs, having regard to demographic changes and the changing pattern of risk. This seems unlikely especially when this issue is considered alongside the looming obsolescence of facilities constructed in the period 1955 – 1975. Once the future provision is clarified it seems that [in view of the combination of these factors] there would be sufficient critical mass to explore alternative ownership and joint venture arrangements, which would minimise risk and optimise return to CFRS. Following local area reviews this may also involve the provision of community facilities, where policy objectives can be met and a negative financial outcome avoided.

**Ensuring non-operational assets are used effectively?** - There is a need to challenge how effectively non-operational space such as offices, training facilities and other ancillary facilities are being used. This has several perspectives to it. Are flexible working practices being promoted to reduce demand for office space and intensify utilisation?; Are joint working arrangements with other public bodies being exploited to ensure facilities are fully utilised; are income earning opportunities being overlooked? And is there equity in office facilities in different parts of the portfolio. Whilst within a relatively small portfolio the efficiency gains from improved utilisation of non-operational space maybe limited it is an area which does require some robust challenge.

## 2.6 The Strategic Direction for Asset Management

Physical assets like property must closely support CFRS's objectives and in doing so be responsive to the strategic influences that are continually shaping the service. In looking forward the over-arching need in asset management seems to be ***the need to articulate senior managements modernising agenda into an entrepreneurial implementation strategy for the development and management of property assets across the portfolio.*** This will set a broad strategic direction around which resources and action can be coordinated. This challenge can be succinctly summarised as:-

- **Active portfolio management** – *Is non-operational space being used effectively? Are options for future development and capital expenditure being fully considered?* There is a general need to ensure that the portfolio is contributing effectively to the CFRS core objectives. Every opportunity needs to be taken to minimise cost, generate income, to enhance or release value. Over specified facilities and under-utilised space are a hidden cost which need to be minimised and CFRS must be alert to the potential for land and buildings to generate income from third party lettings. This is especially true of the non-operational space which needs to be subject to more active management
- **Using CFRS assets to support its community role** - The Fire & Rescue Services is increasingly being recognised as a focus for the community but *in practice what does Community Engagement mean for the use of CFRS assets and should this impose any additional financial obligations on CFRS?* This community role is clearly allied to the increasing importance of prevention and consultation which takes place both informally and formally. The focus of 'risk management' is clearly changing from buildings to people, although risk to people has to be balanced with recognition that buildings should be welcoming and easily accessible. This suggests that CFRS should firstly aim to interact with people within the places where they live, work, learn and play but also to make space available within CFRS facilities in order to further fire safety

and related educational objectives. CFRS property assets therefore need to be sufficiently flexible to support educational objectives but the case for the provision and adaptation of CFRS floor space for unrelated community use is less clear and generally of a lower priority. However, it may be that over time the services could promote itself as a focus for the community; particularly in rural areas, combining its preventative and educational role with a social responsibility role.

- **Promoting shared asset use** - *Has shared asset use (with other agencies) been robustly explored?* The policy environment and resource pressures are promoting greater collaboration and shared asset use amongst public sector agencies. The current, largely passive approach to this is no longer appropriate and a more robust and proactive approach is required. Whilst CFRS is likely to be a minor partner (in terms of its portfolio size) in comparison with other public sector agencies this does not prevent it from taking a lead on a multi-agency basis; especially in the emergency services sector. There are potential benefits to be achieved from reduce operating costs or releasing cash (from possible property asset rationalisations) and the agency that takes the lead on this may be best placed to secure such benefits.
- **Adopting a Whole portfolio strategic approach.** *Facing challenges many which may be beyond it's capacity and skill base has CFRS considered the full range of implementation strategies?* At the most ambitious level is the 'whole portfolio strategy' which, over a given period, will articulate where the service intends to be [using a blank canvass] and how it intends to get to this point from it's current position. It is considered that in the case of CFRS this will involve a quite radical development/ change programme involving a fundamental challenge to the need for the number, type and location of fire stations. This is a highly contentious issue but one that needs to be addressed from time to time in a radical way in order to explore the full range of possible options. The delivery of such a programme is likely to require the consideration of joint venture arrangements, whereby CFRS is able to access specialist skills, negate development and financial risks, optimise the potential for upside returns and secure long term value from the portfolio.

### 3.0 Asset Management Policy and Practice

#### 3.1 Overall Approach to Asset Management

There is an asset management plan (AMP) which focuses on the operational aspects managing the CFRS property portfolio. The organisation is aware of the need for strategic change and a culture of change is being promoted by the management team and with a recently appointed Head of Media and Communication there is an intention to improve outreach into the community.

The organisational culture is therefore under-going change from a more traditional, conservative one, to one which is prepared to embrace change and to innovate. Accordingly the organisation is prepared to learn from others, to embrace new ideas and to seek performance improvement through innovation. It should be borne in mind that this is a relatively new cultural approach which will take time to become embedded within the CFRS and which will also take time to be absorbed by the asset management function.

An audit of the CFRS asset management practices has been undertaken against the Key Lines of Enquiry (KLOEs) for asset management for both the CPA and CAA and against wider asset management practice. In general the practices of CFRS compare favourably with 'best practice' but with some notable areas of risk. In terms of the CAA it is felt that CFRS is working comfortably at level 2; and also at level 3 but with some noticeable areas of weakness around performance management, partnership working and community engagement.

KLOEs	Level 2	Level 3	Level 4	
Has a strategic approach to asset management based on an analysis of need to deliver strategic priorities, service needs and intended outcomes	Corporate property function with a strategic focus		Strategic plan for property assets	
	Senior level Officer & Member 'Champion'		Data to support investment / disinvestment decisions	
	Capital prioritisation process appraisal linked to objectives		Asset management integrated with business & service planning	
	Use of option appraisal & whole life costing		Property used as an enabler of transformation	
Manages its asset base to ensure that assets are fit for purpose and provide value for money	Up-to-date asset register & comprehensive asset data		Performance measurement framework	
	Up-to-date asset corporate management plan		Monitoring & reporting of local pPIs and targets	
	Suitability assessments of all buildings undertaken		Capital projects on time & budget	
	Level of backlog maintenance of portfolio assessed		Processes to challenge need and performance of assets	
Works with partners and community groups to maximise that use of its assets for the benefit of the community	Established mechanism to consider asset issues		Uses capital programme with partners to achieve service transformation	
	Post-project evaluation to assess outcomes		Collaboration on area based AMPs or asset strategies	
	Engagement with stakeholders to understand asset needs		Community use of assets / Policy for community asset transfer	
	Consultation through local members on asset decisions		Ability to access and share asset data	
			<p>At least three examples of projects which can be described as:-</p> <p><b>Strategic</b> (of a large scale or covering a wide geographical area)</p> <p><b>Innovative</b> (which can act as a regional or national exemplars)</p> <p><b>Partnership</b> (involving several public, private or voluntary sector partners)</p>	

### **3.2 Roles & Responsibilities**

There is a designated Property Manager post which has responsibility for all property related matters. This post reports to the Director of Resources.

The rules for who does what for property matters is well defined and understood. All property matters are discussed with and actioned through the Property Manager (with the appropriate authority if levels of spend are significant). Procedures are documented Service and Management Orders.

Strategic property issues, such as the development of the Corporate Asset Management Plan) are undertaken at a senior level and are discussed at the CFRS senior management team.

### **3.3 Decision Making and Consultation**

There is a clear operating protocol covering all property matters which is understood in terms of practice and well documented through written procedures. The Property Manager reports through the Director of Resources and property matters are considered at the senior management team as required.

As a consequence of a relatively small organisation and well defined practices around property management there is effective communication on property matters. The Property Manager is an acknowledged central focus on property issues and informal as well as formal communication ensures that property issues are well understood.

Whilst there is no specific asset management champion there is regular engagement with Members on key asset management issues through senior officers and appropriate public meetings.

### **3.4 Identifying Property Needs**

Big decisions on property matters are made at budget setting stage. Budget bids can be challenged prior to inclusion in the capital strategy.

There are regular meetings with station and watch managers through which issues in the portfolio can be shared. This works as a two-way exchange of information – concerned with both intended actions and incipient problems. Given the relatively small scale of the organisation and the portfolio there is also a lot of informal communication and accumulated knowledge of issues at an individual building level.

Sustainability is recognised as an area for further work and the CFRS approach to this is an embryonic form but there are some examples of good practice, which provide templates for improvement.

The allocation of capital funding has in the past been undertaken by the Property Manager with reference to the building condition assessments and the available funding. There is an intention to move towards a more systematic process using a scoring approach to ensure the allocation of scarce capital funds to those needs which are most consistent with corporate objectives and / or operational service needs.

### **3.5 Capital Programme Management**

Major decisions on property matters are subject to scrutiny through member processes and the capital budget which is published on an annual basis.

Capital projects involving major spend (over £20K) tend to be managed using external consultancy support; whereas smaller projects will be managed in-house. Whilst there have not been many major capital projects those that have occurred have been managed on time and within budget.

### **3.6 Managing Properties in Use**

All assets are considered to be in corporate ownership with major decisions and spend channelled through the Property Manager. This ensures effective control over both day to day property matters and longer term considerations about the portfolio. A set of management objectives for asset management is articulated through the asset management plan. These provide a link between the property asset base and the CFRS Integrated Risk Management Plan and the relatively small size of the organisation allows asset management to be closely aligned to the IRMP through both formal and informal planning processes.

The organisation has a comprehensive and current record of what it owns, where it is and what it is used for. This data is held in the Asset Inventory which is held as part of the Fire & Rescue Service's Document management system allowing view only access to all staff, with a paper copy also held off-site by the Property Manager. Assets are categorised according to their use (operational and non-operational) and within the operational estate according to the crew-status.

As part of the annual inspection programme of the portfolio a set of recommendations and actions are identified for all buildings. This provides an individual action plan for each building. The priority actions are considered and carried forward in the annual maintenance plan, linked to available budget and aligned to the Property Manager's individual action plan. The short term (one year) action plan identifies the key priorities for asset management and also contributes to the personal action plan of the Property Manager.

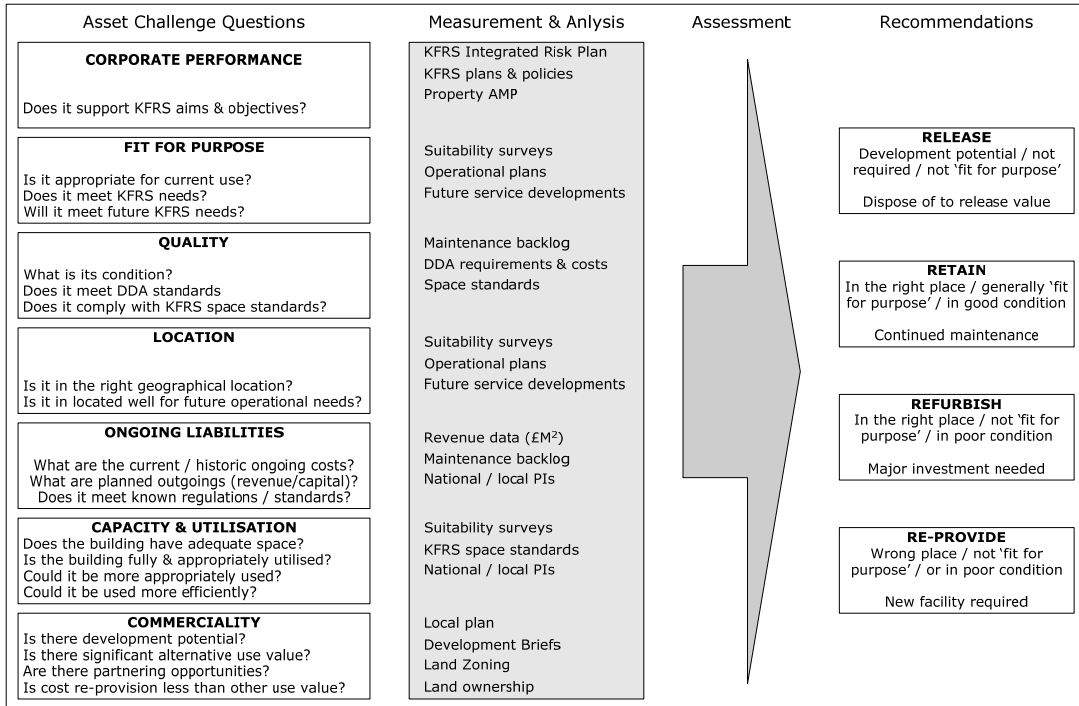
### **3.7 Review of Need, Utilisation and Cost**

Asset Management should operate within a 'strategic framework', such as set out in the diagram below.

Property running cost data is held for all operational properties and elements of running cost data, such as energy consumption, are monitored. Asset valuations, together with replacement cost insurance valuations are undertaken, on a three yearly basis through the use of external consultants, and provided to the Finance Section.

The development potential of the portfolio was assessed by external consultants in 2006. This included an evaluation to identify those premises where the opportunity costs are high and where there maybe significant latent value. This external assessment of the portfolio means that CFRS has a reasonable appreciation of the opportunity cost of the portfolio.

# Cambridgeshire Fire & Rescue Service Asset Management Plan



## 3.8 Data Management

The CFRS data to support asset management has been subject to a review against a 'road map' of data required to support asset management. This audit, which is reported in summary form in the diagram below, has indicated that in terms of data quality (currency, completeness and accuracy) CFRS has a comprehensive range of data to support asset management. The main areas of weakness seem to be in performance data at an individual building level and this is an area requiring further attention. Despite this weakness the audit suggested that CFRS has the core property data required to make effective decisions on property matters.

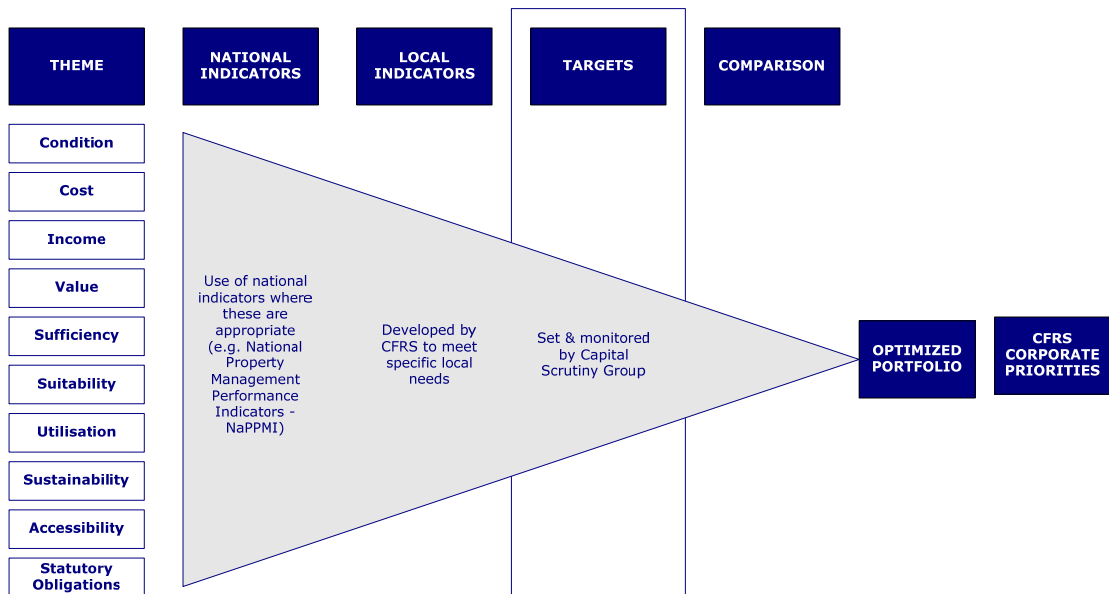


\* Not applicable

### 3.9 Performance Management

Whilst much of the base data required tracking the performance individual buildings, and the portfolio as a whole is available, the size and capacity of the Property Team has tended to act as a constraint to progress in this area. Performance measurement and the development of property performance indicators is identified as an area requiring further action over the short to medium term.

A simple framework as shown below has been adopted in order to provide a 'scorecard' approach to measuring the portfolio performance. This based on a small number of property performance indicators (pPIs) which have been chosen to provide a rounded view of the portfolio. The intention is to track these over time, establish long term targets against which to monitor progress and to see to compare performance with other fire and rescue organisation as far as is possible. The framework (including the pPIs and targets set within it) is an embryonic one which will be developed and refined in use.



### 3.10 Partnership Working

Partnership working on asset management matters includes some shared use of fire stations and there may be further potential to shared accommodation with other partner agencies. Whilst CFRS does not be expected to lead on partnership working, it prepared to be responsive and alert to such opportunities.

## 4.0 The Property Portfolio

### 4.1 The Size and Nature of the Portfolio

A summary of the CFRS portfolio is shown in the table below with a full schedule of the portfolio with basic data on each asset provided as Appendix A to this document. The portfolio can be broadly categorised according to property types as follows: -

Asset Type	Number	Asset Value (£000s)	Running Cost (£00s)	Repair Backlog (£000s)
Fire stations (whole time)	3	1,350	313	4764
Fire stations (retained)	20	6,075	389	3,836
Fire stations (whole time & retained)	1	1,750	102	1,054
Fire stations (day crewed+retained)	3	2,251	156	935
Administrative offices &HQ	2	1,500	189	311
Houses	5	930	3	
<b>Total</b>	<b>34</b>	<b>13,855</b>	<b>1152</b>	<b>10,900</b>

Whilst fire stations are 'location critical' with response times being the key determinant of their location, others assets, such as administrative and training facilities are not and their location is in part a legacy of circumstances rather than a current assessment of need.

The locations, types and sizes of fire stations are determined by the risk to the community and the ability to respond to incidents in terms of the time and number of appliances according to specific types of incidents. The positioning of fire stations is therefore location sensitive with proximity to the road network and areas of risk being critical. Staff duty systems (whole-time, day-crewed or retained) influence the provision of facilities at each station. Whole-time stations are in use around the clock and require some staff to spend extended periods in these buildings; day-crewed fire stations are in use for large parts of the day, whilst retained fire stations have far less staff activity on site and therefore require fewer facilities. In general terms the pattern of fire-station provision is for whole-time and day-crewed fire stations to be in urban centres and retained fire stations to be in rural areas.

The Training Centre is located at Huntingdon Fire Station. A physical resource for training is needed but its location is not critical. It is a functional building 'which has 'done it's job'. However, there are plans to replace the existing facility which is considered to require substantial capital investment. There may also be the option to deliver more training locally or deliver training in partnership.

### 4.2 Cost of Owning and Occupying Property

There is a recurring cost borne from the revenue budget to own and occupy property. Assuming the portfolio is fit for purpose and in a reasonable state of repair the objective should be to minimise this expenditure in order to release revenue for operational priorities. The Audit Commission has identified an indicative spend of 8% of an organisation's net annual revenue budget as being typical for a portfolio in reasonable state of repair. Based on 2008/09 budget forecast figures CFRS currently spends £1,014,000 on property running costs which is equivalent to 3.6% of the CFRS revenue budget

#### 4.3 Value and Income

As well as providing the accommodation from which to deliver services, property can also be considered as a 'productive asset' which is capable of releasing value (from property disposals) or generating income (from rental lettings). Although not its primary purpose, this can make a valuable offsetting contribution to capital projects or operating costs. In 2008/09 CFRS generated rental income from aerial sites of £14,133. The portfolio will be reviewed to identify any latent value that might exist.

#### 4.4 Age and Condition

It is important to understand the condition of the building stock in order to be aware of immediate health and safety issues in the portfolio, incipient risks and liabilities to the CFRS; and the investment needs associated with ensuring buildings are in a reasonable state of repair - as required by CFRS to meet its service obligations. It is also an important element of 'Best Practice' within current asset management guidance.

The bulk of the portfolio buildings (96%) are over 30 years old with none aged less than 20 years. This age profile may indicate incipient issues in the portfolio related to building maintenance and constrain the ability to promote a 'green' portfolio which is consistent with CFRS sustainability objectives.

< 10 years	10-20 years	20-30 years	30-40 years	40-50 years	> 50 years
0	0	1	6	15	5

Asset Type	Backlog in excess of £200k	Backlog between £50-200K	Backlog under £50k	Total
Fire stations, training, worksops & 1 office	18	8	2	28
SHQ	1			1
Housing			5	5
<b>Total</b>	<b>19</b>	<b>8</b>	<b>7</b>	<b>33</b>

#### 4.5 Suitability

Buildings need to be 'fit for purpose' in order to support service delivery. A building of the wrong type; in the wrong location can be a major inhibitor to effective service provision. It is important therefore to periodically review the suitability of buildings to see if they are having a beneficial or detrimental effect on operational effectiveness.

CFRS maintains a comprehensive RAG report for individual buildings covering nearly 70 categories of defect/ risk. This is included as appendix \_ and shows that 7.8% of 'cells' are Category 3, the highest priority. Cambridge Fire Station shows a very high proportion of Category 3 defects, where backlog maintenance is estimated at £4.2m. This is approximately four times the figure for Huntingdon - the next highest.

#### **4.6 Capacity and Utilisation**

Space utilisation studies have been commissioned and are about to be undertaken across the estate.

#### **4.7 Statutory Compliance**

Ensuring the portfolio conforms with statutory obligations is a high priority of the CFRS. Failure to do so may expose staff and clients to health and safety risks or expose the CFRS to financial risks. The statutory obligations for the portfolio and related professional services are varied and subject to continued revision and therefore need to be monitored closely.

The RAG report shows that access and facilities for disabled persons are inadequate across the operational estate. This does not appear to be reflected in the Action Plan.

#### **4.8 Portfolio Analysis and Investment Needs**

The broad range of intelligence about individual assets needs to be put into a simple framework to categorising assets according to intended action. This provides a basis of analysing the portfolio against an overall long term objective of providing or retaining assets which are fit for purpose, in good condition and cost-effective. The approach going forward is to classify assets into a set of 'agreed' categories and to maximise those in the 'retain' category whilst minimising those in the 'refurbish' or 're-provide' categories as these are the assets requiring significant investment. External consultants undertook an Asset Review for Bedfordshire & Luton which categorised and scored land and property assets according to 6 key criteria, following which a composite score was arrived at, thereby indicating whether the facility should be retained or not. A similar approach could be followed by CFRS and may therefore bring greater clarity to the justification of investment and disposal decisions.

The CFRS 'Property Action Plan' [attached] indicates that new fire stations are planned for Cambridge, St Neots, Yaxley, Burwell, Huntingdon [including new training facilities] as well as a new SHQ. Property expenditure forecast within the capital programme is therefore significant being £1.5m in 2008/09 and £1.6m in 2009/10 with a further £1.4m allocated in the following 2 years. The intention was to fund much of the programme from borrowing [with less than £500k coming from capital receipts] however the programme is now under review and significant capital expenditure deferred until after 2012.

## **5.0 Review of Portfolio Performance and Action**

### **5.1 Looking Backwards – A Review of Key Achievements**

During the year 2008-09 months CFRS has demonstrated its commitment to asset management through a range of initiatives. Energy conservation, in particular, has been a high priority and the following improvements have been rolled out across the estate: -

- Cavity wall insulation
- New condensing boilers
- Replacement UPVC windows
- New flat roofs incorporate additional insulation

The Carbon Trust has been instructed to undertake surveys at SHQ with other premises to follow. All new facilities will be required to conform with BREEAM standards. Improvement works have been undertaken at most stations and Sutton provides a typical example:- kitchen refit, new ceiling and lighting to lecture room, replacement rear appliance bay door, replacement roof lights and roofing works, security bars to appliance bay doors.

### **5.2 Measuring Progress in Asset Management – A Performance ‘Scorecard’**

CFRS has recognised performance measurement as an area for action. In future CFRS will seek to use a sub-set of the NaPPMI (National Property Performance Management Initiative) property indicators. These are a set of performance indicators developed by the professional and practitioner associations and endorsed by DCLG. Whilst there are some definitional problems associated with these pPIs they are being increasingly used by organisations nationally and this may facilitate comparisons between different fire & rescue services.

In addition CFRS will develop and maintain its own local property performance indicators using a simple overall scorecard approach which will allow at a glance understanding of broad trends in the portfolio against its overall property management objectives. An initial ‘scorecard’ is given in Appendix B.

### **5.3 Looking Forward – A programme of Action**

The analysis of the planning context in section 2.0 and the identification of strategic direction provide a framework within which to set key actions for asset management. A programme of action to respond to key the issues identified over the short, medium and long term is presented below under the four identified strategic themes. The actions identified are the strategic actions concerned with developing asset management and are in addition to the more regular actions which are set through the Property Teams’ annual action plan.

There is no implied priority or sequencing for the identified actions and similarly no identified lead of target date for completion. The identified actions will be considered as part of the annual corporate planning processes of CFRS and actions will be progressed according to available resources and organisational capacity and in light of corporate priorities reflected through the IRMP. It is anticipated however that many of the actions listed below will be reflected through the Property Team’s action plan over the coming years.

### **Key Themes and Future Actions**

#### **Active Portfolio Management**

- Develop a set of indicators to measure the performance of the portfolio and seek to undertake comparative working with similar sized fire and rescue organisations.
- Identify and agree long term targets for identified property indicators and track progress against these through successive AMPs.
- Monitor space utilisation at administrative base. Set long term targets based on realistic assumptions for the adoption of flexible working practices and seek to make progress against these.
- Undertake a radical "blank sheet" plan for the number and location of fire stations and compare this to the existing portfolio to identify the potential for rationalisation.

#### **Using CFRS Assets to Support its Community Role**

- Develop a strategy document to define the asset implications of CFRS's community role
- Developed a 'template' to define the type of community services / facilities to be provided for both an urban and rural setting and document the intended operating principles.
- Document the operation principles / procedures for community asset use ensuring operational imperatives are met.

#### **Promoting shared asset use**

- Undertake a rigorous audit to identify where opportunities for shared asset use might exist.
- Consider the development of an Emergency Services Asset Strategy (as a way of developing a collaborative approach to asset management).

#### **Adopting a Whole Portfolio Strategic Approach**

- Undertake a radical "blank sheet" plan for the number and location of fire stations and compare this to the existing portfolio to identify the potential for rationalisation.
- Investigate alternative potential delivery models (such as LABVs) for asset rationalisation, capital project delivery and value release.

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**Appendix A – List of Property Assets in CFRS Portfolio**

<b>Name &amp; Location</b>	<b>Floor Area (GIFA) M<sup>2</sup></b>	<b>Asset Value [£000]</b>	<b>Running Costs [£000]</b>	<b>Repair Back log[£000]</b>	<b>Dev Pot [2005] Residential unless stated</b>	<b>No. of calls 2008/09</b>	<b>Property costs / call</b>
B01 Cambridge	2973	Dev. Agrmnt	129	4,200	Y		
B02 Cottenham	205	350	16	205	Y		
B03 Sutton	192	250	26	139	Y		
B04 Littleport	205	275	13	185	Y		
B05 Ely	450	500	54	329	Y		
B06 Soham	228	200	14	239	Limited		
B07 Burwell	180	50	9	0	No		
B08 Swaffham Bulbeck	253	300	14	220	Y		
B09 Linton	256	350	21	228	Y		
B10 Sawston	205	300	14	198	Y		
B11 Gamlingay	205	300	14	167	Limited		
B12 Papworth Everard	205	N/a	22	202	No		
B13 St Neots	401	1,300	53	524	Y		
A14 Dogsthorpe	2135	900	102	284	Y		
A15 PVFB		Not owned			Y		
A16 Stanground	827	450	82	280			
A17 Yaxley	166	100	13	214	Y		
A18 Whittlesey	297	150	19	201			
A19 Thorney	184	125	14	210	Y		
A20 Wisbech	839	750	89	171	Commercial		
A21 March	430	500	24	152	Y		
A22 Manea	205	150	13	164	Y		
A23 Chatteris	201	300	14	220	Y		
A24 Ramsey	283	275	23	156	Y		
A25 Sawtry	177	250	14	202	Limited		
A26 Kimbolton	181	350	16	229	Limited		
A27 Huntingdon	1607	1,750	102		On market		
				1,054	(£2.5m)		
A28 St Ives	559	1,200	36	215	Y		
SHQ	1787	1,500	168	311	Y [sale		

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aborted]

Workshops [Inc A14]  
Training Centre [Inc A27]  
Houses

3  
18  
3

750 for 4 at  
Huntingdon  
180 for 1 at  
Ely.

St Ives Offices [Inc A28]  
Fire Control [Inc SHQ]

n/a

**Totals**

**15,836**

13,855 plus  
Cambridge

**1152**

**10,900**

**New review  
required**

**14,561 [excl  
duplicates]**

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**Appendix B – Property Performance ‘Scorecard’**

Theme	Property Performance Indicator	2006/07	2007/08	2008/09	Target	Change
<b>Condition</b>	Urgent & essential repair costs as % of gross revenue budget					
<b>Cost</b>	Property running costs as a % of revenue budget					
<b>Income</b>	Letting income as % of property running costs					
<b>Value</b>	Asset value as a % of gross revenue budget			62.05%		
<b>Suitability</b>	To be defined					
<b>Sufficiency</b>	Total Floors-space per head of population			0.015		
<b>Utilisation</b>	Operational space as a % of total floor-space			64.29%		
<b>Accessibility</b>	To be defined					
<b>Sustainability</b>	Carbon footprint / M <sup>2</sup> for total portfolio					
<b>Operational efficiency</b>	Property costs per call out					

**Key:** ■ No change      ▲ Getting better      ▼ Getting worse

**Appendix C – Extract from CFRS AMP 2008 – 2013 (ACTION TO BE TAKEN)**

For the remaining estate the following action should be taken:

1. The distribution and location of Fire Station in Cambridgeshire and Peterborough is dictated by the performance targets for attendance of crews and appliances to emergency calls. This is subject to modification by the Integrated Risk Management Plan (IRMP).
2. All premises are inspected annually to check maintenance needs along with compliance with current legislation and identification of future needs.
3. It should be borne in mind that most stations are in good condition with few structural problems. However an ageing stock, which was designed for staff accommodation standards current more than 40 years ago is not ideal. Such facilities as female shower facilities and breathing apparatus cleaning areas have had to be constructed within existing areas. Kit washing and drying facilities are mostly absent. Staff locker facilities are similarly often inadequate. Age profiling gives an average age for our premises of 45 years after removing the 3 sites with Victorian and earlier origins.
4. The plan to achieve a strategy based on the property asset management plan is here outlined:
  - Continue with annual building condition inspections for all premises.
  - Cost and prioritise maintenance and improvement needs resulting from the condition inspections.
  - Report condition and costed needs of the building stock to Directorate to inform the decision-making relating to provision of premises within the IRMP process.
  - Policies and procedures necessary for the successful management of the property portfolio will be, agreed and available to all stakeholders.
5. The management of property assets will be driven by the development of the Cambridgeshire Fire and Rescue Service and the provision of the service to the public.
6. Cambridge is currently the subject of a redevelopment project with a new station to be delivered in late 2009.

7. For the remaining estate the following action should be taken:
- A. Draw up plans, cost and consult on construction of a new fire station to replace the existing premises at St Neots as it requires substantial capital investment to bring up to a modern standard.  
Capital provision of £50,000 to be made in financial year 2008/2009 for these works if approved. Capital receipt from sale of existing site should contribute to remaining total expenditure.
  - B. Draw up plans, cost and consult on construction of a new fire station to replace the existing premises at Yaxley as it requires substantial capital investment to bring up to a modern standard.  
Capital provision of £550,000 to be made in financial year 2008/2009 for these works if approved.
  - C. Draw up plans, cost and consult on construction of an extension at Ely Fire Station capable of accommodating East Cambridgeshire District staff on that site.  
Capital provision of £200,000 to be made in financial year 2009/2010 for these works if approved.
  - D. Draw up plans, cost and consult on construction of a new combined fire station to replace the existing premises at Burwell and Swaffham Bulbeck as both require substantial capital investment to bring up to a modern standard.  
Capital provision of £400,000 to be made in financial year 2009/2010 for these works if approved. Capital receipt from sale of existing sites should contribute to remaining total expenditure.
  - E. Draw up plans, cost and consult on construction of a new fire station and training centre to replace the existing premises at Huntingdon as they require substantial capital investment to bring up to a modern standard.  
Capital provision of £800,000 to be made in financial year 2010/2011 for these works if approved. Capital receipt from sale of existing site should contribute to remaining total expenditure.
  - F. Draw up plans, cost and consult on construction of a new fire service headquarters to replace the existing premises at Huntingdon as it requires substantial capital investment to bring up to a modern standard.  
Capital provision of £600,000 to be made in financial year 2011/2012 for these works if approved. Capital receipt from sale of existing site should contribute to remaining total expenditure.
  - G. Continue to explore the possibility of replacement premises at Whittlesey at nil cost to Fire Authority.
8. Additions to the estate are under consideration as follows:
- A. Provision of single bay retained fire station and district offices at Cambourne. This scheme has received a contribution under Section 106 of the Town and Country Planning Act. At the time of report pre-planning negotiations on design and layout are under way with the Local Authority.

- B. Provision of single bay retained fire station at Northstowe. At the time of report negotiations are under way with County planners regarding application for Section 106 grant. Initial response is that preferred provision is for all of township to be sprinklered.
- C. Provision of single bay retained fire station at proposed new town of Mereham. At the time of report early negotiations are under way with planners regarding application for Section 106 grant. Initial response is that preferred provision is for all of township to be sprinklered.