

CHESHIRE FIRE AUTHORITY

MEETING OF: ESTATES AND PROPERTY COMMITTEE
DATE: 9th DECEMBER 2022
REPORT OF: HEAD OF SERVICE IMPROVEMENT
AUTHOR: IAIN GAMMACK

SUBJECT: CREWE FIRE STATION PROJECT

Purpose of Report

1. To provide an update about the work that has taken place on the Crewe Fire Station Project following agreement to proceed with the Project on the 6th May 2022.

Recommended That Members:

[1] Note the report.

Background

2. Members will recall that approval to enter into the building contract and proceed with the project was given at the Estates and Property Committee of the 1st March 2022. The Contract Sum was subsequently increased due to the inflation issues experienced in the early half of the year on the 6th May 2022.
3. The project comprises three phases:
 - a. The demolition of the former smoke house, and the provision of a temporary fire station on the cleared site. The Community Bungalow will be utilised as Contractor's Site Offices.
 - b. The demolition of the old fire station and the erection of the new building.
 - c. The clearance of the temporary fire station, completion of external works and a "light refurbishment" of the Community Bungalow.

Information

Progress

4. Following the approval to proceed on the 6th May 2022, the build contracts with ISG Construction Limited were immediately signed and the orders placed for the delivery of the Temporary Fire Station.
5. The Temporary Fire Station is made up of two components, namely the accommodation block and the appliance bay.

6. Works commenced on site as scheduled on the 11th July 2022.
7. Subsequently, the provision of the new electrical power supply onto the site was delayed by Scottish Power due to them having obtained an incorrect road closure permit from Cheshire East Council to undertake connection works in the highway. Also, there were delays experienced in the delivery of the Temporary Appliance Bay components. Overall, these two delays led to the Temporary Fire Station being completed on the 14th October 2022, some three weeks later than planned.
8. Following completion the Operational Response crews were relocated to the Temporary Fire Station on the 19th October 2022. The relocation was undertaken without incident and the temporary fire station is now in full use.
9. Works to demolish the old Fire Station commenced on the 24th October 2022 and are largely completed to ground floor level at the time of writing, with foundation removal commencing shortly.
10. The three week delay to the Temporary Fire Station has unfortunately resulted in a three week delay to the remainder of the construction programme, with completion of the site works now scheduled for the 22nd December 2023.
11. Relocation from the Temporary Fire Station into the new building is due to take place on the 11th October 2023.

Restrictive Covenants

12. Members will recall that the title documentation includes a covenant that restricts the height of any construction on the site. The training tower needs to be higher than the height restriction. The covenant was intended to protect a proposed airport (in the deeds a reference is made to an aerodrome) and it dates back to the 1930s. It is clearly of no relevance now. Cheshire East Council and the Crown both benefit from the covenant
13. The Crown has entered into an agreement which will allow the training tower to be erected without it being in breach of the covenant. Cheshire East Council still has not done so. There has, however, been positive progress on this in recent weeks with the document finalised and due to be completed.

Design Development

14. As normal, during a design and build contract of this nature, detailed design development work has continued following contract signature. Whilst this has largely been routine detail development work, considerable time has been spent to review the performance of the low carbon installations at Chester Fire Station, and to subsequently incorporate any lessons learned from that project into the Crewe Fire Station build.

15. This has now resulted in improvements to the Building Management System, changes to the lighting installation in the Appliance Bay and a revised specification of thermostats.
16. An investigation also took place into an alternative method of heating the building using VRF Technology instead of Underfloor Heating, which had the potential to use less energy. Detailed energy modelling, however, showed increased running costs combined with increased capital costs and this resulted in this idea being rejected.

Risks

17. As might be expected with a project of this nature there are risks that need to be considered and which the Project Team seeks to address. Risks involve events that might occur and are assessed for likelihood and severity. Efforts are made to avoid, or at least mitigate them.
18. Members were made aware of these risks in the report of the 1st March 2022, with a further update given on the 6th May 2022. The risks that remained at that time are noted below and updates are provided against each item.

Specific Financial Risks

Utility Supplies and Planning Condition Discharge

15. There is a Provisional Sum of £80k included within the ISG Contract Sum for the provision of all the new utility supplies and the disconnection of the redundant supplies to the old building. This is normal practice as the utility companies will not provide fixed quotes until final orders are placed. To-date the disconnections and new supply costs are considerably lower than was expected. In addition, a saving has been made on the water supply as we have been able to reuse the existing connection and pipework. We therefore believe that the £80k Provisional Sum will be adequate for the all of the new service supplies.
16. There was also a requirement to discharge Planning Condition 4, which relates to rapid electric car charging provision. This may have required more powerful car chargers than originally included in the Build Contract and this would have impacted on the above service supply quotations, potentially requiring a larger supply than planned. Cheshire East have now discharged the planning condition with the original proposals being agreed. This item is no longer a risk.

Staffed Security

17. Whilst it is the Contractor's responsibility to ensure the security of the site at all times. The costs associated with the provision of staffed security are not included within the ISG Contract Sum, as it is not deemed necessary due to the on-site presence of the firefighters. This has been normal practice for all of the previous "new build projects",

and to date has only been required on two short term occasions to cover specific threats. The risk associated with this will vary during the build period, with the highest risks during demolition and when the new building is nearing completion, though it will be low for the majority of the build period. A sum of £27k has been included to cover this. This remains a risk item.

COVID

18. ISG will accept the risk of complying with regulations in force at the time of contract signature. However, should additional restrictions be introduced in the future, then the Authority is required to cover additional costs incurred. With the recent changes in the COVID public health rules, this remains a low-risk item.

BREXIT

19. ISG will accept the cost and delays associated with the current known import regulations and tariffs. However, should new costs or restrictions be applied to the import of materials, then the Authority is required to cover the additional costs incurred. The implementation of the trade agreement with the EU has now given much more certainty around this risk which is now rated as low, however the ongoing discussions around the Northern Ireland Protocol could result in further issues arising. General Project Contingency
20. Included within the overall budget is a General Contingency of £141k to cover the discovery of unknown general risk items. This might include unexpected ground conditions or hidden asbestos underneath the existing building.
21. At present very little of this Contingency has been expended with the only unforeseen ground conditions being found under part of the temporary fire station. Though it should be noted that the major risk remains under the existing building and yard areas which have yet to be excavated.
22. The Authority's Project Management processes require that a risk register is reviewed at monthly intervals. These risks are now included on the Project Risk Register and are being reviewed jointly with ISG and the Project Team each month.

Financial Implications

23. The approved budget is £7.375m. At this time, this remains the expected final cost.

BACKGROUND PAPERS:

None.