

**Open Report on behalf of Pete Moore,
Executive Director of Finance and Public Protection**

Report to:	Executive
Date:	07 March 2017
Subject:	Blue Light Campus and Collaboration Agreement
Decision Reference:	I013044
Key decision?	Yes

Summary

The purpose of the report is to:

1. Provide an overview of progress to date on the Lincoln Blue Light Campus Project;
2. Seek Executive approval to enter into the Blue Light Collaboration programme legal agreement, and;
3. Seek Executive approval to enter into a works contract with Willmott Dixon to construct a new Blue Light Campus that provides an operational hub for Blue Light services (Lincolnshire Police (LP), Lincolnshire Fire & Rescue (LFR) and East Midlands Ambulance Service (EMAS) in South Park Avenue, Lincoln.

Recommendation(s):

- 1) That the Executive approve in principle that the Council enter into a Collaboration Agreement with the Police and Crime Commissioner for Lincolnshire and the East Midlands Ambulance Services NHS Trust generally on the terms described in the Report
- 2) That the Executive approve in principle that the Council enter into a works contract with Willmott Dixon to construct the new Blue Light Campus on South Park Avenue, Lincoln generally on the terms described in the Report
- 3) Delegate to the Executive Director of Finance and Public Protection in consultation with a sounding board consisting of Councillor M J Hill OBE (Leader of the Council), Councillor B Young (Executive Councillor for Community Safety and People Management) and Councillor C N Worth (Executive Councillor for Culture and Emergency Services), authority to

determine the final form of and enter into the Collaboration Agreement and works contract referred to above and authority to approve and enter into all further legal documentation necessary to give effect to the Collaboration Agreement.

Alternatives Considered:

Not to proceed with the project to build the Blue Light Campus or engage in the further collaborative working described in the Report.

The Council's capital funding will not be expended. The opportunity for further collaborative working will be lost; savings that are projected from the South Park project will not be realised and funding from the Home Office will be lost.

Reasons for Recommendation:

The Blue Light Collaboration programme is an innovative and exciting venture which has been developed between Lincolnshire Police, Lincolnshire County Council (as Fire and Rescue Authority), East Midlands Ambulance Service, and the Police and Crime Commissioner (PCC) with the aim of building on the existing collaborative work which currently exists between each of the organisations.

The project at South Park Avenue in Lincoln, will provide a modern, efficient, and fit for purpose building which meets the future operational needs of each service, whilst delivering savings and reducing running costs for all.

The Collaboration Agreement underpins the joint working between all of the parties and provides the foundation for a clear and accountable working relationship, providing the cornerstone for joint working now and laying the foundations and providing scope for further joint working in the future.

The collaboration agreement fulfils the new duty on emergency services to collaborate. It gives each organisation an opportunity to maximise interoperability and integration in the future, to maintain and improve service delivery and increase public confidence by working more closely together while recognising the importance of maintaining their individual identity.

1. Background

The Blue Light Programme

- 1.1 The Blue Light Programme is the umbrella term given to a range of projects that will enable collaborative working across the 3 emergency services in Lincolnshire. In June 2016 the Executive considered and approved the Blue Light Collaboration Programme, this firmly set the course for greater cooperation and joint working between the 3 emergency services in

Lincolnshire. At the same time the June Report envisaged further key decisions being taken at the Executive. This Report invites the Executive to take two key decisions for the future of the programme – to enter in the Collaboration Agreement and to enter in the works contract for the Blue Light Campus in Lincoln. It also proposes delegation of future decision-making.

1.2 The Blue Light Programme comprises the following:

- **A combined Lincolnshire Police and Lincolnshire Fire & Rescue Headquarters.** LFR will move their Headquarters to the current LP Headquarters, using office space within the existing building. The change will enable efficiencies to be made from the co-location of staff, joint working and future rationalisation of resources. LFR HQ staff from South Park Avenue and a number of LP staff from West Parade will be relocated to Nettleham, allowing the redevelopment of South Park Avenue and the sale of the West Parade site. EMAS currently have a divisional base at Bracebridge Heath. While the potential exists, they are not intending to co-locate with the joint HQ at this stage.
- **A combined Lincolnshire Police and Lincolnshire Fire & Rescue Command & Control Centre.** The existing LFR Control Room at South Park Avenue would relocate to the existing LP Force Control Room at Nettleham. LFR and LP will co-locate in the existing building, allowing better communication between both organisations during mobilising and Joint Operational Incidents. EMAS have indicated a possible move back to the East Midlands area for their Lincolnshire control room and therefore would not currently be included in the joint control room.
- **Blue Light Campus (South Park)** - a flagship project to co-locate Lincolnshire Police, Lincolnshire Fire and Rescue and East Midlands Ambulance Service into one building. See Section 3 for more details.
- **Rationalisation of the wider blue light estate.** A Joint Asset Management Group has been created to progress the co-location of Lincolnshire's emergency service buildings across the county. The group has currently identified up to 16 potential sites for co-location, with 7 sites being delivered in the medium term. These projects typically see the move of police and ambulance stations onto existing fire stations and would realise both operational and economic efficiencies whilst maintaining a local presence.

1.3 The Blue Light Campus project (South Park Avenue), will see all 3 emergency services locating together in one building as an operational hub for the first time. The Blue Light Campus will be a 'state of the art' combined Police, Fire and Ambulance operational station and will be located on the existing EMAS and LFR site. This will include a new LP town enquiry office and custody suite which is currently provided at West Parade.

1.4 The county emergency planning centre will remain at South Park Avenue within the current building.

- 1.5 To facilitate the project, LP submitted an outline bid to the Home Office Police Innovation Fund for £7.5m. This has been approved subject to final agreement and provision of matched funding by local services.

General Background

- 1.6 Since 2010 the Government's financial savings programme has seen significant challenges for both local authorities and other public services. With the realisation that these difficult times are set to continue, collaboration offers the opportunity for Services to face these challenges together whilst maintaining and improving services to the people of Lincoln and Lincolnshire.
- 1.7 On 31 January 2017 the Policing and Crime Act 2017 came into force. The Act requires emergency services to consider whether the entering into of a collaboration agreement with another emergency service could be in the interests of the efficiency or effectiveness of that service. If two or more such services conclude that a collaboration agreement could be in the interests of the efficiency or effectiveness of their services, then they must give effect to that collaboration by entering into a collaboration agreement.
- 1.8 Lincolnshire continues to rise to the challenge of austerity through innovative working, such as regional collaboration, private sector partnerships and programmes such as the co-responding scheme and joint ambulance conveyance project. Each Service has also internally maximised opportunities to deliver savings, minimising the impact on service delivery as far as possible.
- 1.9 The collaborative legal agreement and the South Park Campus support the Government's policy direction around increased collaboration and integration of emergency services.
- 1.10 At the same time it is recognised that the individual identity of each organisation is vital to allow its effective function. Whilst the programme delivers collaboration between the three emergency services and provides a platform for further collaboration and possibly integration in the future, it also aims to ensure that the established relationships each service enjoys with the public is not compromised.
- 1.11 The South Park Campus provides an opportunity to build on the Joint Emergency Services Interoperability Programme (JESIP) principles, introduced in 2010, as a way *"To ensure that the blue light services are trained and exercised to work together as effectively as possible at all levels of command in response to major or complex incidents so that as many lives as possible can be saved"*.
- 1.12 Nationally other services have already accessed funding streams and achieved economies of scale through emergency services collaborative working, attracting the interest and support of Government. With further

funding reductions likely and with less opportunity to individually attain the level of savings previously achieved without further impact on service delivery, this programme represents Lincolnshire's opportunity to meet the political and public expectation of providing value for money and delivering services which are fit for purpose.

- 1.13 The age and condition of the existing estate for each Service, within the scope of this programme, must also be taken into consideration. Within Lincoln alone, buildings such as West Parade and South Park Avenue date back at least 50 years and will require a significant amount of investment to ensure they can continue to safely and effectively function, whilst also adapting to meet the needs of ever changing Service requirements.
- 1.14 This is also the case for EMAS, where many of the current sites lack appropriate accommodation for the level of staffing required, do not have the capacity to meet growing demand or are in need of essential improvements.

2. Collaboration Agreement

- 2.1 This section of the Report describes the structure, principles and general content of the proposed Collaboration Agreement. The parties will be Lincolnshire County Council (in its capacity as Fire and Rescue Authority), the Police and Crime Commissioner for Lincolnshire and East Midlands Ambulance Service NHS trust.

Scope of the Agreement

- 2.2 The Agreement covers four elements as follows
- Shared Headquarters Project
 - Shared Control Room Project
 - Blue Light Campus Project
 - Wider collaboration including wider estates as described earlier in this Report and the potential for moving towards greater inter-operability.
- 2.3 The detailed terms on which the first three of these Projects will proceed will be described in the Collaboration Agreement. The Collaboration Agreement will not deal in detail with either wider estates or future inter-operability. Instead the Agreement will make provision for the development of future projects through a business case and formal sign-off process and set out the wider governing principles which will underpin the approach to that future work.

Governance

- 2.4 The highest level of governance will be an Executive Board consisting of the Leader of the Council the Police and Crime Commissioner and the Chairman of the EMAS Board. The role of this Board will be to steer the project on strategic matters taking decisions where this is appropriate within the context of each service's constitutional arrangements.

- 2.5 The Executive Board will be supported by a Steering Group consisting of senior officers from each service. This Group will oversee the day to day implementation of the collaboration.
- 2.6 Sitting below this level will be a Programme Board chaired by the Senior Responsible Officer (the Deputy Chief Constable of Lincolnshire Police) and attended by Programme Management and specialist professional staff. This group will be responsible for the detailed delivery of the collaboration.
- 2.7 The Collaboration Agreement will, at each level of the governance, ensure that where formal decisions are required outside the scope of approved delegations, those decisions are taken in accordance with each service's internal arrangements.

Contracting and Land Issues

- 2.8 Essentially the Collaboration Agreement deals with a number of land and construction projects and the principal means by which the collaboration will be implemented in legal terms will be through entering into of construction contracts and the granting and taking of leases. The structure for the different elements of the programme is as follows:-

- **Shared HQ and Control Rooms** – the Police will contract for the carrying out of necessary construction works and grant a lease of space at Nettleham on terms to be agreed. The Police will continue to own the freehold of the land at Nettleham.
- **Blue Light Campus** – the Council will continue to own the freehold of the land it owns at the South Park Campus and will take a freehold transfer of the EMAS Land at South Park. The Council will then grant leases to the PCC and EMAS for their occupation of the relevant parts of the new Blue Light Campus Building and use of shared areas. To reflect the level of the PCC's capital contribution to the cost of the works the PCC will be granted a contractual right to 50% of the value of the South Park site so that if the Site is not required for statutory purposes by any of the partners the Council may "buy out" the PCC's share for the depreciated value of the PCC's contribution or the site will be sold and the proceeds of the sale shared 50/50 between the Council and the PCC.

In addition the Council will contract for the carrying out of the construction works at the Blue Light Campus

- The wider estates work will be subject to individual business cases but it is expected that the wider estates initiatives will involve PCC and EMAS occupation of County Council Fire Station sites under appropriate lease or licence arrangements.

Financial Arrangements

- 2.9 The Collaboration Agreement will commit each of the participants to making their financial and other contributions to the Project. These can be summarised as follows:-

Funded By	Contribution
Police	7.0
Lincolnshire CC	4.8
EMAS	0.7
PIF Grant	6.9
TOTAL	19.4

In addition to these cash contributions, the County Council is contributing land to the value of £2.5m and EMAS are contributing land to the value of £0.3m.

- 2.10 As can be seen from the above Table, in addition to contributions from the Partners, the Police have obtained Police Innovation Fund grant of £6.9m. The PCC will be the Accountable Body for these monies. The other partners will provide the PCC with the information necessary for the grant to be drawn down in the full amount.
- 2.11 The Collaboration Agreement will also deal with two further issues relating to finances:-
- The way in which the individual contributions are expended and how those parties who have entered into contractual commitments with third parties (particularly the County Council's contract for the Blue Light Campus construction) can meet their commitments from the total funding of the programme; and
 - How the partners who take on contractual commitments and therefore liabilities will be entitled to indemnification from other partners in the event of liability being incurred. This will be in accordance with a pre-agreed apportionment ratio expected to be related to the scale of contributions.

Duration

- 2.12 Each partner's rights of occupation of the various buildings will be governed by the leases for those premises – Nettleham Shared HQ and South Park Blue Light Campus building. Duration of leases will be tied to the need for use for statutory purposes and suitable minimum durations will be agreed. The Collaboration Agreement will need to remain in force to enable the enforcement of the PCC's right to share in the value of the Blue Light Campus land including buildings.
- 2.13 Suitable provision will be included to cover the potential for early withdrawal and the consequences. It is worth noting in this respect that the Policing

and Crime Act 2017 requires a collaboration agreement entered into under that Act to make provision for a party to withdraw if in its view the agreement is no longer in the interests of efficiency or effectiveness.

3. South Park Blue Light Campus – Works Contract

Background and Context

- 3.1 The South Park Campus is the project to co-locate LP, EMAS and LFR in one building on South Park Avenue, Lincoln. This project is being delivered by LCC (Corporate Property). LCC will be the contracting authority with Willmott Dixon.
- 3.2 This project will deliver a significant number of benefits to each organisation and to members of the public in Lincoln. The key benefits identified in the initial business case, submitted to the Steering Group in December 2015, include;
- The project aligns with Government strategy and demonstrates innovative working
 - Maintains and improves services to the public through providing the opportunity for increased levels of joint working
 - Provides efficiency and effectiveness savings and therefore greater value for money
 - Greater interoperability and integration opportunities
 - The opportunity for Senior Leadership Teams working closer together
 - Provides a new state of the art and future proof building
 - Further enhanced national reputation for Lincolnshire
 - Mitigates impact of future funding reductions
 - Improved working environment for staff
 - Creates a platform for greater future collaboration
- 3.3 There is a net reduction in floor area of around 4565 square metres between South Park and West Parade. This will enable revenue savings of around £210,000 per year to be realised by the Police, Fire and EMAS.
- 3.4 The co-location of 3 emergency services onto one site unlocks opportunities that otherwise, would not be possible. For example:

- There will be a joint reception for all 3 services in the building. A member of the public or visitor to the Campus will be greeted and served in a seamless manner
 - Stores for operational equipment will be located and consolidated under one roof. This cuts down on the infrastructure and utility requirements - at present the storage is located at separate properties in the existing LFR building on South Park Avenue and Police Station on West Parade
 - Fire Appliances and Ambulances will share bays within the building, considerably cutting down on the amount of infrastructure that is needed to service two separate buildings as is presently the case
- 3.6 As referred to above, the Blue Light Campus will be in part leased to Lincolnshire Police and East Midlands Ambulance Service. The lease agreement is based on each organisation being the sole occupant of parts of the building whilst also shared communal facilities (e.g. toilets, gym, kitchen etc). There will also be a service charge levied on top of the lease for services provided to the building (e.g. cleaning). The rent levels will be determined by the capital contribution that each organisation contributes towards the Blue Light Campus.

Progress to Date

- 3.7 A procurement strategy was produced to identify the most appropriate route to achieve success whilst balancing the inherent risks of the project and maintaining control of the property solution.
- 3.8 The procurement strategy recommended that the Blue Light Campus would benefit from early building contractor engagement to mitigate the risks and complexities of the project. The most appropriate way of doing this is by procuring an experienced contractor through a framework, the SCAPE National Major Works Framework was the most suitable. This is a single supplier framework with Willmott Dixon as the supplier.
- 3.8 A feasibility study was produced which compared the various configuration options of the site at South Park Avenue to meet the needs of all 3 services. Consideration was given to access and egress of vehicles, how the Fire Station (Station 20) will remain operational during the build and fundamentally, the affordability of all the different site configurations.
- 3.10 Five options were developed and Option 5 (Appendix A) was selected as the preferred layout as it combined affordability, practicality and allowed Station 20 to remain operational whilst the new building is constructed.
- 3.11 Following the feasibility study, and working with Willmott Dixon, a project brief was developed. The project brief reflects on the requirements for the Blue Light Campus and proposes, at a high level, a design solution. See Appendix B for an artist's impression of how the building might look.

- 3.12 The key risks at this stage, which are mitigated by early contractor involvement include; the risk of finding 'unknowns' in the ground once construction commences, planning consent, and ensuring that access, egress and traffic movements across and through the site are appropriate and well managed. It should be noted in particular that it will be necessary to let the contract for the construction before planning consent has been obtained if the timetable for the project is to be met. The low risk of planning not being achieved will be managed by inserting in the construction contract an early termination right in those circumstances.
- 3.13 As part of the Blue Light Project, local stakeholders are being actively engaged; this includes the City of Lincoln, local schools and residents.
- 3.14 The next key milestones in the project are:
- Submit planning application (March / April 2017)
 - Detailed design (April – July 2017)
 - Enabling Works (September 2017)
 - Start on site (October 2017)
 - Scheme complete (March 2019)
- 3.15 An enabling professional services contract has been signed with Willmott Dixon which allows the contractor to fully design the property. However a Delivery Agreement will be required to allow Willmott Dixon to begin enabling construction works and full construction. Approval is sought.
- 3.16 This report therefore seeks approval in principle to the entering into of the Delivery Agreement and delegated authority for the Executive Director of Finance and Public Protection to determine the detail of that Agreement. This will enable Willmott Dixon to construct the Blue Light Campus on South Park Avenue, Lincoln.
- 3.17 The projected contract sum is set out below:

Cost Plan	
Willmott Dixon Contract Sum	£15,700,000
Risk Allowance	£700,000
South Park Grand Total	£16,400,000

At this stage it is possible that there will be some variation to the contract sum. This is because the final cost for construction will not be known until detailed design is complete – this is why there is a risk pot of £700,000 set aside for this project. Corporate Property is proactively working with Willmott Dixon to achieve the Blue Light Campus within the total allocated sum of £16.4m.

- 3.18 As the money to meet the costs of the construction contract are not all in the control of the Council the construction contract will not be able to be entered into unless the Collaboration Agreement has been concluded describing how the County Council is able to recover the contributions of the other parties and the PIF Grant to meet the costs of the contract.

4 Financial Issues

- 4.1 When the Executive considered the Blue Light Collaboration programme in June 2016 they approved a maximum financial contribution of £2m from the Capital Reserve. Since that Report, more detailed work has been carried out on the costings of the Projects. The original and revised costings are set out in the Table below.

Funded By	Original Estimate £M	Estimate updated @ Nov 2016 £M
Police	4.2	7.0
Lincolnshire CC	2.0	4.8
EMAS	0.7	0.7
PIF Grant	6.9	6.9
TOTAL	13.8	19.4

- 4.2 As can be seen from the above Table the costs are estimated at £5.6m more than the original estimate. It has been agreed that these additional amounts should be equally shared between the Police and the County Council and the use of an additional £2.8m from the Capital Reserve has been approved by the Executive Director of Finance and Public Protection under delegated authority.
- 4.3 It should be noted that the PIF Grant monies shown in the Table are currently required to be spent over the two Financial Years 2016/17 and 2017/18. The Police are in discussion with the Home Office to re-profile the grant monies over a longer period to reflect the period of the build contract.

5 Legal Issues

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- * Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act
- * Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it

* Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

* Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic

* Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it

* Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding

Compliance with the duties in section 149 may involve treating some persons more favourably than others

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision making process

An Equality Impact Analysis has not been undertaken in relation to this decision. Equality issues are being taken into account in the design of the new building at the Blue Light Campus to ensure it is compliant with the Council's legal duties.

Joint Strategic Needs Analysis (JSNA) and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health & Well Being Strategy (JHWS) in coming to a decision

The collaboration described in this Report is being pursued in the interests of the efficiency and effectiveness of police, fire and ambulance services all of which make a critical contribution to the health and wellbeing of the population of Lincolnshire.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area

The proposals in the report are considered to be in the interests of the efficiency and effectiveness of police, fire and ambulance services all of which contribute to the matters referred to in section 17

6 Conclusion

- 6.1 This Report has described the background to and benefits of the proposed Blue Light Collaboration Programme between the County Council, the PCC and EMAS.
- 6.2 Approval is sought on the basis of the Report to proceed with a Collaboration Agreement to secure the carrying out of the Programme and to enter into the construction contract for works at the Blue Light Campus, South Park, Lincoln

7. Legal Comments:

If the Executive considers that the proposed collaboration is in the interests of the efficiency or effectiveness of the services delivered by the Council as Fire and Rescue Authority and the other two partners consider the same in relation to their services it is required by section 2 of the Policing and Crime Act 2017 to give effect to the collaboration.

The Council has power to enter into the construction contract proposed in order to give effect to the collaboration.

The decision is consistent with the Policy Framework and within the remit of the Executive if it is within the budget.

8. Resource Comments:

There is currently a total of £4.8m available in the approved capital programme to support the costs of the Blue Light Collaboration Programme as identified in this report. The total amount of funding committed is sufficient to allow the letting of the contract as recommended in this report, however, this is dependent on the approval of the Collaboration agreement for the elements of funding outside of the control of the Council

9. Consultation

a) Has Local Member Been Consulted?

n/a

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The Report will be considered by the Community and Public Safety Scrutiny Committee on 1 March 2017 and the comments of the Committee will be reported to the Executive

d) Have Risks and Impact Analysis been carried out?

See the body of the Report

e) Risks and Impact Analysis

See the body of the Report

10. Appendices

These are listed below and attached at the back of the report	
Appendix A	Site Plan Study 5
Appendix B	Artists Impression of the Blue Light Campus (exterior)

11. Background Papers

Document	Where it can be viewed
Redacted Executive Report "Blue Light Collaboration Project" dated 7 June 2016	Democratic Services / www.lincolnshire.gov.uk

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