



SCOTTISH  
FIRE AND RESCUE SERVICE

Working together for a safer Scotland

**PUBLIC SPECIAL MEETING - SCOTTISH FIRE AND RESCUE SERVICE BOARD**

**THURSDAY 13 JANUARY 2022 @ 1030 HRS**

**BY CONFERENCE FACILITIES**

**PRESENT:**

Kirsty Darwent, Chair (KD)  
Stuart Ballingall (SJB)  
Steve Barron (SBa)  
Lesley Bloomer (LBI)  
Malcolm Payton (MP)  
Tim Wright (TW)

Fiona Thorburn, Deputy Chair (FT)  
Nick Barr (NB)  
Brian Baverstock (BB)  
Angiolina Foster (AF)  
Paul Stollard (PSt)  
Mhairi Wylie (MW)

**IN ATTENDANCE:**

Martin Blunden (MB)	Chief Officer
Ross Haggart (RH)	Deputy Chief Officer
Liz Barnes (LBa)	Director of People and Organisational Development
John Dickie (JD)	Assistant Chief Officer, Director of Training, Safety and Assurance
Mark McAteer (MMcA)	Director of Strategic Planning, Performance and Communications
Iain Morris (IM)	Acting Director of Asset Management
Stuart Stevens (SS)	Assistant Chief Officer, Director of Service Delivery
Paul Stewart (PS)	Assistant Chief Officer, Director of Service Development
John Thomson (JT)	Acting Director of Finance and Procurement
Alex Lane (AL)	National Property Manager
Claire Owens (CO)	Property Development Manager
Scott Morrison (SM)	Regional Fleet Workshop Manager (West)
Richard Whetton (RW)	Head of Governance, Strategy and Performance
Alasdair Cameron (AC)	Group Commander Board Support
Heather Greig (HG)	Executive Officer Board Support
Debbie Hadow (DJH)	Board Support/Minutes

**OBSERVERS:**

Corrinne Gallagher, Communications Officer  
Robert Scott, Chief Inspector HMFSI

**1 CHAIR'S WELCOME**

- 1.1 The Chair opened the special meeting and welcomed those present and participating via MS Teams.
- 1.2 The Board were reminded to raise their hands, in accordance with the remote meeting protocol, should they wish to ask a question.
- 1.3 This meeting would be recorded and published on the public website.

**2 APOLOGIES**

2.1 None

**3 CONSIDERATION OF AND DECISION ON ANY ITEMS TO BE TAKEN IN PRIVATE**

3.1 The Board agreed the Command and Control Future Update would be taken in private due to confidential commercial and financial matters subject to consultation (Standing Order 9E).

3.2 No further private items were identified.

**4 DECLARATION OF INTERESTS**

4.1 None.

**5 WEST ASSET RESOURCE CENTRE: PROJECT FUNDING LEVEL**

5.1 IM presented the Board with a report seeking approval to increase the budget allocation and proceed with the delivery of the West Asset Resource Centre (ARC) at Scottish Fire and Rescue Services (SFRS) Headquarters (HQ)/National Training Centre (NTC), Cambuslang based upon costs received from the Framework Contractor at £13.0million. The following key points were highlighted:

- Part of the 2013 Strategic Intent Programme to rationalise legacy workshops facilities. Originally due to commence in 2016 under Phase 4, however this was delayed due to a reduction in Capital DEL allocation within that fiscal year.
- Further delayed in 2018 due to site contamination and utility issues on site. Options appraisal undertaken to identify potential alternative sites.
- In July 2020, Board approved the original site at SFRS HQ as preferred option with an estimated project cost of £10.5m. At the time, further cost certainty and clarification were requested due to the impact of several external factors, ie Brexit, Covid, etc. Contract had been transferred to a different model to obtain cost certainty.
- Ongoing deteriorating condition of the existing Cowcaddens facilities and the limitations to develop the site.
- Potential significant capital receipts from the sale of the existing Cowcaddens site. Opportunity to reinvest monies to replace Reinforced Autoclaved Aerated Concrete (RAAC) panels and replacement of Blackness Road site.
- Further revalidation of the options appraisal/specification including reviewing customer needs and inclusion of new carbon/energy management elements.
- Current financial commitment of £0.8m to date which is included within the estimated overall project costs (£13.0m).
- If approved, the additional capital (£2.5m) would be transferred from Fleet Capital Allocation. Due to the current extended production period, there would be minimal impact.

5.2 The Board sought clarification on the level of contingency associated with this project. IM advised the Board that there was no contingency on the overall build due to cost certainty being obtained and, based on this tendering model, all risks were associated with the Contractor. However, due to the volatility of the market, IM noted that a contingency sum would be held for pre-construction works in case of any potential delays in agreement of the contract. IM acknowledged that there was still a minimal risk of increased costs, however, once the contract is signed the Service would have clear identified cost.

5.3 The Board commented on the identified risk, potential for further increased costs and governance route for further approval.

5.4 MB agreed that a contingency should be identified and included within the budget, as this would avoid any further delays or approval being sought from the Board.

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- 5.5 The Board acknowledged that some contingency elements no longer applied, however there was still uncertainty with the overall cost and affordability of the project and there should be contingency identified for this. It was noted that this uncertainty should be reflected in any decision made today.
- 5.5 AL provided clarification of the Contractor Priced Risk (£0.361m) costs. No contingency for client risk has been identified, however, the Service were aware of the risk. Due to the limitation within the capital budget, the decision was made not to ring fence monies for this project and if necessary, the minor works programme could be adjusted to fund any contingency costs.
- 5.6 The Board welcomed the recognition of the potential risk and the identified route to address this which offered maximum flexibility.
- 5.7 For full transparency and governance purposes, it was confirmed that the Board were being asked to approve the increased project costs of £13.0m plus a potential contingency.
- 5.8 The Board sought assurance that any potential operational impacts resulting from the contingency being used were capable of being managed, ie no critical implications. The Board commented on the importance of minor works particularly the significant people/operational issues associated with this area. IM provided reassurance to the Board of the flexibility of the capital programme and that there would be no impact on the operational activities.
- 5.9 The Board sought further assurance of any potential impact on service delivery due to the reallocation of fleet capital monies. IM confirmed that there would be no reduction in fleet investment and reiterated the number of chassis currently on order/in production. Future orders, and subsequent payments, would be adjusted to allow for budget realignment for the West ARC project.
- 5.10 The Board enquired on the potential risk of flooding to the proposed site. IM stated that he had confidence in the site information provided and there was no risk associated to the new build due to the site being raised.
- 5.11 IM confirmed that the revalidation exercise provided an opportunity to review the options, customer needs and design specification to ensure the project costs were accurate.
- 5.12 JT commented on the need to identify the contingency element and provide an explanation of how this would be funded. IM noted that a contingency figure (5%) was detailed within the covering report, the funding of any contingency would be managed through cash flow movements across the overall capital programme and assurances had been provided that there would be no adverse impact on operational activities.
- 5.13 The Board acknowledged the benefit of not restricting the ability to find additional contingency funding to minor works programme.
- 5.14 To ensure good governance and transparency, the Board agreed that the contingency would be 10% and that this could be accommodated within the overall capital programme without resulting any significant operational implications.
- 5.15 MB commented on the ongoing significant challenges within the capital programme and recognised the efforts of the team involved to achieve the best results for the Service. MB reminded the Board of extensive discussions with Scottish Government (SG) regarding RAAC panels and noted that this keystone project was currently the only way the Service could begin to address this issue. Further discussions were scheduled with

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SG to discuss future budgets and seek reassurance on the Service's retention of any capital receipts from the sale of Cowcaddens.

5.16 **The Board approved the recommendation to increase the budget allocation and proceed with the West Asset Resource Centre at SFRS HQ based on the cost received from the Framework Contractor at £13.0m with an identified contingency of 10%. The Board agreed the governance route for this project through the Change Committee.**

### 6 **DATE OF NEXT MEETING**

6.1 The next meeting of the Board is scheduled to take place on Thursday 24 February 2022 at 1000 hrs.

6.2 There being no further matters to discuss in public, the meeting closed at 1125 hours.

### **PRIVATE SESSION**

### 7 **COMMAND AND CONTROL FUTURES UPDATE**

7.1 MB provided a verbal update to the Board on the current position regarding the Command and Control Futures project. MB informed the Board that this update would build on previous discussions held through the Change Committee and Integrated Governance Forum.

7.2 **The Board noted the verbal update.**