

# The Fire and Rescue Service Training Centre

REPORT BY THE COMPTROLLER AND AUDITOR GENERAL

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Northern Ireland Audit Office

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for Northern Ireland

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This report has been prepared under Article 8 of the Audit (Northern Ireland) Order 1987 for presentation to the House of Commons in accordance with Article 11 of that Order.

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Comptroller and Auditor General

Northern Ireland Audit Office  
12 December 2006

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# Executive Summary



## Introduction and Main Findings

This report examines the development of the Fire and Rescue Service Training Centre at Boucher Crescent in Belfast. The Fire Authority acquired the premises in 1998 for £2 million, with a budget of £1.9 million for the capital costs of new construction and adaptations to the existing building. Actual development costs to date have been £1.7 million, but the project has not been completed. In March 2005, consultants were appointed to prepare a proposal for the future provision of training facilities and the chosen option will be identified by Summer 2007.

- Re-phasing of the development led to the deferral of two key elements (breathing-apparatus training facilities and a “real-fire” house), despite these being main drivers for the project and key to its success. The changes in the phasing were significant, compromised the project’s ability to deliver its training objectives and impinged on its prospective effectiveness (paragraphs 2.2 and 2.3).
- Based on the economic appraisal for the Training Centre, the Authority should have delivered 88,215 training days in total over the five-year period from 2000-2001 to 2004-05. However the 74,145 days actually delivered equates to a shortfall in provision of 14,070 (over 15 per cent

lower than forecast in the appraisal). Training delivered at Boucher Crescent includes over 6,000 days’ Priority 3 training, none of which was included in the original assessment of need upon which the project was based, so the true shortfall in operational training delivered, may be somewhat higher (paragraphs 2.7 to 2.10).

- The Authority had intended to cease training at its existing, unsuitable, training centre at Westland Road and sell the 1.35 acres that would have been freed up, as a result. However, without retaining this facility, the Authority would have been unable to deliver essential operational training (in particular, Priority 1 breathing-apparatus training), which was originally intended to be undertaken at Boucher Crescent. We estimate that the retention of the Westland facility has meant a loss in potential running cost savings amounting to over £68,000 per annum, and over £0.4 million since project inception (paragraph 2.14).
- In early 2001, a smoke nuisance complaint was made to Belfast City Council by the occupants of neighbouring commercial premises in Boucher Crescent. Consequently, real-fire training is only permitted on Sunday mornings (paragraphs 2.15 and 2.16).



- The viability of the training centre, already compromised because of the smoke nuisance issue, was further undermined, in April 2002, by a 282 per cent increase in the ground rent, to £240,000. This large increase has reduced significantly the value for money of the project and was the main driver for the Authority's subsequent decision to seek an alternative site (paragraph 2.18).
- In our view, the Authority's consultants' identification, at the outset, of potential risks relating to smoke nuisance and ground rent increases represented a clear signal that options and costs should have been re-examined before committing expenditure to the project. Should a similar situation arise in the forthcoming economic appraisal, it is important that the Authority re-appraises comprehensively, rather than proceeding with a potentially flawed option (paragraph 3.12).
- The architects have been paid fees of approximately £280,000 since 1991 (£146,600 in relation to design and supervision of the construction works at Boucher Crescent and £140,000 in respect of design work and applications during earlier efforts to identify a suitable training centre site). Other specialist companies were paid £260,000, including £93,000 to the quantity surveyors. Given the long time-span of the acquisition process, best practice would suggest that there was an obvious need to re-tender periodically for the work connected with it. However, this was not done (paragraph 3.15).
- It is clearly important that the identification and evaluation process for future training provision is sufficiently thorough to ensure that the option eventually chosen is capable of satisfying the Authority's requirements in full. In that regard, we welcome the steps taken thus far to ensure that identification of training needs and delivery options will be comprehensive, with all viable options subject to examination. The involvement on the project team of representatives from both the Department of Health, Social Services and Public Safety (Public Safety and Business Case Units) and the Strategic Investment Board provides the opportunity for external expertise to assist the Authority in its decision-making process (paragraph 3.21).

## Part 1

The Fire Authority had a clear need to develop new training facilities





### There was a long-established need for new fire-fighter training facilities

1.1 Established in 1973, the Fire Authority for Northern Ireland (the Authority) is currently an executive Non-departmental Public Body of the Department of Health, Social Services and Public Safety (DHSSPS)<sup>1</sup> and its main function is to secure the services of the Northern Ireland Fire and Rescue Service.

1.2 As early as 1973, the Authority determined that a dedicated fire-fighter training centre was ‘urgently required’, and subsequently made several unsuccessful attempts to acquire a suitable site for such a centralised training facility. The need for improved operational training facilities for fire-fighters in Northern Ireland was identified by Her Majesty’s Fire Service Inspector<sup>2</sup> whose advice, over a number of years, was that:

- “it can not be over-emphasised how essential it is that the Fire Authority have an adequate centralised training facility” (1988);
- the existing, temporary, training accommodation at Westland Fire Station in Belfast was inadequate to meet modern requirements (1989);
- there was a need for “a real-fire training house to which all personnel will need to travel in order to receive training” (1996); and
- a new training facility should include “a purpose-built fire training house which will allow real-fire and breathing-apparatus training to be undertaken” (1997).

1.3 The requirement for an appropriate training facility was underlined by Home Office guidance<sup>3</sup> issued in 1996 following concerns, at a national level, that fire-fighters were not being provided with realistic operational fire training. In a letter to the Department of the Environment (DOE), in June 1997, the then Chief

Fire Officer noted that, following the tragic deaths of fire-fighters, several UK Brigades had been served with improvement notices which referred to training inadequacies, in particular, the lack of real-fire training. He pointed out that, at that time, Northern Ireland was similar to many UK Brigades, in that training was carried out in cosmetic smoke and artificial heat, with no exposure to real fires.<sup>4</sup>

### The Fire Authority commissioned an economic appraisal, which identified, as the preferred option, the development of a new training centre on a site at Boucher Crescent

1.4 In 1997, the Authority commissioned an economic appraisal to identify its needs and assess the options available to meet its requirements. This appraisal identified, as the preferred option, the provision of a specialised central training unit on a site at Boucher Crescent, supplemented with additional training to be undertaken at Divisional level.

1.5 The economic appraisal identified a number of benefits from the approved project relative to the other options assessed:

- **cost effectiveness** - at a total net present cost of £41.5 million, the project was, albeit marginally, the least costly of all options other than the status quo;
- **affordability** - the project also required a lower amount of capital expenditure than the other ‘do something’ options;
- **operational efficiency** - the Boucher Crescent site offered the opportunity to provide training for staff while on call, rather than withdrawing them from active service;
- **timing** - the project would allow the Authority to occupy the site at as early a date as possible; and

1. Prior to devolution in December 1999, the Authority’s parent department was the then Department of the Environment for Northern Ireland.

2. Her Majesty’s Fire Service Inspectorate is an organisation independent of fire brigades, fire authorities and the Department for Communities and Local Government, which advises on how brigades discharge their functions.

3. Fire Service Circular 5/1996 “Principles of Operational Training” (June 1996)

4. Letter to DOE 12 June 1997

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- **flexibility** - there was substantial excess capacity on the site, allowing the centre to be expanded to meet additional training needs or to accommodate other Authority functions (such as transport workshops) as appropriate.

1.6 The project was also endorsed by Her Majesty's Inspector. The Inspector wrote to the DOE, confirming his support for the proposed project, noting that it offered an ideal opportunity for the Authority to meet its training needs in a relatively cost-effective manner and also offered the opportunity to relocate other services to the site at a future date.

### The Authority obtained approval for this option and, in October 1998, acquired the site for development

1.7 Based on the economic appraisal, DOE approved the project for a new, specialised, central training facility to be developed at Boucher Crescent. The project was to be funded from the Authority's existing annual budgets and carried out in three Phases over the period from January 1998 to October 2000 (see Figure 1). The Department of Finance and Personnel (DFP) approved the project in January 1998.

1.8 In the event, the project's start was put back to October 1998, when the necessary funds were secured. At this time, the Authority acquired the premises - it paid £2 million for the existing building (a former Government Training Centre) and took over the lease for the site, at the existing annual ground rent of £85,000. The approved budget of £1.9 million, including professional fees, (Figure 1) represented the capital costs of new construction and adaptations to the existing building.

1.9 The approved project aimed to locate all appropriately-centralised fire-fighter training (approximately 60 per cent of the total) on one site, with the remaining elements delivered at Divisional level. It was intended that the existing training facility adjoining the operational fire station at Westland Road in Belfast - which had inadequate accommodation, teaching and fire-ground facilities - was to be vacated and surplus land (1.35 acres) released for sale, once the development at Boucher Crescent was completed. The new training centre aimed to increase substantially the overall level of training provided, particularly in priority areas such as real-fire and breathing-apparatus training.

**Figure 1: Approved development at Boucher Crescent**

Financial Year	Phase	Cost £000	Specification
1998	1	700	Do minimum work to allow training to proceed. Work was to include reception, administration and support areas.
1999	2	700	Extend existing training facilities. Work to include: as first priority, to install a realistic hot-fire training unit; flashover simulation; domestic/industrial training building; and develop other classrooms and lecture areas at ground-floor level. This would release the existing training premises at Westland (see paragraph 1.9).
2000	3	500	
<b>Total</b>		<b>1,900</b>	

Source: Economic Appraisal of Brigade Training Centre (Update) November 1997



## Part 2

The project has not been delivered in full and has experienced operational difficulties



### The Authority changed the phasing of the project and has not delivered the approved specification

2.1 The Authority said that, due to slippage in the site purchase (see paragraph 1.8), and taking account of the profile of capital funding available from DOE, it re-prioritised and amended the phasing of the project. The Authority also said that it had identified as a priority the need to ensure that the facilities on site were compliant with health and safety regulations and that the teaching, instruction and canteen facilities were of a required basic standard.

2.2 The economic appraisal had outlined that the key need was for “extension to existing facilities, with the first priority going to the development of a realistic hot-fire training unit, flashover simulation unit and a domestic/ industrial training building”. However the re-phasing of the development led to the deferral of two key elements, despite these being main drivers for the project and key to its success:

- breathing-apparatus training facilities; and
- a domestic and a commercial real-fire house.

Consequently, the Authority has not delivered the project specification contained in the economic appraisal and approved by the DOE and DFP, and supported by Her Majesty’s Fire Service Inspector.

2.3 The changes in the phasing of this project were significant, compromised the project’s ability to deliver its training objectives and impinged on its prospective effectiveness. Where there is such a material change in the scope of a project, public bodies are required to obtain the prior approval of their sponsoring Department and DFP, and the project should be re-appraised to ensure that it continues to represent a value-for-money solution. It is obviously important that Departments ensure that their sponsored bodies adhere to these principles, but this was not done, in this case. DHSSPS told us that, in relation to such material changes to approved projects, it applies relevant Treasury and DFP guidance and also ensures that its sponsored bodies do so.

2.4 We were unable to assess the full financial significance of the change in the scope of the project, because of weaknesses in the audit trail reconciling the costs of the revised project and its delivered outcomes (see paragraphs 2.5 to 2.7) with those of the approved project. The actual development costs to date have been £1.7 million, but the Authority was only able to achieve this by deferring a substantive element of the project until Phase 3, which has not been completed.

### The project has not delivered the overall amount or type of training forecast

2.5 The Authority told us that it delivered 74,145 training days overall, in the five-year period after the opening of Boucher Crescent, and that combined central training (at Boucher Crescent and Westland Road) was seven per cent higher than that forecast. Despite this, the project has not delivered the amount or type of training scheduled in the economic appraisal, and training days provided at Divisions were 49 per cent fewer than planned.

2.6 The success of any project is measured in terms of achievement of its stated objectives, and the economic appraisal for Boucher Crescent indicated specifically that:

- 10,504 training days would be delivered centrally, at the new training centre annually;
- a further 7,139 training days would be delivered using existing fire station facilities at Divisional level throughout Northern Ireland; and
- overall, annual training days would therefore increase from 14,226 to 17,643 (a 24 per cent increase).

2.7 Based on the economic appraisal, therefore, the Authority should have delivered 88,215 training days in total over the five-year period from 2000-01 to 2004-05. However the 74,145 training days actually delivered equates to a shortfall in training provision of 14,070 days (over 15 per cent lower than forecast in the appraisal). See Figure 2 overleaf.

**Figure 2: Training days delivered 2000-01 to 2004-05**

	2000-01	2001-02	2002-03	2003-04	2004-05	Total
Per 1997 appraisal	17,643	17,643	17,643	17,643	17,643	88,215
Delivered	13,049	11,064	16,593	15,166	18,273	74,145
Shortfall per 1997 appraisal	(4,594)	(6,579)	(1,050)	(2,477)	630	(14,070)

Source: Fire Authority

2.8 These outturn statistics were completed by the Authority, for the first time, in March 2006. This proved a difficult and time-consuming exercise, because training records are largely paper-based and do not currently provide ready access to information on the overall level of training it is providing, or on the form of this training. To address this problem, the Authority is in the process of developing a new, computerised, management information system for training, which is expected to be operational by Summer 2007. Clearly, early completion of this project will be essential to ensure that future training needs analyses are soundly based and that assessment of outcomes is accurate.

2.9 Of the 17,643 annual training days forecast in the economic appraisal, the project aimed to deliver 13,207 days' Priority 1 training and 4,436 days' Priority 2 training (see Appendix 2), split on a 60:40 basis between Boucher Crescent and Area/District locations, but this may not have been achieved. Over the five-year period from 2000-01 to 2004-05, the Authority's records indicate that it has undertaken:

- 44,502 days' Priority 1 training (33 per cent fewer than forecast);
- 5,600 days' Priority 2 training (75 per cent fewer than forecast).

However, these figures are incomplete, because they refer only to training delivered at Boucher Crescent and Westland Road. No breakdown by priority is available for training delivered at Area or District level.

2.10 Total training delivered at Boucher Crescent includes over 6,000 days' Priority 3 training (see Appendix 2), much of it relating to administrative/business functions (including IT), rather than operational skills. None of this Priority 3 training was included in the original assessment of training days upon which the project was based, so the true shortfall in operational training delivered, compared with that planned in the economic appraisal, may be somewhat higher than the 14,070 days indicated by Figure 2.

2.11 The absence of dedicated specialist training facilities at Boucher Crescent means that training provided there is largely theory and ground scenario-based, with practical training being provided through "off-station" methods, including Area exercises at local risk sites. The Authority said that road traffic collision training courses are provided using improvised scenarios, and a virtual reality simulator is used at Boucher Crescent for training in a range of operational scenarios. This centralised training is augmented by Area/District training.

2.12 The Authority said that the failure to deliver the overall level of planned training is due to a number of factors including: vacant instructor posts (due to staff illness, temporary promotions and turnover); significant trainee withdrawal rates; fewer recruits to train; fewer days' training provided to retained fire-fighters; and training days lost through instructor training. In our view, however, the re-phasing of the project is also likely to have adversely affected the volume of training delivered.

Because the Authority changed the phasing of the project, it has retained its old training centre and failed to achieve potential financial savings

2.13 Following the provision of the new training centre at Boucher Crescent, the Authority had intended to cease training at its existing, unsuitable, training centre at Westland Road and sell the 1.35 acres that would have been freed up, as a result (see paragraph 1.9). However, because the Authority considered it necessary to change the phasing of the project (see paragraphs 2.1 to 2.4), this has not been possible and it has retained the training provision at Westland Road. Without retaining this facility, the Authority would have been unable to deliver essential operational training (in particular, Priority 1 breathing-apparatus training), which was originally intended to be undertaken at Boucher Crescent.

2.14 The retention of the Westland Road training centre has prevented the Authority from achieving the potential financial savings identified in a number of economic appraisals on this project. It has continued to pay rates and running costs on the portion of the site earmarked for disposal; it has foregone the opportunity to sell land; it has incurred additional direct travel costs; and the existence of dual sites has also resulted in increased downtime because of travel between the two centres. We estimate that these costs amount to over £68,000 per annum, and over £0.4 million since project inception (see Figure 3).

**Figure 3: Potential financial savings from closure of Westland Road training centre**

Potential Saving	Estimated Annual Amount £000	Total (2000-01 to 2005-06) £000
Rates	3	18
Running Costs	8	48
Travel	10	60
Rental Income foregone	31	186
Downtime	<u>16</u>	<u>98</u>
<b>Total</b>	<b>68</b>	<b>410</b>

Source: Fire Authority

**The future of the Training Centre is uncertain because of environmental problems caused by smoke emissions and a significant increase in the annual rent for the site**

2.15 Under the terms of Clean Air legislation, the Fire and Rescue Service is permitted to light fires for training purposes. However, this exemption does not permit it to give rise to a smoke nuisance and, in early 2001, a smoke nuisance complaint was made to Belfast City Council by the occupants of neighbouring commercial premises in Boucher Crescent (see paragraphs 3.8 to 3.10). Following an inspection by its Environmental Health Officer, the Council informed the Authority that there were considerable health risks associated with exposure to smoke and it would seek legal advice in respect of taking legal action should the smoke nuisance continue.

2.16 Consequently, the Authority became constrained in its ability to undertake operational real-fire training, such as Compartmental Fire Behaviour Training. Real-fire training is only permitted on Sunday mornings and training at the Boucher Crescent site is, therefore, largely limited to classroom activities and basic ground scenarios that do not use real fires. This restriction, combined with the removal of breathing-apparatus training from the approved project, has significantly reduced the delivery of real-fire training at Boucher Crescent, compared with

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the level planned (see Figure 4), and necessitated the continued use of the Westland premises for that purpose. Undertaking Compartmental Fire Behaviour Training on Sundays has necessitated overtime working, but the Authority has not calculated the costs of this overtime.

2.17 The development of a real-fire and breathing-apparatus training capability was a key justification for this project, as identified repeatedly in Her Majesty's Fire Service Inspector reports (see paragraph 1.2). In our view, the failure to deliver this type of training at Boucher Crescent is significant and has considerably reduced the effectiveness of the project in meeting a core objective.

2.18 The viability of the training centre, already compromised because of the smoke nuisance issue, was further undermined by a substantial increase in the ground rent. In acquiring the Boucher Crescent site for £2 million, the Authority was required to take over the lease of the site at the existing annual rent of £85,000 but with the knowledge that this rate represented a 50 per cent reduction on the full ground rent charge and that

the lease allowed for ground rent increases every seven years. In the event, after the first review, in April 2002, the annual rent payable by the Authority increased (by 282 per cent) to £240,000<sup>5</sup> (see paragraphs 3.4 to 3.6). The Authority told us that this reflected an increase in the market value of the site, which is in an area that was experiencing significant commercial development that could not have been foreseen. Nevertheless, this large increase has reduced significantly the value for money of the project and was the main driver for the Authority's subsequent decision to seek an alternative site.

### The Authority is re-appraising its future training needs and accommodation requirements

2.19 In order to tackle the limitations associated with the current training capability - including the lack of a real-fire training capability at Boucher Crescent, limitations in planning permission and the continued use of the unsuitable Westland Road site - the Authority produced an economic appraisal for the revised Phase 3 development at Boucher Crescent in February 2001. However, following the 2002 rent increase, and projected future increases that were estimated to cost £23 million over the subsequent 25 years, the Authority decided to evaluate the suitability of alternative site options.

**Figure 4: Real-fire training planned and delivered 2000-01 to 2004-05**

	2000-01	2001-02	2002-03	2003-04	2004-05
<b>Compartmental Fire Behaviour Training</b>					
Planned	1,200	1,200	1,200	1,200	1,200
Actual	n/a	n/a	102	256	180
<b>Practical Breathing Apparatus Training</b>					
Planned	2,585	2,654	2,615	3,314	2,450
Actual	<u>1,865</u>	<u>1,637</u>	<u>3,251</u>	<u>3,083</u>	<u>1,974</u>
(Shortfall)	(720)	(1,017)	636	(231)	(476)

Source : Fire Authority

5. The original rent set by the site owners (Belfast City Council) was £340,000 but the Valuation and Lands Agency negotiated a reduction to £240,000 on the Authority's behalf.



2.20 In addition to these issues, there have been a number of changes in the Authority's strategic and operational environment that have implications for its future delivery of training needs. For example, the planned introduction of the national Integrated Personnel Development System for fire services in Spring 2007 means that training activities are linked directly to acquiring and maintaining competence against National Occupational Standards, and the Authority must incorporate relevant training activities into its training plans. Other initiatives having a bearing on training requirements include:

- Integrated Risk Management Plans - the shift in emphasis from risk to property to risk to life means that the training profile of any fire-fighter should be related to the environment/area in which he/she works;
- community fire safety initiatives aimed primarily at fire prevention; and
- growth areas, including Incident Command and Driver training.

2.21 The Authority therefore appointed consultants, in March 2005, to prepare a proposal for the future provision of training facilities. The proposal was to have four key components:

- an assessment of current and future training needs;
- a schedule of accommodation related to training needs;
- a 'Green Book'<sup>6</sup> economic appraisal exploring options available to deliver training needs; and
- a statement outlining the generic criteria to be used to select the preferred option.

The Authority intends that the chosen option will be identified and recommended for acceptance by DHSSPS and DFP by Summer 2007.

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6. The Green Book is HM Treasury's guide to appraisal and evaluation.

## Part 3

In taking forward the assessment of future training needs, there are lessons to be learned from this project



### The Authority must comprehensively appraise an appropriate range of viable options

3.1 Given the specialised nature of fire-fighters' duties, the Authority faces unusual challenges in finding a suitable site to satisfy its training needs. In particular, the specific difficulties posed by smoke emissions in urban areas (a significant problem at the Authority's existing training centres) must be addressed.

3.2 For this reason, it is important to identify an appropriate range of options and to subject them to comprehensive appraisal. In our view, there was scope to appraise more fully a wider range of options in the 1997 economic appraisal, including:

- **private finance** - the consultants who carried out the appraisal had alerted the Authority to the requirement for all public bodies to consider private finance options. Since private finance offered an opportunity to have a new, purpose-built facility, delivered within a fixed time-frame, for a fixed price, this option clearly merited analysis. However, it was not short-listed for full appraisal, on the grounds that the anticipated two-year lead time would not allow short-term training needs to be met. In our view, the Authority's decision not to pursue the private finance option, as recommended by its then parent Department (DOE) in May 1997, undermined the likelihood of achieving the optimum outcome;
- **green-field sites** - the appraisal included assessment of three green-field sites. We note, however, that these had already been examined, and eliminated, in previous appraisals (in 1992 and 1995) on the grounds that they were unacceptable and lacked flexibility. In effect, this meant that the Authority confined its choice to existing, developed sites, carrying greater potential for curtailment of those training activities causing environmental problems, such as smoke; and
- **shared training provision** - there is increasing emphasis on joining-up Government services and delivering operational efficiencies. The 1997 appraisal did not adopt a strategic perspective by

considering wider opportunities to rationalise, or share, training with other relevant organisations. This is particularly relevant now that the Authority is sponsored by the same Department as the Ambulance Service. In addition, opportunities to share facilities/trainers with the Police Service may also merit detailed consideration, particularly in light of the planned development of a new police training school.

3.3 In our view, a more comprehensive assessment of a broader range of options increases the likelihood of achieving the optimum outcome. Given the strategic and operational importance of providing appropriate fire-fighter training facilities, and given the lessons learned from the Boucher Crescent project, we recommend that, in the new economic appraisal, the Authority fully appraises:

- the scope for a solution involving Public Private Partnerships;
- the option of providing dispersed/satellite training facilities;
- a number of new green-field sites beyond those already appraised in 1992, 1995 and 1997; and
- strategic options to share training, where appropriate, with relevant organisations.

The Authority told us that the business case for the new training centre will include the appropriate analysis of all these options and that the appraisal will be undertaken in accordance with Treasury guidance.

### Where particular risks are identified, specific action should be taken to address them

3.4 In acquiring the Boucher Crescent site, the Authority was aware that the lease allowed for rent increases every seven years (see paragraph 2.18). The sensitivity analysis for this project (conducted after approval had been obtained from DFP, rather than forming part of the appraisal itself) showed that all options for

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this site were highly sensitive to a rent increase of 100 per cent. It also pointed out, in the context of smoke emissions, that “there is a real possibility of having to incur costs in offsetting the impact of certain training activities on the surrounding area”.

3.5 The Authority told us that the actual ground rent increase of 282 per cent (see paragraphs 2.18 and 3.6) reflected rapid development and commercialisation in the Boucher Crescent area and that such a significant increase could not have been predicted at the time of the 1997 appraisal. Previous rent increases (payable by the former tenant) had been smaller. In our view, however, there were clear warning signals to the Authority that increases in the site rent were possible and, if they occurred, would severely compromise the value for money of the preferred option:

- the Valuation and Lands Agency notified the Authority, in September 1997, that the property market in the Boucher area was “very buoyant”;
- the project’s sensitivity analysis warned that “assuming that the open market value of the existing buildings and also the site rental were in excess of those agreed for the appraisal, and cannot be shared, the [chosen] option would be more expensive than the other ‘do something’ options”; and
- the consultants conducting the appraisal advised the Authority to obtain formal confirmation of the annual rent “in view of the importance of this assumption to the outcome and affordability of the Boucher Crescent option”.

3.6 The Authority said it was unlikely that a formal commitment could have been obtained to keep the ground rent low, particularly as the value of property was increasing in the area. Nevertheless, the Authority did not follow the consultants’ advice - it did not try to obtain any indication of future annual rent increases, before completion of the deal - and did not include any provision for rent increase in the appraisal. In 2002, the rent did increase significantly, from £85,000 to £240,000 (see paragraphs 2.18 and 3.5). The Authority subsequently prepared a business case for a proposed move to another site, the rationale for which was stated as the “significant

increase in the annual site rental”. Had allowance for such increases over the period of the economic appraisal been factored into the calculations, Boucher Crescent may have been ruled out, at the outset.

3.7 Key financial risks (such as potential, large, ground rent increases) must be fully identified, subjected to rigorous sensitivity analysis before project approval and, where they are likely to occur, the issue needs to be fully addressed before project commencement. Failure to take these steps in relation to Boucher Crescent has been one of the main reasons for subsequent problems that have contributed to the need to consider relocation (see paragraphs 2.18 and 2.19). DHSSPS told us that it acknowledges that key financial risks must be identified and assessed before such approvals are granted and, to this end, it is committed to fulfilling DFP requirements.

3.8 A key objective for the new centralised training facility was that it should be able to provide a real-fire training capability (see paragraph 1.9). The previous centralised training site, at Westland Road, is in a residential area and smokeless zone and this was a key driver in the decision to relocate. However the Boucher Crescent site is also in a smokeless zone, albeit in a commercial area, and it was therefore evident that the Authority needed to resolve this potential difficulty. The need to mitigate this risk was clearly flagged up:

- DFP’s approval to the economic appraisal referred to the “smoke nuisance” problem and said it was “imperative that the Fire Service is in possession of written and irrevocable planning permission for the proposed use before any expenditure is committed to this project”;
- the 1981 Clean Air (NI) Order provides an exemption to allow the Fire Service to light fires for training purposes. Nevertheless, the planning permission for the development stated that “The applicant is advised to ensure that training exercises do not give rise to smoke nuisance at

nearby premises” and quotes as references the 1981 Order and the 1878 Public Health (Ireland) Act; and

- the project’s sensitivity analysis highlighted that the scores attributed to the Boucher Crescent options reflected “a real possibility of having to incur costs in offsetting the environmental impact of certain training activities on the immediate area”.

3.9 It was clear, therefore, that planning and environmental impact factors were critical to ensuring the right outcome. However these factors were allocated a similar weighting to other, less important, factors in the economic appraisal. We consider that alternative weighting of these variables within the appraisal exercise itself may have produced a more valid result, particularly if combined with the results of a valid sensitivity analysis.

3.10 Given the nature of its training activities, which involve lighting fires, and the fact that Boucher Crescent is in a smokeless zone, it is not clear how the Authority expected to be able to comply with DFP’s instruction (see paragraph 3.8), without exploring non-carbonaceous options, such as gas-fired facilities, which are used by some other Fire and Rescue Services. In October 2001, the post-project evaluation recommended that only the successful development of a real-fire capability, utilising an engineering solution such as the use of gas-fired systems, would meet the objective of centralised fire-fighter training on one site. Despite this, and the Safety Committee, in September 2002, emphasising the need to acquire and implement a mobile gas-fired unit, the Authority did not procure one until August 2005.

3.11 In determining the preferred option for its future training needs, the Authority must ensure that all planning issues (especially those related to environmental concerns) are fully identified and addressed before any expenditure is committed, or any contractual obligations entered into.

3.12 In our view, the consultants’ identification, at the outset, of potential risks relating to smoke nuisance and ground rent increases represented a clear signal that options and costs should have been re-examined before committing expenditure to the project. Should a similar situation arise in the forthcoming economic appraisal, it is important that the Authority re-appraises comprehensively, rather than proceeding with a potentially flawed option.

### Best practice procurement procedures must be adhered to

3.13 As noted in paragraph 1.2, the Authority had been seeking new training facilities for many years. Consequently, there was a particularly long gestation period before the identification and approval of the project at the Boucher Crescent site. In tracking the history of the Authority’s search for a centralised training centre, we identified limitations in the tendering and procurement procedures relating to this project and its predecessors.

3.14 Architects were appointed in 1983 during an earlier, abortive, attempt to find a training centre, and they, in turn, recommended most of the other specialist firms from approved lists, over the period of the project. One exception to this process was the quantity surveyor, who was appointed by a majority vote at an Authority meeting in 1988, despite not being included on the relevant approved list.

3.15 The architects have been paid fees of approximately £280,000 since 1991 (£146,600 in relation to design and supervision of the construction works at Boucher Crescent and £140,000 in respect of design work and applications during earlier efforts to identify a suitable training centre site). Other specialist companies were paid £260,000, including £93,000 to the quantity surveyors. Given the long time-span of the acquisition process, best practice would suggest that there was an obvious need to re-tender periodically for the work connected with it. However, this was not done, and the firms concerned were, therefore, guaranteed work on the site development, when it finally began.

## The Fire and Rescue Service Training Centre

3.16 An internal Quality Services Unit (QSU) report, issued in June 2005, noted that the Authority maintained several approved lists of specialist companies (such as architects, quantity surveyors, structural engineers and electrical engineers). At the time when this project was undertaken, there were no clear, documented procedures governing the appointment of firms to approved lists, and the Authority was unable to provide a complete audit trail relating to their compilation.

3.17 The QSU report concluded that:

- the process of negotiating agreed prices for professional services was rarely documented;
- there was no current procedure for ensuring that the approved list of professional service providers was up-to-date and reflected the current prices/skills/qualifications of those companies on the list;
- the last update of the approved list was approximately 10 years previously; and
- there was no procedure in place to ensure that the performance of the companies chosen from the approved list was evaluated and documented after the completion of a project.

QSU recommended that the Authority should document all correspondence with companies on its approved lists and that this should include written evidence of any discount offered by each company, to ensure that the Authority can demonstrate that value for money has been achieved.

3.18 There are weaknesses in the audit trail for this project (see paragraph 2.4). Given the importance of transparency in the appointment of all contractors undertaking work on behalf of public bodies, it is important for the Authority to maintain clear evidence to show how, and why, particular advisers or contractors are, or are not, appointed to the Authority's contracts. We welcome, therefore, the Authority's introduction, in March 2004 (updated in February 2006), of documented procedures for tendering, selecting and appointing all advisers and contractors, and the recommendations of the 2005 QSU report. It is obviously important that procedures are applied properly, in every case, particularly as the QSU report indicates that the 2004 procedures were not being implemented fully, at that stage.

### There is a need to address management and operational factors that have impeded training delivery to date

3.19 Whether or not the Authority determines that it requires a new central training facility, it will be important for it to address a number of management and operational constraints (see paragraphs 2.8 to 2.12) that have impeded the delivery of training in the past.

3.20 We recommend that the Authority gives particular consideration to the following issues:

- **management continuity** - we consider that frequent changes of Brigade Training Officer have undermined progress in the past (in one 12-month period, the post was occupied by three different people). We welcome the fact that all training now forms part of the responsibility of the Director of Human Resources, and that the current Brigade Training Officer has been in post since March 2003. Given that the operational fire-fighting demands on the Brigade Training Officer are paramount, the Authority could consider appointing a non-uniformed member of staff to this post, with fire-fighter input, where necessary and relevant. This would help to ensure continuity in this key post, without compromising operational efficiency.
- **attendance rates** - it is important that training courses are planned and scheduled to maximise trainee and trainer availability and attendance rates, which have traditionally been poor, again because of operational demands. This may indicate a need for more local training so that fire-fighters (especially retained fire-fighters) can be on call for operational purposes.
- **use of non-uniformed staff** - the frequent absence of training officers from their Training Centre posts highlights the importance of ensuring that, where appropriate, relevant training is delivered by non-uniformed staff whose availability is unaffected by such pressures and whose overall employment costs are likely to be lower.

3.21 It is clearly important that the identification and evaluation process is sufficiently thorough to ensure that the option eventually chosen is capable of satisfying the Authority's requirements in full. In that regard, we welcome the steps taken thus far to ensure that identification of training needs and delivery options will be comprehensive, with all viable options subject to examination. The involvement on the project team of representatives from both DHSSPS (Public Safety and Business Case Units) and the Strategic Investment Board provides the opportunity for external expertise to assist the Authority in its decision-making process.

## Appendix 1

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### Chronology of key events

1973	Fire Authority established. A dedicated fire-fighter training centre “urgently required”.
1988 to 1997	Her Majesty’s Fire Service Inspectorate’s reports advise that a centralised training facility and a purpose built fire training house was needed.
June 1996	Home Office guidance “Principles of Operational Training” issued - emphasises the need for “real-fire” training.
1997	The Authority commissions an economic appraisal that identified Boucher Crescent as the preferred option for new Brigade Training Centre.
Jan 1998	DFP approve the economic appraisal.
Oct 1998	The Authority purchases the Boucher Crescent premises for £2 million, plus annual ground rent of £85,000.
Dec 1999	DHSSPS becomes responsible Department for the Fire Authority, following devolution (previously DOE).
Feb 2000	Boucher Crescent Training Centre operational.
Early 2001	Smoke nuisance complaint made by neighbouring business.
Feb 2001	Consultants prepare economic appraisal for the Authority for further development at Boucher Crescent. DHSSPS defers any decision until completion of post-project evaluation of development to date.
Oct 2001	Post-project evaluation completed.
April 2002	Seven-year review increases ground rent from £85,000 to £240,000 per annum.
Sep 2002	Consultants prepare the first economic appraisal on re-location of Boucher Crescent Training Centre.
Dec 2002	Further capital works are carried out to facilitate further development of Boucher Crescent Training Centre.
March 2005	Consultants appointed to prepare proposal for the future provision of training facilities.
Jan 2007	Business case for new training centre to be completed.



## Definition of training priorities used in the 1997 economic appraisal

### Priority 1

Those aspects of training that fall under the category of training recommended by the Home Office and for which it has issued guidance and national standards, including:

- Whole-time and Retained fire-fighter
- Breathing Apparatus
- First Aid
- Emergency Fire Appliance Driving
- Aerial Appliance Operator
- Driving Assessor and Driving Advisor

### Priority 2

Those aspects of training that the Chief Fire Officer has decided are essential to enable the Fire Authority to fulfil its statutory duty under the Fire Services (Northern Ireland) Order 1984, the Health and Safety at Work (NI) Order 1978 and the Management of Health and Safety at Work (NI) Regulations 1992, including:

- Major incident planning
- Ship and port fire-fighting
- Hazardous materials
- Major Road Traffic Accident incidents
- Fire investigation
- Health and Safety training

### Priority 3

Those aspects of training, not included in Priorities 1 and 2, that the Chief Fire Officer wishes to provide in order to enhance the performance of the Northern Ireland Fire and Rescue Service and the career development of staff.

# NIAO Reports 2005-06

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<b>2005</b>		
Modernising Construction Procurement in Northern Ireland	NIA 161/03	3 March 2005
Education and Health and Social Services Transport	NIA 178/03	9 June 2005
Decision Making and Disability Living Allowance	NIA 185/03	16 June 2005
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