

EAST SUSSEX FIRE AUTHORITY

Panel Policy & Resources
Date 7 July 2016
Title of Report Emergency Services Collaboration Programme – Integrated Transport Function – Fuel Project
By Chief Fire Officer
Lead Officers Mark O’Brien, Assistant Director, Operational Support & Resilience / Bill Brewster, Strategic Engineering Manager

Background Papers CMT Report “Replacement Fuel Tanks”, 1 March 2013

Appendices
 1. ESCP ITF – Fuel Project Brief
 2. Fuel Business Case – Executive Summary

Implications

CORPORATE RISK	✓	LEGAL	✓
ENVIRONMENTAL	✓	POLICY	✓
FINANCIAL	✓	POLITICAL	✓
HEALTH & SAFETY		OTHER (please specify)	
HUMAN RESOURCES		CORE BRIEF	
EQUALITY IMPACT ASSESSMENT			

PURPOSE OF REPORT To update the Policy & Resources Panel members on the integrated fuel collaboration project and seek support to progress with the development of this project through the Integrated Transport Function (ITF) of the Emergency Services Collaboration Programme (ESCP).

EXECUTIVE SUMMARY The emergency services partners (East Sussex Fire and Rescue Service, West Sussex Fire and Rescue Service, Surrey Fire and Rescue Service, Surrey and Sussex Police) across Surrey and Sussex are working together to create an integrated transport function, to improve the efficiency and effectiveness of operations.

In order to facilitate this, and as a first step, agreement is sought to become part of an integrated vehicle fuel system process across partners, funded by £0.4m from the Fire Transformation Fund grant. This would enable ESFRS vehicles to access bulk fuel across Sussex and Surrey partner sites realising savings against the costs of purchasing fuel from commercial forecourts.

RECOMMENDATION

The Policy & Resources Panel is asked to:

- i) agree to join the next stage of the ITF fuel project by becoming part of an integrated vehicle fuel system;
 - ii) note and agree that the implementation and first two years of maintenance costs are covered by the use of a proportion of the DCLG Fire Transformation Fund grant funding received by the ESCP;
 - iii) note and accept the maintenance costs from Year 3 onwards, based on the agreement within the ESCP that any negative impact on an individual Service's budget will be mitigated wherever possible by redistribution of the savings achieved by some, or all, of the other partners; and
 - iv) accept the equipment, once installed, through a transfer of assets procedure.
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1. BACKGROUND AND CONTEXT

- 1.1 This project is the first in a series of coordinated initiatives enabling the collaboration and integration of the fleet and transport functions of 'blue light' partners involved in the wider Emergency Services Collaboration Programme (ESCP), across Sussex and Surrey.
- 1.2 The ESCP forms an integral part of the public service reform agenda and its activities are aligned to the prospectus on devolution from the three Southern Counties (3SC). These transformational plans provide the opportunity for the emergency services partners to work more closely together, improving service to the public, reducing costs, increasing resilience, reducing overlap and responding to the changing pattern of demand. The work of the ESCP is also aligned to the proposed statutory duty for further collaboration planned for introduction in early 2017, as set out in the Government's Spending Review 2015.
- 1.3 The activities of the ESCP are wide ranging and include looking at opportunities to improving contact, control and dispatch arrangements; joint operational and support capabilities; and the Integrated Transport Function (ITF) Programme, whose Programme Delivery Board sponsor this business case. The ITF Programme will ensure that, through collaboration, the current and future transport needs for emergency services across Surrey and Sussex are met by improving delivery of services in an affordable, efficient, resilient and sustainable manner. This proposal represents one of the first opportunities to mobilise the ITF Programme strategy, approved as a working document at the ESCP Strategic Board in September 2015 (see appendix 1 - Project Brief).
- 1.4 Currently, partners maintain separate arrangements for the procurement, storage and management of vehicle fuel. This represents a significant duplication in processes and resources, whilst impeding interoperability and limiting resilience.

- 1.5 There are 56 bulk fuel tanks currently in use across the blue light partners (in Sussex and Surrey) of varying sizes with a total capacity of over 860,000 litres. A number of these are either close enough to each other to warrant closure or, due to their condition, will ultimately need to be replaced by individual partners. Whilst the proposed changes will reduce the number of bulk fuel tanks and their overall capacity, it will increase the number of tanks accessible to each partner.
- 1.6 In addition, it is worth noting that a previous internal ESFRS review of the condition and suitability of our existing fuel infrastructure, reported to the Corporate Management Team in 2013, identified that the majority of underground storage tanks and fuel pumps within the ESFRS estate are over thirty years old and should be replaced or refurbished. Given the age of the existing installations, they present a real environmental risk to ESFRS as there is currently limited capability to identify leak detection within the installations, resulting in a higher risk of fuel loss to ESFRS.
- 1.7 The report concluded that remaining as we are is not an option and that above ground fully bunded tanks provide much better control in the event of failure or damage and the risk of leaks and environmental impacts are significantly reduced.
- 1.8 The proposal outlined in this paper therefore supports previously identified and necessary improvements in ESFRS fuel infrastructure (see background paper, CMT Report “Replacement Fuel Tanks”, 1st March 2013; available on request from the Clerks).

2. **CONSULTATION**

- 2.1 This proposal has been developed through the Emergency Services Collaboration Programme, involving senior officers and political stakeholders.
- 2.2 Transport consultants have been engaged by the ESCP team in order to assess and develop the options detailed within this report.

3. **PROPOSAL**

- 3.1 The proposal (see appendix 2 - Fuel Business case – Executive Summary) is to implement an integrated fuel management system with blue light partners in Sussex and Surrey. This would enable shared use of each other’s bunkered fuel sites, and implementation of a shared fuel management system along with joint procurement contracts to achieve greater purchasing power to reduce fuel costs.
- 3.2 This capability will be delivered by procuring bulk fuel at the best possible price, investing in infrastructure, adjusting bulk fuel site access arrangements as well as amending invoicing, data and reporting processes. The proposed changes are also designed to enhance fuel resilience and will have no detrimental impact on each partners’ business continuity arrangements, i.e. the continuous provision of bulk fuel. Local Resilience Fora are recognised as key stakeholders in this change process.

- 3.3 Enabling staff to have shared access to bulk fuel sites across the region is one of the key drivers in reducing the percentage of (more expensive) fuel being purchased at forecourts. As part of the integrated fuel management system, agreements will need to be reached with other blue light partners to agree shared access to each other's sites and a shared fuel resilience capability.
- 3.4 All planned changes are taken in view of maintaining or enhancing resilience. This includes maintaining sufficient reserve stock levels, enabling 24/7 access at more sites and enhancing supply chain management through improved re-ordering processes.
- 3.5 The proposed changes will see 7 bulk fuel tanks closing, reducing the total number from 56 to 49. 12 of the remaining 49 tanks will need to be replaced. There is then a varying requirement to upgrade the other associated components at each of the 49 sites to the standard needed to operate an integrated fuel management system.
- 3.6 The required investment will be partially offset by the savings made through the avoidance of future capital and revenue expenditure to maintain and/or remove life expired bulk fuel infrastructure. In addition, by purchasing bulk fuel at a cheaper rate from joint contract frameworks, and by increasing the percentage of bulk fuel that is used through shared use of sites (litre for litre, it is cheaper than fuel purchased at commercial forecourts) further savings are likely. Going forward, greater savings should be achieved through the further integration that this project will enable.
- 3.7 The development of the shared access element of the proposal relates to the need to allow partner organisations access to each-others' bulk fuel sites. Whilst the initial analysis of the proposed 49 sites has not identified any insurmountable issues, a site by site assessment will be undertaken in advance of the infrastructure changes to assess and define any issues.
- 3.8 The principle of the integrated fuel management system, approved by the ESCP Strategic Board and in accordance with the Programme's governance arrangements, is to utilise the Fire Transformation Fund grant. This grant is held by Surrey as a syndicated grant along with East Sussex Fire Authority and West Sussex County Council.
- 3.9 Surrey County Council's procurement team are leading the procurement process for this project; the team and its partners are fully engaged with this process and are being advised by the subject matter advisors on the most appropriate route to market.

4. **OTHER OPTIONS CONSIDERED**

- 4.1 There are no alternatives to this proposal other than to remain within the current ESFRS arrangements. This would not deliver the efficiencies or resilience described, and given the condition of our current bulk fuel tanks, there will be a requirement for a capital investment in the immediate future; timing of this project therefore helps mitigates any future risks for the Authority.

5. RESOURCE IMPLICATIONS AND VALUE FOR MONEY

- 5.1 The estimated cost of implementation is £424,000.
- 5.2 The cost includes the required capital expenditure to rationalise and upgrade fuel bunkers, and the first two years of revenue running costs.
- 5.3 The funding will be provided from the Fire Transformation Fund grant (FTF), which has been approved by the three Chief Fire Officers (ESFRS, WSFRS & SFRS) in accordance with the governance arrangements of the syndicated FTF grant. The governance arrangements for the grant has been reviewed by Surrey County Council Audit team (summer 2015) and are deemed to be suitable and sufficient.

6. PROJECT IMPLEMENTATION COSTS

		ESFRS	SFRS	WSFRS	Sy/Sx Police	Total
Capital	Tank Decommission	£ 60,000	-	£ 5,000	£ 30,000	£ 95,000
	Tank replacement	£ 84,840	-	-	-	£ 84,840
	Controller Unit	£ 36,000	£ 30,000	£ 27,000	£ 54,000	£ 147,000
	Fuel Pump	£ 9,000	£ 6,750	-	-	£ 15,750
	Tank Gauge	£ 9,000	£ 6,750	£ 6,750	-	£ 22,500
Total Capital Investment						£ 365,090
Revenue	Sim Cards	£ 4,800	£ 4,000	£ 3,600	£ 7,200	£ 19,600
	Annual Service	£ 4,800	£ 4,000	£ 3,600	£ 7,200	£ 19,600
	Software Licence	-	-	-	£ 10,000	£ 10,000
	Project Manager	£ 10,000				£ 10,000
Total Revenue Investment						£ 59,200
Total Investment						£ 424,290

The required investment will be partially offset by the estimated savings across partners of £336,000 over the initial 4 years, delivering reduced ongoing annual costs of £17,000 per annum. This is achieved through the avoidance of future capital and revenue expenditure to maintain and/or remove life expired bulk fuel infrastructure; purchasing bulk fuel at a cheaper rate from joint contract frameworks; and reducing the use of commercial forecourts by increasing the usage of bunkered fuel sites.

7. PROJECT SAVINGS

Area of Saving. Across partners	Year 1	Year 2	Year 3	Year 4	Total Saving
	2016/17	2017/18	2018/19	2019/20	
Joint fuel contract	£ 13,000	£ 13,000	£ 13,000	£ 13,000	£ 52,000
Bulk vs. forecourt fuel	£ 7,000	£ 14,000	£ 14,000	£ 14,000	£ 49,000
System running costs	£ 14,600	£ 14,600	£ (10,000)	£ (10,000)	£ 9,200
Avoided capital spend		£ 225,840			£ 225,840
Total Saving	£ 34,600	£ 267,440	£ 17,000	£ 17,000	£ 336,040

- 7.1 The new system is expected to deliver a range of efficiencies, such as greater resilience and a more effective management of resources. Greater savings should be achieved through the further integration that this project enables.

Ongoing Costs

- 7.2 After the second year of the contract, the costs of the ESFRS based system (fuel monitoring/data sending) and the annual maintenance will fall back to ESFRS. This is estimated to be in the region of £7,000 per annum. The estimated cost savings for ESFRS per annum are £4,000 based on the average cost of bulk fuel charges through the wider partnership. The ESCP partners have agreed to a principle whereby no partner will be disadvantaged when collaborating and that a redistribution of savings made by some or all of the other partners would enable every partner to at least suffer no financial loss.

8. IMPACT OF THE PROPOSAL

- 8.1 The Fuel Project will enable a more efficient fuel procurement, distribution and administration system, reducing the administrative burden on individual officers and administrative support. This also supports the ESFRS ambition to remove legacy administrative systems based on manual completion of paperwork.
- 8.2 The availability of bunkered fuel at a much wider range of sites will reduce costs and increase efficiencies in terms of reducing either the miles driven to use bunkered fuel or the increased costs of forecourt fuel purchases.
- 8.3 The increased resilience provided by the development of a strategic network of bunkered fuel sites is a significant benefit.
- 8.4 The availability of bunkered fuel sites throughout Sussex and Surrey available to the ESFRS fleet 24/7.

9. **EQUALITY IMPLICATIONS**

9.1 Considered and no adverse impacts identified.

10. **RISK MANAGEMENT IMPLICATIONS**

10.1 The project is part of the Emergency Services Collaboration Project and as such falls under the governance structure for that project. This includes the Political Stakeholders Board and the Strategic Board of Chief Officers.

10.2 Legal, finance and procurement issues will be referred as required to the appropriate ESFRS contacts.

10.3 Further engagement with the ITF will be managed through the CFO representation at strategic level, and through the Assistant Director of Operational Support and Resilience and the Strategic Engineering Manager at delivery board level.

11. **HEALTH AND SAFETY**

11.1 Risk and impact assessments in relation to operational use will be carried out at each site as part of the project. Specifically this will consider additional vehicle movements on our sites, site security and related staff health and safety matters.

12. **BUSINESS CONTINUITY**

12.1 As part of our business continuity planning, the Business Continuity Group will discuss any impacts and opportunities as part the introduction of an integrated fuel scheme.

13. **ENVIRONMENTAL**

13.1 An environmental impact assessment will be carried out as part of the overall risk and impact assessments.

14. **PROJECT DELIVERY**

14.1 Project delivery lead officers for ESFRS are Mark O'Brien, Assistant Director, Operational Support & Resilience and Bill Brewster, Strategic Engineering Manager.

Project Brief	
Project Name:	Fuel
Sponsor:	Ian Thomson (ESCP Strategic Lead)
Agreed by:	
Date:	8 April 2015
Doc Reference:	Project Brief_ITF_Fuel
Version:	v0.04 Draft
1. Purpose (<i>Why is this project needed?</i>)	
1.1.	Emergency services chief officers in Surrey and Sussex have agreed that the benefits and opportunities of collaboration around Transport and Fleet functions should be explored under the Joint Operational Support theme within the Emergency Services Collaboration Programme (ESCP).
1.2.	The Vision for this work is: <i>To work collaboratively to meet the current and future transport and associated equipment needs for emergency services across Surrey and Sussex, improving delivery of 24/7 services in a sustainable, resilient and affordable way which is at a lower cost to public finances.</i>
1.3.	Work is underway to identify a preferred overarching model for an Integrated Transport Function. Alongside this, chief officers have asked for projects to be scoped so that any opportunities to move us towards closer collaboration or integration can be agreed to move forwards.
1.4.	This project covers a High Priority 'quick win' and includes all aspects of 'fuel'; this 'quick win' was identified because partners have differing systems in place for its procurement and management, and that there is potential to achieve savings through procuring together and rationalising the approach to fuel management across the geographical area covered.
1.5.	The project includes, but is not restricted to: <ul style="list-style-type: none"> • Procurement and storage/bunkering of fuel. • Fuel management systems. • The issuing of fuel. • Use of fuel cards and the system for managing these.
2. Partners committed to this work	
2.1.	The ESCP partners have each indicated the level to which they sign up to this project.
2.2.	The partners who are willing to look at full integration of this aspect of delivering a transport function are: <ul style="list-style-type: none"> • East Sussex Fire and Rescue (FRS), South East Coast Ambulance Service (SECAmb), Surrey FRS and Surrey/Sussex Police.
2.3.	West Sussex FRS have indicated they may not be able to pursue this area of work due to the West Sussex County Council contract that is in place. This will be explored further.

3. Objectives *(What is the project trying to achieve?)*

3.1. The project is divided into three main areas with specific elements for each:

3.2. Fuel procurement and storage

- To identify the optimum number, location and size of storage/bunker sites and the volume and type of fuels held.
- To identify opportunities to combine and reduce bunkers across the necessary geographic area.
- To explore how to maximise fuel delivery volumes to avoid small delivery charges.
- To explore the need to standardise/modernise bunkers/tanks (manual/solar powered/electric/security measures), taking into account any legislative requirements and environmental considerations.
- To develop an agreement around priority use of bunkered fuel between partners and vehicle types during times of fuel shortage.
- To enable all partners vehicles to be re-fuelled at any storage/bunkered site, on a 24/7 basis.
- To specify, procure and implement a standardised fuel management solution including a system for managing bunkered/tanked fuel and external purchases.
- To identify a timely and accurate management information solution to efficiently and effectively manage fuel supplies.
- To cost up the options and make recommendations on the best way to progress.

3.3. Fuel cards

- To identify the optimum system for fuel cards to enable one card for all partner fleets.
- To cost up the options for rolling out one system across all partner fleets.
- To minimise the administrative burdens of managing this process.

3.4. Other

- To identify all contracts across the partnership around fuel procurement and management and opportunities for alignment.

3.5. Quality Assurance (QA)

- To identify a method for ensuring quality control that complies with current legislation and partner requirements.

4. Scope *(What is included, and not included in the project/programme?)*

Within scope:

4.1. Exploration of all aspects of fuel procurement, storage and management for vehicles and equipment, including mobile and fixed generators.

Not included within the scope of this project:

4.2. Making recommendations on how fuel is used by partners, the volumes used or the fuel types.

4.3. Specific non-vehicle and equipment fuels, such as fuel oil for heating premises.

5. Deliverables *(What will be produced as a result of this project?)*

- 5.1. Options for change and the cost of delivering the change.
- 5.2. A business case to support chief officers to make decisions on whether or not to progress with the preferred options (showing the financial and management benefits which would be achieved). (Note: it is anticipated that once partners agree in principle to this joint work, the decision on whether or not to progress will be made at the ITF Delivery Board level).
- 5.3. A project delivery plan and other supporting documents to support the delivery of the agreed changes.
- 5.4. Delivery of the agreed changes, possibly to include:
 - Joint procurement of all fuel.
 - Fuel managed by a single fuel management solution.
 - Fuel supported by one partner on behalf of all.
 - One fuel card in use across emergency partners.

6. Benefits *(What difference will this make?)*

- 6.1. One procurement contract for fuel enabling all partners to achieve the same/lowest price for fuel.
- 6.2. Rationalisation of storage/bunkered fuel locations, resulting in possible release of estate, reduction of maintenance, security costs and environmental risks.
- 6.3. Reduction of mileage by operational personnel in need of fuel through siting bunkers/tanks nearest to the locations of need.
- 6.4. Reduction in management costs if one centralised system is in use for managing fuel and fuel cards across all partners.
- 6.5. Improved management information to enable better control of fuel use, including direct benchmarking of vehicles for a given role.
- 6.6. Reduced contract and contract management costs through one fuel card in use.

7. Assumptions and constraints *(What assumptions are you making? What might get in the way?)*

- 7.1. Funding and staffing resources will be available to support the changes required.
- 7.2. There are real benefits to be achieved from this work which make this viable to all partners.
- 7.3. Each organisation will pay for the managed service and fuel provided on a 'per use' basis, i.e. they will pay only for what they use thereby providing value for money for each partner.
- 7.4. Contract timelines and change ambitions align to enable opportunities to be taken forward.
- 7.5. Procurement teams will have capacity to support any procurement opportunities that arise from this work.
- 7.6. Suitable fuel management solution products exist in the market to meet the identified requirements.

8. Risks *(What might go wrong?)*

- 8.1. Some partners may decide not to collaborate on fuel which might impact on (reduce) the benefits achieved.
- 8.2. Capacity may be limited to deliver this work alongside the wider ITF theme and other work streams within the ESCP, if not prioritised adequately.
- 8.3. Opportunities to make cashable savings may not be realised if this work is not supported, or may be delayed if not progressed in the short term.

9. What other areas of partner organisations are affected by this project?
<p>9.1. Procurement teams.</p> <p>9.2. Operational personnel may need to adopt a different system.</p> <p>9.3. Fleet admin staff that may need to do more, on behalf of partners, or do less of certain types of work if fuel management services are provided by one partner on behalf of others.</p> <p>9.4. Corporate functions provided by County Councils to some FRSs.</p>
10. Dependencies <i>(What other work needs delivering to make this project successful?)</i>
<p>10.1. Data is provided to the wider ITF work stream and made available to support this project.</p> <p>10.2. Available and appropriate procurement frameworks/processes.</p>
11. Stakeholders <i>(Who has a legitimate interest in/ may be affected by this project?)</i>
<p>11.1. Fleet function management and staff.</p> <p>11.2. Operational personnel affected by changes as they are introduced.</p> <p>11.3. Residents and businesses adjacent to locations where tanks may be introduced, enlarged or removed, or where they may experience increased traffic due to their use.</p> <p>11.4. Fuel regulatory bodies, i.e. Petroleum Officers.</p> <p>11.5. County Councils, particularly where they are the Fire and Rescue Authority (FRA).</p>
12. Resources & Roles <i>(What is needed to run this project and who might be involved?)</i>
<p>12.1. Project Manager – Dennis Ord.</p> <p>12.2. Project Team (Alan Illott (Joint Transport Service Team Leader)), inclusive of procurement, data, finance, etc.</p> <p>12.3. Individuals to undertake site risk assessments, as required.</p>
13. Timescales & Cost <i>(How long it might take to complete and likely costs)</i>
<p>13.1. The initial feasibility stage and identification and costing of options will be completed by the end of December 2014.</p> <p>13.2. Delivery of agreed changes is TBC once there is agreement of what is to be delivered and funding for the change secured (This project has been identified as a High Priority, by the ITF Delivery Board, so should progress during 2015-16).</p>

APPENDIX 2

Executive Summary (v1.1) Integrated Fuel Management System Business Case	
Project Name:	Integrated Fuel Management System
Sponsor:	Russell Pearson
Recommended by:	Integrated Transport Function (ITF) Programme Board
Date:	18/12/15

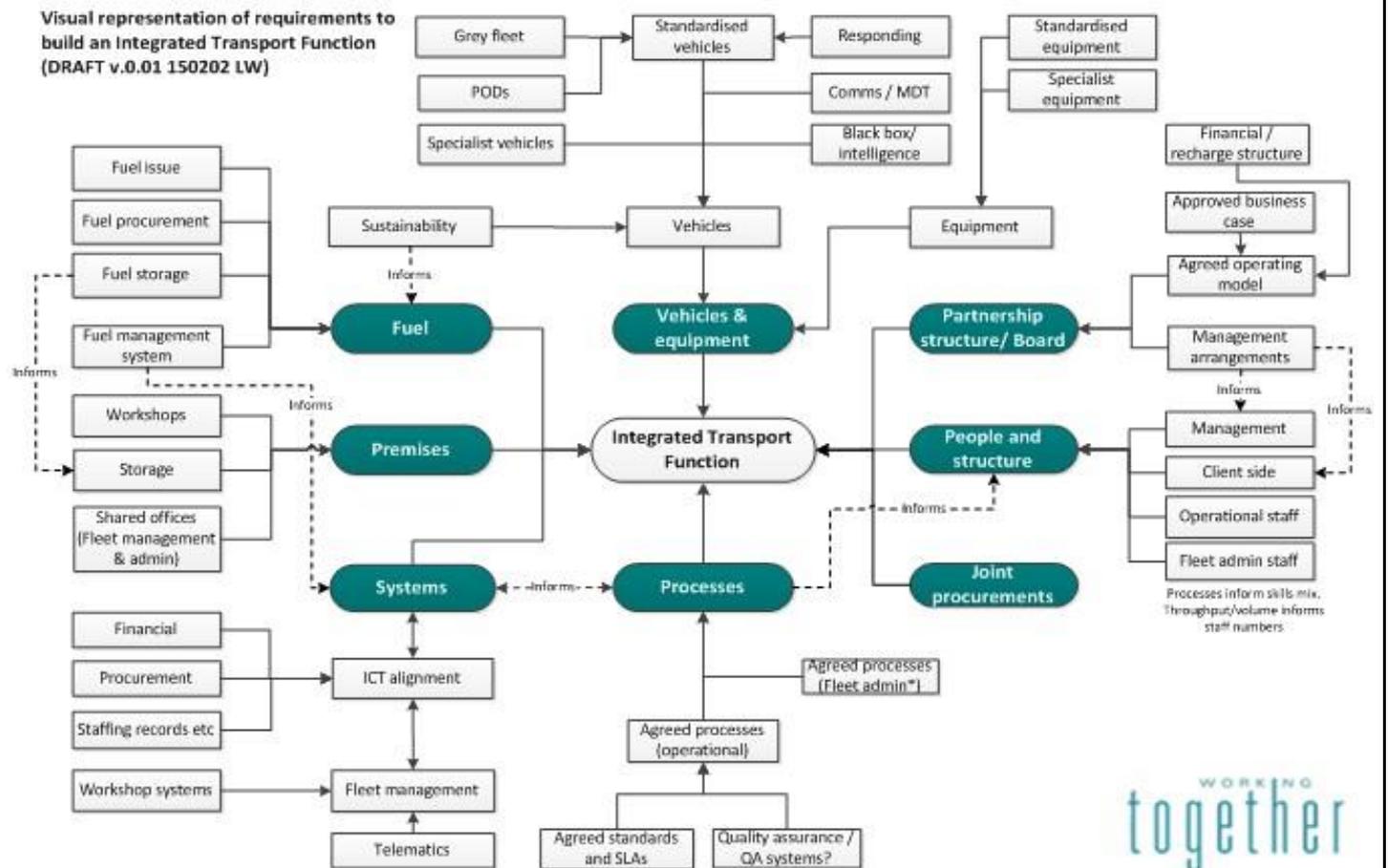
Purpose

The purpose of this paper is to seek funding for a proposal to proceed with the introduction of an integrated fuel management system across partners involved in the Emergency Services Collaboration Programme (ESCP), funded by £409,000 or less than 7% of the £5.96m Fire Transformation Fund (FTF).

An integrated fuel management system is best described as;

“A resilient joint capability that enables ITF partners to have self-service, 24/7 shared access to each other’s bulk fuel sites, using a more efficient, standardised system at reconfigured sites across the Surrey and Sussex region.....delivered by; procuring bulk fuel at the best possible price, investing in infrastructure, adjusting bulk fuel site access arrangements as well as amending invoicing, data and reporting processes...”

This work forms part of and is aligned to the wider public services reform agenda and it is important to note that whilst the proposal can be delivered independently, it supports and enables a wider inter-linked series of activities. Other business cases seeking investment from the FTF to integrate fleet workshops and for vehicle telematics are also being developed as part of this programme of work; all key steps to integrate ITF partners Transport functions. The diagram below highlights the fuel work-streams and how they relate to the planned activities within the complex ITF Programme.



Context and Background

The ESCP in Surrey and Sussex is an integral part of the public service reform agenda and its activities are aligned to the recently published prospectus on Devolution from the three Southern Counties (3SC), as well as the proposed statutory duty for further collaboration anticipated to be introduced in early 2017 as set out in the 2015 spending review.

Partners involved are; Surrey & Sussex Police, South East Coast Ambulance Service, East Sussex Fire and Rescue Service, West Sussex Fire and Rescue Service and Surrey Fire and Rescue Service.

The activities of the ESCP are wide ranging and include; improving contact, control and dispatch arrangements, joint operational and support capabilities including the Integrated Transport Function (ITF) Programme, whose Programme Delivery Board sponsor this business case.

The ITF Programme will ensure that, through collaboration, the current and future transport needs for emergency services across Surrey and Sussex are met by improving delivery of services in an affordable, efficient, resilient and sustainable manner. This proposal represents one of the first opportunities to mobilise the ITF Programme strategy, approved as a working document at the ESCP Strategic Board in September 2015.

It is acknowledged that partners have differing levels of commitment or ability to integrate these Transport functions. The ITF Programme strategy allows for differences and enables partners to engage and integrate in a way and to a level suitable to meet the needs of their organisation wherever possible. In terms of the specific levels of commitment to this work, all ITF partners are committed to purchasing fuel at the best possible price. However, SECAmb has specific operational arrangements which preclude their involvement in the reconfiguration of, and some elements of shared access to, bulk fuel sites.

Partners of the ITF were awarded £5.96m as a result of a joint bid into the FTF, to support the work of the ITF Programme Delivery Board. Whilst Surrey Fire and Rescue Service took the lead on the bid, and are acting as banker, the bid was awarded to all three Fire Authorities in Surrey and Sussex.

This collaboration is one of the first and most comprehensive of its type in the UK to date.

Proposal

The proposal is to transition to an integrated fuel management system across partner organisations through, if approved, a phased transition starting in early 2016 with a final solution anticipated to be in place by Q1 2017/18.

As a first step to integrate fuel activities, all partners have already been included on a National framework let by the Crown Commercial Service (CCS) to purchase bulk fuel at the best possible price. The next step and the basis for this proposal, is to develop a resilient joint capability that enables partners to have self-service, 24/7 shared access to each other's bulk fuel sites, using a more efficient, standardised system at reconfigured sites across the Surrey and Sussex region.

Option 3 (the recommended option)

Procure bulk fuel from the same source, rationalise bulk fuel sites and introduce an integrated fuel management solution

This option will require a £409,000 investment from the Fire Transformation Fund and will deliver financial savings of £340,000 over a 4 year period.

If approved, the recommended option will;

- Reduce the number of bulk fuel tanks thus reducing the risk of environmental impacts
- Reduce the overall bulk fuel capacity with no detrimental impact on fuel resilience
- Through shared access 24/7, improve fuel resilience

- Through a period of transition, improve the administration and management of fuel
- Reduce expenditure on fuel infrastructure
- Through joint contract frameworks, bulk fuel will be purchased at the best possible price
- Through greater shared access to bulk fuel sites, reduce expenditure on (more expensive) fuel purchased at commercial forecourts.

Whilst the cashable savings are a key element of this proposal, the outcomes from the FTF grant are also focused on the effectiveness of the Integrated Transport Function, improving resilience and harmonisation of common functions. This proposal represents the first step towards these goals.

Recommendation

To support the recommended option – option 3

To agree to release the required funding from the Fire Transformation Fund