

MEDIUM TERM CAPITAL STRATEGY 2025/26 - 2029/30**Overview**

The Medium Term Capital Strategy has been developed in line with the Authority's purpose and commitments and its Integrated Risk Management Plan (IRMP). It aims to provide a sustainable and affordable level of investment to support our service provision to the communities of East Sussex and the City of Brighton & Hove. Where decisions have already been taken to change the service (including IRMP), which have capital investment implications, these are reflected in this strategy.

The main areas covered within the strategy are summarised below.

Estates Strategy- Capital Programme

An initial review of the Estates Capital Programme has been carried out in the light of the challenges experienced in its delivery since 2019 which have resulted in significant delay / slippage and the impact of inflation on scheme costs which are likely to make the Programme unaffordable in its current form. This has resulted in a two phase approach:

- The agreement of short-term priorities to the end of 2025/26 against the capacity and funding available for delivery
- A full review of the Estates Strategy, Design Guide and remaining capital programme in 2025/26

The agreed priorities to the end of 2025/26 are:

- Preston Circus
- Fort Rd Engineering Workshop
- Design Guide Refurbishments at Bohemia Rd, Eastbourne & Roedean
- Replacement of Live Fire Training Units (LFTU) at Service Training Centre (STC) (for completion in 2026/27)
- Provision of wet training capabilities at 3 station-based BA Chambers
- Design Guide Refurbishments at Seaford & Barcombe where CIL funding has been obtained

All other planned Design Guide Refurbishments (at Day Crew and Retained Stations) will be deferred until after a full review of the Estates Strategy, Design Guide and Estates Capital Programme in 2025/26 with the expectation that on grounds of affordability and deliverability the programme will be re-profiled for delivery over a longer period and will consider alternative and more cost effective approaches to achieving improved management of contaminants. Proposed spend on Estates schemes in 2026/27 onwards has been reduced to bring the overall CAS back within the available funding.

We continue to pursue options for further grant funding and collaboration to reduce the capital cost burden of updating the estate.

Estates Strategy– General Schemes

As noted above further work on Day Crew and On Call stations will commence after the review of the Estates Strategy excepting the CIL funded projects at Seaford and Barcombe.

Some capital investment may be brought forward at specific stations where the provision of gender appropriate welfare facilities is a priority.

Estates Strategy – Strategic Schemes

These schemes reflect the improvements necessary to deliver the standards set out in the 2018 Design Guide across our estate. The scope includes necessary reordering of internal spaces to mitigate the risk of contaminants, asset improvements to reduce energy consumption and remedial works identified in the condition surveys. Building on lessons learned from the first project at Hove a revised procurement strategy has been developed to expedite the delivery of the remaining Whole Time Stations during 2024/25 and 2025/26.

Our Carbon Footprint was established in 2022/23, and work is now underway to develop our Environment & Sustainability Action Plan with a programme of betterment works to reduce energy consumption and our carbon emissions. This is a service wide initiative with communications to promote behavioural change being led by Estates. Metrics will be published regularly to demonstrate the reductions being made.

Estates Strategy – Shared Investment Schemes

The 2018 Estates Strategy had a programme of property schemes which involved shared investment with partners either through the One Public Estates Programme (East Sussex and Greater Brighton) and the Integrated Transport Function (ITF).

Discussions continue with partners, particularly Sussex Police to identify opportunities for co-location and these will feed into the review of the Estates Strategy in 2025/26.

Integrated Transport Function (ITF) – South Eastern Hub Workshop

The Authority has approved a new scheme for the refurbishment of the vacant Fort Rd site in Newhaven into an Engineering Workshop as part of the wider ITF collaboration. This £2.677m scheme will be funded in part by Fire Transformation Fund Grant of £1.5m. Following the granting of planning permission and the appointment of a main contractor, works are expected to start in January 2025 and be completed by November 2025.

Preston Circus Fire Station

This major £4.9m scheme to refurbish our biggest and busiest fire station was completed in 2024/25 with crews moving back in mid-November from the temporary site at Dyke Rd.

Fleet and Equipment Strategy

The fleet and equipment strategy encompasses fire appliances (approximately three each year), aerial appliances, ancillary vehicles and the light fleet. The Authority has

a rolling programme of replacing its vehicle fleet in line with its agreed lifing policy. The replacement cycle for core fleet is set at 14 years for operational appliances, 15 years for specials and 9 years for light fleet.

The capital replacement program has reduced in volume to 31 appliances this financial year as it has been agreed that it is not necessary for spare appliances* to have a replacement cycle and be maintained through life extension. This presents an efficiency overall for capital purchasing which can be invested elsewhere

**spare fleet is required to cover planned maintenance and provide operational continuity during breakdowns or failures*

Since the introduction of a Vehicle Build Officer, all planned procurement activities are in flight for this financial year aside from two, which have taken a strategic pause as the organisation need to assess design, function, operational requirements in line with utilisation and community risk profile.

The worldwide supply chain disruption has eased for HGV chassis from 12 months to 10 months on average however, for light fleet and vans the lead times have increased considerably to a state comparable with delays experienced during COVID (one unit has been on order for 18 months), which has impacted significantly on the delivery of the Fleet & Equipment Strategy. Market engagement has suggested that manufacturing capacity is being redirected from fossil fuelled vehicles in favour of electric vehicles, with some manufacturers cancelling orders or removing diesel vehicles from their offering entirely in a bid to meet their own carbon reduction agendas.

If the current trajectory of continues at the same rate, there is a risk that disruption to the replacement program will increase significantly. To mitigate disruption, the Authority will be entering a research and development phase for the suitability of PHEV (plug-in hybrid electric vehicles) in early 2025. Early exploration has returned that as the technology is well developed and wide-spread, these low-emission vehicles could be a solution met within the current budget.

The Authority has taken on a number of national resilience assets and receives a New Burdens grant for their maintenance. Future requirements for these assets which reached end of life in 2022/23 is being reviewed nationally by the NFCC and the Home Office. Once the outcome of the review is known and the Government confirms funding for new assets a review of local need for any assets where replacement is not funded by Government will be carried out.

Equipment replacement is funded through our revenue budget; to which a major review of equipment life has been undertaken which has led to some equipment lifing, such as ladders being extended to 18 years based on advice from the manufacturer. In resetting replacement profiles for major operational equipment types this has allowed for a revenue replacement program to be developed which ensures that planned purchases a spread across multiple years, and identifying separate budgets for consumables and highly wearable items. The strategic intent is to maintain a 5 year forecast for operational equipment.

A scheme for replacement of our existing Breathing Apparatus and ancillary equipment is included to the value of £1m over 2025/26 and 2026/27. This is being

managed as a joint project through the 4F group (East & West Sussex, Surrey and Kent FRS (Fire and Rescue Service)).

Detailed strategies for Estates, and Fleet and Equipment are available as separate documents.

IT

The majority of the Authority's investment in its IT Strategy is funded through revenue. However, two major projects are included in the Capital Programme:

- ITG Flexi Cloud – covers the planned move from our current flexi cloud environment to cloud based services following the re-procurement of our outsourced IT service delivery contract
- JFC Vision Replacement – as part of the Joint Fire Control Roadmap Surrey FRS will lead a project replace the existing Vision mobilising system with costs shared across the three partner services.

Funding

The Capital Strategy is funded from a number of sources which are described below. In order to ensure the Strategy is sustainable and affordable we aim to maximise external funding, where it is available, so as to reduce the pressure on our own resources. This is becoming increasingly important in the light both of pressures on our revenue budget and the absence of general capital grant from central government.

- Capital Grant

General capital grant allocations from central government for fire authorities ended in 2014/15 and grant funding thereafter is on a wholly bid-for basis. The Authority has not submitted any bids for the duration of this Strategy. However, an existing allocation of £1.5m from the Fire Transformation Grant (ITF Project) will be applied to the Engineering Workshop project. The Authority has been successful in a bid for CIL grant funding from Lewes District Council to cover 50% of the cost of Design Guide works at Barcombe and Seaford Fire Stations.

- Partner Contributions

The Authority is engaged in collaborative working with other public sector partners, particularly other emergency services. This includes capital projects, and where the Authority is lead body for a scheme this may lead to partners making contributions towards the capital costs.

- Capital Receipts

Receipts from the disposal of existing capital assets may only be used to fund expenditure on new capital assets.

Historic capital receipts from the sale of service houses and 20 Upperton Road have been used to fund the Capital Strategy. The disposal of Mayfield Fire Station is expected to realise a capital receipt of £1.050m in 2026/27. With no further property assets identified as surplus, capital receipts are likely to be small amounts for the sale of appliances. It is the Authority's current policy to use capital receipts to fund the

capital programme before using the Capital Programme Reserve (which is a revenue reserve).

- **Revenue Contributions**

The Authority can make revenue contributions to the cost of its capital expenditure either direct from its revenue budget or from reserves earmarked for capital schemes. As of 31 March 2025, the balance of the Capital Programme Reserve (CPR) will be nil. The Authority takes the opportunity to set aside additional funding from its revenue budget to help fund the costs of the Capital Programme when it can, in the absence of Government grant. An additional contribution is planned of £2.0m 2025/26 onwards, increasing to £3.0m by 2027/28.

- **Community Infrastructure Levy (CIL)**

The Service has been successful in its bid for Community Infrastructure Levy (CIL) funding from Lewes District Council. £289,000 has been awarded which will part fund the planned enhancements at Barcombe and Seaford Fire Stations, reducing the need for future borrowing.

- **Prudential Borrowing**

The Authority can use prudential borrowing to fund capital expenditure spreading the cost over the life of the asset. Overall, our total borrowing must be sustainable and affordable. Borrowing commits the Authority to a long term cost which has implications for our revenue budget. Broadly speaking, every £1m of additional borrowing would add £90,000 - £100,000 of financing costs to the Authority's revenue budget. As capital related reserves are spent down to fund the Capital Strategy, the Authority will need to recommence borrowing to fund capital investment. The borrowing needed to finance the Capital Asset Strategy over the next five years is £12.288m and this has been fed into the MTFP and our future borrowing costs.

MEDIUM TERM CAPITAL STRATEGY 2024/25 to 2029/30 – SCHEMES

Capital Programme Expenditure 2023-24 to 2028-29	Total Budget	Total Previous Years	Estimated Spend 2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	Remaining Spend
			£'000	£'000	£'000	£'000	£'000	£'000	£'000
Property									
Shared Investment Schemes									
Roedean Betterment	25	22	3						3
Bohemia Road Betterment	95	39	56						56
Fort Road - Engineering Workshop	2,836	159	995	1,682					2,677
External Funding - ITF Grants	(1,500)		(995)	(505)					(1,500)
Preston Circus	4,766	1,539	3,227						3,227
Total Shared Investment Schemes	6,222	1,759	3,286	1,177	-	-	-	-	4,463
Strategic Schemes									
- Replacement Fuel Tanks	492	477	15						15
- Partner contribution	(292)	(292)							-
- Replacement fuel tanks net cost	200	185	15	-	-	-	-	-	15
Design Guide	355	355							-
Hove	559	549	10						10
Roedean	862	55	-	807					807
Eastbourne	961	101	460	400					860
Bohemia Road	982	76	906						906
Security	386	182	204						204
Sustainability	97	22	75						75
MPTH	399	399							-
Eastbourne MPTH	260	40	30	190	-				220
Training Centre MPTH	308	52		256	-				256
Hove MPTH	278	42	30	206	-				236
Bohemia Road MPTH	489	45	397	47	-				444
Live Fire Training	4,000	57	-	1,063	2,880				3,943
Total Strategic Schemes	10,136	2,160	2,127	2,969	2,880	-	-	-	7,976
General Schemes									
General Schemes	832	832	-						-
Phase 1 General Costs	30	30							-
Seaford CIL	296	3	7	286	-	-			293
Seaford CIL partner Contribution	(133)			(133)		0		-	133
Barcombe CIL	392	5		387	-				387
Barcombe CIL Partner Contribution	(156)			(156)	0			-	156
Fire Compartmentation	500		100		200	200			500
The Ridge	950				950	-	-		950
Hailsham	69	19			-	-	50		50
Rye	250	47	3		-	200	-		203
Battle	451	1					450		450
Heathfield	569	19				50		500	550
Uckfield	208	8				200	-		200
Lewes	286	6	80		-	200			280
Maresfield	535		-	-	535	-			535
Seaford HVP Alterations	94	94							-
Bexhill	50						50		50
Herstmonceux	450						50	400	450
Pevensey	450			70			-	380	450
Forest Row	50						50	-	50
Broad Oak	50						50	-	50
Burwash	50						50	-	50
Crowborough	50						50		50
Newhaven	30						30		30
Wadhurst	50						50		50
Total General Schemes	6,403	1,064	90	554	1,685	850	880	1,280	5,339
Bay Doors, Floors, IT	1265	64	80	300	300	300	121	100	1,201
Training Towers	189	1			38	50	50	50	188
Total Property	24,215	5,048	5,583	5,000	4,903	1,200	1,051	1,430	19,167
Vehicle Cameras	136	136							-
Grant Funds	(136)	(136)							-
Breathing Apparatus	1000			500	500				1,000
Breathing Apparatus Washing Machines	85		39	46					85
Aerials	1865	1,292	573						573
Aerial Rescue Pump	22	22							-
Fire Appliances	8250	4,716	904	887	621	1,122			3,534
Ancillary Vehicles	2772	1,230	329	1,193		20			1,542
Cars	2506	897		77	327	532	313	360	1,609
Vans	2531	1,030	496		177	202	218	408	1,501
Equipment	35	30	5						5
Total Fleet and Equipment	19,066	9,217	2,346	2,703	1,625	1,876	531	768	9,849
JFC Vision Replacement				600	700	700			2,000
ITG Flexi Cloud				1,250	1,250				2,500
Total Expenditure	43,281	14,265	7,929	9,553	8,478	3,776	1,582	2,198	33,516

MEDIUM TERM CAPITAL STRATEGY 2025/26 to 2029/30 – FUNDING

	2025/26	2026/27	2027/28	2028/29	2029/30	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Total Joint Fire Control	600	700	700			2,000
Total ITG	1,250	1,250				2,500
Total Estates	5,000	4,903	1,200	1,051	1,430	13,584
Total Engineering	2,703	1,625	1,876	531	768	7,503
	9,553	8,478	3,776	1,582	2,198	25,587
	2025/26	2026/27	2027/28	2028/29	2029/30	Total
Funded by:	£'000	£'000	£'000	£'000	£'000	£'000
Capital Receipts		1,050				1,050
Capital Programme Reserve	2,000	2,500	3,000	1,582	2,198	11,280
Business Rates Pool Reserve	500	469	-	-	-	969
New Borrowing / Need to Borrow	7,053	4,459	776	-	-	12,288
	9,553	8,478	3,776	1,582	2,198	25,587