



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Policy and Strategy Committee

EMERGENCY SERVICES MOBILE COMMUNICATIONS PROGRAMME (ESMCP) FORMAL SIGN UP

Report of the Chief Fire Officer

Date: 29 January 2016

Purpose of Report:

To seek approval for Nottinghamshire Fire and Rescue Service to formally sign up to the Emergency Services Mobile Communications Programme.

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1. BACKGROUND

- 1.1 Following approval by the Fire Authority in 2006 Nottinghamshire Fire and Rescue Service (NFRS) moved to a new and improved solution for enabling communications between operational resources and Control which is still in use today. This system called FiRelink is provided by Airwave Solutions Limited within the Airwave network and provides greater flexibility, capacity, resilience and interoperability with other emergency services than earlier provision by using modern digital cellular technology. To date FiRelink has performed well and has high levels of confidence with users and has proven capabilities in interoperability with other emergency services and allied bodies, e.g. Police, RAF Search and Rescue, Coastguard etc.
- 1.2 The procurement of FiRelink was centrally managed by DCLG with individual contracts signed by each Fire Authority. The cost of FiRelink is considerably higher than previous provisions and DCLG have subsequently provided an award annually to offset this increase in costs by means of a Section 31 grant under the new burdens principle. By comparison Airwave has been found to be more expensive than equivalent provisions in Europe. To enable transition to FiRelink DCLG also provided transitional funding to assist with the procurement of new equipment and provide additional resources.
- 1.3 Current contracts for the three emergency services provided by Airwave expire between 2016 and 2020 and cannot be readily extended past 2020. The reallocation of the part of the frequency spectrum used by Airwave in 2021 will mean that FiRelink will be unviable after these dates.
- 1.4 The development of technologies and changes to ways of working within the emergency services has resulted in a greater demand for mobile broadband data to support front line operations. Airwave technology has stood still since its inception and in its current format cannot support this need.
- 1.5 With the requirement for evolving technology, combined with higher comparative costs and contractual end points a programme was sanctioned several years ago by central government to identify and procure a new communications provision for the emergency services. This is now well established and goes by the title the Emergency Services Mobile Communications Programme (ESMCP) which will deliver the Emergency Services Network (ESN).
- 1.6 Sufficient progress has been made and successful bidders have been appointed to deliver the ESN. As a result a sign off pack was issued to the Chief Fire Officer by DCLG in late December seeking to ascertain if the Fire Authority would formally commit to a new system of emergency services communications and associated infrastructure. This pack is included at Appendix A.

2. REPORT

HIGH LEVEL PROGRAMME

- 2.1 ESMCP has been on-going for several years and has the involvement of DCLG, Home Office, Department of Health, Cabinet Office and Treasury with the Home Secretary being the lead minister. At its core ESMCP has 3 principle objectives:
- **Better** with integrated broadband data services; public service functionality; national coverage and high availability.
 - **Smarter** to be more flexible, to evolve and improve over time, pay only for features required by users.
 - **Cheaper** to address budget pressures, re-competed regularly to leverage market forces.
- 2.2 Underpinning the involvement of the government departments is a good sized central programme team working within a well-defined governance structure. The Fire and Rescue Service nationally and NFRS locally has had involvement in ESMCP from the outset with an Area Manager taking the role as regional transition lead for Fire and Rescue Services in the East Midlands. The involvement has enabled the Fire and Rescue Sector to be assured of the business, technical and operational requirements of ESMCP and also to provide assurance to DCLG that the full business case for ESMCP (less the financial aspects) fully meets our needs and requirements. By factoring in the financial aspects DCLG were able to formally sign off the full business case in late autumn 2015.
- 2.3 The procurement process broke ESMCP into 4 major lots, with a number of smaller procurement exercises for specialist areas e.g. Control Room communication upgrades, Air to Ground service (police / ambulance helicopters) etc. One lot has subsequently been withdrawn for extended area services, to provide coverage in more remote areas, and this element will now be provided in a different way. After a lengthy period of evaluation of tenders and negotiations the final 2 successful bidders were appointed in December 2015.

TRANSITION

- 2.4 The most up to date timetable for ESMCP transition shows that the emergency services in the East Midlands will transition to the new ESN during a 12 month period from late 2017 until late 2018. To achieve this will require considerable work to be undertaken locally by NFRS in areas such as:
- ICT upgrade work to enable connection to the Public Sector Network (PSN);
 - Specifying, procuring and testing an upgrade to control room communications interfaces;

- Identifying and procuring devices (formally known as radios);
 - Procuring and co-ordinating vehicle installations;
 - Training and roll out.
- 2.5 DCLG has committed to support Fire Authorities with the cost of transition to ESN for all reasonable transition costs, including like for like replacement of devices, preparatory costs for PSN and staffing, with a figure of £50.4 million being allocated. Some of the staffing will be at a regional (East Midlands) level including a regional co-ordinator, training lead, procurement and administration for which DCLG have indicated funding of £436,000. Locally Nottinghamshire should receive at least £161,000 for staffing costs associated with transition for roles including ICT resources, testing manager, operational policy etc.
- 2.6 Collectively the 5 Fire Authorities in the East Midlands can expect approximately £1.5 million for transition staffing with an expectation that where possible transition and implementation will be done collaboratively to drive out any efficiency gains. There exists potential to collaborate outside of the region and also with other emergency services and / or agencies. Given experience from previous large scale programmes such as this, an earmarked reserve of £200k was approved in 2014/15, as there will undoubtedly be local costs that DCLG will not meet.
- 2.7 DCLG have extended the Airwave contracts for all Fire Authorities until 2019 to enable transition. DCLG have confirmed that they will continue to support Fire Authorities using Airwave by means of the Section 31 grant until the point that they cut over to the ESN system. DCLG have also confirmed that they would not expect Fire Authorities to pick up 2 sets of costs in the event of having to 'dual run' with legacy FiRelink (Airwave) and new ESN systems.
- 2.8 Given the opportunities to embrace new technologies with ESN, there exists scope for NFRS to upgrade to devices and platforms with higher levels of functionality, particularly if these generate the potential to create future efficiencies.

STEADY STATE

- 2.9 Upon going live with ESN it is anticipated that NFRS will cease using the FiRelink network, with payment for this also terminating at this point. Detailed indicative figures for the costs of ESN versus FiRelink [Airwave] can be found in Appendix A and are simplified in Table 1 below. These show a considerable saving to the Fire Authority, a situation replicated for most other Fire Authorities in the UK. The ESN cost figures are derived from actual usage data supplied by NFRS being applied against unit costs supplied by the winning bidder and have produced by a group including members of the Fire Finance Network, but have not been validated by anyone from NFRS due to the information being commercially sensitive. Please note that the figures for 2018/19 appear inaccurate and further clarification of them has been sought from DCLG, but as yet no response has been forthcoming.

2.10 The FiRelink (Airwave) costs predicted for NFRS compare accurately to the costs in recent years and those budgeted for the immediate future (please see Table 2 below). It is noteworthy that in steady state there will be no annual Section 31 grant payable by central government under ESN representing an even greater saving to the public purse.

Table 1 Indicative ESN, Airwave and Fire Authority savings 2018/19 – 2031/32

Year	18/19	19/20	20/21	21/22	22/23	23/24	24/25
Indicative ESN Costs to Nottinghamshire and City of Nottingham FRA							
Total	£31,868	£79,896	£80,821	£84,323	£97,964	£110,978	£102,642
Indicative Airwave Net Costs to Nottinghamshire FRA over same period (net of grant)*							
Airwave	£70,602	£172,833	£203,974	£208,054	£212,215	£216,459	£220,788
Indicative Net Saving to Nottinghamshire FRA							
Saving	£38,733	£92,937	£123,153	£123,731	£114,251	£105,481	£118,146

Year	25/26	26/27	27/28	28/29	29/30	30/31	31/32
Indicative ESN Costs to Nottinghamshire and City of Nottingham FRA							
Total	£150,133	£139,504	£117,131	£121,569	£111,012	£111,200	£111,866
Indicative Airwave Net Costs to Nottinghamshire FRA over same period (net of grant)*							
Airwave	£225,204	£229,708	£234,302	£238,988	£243,768	£248,644	£253,616
Indicative Net Saving to Nottinghamshire FRA							
Saving	£75,072	£90,204	£117,172	£117,419	£132,757	£137,444	£141,751

* Please note Airwave cannot continue post Dec-2020 at the latest. Figures for comparison only

Table 2 Actual and forecast Airwave charges 2012/13 – 2016/17

Year	12/13	13/14	14/15	15/16	16/17
	Actual	Actual	Actual	Estimate	Estimate
FireLink [Airwave] Contract Charges	£354,070	£425,548	£408,041	£422,636	£447,095
Sec. 31 Gov't Grant – Revenue (Income)	£221,417	£264,801	£259,006	£270,477	£270,479
Net Total Payable by NFRS	£132,653	£160,747	£149,035	£152,159	£176,616

2.11 There is a clear emphasis that going forward management of devices, including refresh and replacement, will be borne by Fire Authorities, which accounts for the non-indexed variations in ESN costs in Table 1 above. To date there has been little change in the devices used with FiRelink, however going forward it is anticipated that devices will be refreshed more frequently to take advantage of changing technologies. This is reflected in the indicative costs with a refresh programme speculatively spread over 8 years, however there exists scope for this aspect to be included within a capital programme.

2.12 Two key elements of the programme, namely the network and user services, are operated with independence from each other enabling these to be

retendered and procured on a more regular basis. This better keeps pace with technological developments and ensures healthy competition between providers.

- 2.13 Analysis of alternative replacement options has been undertaken and there are no realistic alternatives to ESMCP that meet the resilience, interoperability, timeframe and cost-benefit parameters within which we operate. Ultimately the likely maturity of the solution offered by ESMCP outweighs the disadvantages inherent in the use of any alternative interim solution.

3. FINANCIAL IMPLICATIONS

- 3.1 The main financial implications are identified within the body of the report, however, in summary it is anticipated that adoption of ESMCP may make in-life savings of between £75,000 and £141,000 per annum for the Fire Authority.
- 3.2 DCLG have committed to fund reasonable transition costs and have allocated £50.4 million for this purpose for staffing, equipment and installation. Locally Nottinghamshire should receive at least £161,000 for staffing costs associated with transition, with a further £436,000 for staff at a regional level.
- 3.3 In anticipation of the impact of the project an earmarked reserve of £200k was approved in 2014/15 to support the transition to a new communications platform.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT

There will undoubtedly be training implications for new devices, equipment and procedures associated with the transition. Funding for a training lead and a number of trainers is included within the regional provision from DCLG.

5. EQUALITIES IMPLICATIONS

An equality impact assessment has identified that the proposals may provide a small positive impact for some protected groups without any disproportionate negative impacts.

6. CRIME AND DISORDER IMPLICATIONS

Section 17 of the Crime and Disorder Act 1998 states that “it shall be the duty of each authority to which this section applies to exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area”. This report does not contain any implications which would affect that duty.

7. LEGAL IMPLICATIONS

- 7.1 The Nottinghamshire and City of Nottingham Fire and Rescue Authority has a statutory duty to secure services and equipment necessary efficiently to meet all normal requirements and to make arrangements for dealing with calls for help and for summoning personnel. These duties are contained within Sections 7, 8 and 9 of the Fire and Rescue Services Act 2004.
- 7.2 Part 3, Section 21, of the same Act requires the Secretary of State to publish a Framework and it is this Framework that places a duty on Fire and Rescue Authorities Fire to collaborate with other Fire and Rescue Authorities, other emergency services, wider Category 1 and 2 responders and Local Resilience Forums to ensure interoperability. In this context it includes, but is not limited to, compatible communications systems, control rooms and equipment.

8. RISK MANAGEMENT IMPLICATIONS

- 8.1 The loss of Airwave and uncertain future of ESMCP has figured within the Corporate Risk register, both in terms of provision of a resilient communications platform and also with unknown cost. With the information provided these risks can be addressed with more certainty and it is anticipated that they will reduce as the programme moves through its transition phases.
- 8.2 Failure to appropriately resource the organisation in response to community risk and requirements puts a financial risk on the Fire Authority, in that the budget deficit will not be met. The actions proposed in this report mitigate this risk.

9. RECOMMENDATIONS

That Members agree to participate in the Emergency Services Mobile Communications Programme and direct the Chief Fire Officer to sign and return the attached documentation on behalf of the Fire Authority.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

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CHIEF FIRE OFFICER