

REQUEST FOR DEPUTY MAYOR FOR FIRE AND RESILIENCE DECISION – DMFD184

Maintenance of High-Pressure, Breathable-Air and Oxygen Systems

Executive summary

This report seeks the approval of the Deputy Mayor for Fire and Resilience (the Deputy Mayor) for the London Fire Commissioner to commit revenue expenditure for up to seven years, commencing on 1 April 2023, of the amount set out in part 2 of the report. The expenditure is for the maintenance of high-pressure breathable-oxygen and air compressors; high-pressure pipework; and associated distribution systems at London Fire Brigade's Operations Support Centre, Park Royal fire station and Barking fire station.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...".

Decision

That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to commit revenue expenditure of up to an amount as set out in the part 2 report, over seven years commencing on 1 April 2023, for the maintenance of high-pressure breathable-oxygen and air compressors; high-pressure pipework; and associated distribution systems at London Fire Brigade's Operations Support Centre, Park Royal fire station and Barking fire station.

Deputy Mayor for Fire and Resilience

I confirm that I do not have any disclosable pecuniary interests in the proposed decision.

The above request has my approval.

Signature:



Date:

10 February 2023

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 Report LFC-0754 to the London Fire Commissioner (LFC) explains that London Fire Brigade's (LFB's) Operations Support Group (OSG), on behalf of the LFC, operates high-pressure breathing-air compressor systems at three separate locations: the Operations Support Centre (OSC), the main site based in Croydon; and two satellite charging rooms, located at Park Royal fire station and Barking fire station respectively.
- 1.2 The OSC and the Barking charging room also have oxygen-charging capability. The high-pressure air systems not only supply cylinder recharging, but also support testing of LFB's respiratory protective equipment, gas-tight suit (GTS), cylinders and other items, and are regulated at various pressures.
- 1.3 The high-pressure breathing-air systems, oxygen booster pumps, air-monitoring systems, high-pressure pipework, and distribution systems are central to the OSC function. The air-supply system allows the OSC to charge breathing apparatus (BA) cylinders and hydrostatically test cylinders; and allows other departments within the OSC to test and service BA sets, hoses, Broco cylinders, GTSs and lifejackets. This capability is critical to LFB's ability to deliver its operational service to London.
- 1.4 The LFC is in contract for these services with Gas & Air Services (UK) Limited until 31 March 2023. The OSG, with the support of procurement colleagues, is preparing the retender to award a new contract that will commence on 1 April 2023.
- 1.5 The tender specification seeks a comprehensive maintenance, service and repair service for its high-pressure breathable-air and compressor systems; high-pressure pipework and distribution systems; and high-pressure breathable-oxygen compressor systems. This will ensure the current systems conform to the British Standard EN 12021:2014 – respiratory equipment – compressed gases for BA standards. The tender requires the contractor to work collaboratively to control unnecessary expenditure and maximise value for money throughout the term of the contract. The contractor is to proactively keep the OSG aware of any opportunities that will reduce expenditure over the life of the contract.
- 1.6 Lacking continuity of supply would unacceptably hinder the OSC's ability to provide essential services to LFB, such as the charging of BA cylinders; the testing of cylinders; and the servicing of BA sets, GTSs and lifejackets.

2 Objectives and expected outcomes

- 2.1 The following outcomes are expected:
 - a fully comprehensive and inclusive maintenance and repair service that meets the required standards
 - a contractor that is familiar with the equipment and the manufacturer's maintenance manual, and that complies with current acts, regulations and standards.

If a contract is not obtained, the OSC's maintenance of high-pressure, breathable-air and oxygen systems will not be serviced or maintained in accordance with the manufacturer's maintenance manual; nor will the OSC be in compliance with current acts, regulations and standards. The OSC will also be subject to higher costs for maintenance and repairs.

- 2.2 The estimates for the contract value are based on the current spend, with the addition of a 10 per cent contingency.
- 2.3 The expenditure for the contract will be allocated from the OSC's workshop equipment repair and maintenance budget.

3 Equality comments

- 3.1 The LFC and the Deputy Mayor for Fire and Resilience (the Deputy Mayor) are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This, in broad terms, involves understanding the potential impact of policy and decisions on different people; taking this into account; and then evidencing how decisions were reached.
- 3.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 3.3 The protected characteristics are: age; disability; gender reassignment; pregnancy and maternity; marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination); race (ethnic or national origins, colour or nationality); religion or belief (including lack of belief); sex; and sexual orientation.
- 3.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other prohibited conduct
 - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it
 - foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 3.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it
 - encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- 3.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.
- 3.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- tackle prejudice
- promote understanding

3.8 An Equality Impact Assessment has been completed for this process. The proposal for the tender of the provision of maintenance of high-pressure breathable-oxygen and air compressors, high-pressure pipework, and associated distribution systems at the OSC, Park Royal and Barking was not found to have any potential negative equality impacts.

4. Other considerations

Workforce comments

4.1 UNISON, the trade union representing staff at the OSC, welcomes the continuation of a maintenance programme for the OSC's high-pressure breathing-air and breathable-oxygen systems, high-pressure pipework, and distribution systems via a competitive procurement process that would result in a seven-year contract. LFB expects the contract is awarded to the supplier that provides the best service, to ensure the safety of our members.

Sustainability comments

4.2 The maintenance of existing systems will ensure that the OSG's high-pressure air infrastructure is maintained to the appropriate standard. This ensures the infrastructure can operate effectively during its expected working life, and reduces the requirement for new equipment plant.

Procurement comments

4.3 Due to the specialised nature of the requirement, the decision has been taken to undertake an open procurement process under the Public Contract Regulations. The intention is to award a five-year contract with an option to extend for a further two-year period (2x12 months available). This will enable the OSG to manage the provider over a moderate period of time, and to minimise the inherent potential risks to switching provider should the contract period be substantially shorter. This is also in alignment with the term of the previous contract.

Conflicts of interest

4.4 There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

5.1 The report recommends that the amount set out in part 2 of the report is authorised for the LFC to commit revenue expenditure for the purposes of letting a contract for seven years (five plus two years), commencing on 1 April 2023, for the maintenance of high-pressure breathable-oxygen and air compressors, high-pressure pipework and associated distribution systems at the OSC, Park Royal fire station and Barking fire station.

5.2 It is expected that annual inflationary increases will be based around the Retail Price Index. All LFC contractual inflationary increases are reviewed on an annual basis. The LFC budgets for inflation on an item-by-item basis, and the LFC will review those assumptions as part of its budget process for 2023-24. If inflation rates are above current assumptions, a resulting budget increase will need to be submitted as part of the LFC's annual submission to the Mayor's GLA Group budget process; and/or the contract will need to be reviewed to assess whether the annual cost can be reduced via a

reduction in service. If inflationary increases create in-year financial pressures, this will be reported as part of regular financial reporting and met through the use of the Budget Flexibility Reserve. The Budget Flexibility Reserve has a forecast balance of £17,100,000 as at the end of the 2022-23 financial year. LFC standard terms and conditions include clauses on indexation and termination that can be used in the event that inflationary pressures affect the performance of the contract. If a contract is no longer viable, the LFC will seek to terminate it on this basis or work with suppliers to pause delivery and/or renegotiate what is being delivered. This is preferable to inserting a break clause for inflation, as such pressures apply across the market; so it is unlikely that benefits will be gained from terminating a contract in order to go back out for competition.

- 5.3 There are no direct financial implications to the GLA arising from this proposed procurement.

6. Legal comments

- 6.1 This report seeks approval of expenditure to tender and award a contract for the maintenance of high-pressure, breathable-air and oxygen systems (the equipment), set out in more detail in Part 2.
- 6.2 Under section 9 of the Policing and Crime Act 2017, the LFC is established as a corporation sole with the Mayor appointing the occupant of that office. Under section 327D of the GLA Act 1999, as amended by the Policing and Crime Act 2017, the Mayor may issue to the LFC specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 6.3 By direction dated 1 April 2018, the Mayor set out those matters, for which the LFC would require the prior approval of either the Mayor or the Deputy Mayor. Paragraph (b) of Part 2 of the said direction requires the LFC to seek the prior approval of the Deputy Mayor before “[a] commitment to expenditure (capital or revenue) of £150,000 or above as identified in accordance with normal accounting practices...”. Accordingly, the capital expenditure identified for the equipment set out in more detail in Part 2, requires prior approval.
- 6.4 The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 (FRSA 2004). Under section 7 (2)(a) FRSA 2004, the LFC has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting. Section 5A of the FRSA 2004 allows the LFC to procure personnel, services and equipment it considers appropriate for purposes incidental or indirectly incidental to its functional purposes.
- 6.5 The LFC’s General Counsel advises that all proposed tenders must be carried out in accordance with the Public Contracts Regulations 2015 and the LFC’s Scheme of Governance (Part 3 Standing Orders Relating to Procurement).
- 6.6 The LFC may delegate authority to the Director of Procurement to undertake all necessary procurement activity in relation to the proposed equipment. This is within the LFC’s general powers.
- 6.7 These comments have been adopted from those provided by the LFC’s General Counsel Department in report LFC-0754 to the LFC.

Appendices and supporting papers:

LFC-0754 – Maintenance of High Pressure, Breathable Air & Oxygen Systems – part 1 of report

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

If YES, for what reason:

Until what date: (a date is required if deferring)

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer

Richard Berry has drafted this report with input from the LFC and in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service

Niran Mothada has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

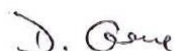
Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 6 February 2023.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature:



Date:

10 February 2023