

Maintenance of High Pressure, Breathable Air & Oxygen Systems

Report to:	Date:
Investment & Finance Board.....	27 September 2022
Commissioner’s Board	5 October 2022
Deputy Mayor’s Fire and Resilience Board.....	22 November 2022
London Fire Commissioner	

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Report classification: For decision

For publication

PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

This is a 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 Operations Support Centre, Park Royal and Barking.

For the Deputy Mayor

That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to commit revenue expenditure over seven years, commencing 1 April 2023, for the maintenance of high-pressure breathable oxygen and air compressors, high pressure pipework and associated distribution systems at the Operations Support Centre, Park Royal and Barking.

For the London Fire Commissioner

The London Fire Commissioner agrees the tender and letting of a contract for the purpose of the maintenance of high-pressure breathable oxygen and air compressors, high pressure pipework and associated distribution systems at the Operations Support Centre, Park Royal and Barking following a procurement exercise for seven years from 1 April 2023.

The London Fire Commissioner agrees to delegate all procurement activity for the maintenance of high pressure breathable oxygen and air compressors, high pressure pipework and associated distribution systems referred to in this report to the Assistant Director Procurement and Commercial once expenditure has been approved.

1 Introduction and background

- 1.1 The Operations Support Group (OSG), on behalf of the London Fire Commissioner operates high pressure breathing air compressor systems at the three separate locations. Namely 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.
- 1.2 The OSC and Barking charging room also have oxygen charging capability. The high-pressure air system not only supplies cylinder recharging but also supports our Respiratory Protective Equipment (RPE), Gas Tight Suit (GTS), Cylinder testing and other workshops throughout our sites and are regulated at various pressures.
- 1.3 The high-pressure breathing air systems, oxygen booster pump, air monitoring system, high pressure pipework and distribution systems are central to the OSC's ability to fulfil its statutory duties. The air supply allows the OSC to charge BA cylinders, hydrostatically test cylinders and allows other departments within the OSC to test and service BA sets, hose, BROCO cylinders, gas tight suits and lifejackets. This capability is critical to the LFB's ability to deliver its operational service to London.
- 1.4 The LFC is currently in contract with Gas & Air Services until 31 March 2023.
- 1.5 OSG colleagues, with the support of procurement colleagues, are preparing the retender to be in a position to award a new contract to commence on 1 April 2023.
- 1.6 The tender specification seeks a comprehensive inclusive 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 BS EN 12021:2014 – Respiratory equipment – Compressed gases for breathing apparatus 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.
- 1.7 Lack of continuity of supply would unacceptably hinder the OSC's ability to provide its statutory duties. The OSC would not be able to complete essential tasks such as, the charging of BA cylinders, testing of cylinders and servicing of BA sets, GTS and lifejackets, which in turn would impact OSC's ability to deliver operational equipment to London.

2 Objectives and expected outcomes

- 2.1 The objective is to obtain a contract for the maintenance of the OSC's high-pressure breathing air and breathable oxygen systems, high pressure pipework and distribution systems via a competitive procurement process that would seek a five-year contract to ensure best value for money.
- 2.2 The following outcomes are expected:
 - A fully comprehensive inclusive maintenance, service and repair service that meets the required standards.
 - A contractor that is familiar with the equipment, the manufacturers maintenance

manual and complies with current Acts, Regulations, British Standards and EU Standards.

- If a contract is not obtained the OSC's maintenance of high pressure, breathable air & oxygen systems will not be serviced or maintained in accordance with the manufacturers maintenance manual and will not comply with current Acts, Regulations, British Standards and EU Standards. The OSC will also be subject to higher costs for maintenance and repairs.

2.3 The estimates for the contract value are based on the current spend with the addition of a ten percent contingency.

2.4 The contract cost will be met from existing OSG budgets, plus annual RPI increases.

3. Equality comments

3.1 The LFC and the Deputy Mayor for Fire and Resilience 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, with the outcome that 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 Operations Support Centre, Park Royal and Barking will not have any potential negative equality impacts.

4. Other considerations

Workforce comments

4.1 UNISON welcomes the continuation of a maintenance program 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. The brigade 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 system will ensure that the OSG's high pressure air infrastructure is maintained to the appropriate standard, thus ensure it is able to operates effective during it's expected working life and reducing 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 (2x 12 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.

Communications comments

4.4 At this time, LFB anticipate that there will be no need for a communication strategy, other than an internal update that will be given to the staff within the OSC.

5. Financial comments

- 5.1 The report recommends that delegated authority is provided to procure a new contract for the maintenance of high-pressure breathable oxygen and air compressors, high pressure pipework and associated distribution systems at the Operations Support Centre, Park Royal and Barking. The expenditure will be charged to the operational equipment cost centre.
- 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 LFC's annual submission to the Mayor's GLA Group budget process and/or the contract will need to be reviewed to assess whether it is possible to reduce the annual cost via a reduction in service. If inflationary increases result in in-year financial pressures, this will be reported on 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 utilised in the event that inflationary pressures affect the performance of the contract. If a contract is no longer viable then 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 London Fire Commissioner (the "Commissioner") 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 Commissioner 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 Commissioner would require the prior approval of either the Mayor or the Deputy Mayor for Fire and Resilience (the "Deputy Mayor"). Paragraph (b) of Part 2 of the said direction requires the 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...". 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"). Section 7 (2)(a) FRSA 2004 the Commissioner 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 Commissioner to procure personnel, services and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes.
- 6.5 General Counsel advises that all proposed tenders must be carried out in accordance with the Public Contracts Regulations 2015 ("the Regulations") and the London Fire Commissioner's Scheme of Governance (Part 3 Standing Orders Relating to Procurement).
- 6.6 The LFC's may delegate authority to the Director of Procurement to undertake all necessary procurement activity in relation to the proposed equipment, and it is within the LFC's general powers.

List of appendices

Appendix	Title	Open or confidential*
1	None	

Part two confidentiality

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

Is there a Part Two form: YES