

REQUEST FOR DEPUTY MAYOR FOR FIRE AND RESILIENCE DECISION – DMFD209

Title: London Fire Brigade 2023-26 Training Plan

Executive summary:

The London Fire Commissioner (LFC) is requesting the approval of the Deputy Mayor for Fire and Resilience for expenditure of £23,571,827 on training in 2023-24, as part of the implementation of London Fire Brigade's (LFB's) proposed training plan for 2023-26.

LFB proposes to move to a three-year training plan in order to extend its training planning horizon; and, by so doing, to build in additional flexibility for LFB and its staff. The longer-term approach facilitates a focus on increasing and maintaining skills levels, whilst allowing officers to adapt to changes in demand more intelligently.

The cost of the training to be delivered under the plan in 2023-24 is expected to be £23,571,827. An allocated budget of £21,489,183 had been set for this year. Owing to inflationary pressure and increased demand for incident command and driver training, the costs for the 2023-24 element of the plan exceed the allocated budget by £2,082,644. LFB proposes to meet the extra cost by using its Budget Flexibility Reserve.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for 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...".

Decision:


That the Deputy Mayor for Fire and Resilience approves expenditure of £23,571,827 by the London Fire Commissioner on training in 2023-24, as part of the delivery of the London Fire Brigade 2023-2026 training plan.

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:

25 July 2023

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

Decision required – supporting report

1. Introduction and background

- 1.1 In previous years, the London Fire Brigade (LFB) training plan was produced annually and collated in consultation with commissioning departments and other key stakeholders. Heads of Service (HoS) of each commissioning LFB department were accountable for providing the delegate number requirements for each course for which they are responsible.
- 1.2 LFB HoS were given the opportunity to review the full catalogue of training courses provided by Babcock Training Limited (including courses where the formal delegate requirement is provided by another department).

2. Objectives and expected outcomes

- 2.1 By moving to a three-year training plan, LFB is seeking to extend its training planning horizon; and, by so doing, to build in additional flexibility. The longer-term approach facilitates a focus on increasing and maintaining skills levels, whilst allowing officers to adapt to changes in demand more intelligently.
- 2.2 Via a three-year plan, the skills impact of proposed changes to training can be mapped out over a longer period. Similarly, the new approach facilitates longer-term planning and prioritisation of training.
- 2.3 The plan itself, attached as Appendix 1 to the appended report LFC-23-073, is split into three sections: closing the skills gap; maintaining skills; and transforming our future. The 2023-24 element of the plan prioritises work on key areas such as driving, maintaining incident command competence and Firefighter Development.
- 2.4 The costed element of the three-year training plan, for 2023-24, amounts to £23,571,827. This exceeds the current budget provision of £21,489,183 by £2,082,644.
- 2.5 The cost of the Babcock training contract is increased in line with the annual change in the retail prices index excluding mortgage interest payments (RPIx). RPIx increased by 12.6 per cent for 2023-24. There has been an inflationary pressure arising from the £501,618 difference between expected and actual contract inflation.
- 2.6 The rest of the budgetary shortfall – £1,581,026 – is due to growth in the training requirements. The growth comprises a combination of variable contract charges and major change costs. The variable contract charges element of the shortfall amounts to £398,215; as explained below, major change costs account for the remaining £1,182,811.
- 2.7 Spend against the Babcock training contract is broken down into a fixed contract charge and the variable training unit (TU) charge. The TU tariff is the price of an individual TU, and each training course has a TU price. The TU tariff for 2023-24 is £89.55. The TU tariff is made up of trainer/instructor costs (the variable element of the contract); the number of trainers/instructors required; course duration; and operating costs such as (but not limited to) venue and equipment costs, consumables, and wear and tear of non-consumables.
- 2.8 The 2023-24 element of the three-year training plan amounts to 66,480 TUs.
- 2.9 The baseline TU level in the contract is approximately 250,000 TUs – of which 200,000 represent the fixed cost of the contract (training venues, Babcock staff, trainers and equipment). The number of variable TUs (those that can be spent on training courses) is 50,213. The contract has built-in flexibility, which allows this figure to be flexed upwards or downwards consistently across courses by

up to 20 per cent without contract prices being affected. Beyond that level of flexibility “major change” is triggered. The major change principle also applies within each competency area (a type of training – for example, transport training, incident command) of the contract.

- 2.10 The idea behind the “major change” concept is that the split of costs that underpin the contractual financial model – whereby 80 per cent of costs are fixed (and paid to Babcock via a fixed fee) regardless of actual training volumes, and 20 per cent of costs are variable (and paid for on a per-course basis to Babcock through TUs) – can only be expected to hold up where the requirement flexes up or down by no more than 20 per cent. Outside of that range, it is likely that the contract costs will result in either paying Babcock too little for training (that is, where the requirement exceeds 120 per cent of the baseline level) or too much (that is, where the requirement is less than 80 per cent of the baseline level). To ensure that contract pricing remains fair, when major change is triggered Babcock Training must analyse the actual costs of meeting the training requirement and compare these to the non-major change costs. Where the actual costs are higher, LFB needs to pay more. Where the actual costs are lower, LFB needs to pay less. This gives the opportunity for Babcock and LFB to review the fixed costs.
- 2.11 For 2023-24, major change has been triggered in several areas, principally for incident command and transport training. The total cost of major change amounts to £1,182,811. If the plan is approved, then quarterly cost reconciliations will be undertaken during the 2023-24 training year, and payment will only be made where major change costs have been incurred by Babcock.
- 2.12 This is the second consecutive year in which significant major change costs are due to be incurred. Officers in LFB’s Learning and Professional Development department intend to submit investment proposals as part of the 2024-25 budget round. This is in order to request a permanent increase in budget for incident command and transport training, to reflect the permanent increase in training volume and cost in these two areas.

3. Equality comments

- 3.1 The London Fire Commissioner (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, and is attached as Appendix 2 to the appended report LFC-23-073. All impacts have been assessed as being positive or neutral.

4. Other considerations

Workforce

- 4.1 Although no staff-side consultation was undertaken specifically in relation to this report, officers from LFB's Learning and Professional Development department meet with the trade unions monthly, to discuss training-related matters, including the training design and implementation pipeline.

Sustainability

- 4.2 There are no sustainability implications arising from this report. Sustainability issues pertaining to the training contract are dealt with via the relevant contractual provisions. Sustainability issues pertaining to particular training courses are dealt with at the time on training commissioning during the training design and implementation pipeline.

Procurement

- 4.3 LFB's Procurement and Commercial Department has supported the process to compile this plan. The contract training approval process was correctly used to establish that a major change event had been triggered. This approach is within the original scope of the contract and is permitted under its terms. The model to calculate the impact of major change has been reviewed and reflects a best-value approach to the level of increased training required. The major change model covers the impact of this requirement on overall cost and trainers.
- 4.4 The indexation uplifts have been calculated in line with the contract processes.
- 4.5 The underlying contract financial model is out of date and must be updated to reflect the current and future training requirements. If this update is not completed, then contract major change will need to be triggered each year. Neither Learning and Professional Development, nor Procurement and Commercial, are currently adequately resourced to carry out this time-intensive process each year.
- 4.6 LFB provided the 2023-24 statement of training requirements to Babcock late, against the contracted dates. The proposed move to a three-year training plan will assist with future planned training

arrangements for future years; the Procurement and Commercial Department sees this as valuable progression in the planning process.

Communications

- 4.7 Officers intend to continue engaging with our staff to improve the training provision. Training as a Watch (TaaW) was established in response to feedback from operational staff, and officers plan to expand the TaaW offering. The same applies to localised training delivery.
- 4.8 Robust reporting will be carried out to measure success in delivering the three-year training plan. This will be reported to LFB's Establishment Board, Service Delivery Board, and other forums as appropriate.
- 4.9 Enhanced reporting on training Did Not Attends, and delegate withdrawals to line managers and senior managers, will assist in managing the risk of low attendance rates and course cancellations.
- 4.10 Officers will continue to work collaboratively with the Communications team to plan formal communications activity. The recent launch of Appraisal Conversations modelled this approach successfully, using the expertise of the Communications team – including hosting a live Yammer Q&A session.

Conflicts of interest

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

5. Financial comments

- 5.1 This report recommends that expenditure of £23,571,827 is agreed to deliver the LFB's training contract for 2023-24. The budget for this contract, as included in the 2023-24 budget report, was £21,489,183. This report therefore includes additional expenditure of £2,082,644 above the existing budget.
- 5.2 The additional financial pressure of £2,082,644 includes the impact of inflation being above budgeted assumptions of £501,618; and the result of major change costs and variable contract charges of £1,581,026. If the recommendation in this report is agreed, then this total pressure will be funded from the Budget Flexibility Reserve, which has a forecast balance of £17.7m as at the end of the 2023-24 financial year. The impact of this on the LFB's financial position will be included as part of the LFB's regular financial position reporting.
- 5.3 The budget for the 2024-25 training contract will be reviewed as part of the budget process for 2024-25. Any resulting financial pressures will be included as part of that process.

6. Legal comments

- 6.1 This report seeks approval of the LFB training plan for 2023-24, together with agreement to draw from reserves to cover inflationary rises against the contract price.
- 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.
- 6.3 Under section 327D of the Greater London Authority Act 1999, as amended, 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.
- 6.4 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 for Fire and Resilience (the Deputy Mayor). In

particular, 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 is identified in accordance with normal accounting practices”. The funding for the LFB training plan 2023-24, as set out in this report, exceeds this amount. Accordingly, prior approval from the Deputy Mayor will be sought.

- 6.5 Section 1 of the Fire and Rescue Services Act 2004 states the LFC is the fire and rescue authority for Greater London. Under sections 7 to 9 of the 2004 Act, the LFC must secure the provision of personnel services and equipment necessary to efficiently meet all normal requirements for firefighting, road traffic accidents and other emergencies. Those sections also make specific duty to secure the provision of training for personnel.
- 6.6 The body of the report refers to securing training services under the existing Babcock Contract which has been procured compliantly in accordance with the Public Contract Regulations 2015.
- 6.7 The LFC training plan will ensure personnel will remain effective and efficient in discharging the core functions of the Fire and Rescue Service.
- 6.8 These comments have been adapted from those provided by LFC’s General Counsel in the appended decision form LFC-23-073.

Appendices and supporting papers:

LFC-23-073 Part 1 London Fire Brigade 2023-26 Training Plan
LFC-23-073 Appendix 1 London Fire Brigade 2023-2026 Training Plan
LFC-23-073 Appendix 2 Equality Impact Assessment

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 be published either 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

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 – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

Collette Cass 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 24 July 2023.

INTERIM CHIEF FINANCE OFFICER:

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

Signature:



Date:

25 July 2023