

REQUEST FOR DEPUTY MAYOR FOR FIRE DECISION – DMFD237

Procurement for the supply of fuel cards, for the use of fire appliances, at public forecourts

Executive summary:

This report requests the approval of the Deputy Mayor for Fire (the Deputy Mayor) to authorise the London Fire Commissioner (LFC) to commit revenue expenditure, as set out in Part 2 of the report, to procure two-year contract for the provision of fuel cards. This contract will enable a discount on any fuel purchased at London petrol stations. It will enable potential cost savings against the forecourt price per litre, helping London Fire Brigade to deliver its service to the public as efficiently as it can.

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 authorises the London Fire Commissioner to commit revenue expenditure, as set out in Part 2 of the report, for the provision of fuel cards, for a two-year contract.

Deputy Mayor for Fire

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

The above request has my approval.

Signature:



Date:

24/05/2024

PART 1 – NON-CONFIDENTIAL FACTS AND ADVICE TO THE DEPUTY MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 Report LFC-24-042 to the London Fire Commissioner (LFC) explains that London Fire Brigade (LFB) has a business requirement to refuel its fire appliances on a day-to-day basis, to ensure they are ready for service.
- 1.2 LFB's operational staff aim to have the fire appliances' fuel tanks at a minimum of 70 per cent. To enable this, operational staff will refuel their appliances after they have completed a run.
- 1.3 Providing fuel cards gives operational staff easy access to payment services for the purchase of fuel, for any vehicle type, at public petrol stations. It ensures operational staff have easy and convenient access to fuel without using the strategic reserve tanks – which are required in the event that fuel is not easily accessible.
- 1.4 The price per litre (ppl) paid is the discounted forecourt price. This price fluctuates as it is based on the wholesale market price. As the ppl and the usage amount for each vehicle vary, the expected value is an estimation based on historical spend values. The expenditure incurred in 2022-23 and 2023-24 is set out in Part 2 of the report.
- 1.5 The previous procurement (Deputy Mayor for Fire Decision 29 and LFC decision LFC-0167D) was undertaken using the Crown Commercial Service (CCS) Framework. This followed a national aggregation of public sector requirements, and a further competition between framework suppliers.

2. Objectives and expected outcomes

- 2.1 Taking account of the current context around worldwide increases in fuel, and the uncertainty this creates, the estimated value is provided in Part 2 of the report. It reflects potential increases in fuel prices, to mitigate the impact of price volatility over the contract term.
- 2.2 LFB is investigating different routes to support the Mayor's carbon net-zero target. This contract will ensure that LFB has a simple, effective means to pay for fuel whilst it transitions to a new electric fleet.
- 2.3 LFB's resilience will be maximised, as this contract allows the purchase of fuel from various forecourt operators.

3. Equality comments

- 3.1 The LFC and the Deputy Mayor for Fire (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 not been undertaken for this requirement as the procurement of fuel cards does not impact on the protected characteristics as described under the Public Sector Equality Duty (section 149 of the Equality Act 2010).

4. Other considerations

Workforce comments

- 4.1 There are no workforce implications, and consultation has not been undertaken with representative bodies other than for information purposes.

Sustainability comments

- 4.2 This report discusses the business-as-usual requirement for LFB to have a contract for the provision of fuel cards, to enable the discounted purchase of fuel at London petrol stations. This supports the ongoing required carbon reporting data received through the fuel card contract.
- 4.3 This report takes into account risks associated with possible reduced fuel supplies. It outlines how they are mitigated, as far as reasonably possible, by maximising the quantity of fuel held by the bulk fuel storage arrangements.
- 4.4 This report does not introduce any significant sustainability impacts. Where new policies and/or

corporate projects arise, they are subject to LFB's sustainable development impact assessment process.

Procurement comments

- 4.5 The route to market that will be used is the CCS compliant framework, which is accessible to LFB. The CCS framework allows for a procedure called a further competition to identify the preferred bidder. This will be carried out by LFB using this CCS framework and templates to ensure the contract is tendered in accordance with the Public Contract Regulations 2015. The CCS framework was identified as the preferred option as it is used by numerous public bodies, and the suppliers within the framework are recognised providers in the market. There is an expectation that LFB will secure good rates due to economies of scale, given the size of the client's pool and the total volume of fuel involved.
- 4.6 The successful bidder will be notified to LFB following this competition as achieving the best overall value for money.
- 4.7 The approach to the procurement is compliant with LFB's Standing Orders for Contracts and Tenders (Part 3).
- 4.8 Appendix 1 of report LFC-24-042 summarises the current usage and market information available and the estimated future expenditure.

Conflicts of interest

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

5. Financial comments

- 5.1 Fuel cards are used to purchase the fuel required for fire appliances that is ultimately charged to budgets held by individual fire stations. This report sets out the contractual arrangements that seek to ensure value for money in fuel purchases when compared to buying on the open market in public forecourts.
- 5.2 The estimated contract value is based on recent purchasing history and represents a continuation of current activity levels. Further financial information is provided in Part 2 of the report.

6. Legal comments

- 6.1 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.
- 6.2 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.
- 6.3 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".
- 6.4 The Deputy Mayor's approval is accordingly required for the LFC to purchase fuel cards. This has an estimated cost exceeding £150,000, which is set out in full in Part 2 of the report.

- 6.5 The arrangements proposed is consistent with the LFC's power under section 7 (2)(a) Fire and Rescue Services Act 2004 (FRSA 2004), under which the LFC has the power to secure the provision of personnel, services, and equipment necessary to efficiently meet all normal requirements for firefighting. Furthermore, section 5A FRSA 2004 enables the LFC to do anything it considers appropriate for the purposes of the carrying out of any of its functions.
- 6.6 The LFC has confirmed that the proposed procurement will be conducted via the CCS framework which is compliant with the Public Contracts Regulations 2015. CCS has conducted a compliant OJEU procurement in accordance with regulation 33 of the Public Contracts Regulations 2015 to set up the CCS framework RM 6186. In addition, CCS have aggregated public sector requirements and undertaken a further competition, from which the LFC is able to make a compliant call off award of contract.
- 6.7 These comments have been adopted from those provided by the LFC's General Counsel Department in report LFC-24-042 to the LFC.

Appendices and supporting papers:

Appendix 1 – Report LFC-24-042 – Procurement for the Supply of Fuel Cards for the use of Fire Appliances at Public Forecourts

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 – YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer

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

✓

Assistant Director/Head of Service

Luke Bruce 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 20 May 2024.

✓

INTERIM CHIEF FINANCE OFFICER:

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

Signature:



Date:

20/05/2024