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LONDON FIRE BRIGADE

2024/25 Light Vehicles Life Replacement

Report to:

Investment & Finance Board
Commissioner's Board
Deputy Mayor's Fire Board
London Fire Commissioner

Date:

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Report by:

Head of Fleet

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For decision

For publication

Values

Service

PART ONE

Non-confidential facts and advice to the decision-maker

Executive Summary

The London Fire Commissioner (LFC) requests permission to commit allocated funds to procure replacement light vehicles as part of life replacement in 2024/25, in line with the Babcock Critical Services (BCS) 2014 Vehicle and Equipment contract.

Recommended Decision

For the London Fire Commissioner

The LFC agrees to commit capital expenditure of £565,400 to carry out life replacements of 14 vehicles as set out under the 2014 Vehicles and Equipment Contract with Babcock Critical Services.

1 Introduction and background

- 1.1 All light vehicles (cars and vans) have a contracted life set out in the 2014 V&E (Vehicles and Equipment) contract with BCS (Babcock Critical Services). Cars have a contracted life of five years and vans have a contracted life of seven years. The vehicles' lifing ensures they are reliable for an emergency service and provide up-to-date vehicle technologies that best support our staff. In 2024/25, there are 14 vans and cars needing life replacement that LFC seeks approval to spend allocated budget against. LFC had planned for the expenditure to be split between 2024/25 and 2025/26, however this has been deferred to 2025/26 only as the vehicle lead times will take delivery past March 2025.
- 1.2 The existing vans on the London Fire Brigade (LFB) fleet have diesel combustion engines, and the existing cars are hybrid. LFB will be replacing all vans and cars with fully electric vehicles. Once BCS have carried out a full procurement process the purchase costs can be confirmed. The costs have been estimated based on the last life replacement plus a 10 per cent contingency and are detailed in this report. However, due to the forecasts being based on the previous replacement costs, an increase is expected due to the move to electric motors from combustion engines.

- 1.3 The light vehicles are support vehicles and are used as people and equipment carriers for LFB departments such as IT, Operational Resilience, Fire Investigation, and for Babcock Training to facilitate LFB training at the dedicated training facilities.
- 1.4 Key points
- The light vehicle replacements are required in line with the 2014 V&E contract and their condition. LFB are contractually obliged to carry out life replacements of all assets set out in the 2014 V&E Contract with BCS. In doing so LFB benefits from the latest technologies to meet mayoral decarbonisation targets.
 - The assets will be replaced with fully electric solutions in line with LFB's decarbonisation strategy.
 - The costs are based on the last replacement costs plus a 10 per cent contingency. The contingency is to cover increased purchase costs from the last replacement round resulting from RPI increases and from buying electric technology. As LFB have not previously procured electric vehicles it is not clear how much the purchase or the conversions after will be.
 - LFC has an allocated budget from the 21-year 2014 V&E contract to the light vehicles' replacement which LFC is seeking approval to spend. This paper focuses on the vehicles requiring life replacement in 2024/25. Another paper will be submitted for the remaining light vehicles requiring life replacement from 2025/26 – 2028/29, where an updated process will be implemented, and the move to electric vehicles will be better understood.

2 Objectives and expected outcomes

- 2.1 The LFC intends to replace all light vehicles with zero tailpipe emission solutions in line with Mayoral targets. Further light vehicle replacements following those stated in this report are set to be completed by 2029, with the majority taking place in 2026/27, for which a separate LFC report will be submitted requesting permission to spend.
- 2.2 Of the 18 vehicles currently on the fleet requiring life replacement in 2024/25, only 14 will be replaced. This is due to a strategic review being undertaken and identifying that four of the Commissioner's six cars are no longer required. The reduction of four SUV slots will offer an estimated capital saving of £108,000 (£27,000 per SUV) which is being used to make up the £514,000. The reduction of the four SUVs will provide a revenue saving of £27,323 per year. The £108,000 has been included within the £514,000 to fund increased purchase costs for the new vehicles resulting from RPI increases and electric vehicle technology. The original purchase of the six vehicles was funded by a Freemasons' donation in 2020 when they donated to the Aerial replacement following the Grenfell Tower fire. Of the existing six, only two will be replaced which takes the total numbers of vehicles being replaced in 2024/25 to 14, instead of 18.
- The current six SUVs allocated to the Commissioner's department are used as the Commissioner's incident response car, and are also utilised by other departments, such as the Water Rescue team, and the Drone Team to carry people and equipment.
 - Currently six SUVs are allocated to the Commissioner's Department that are

due life replacement under the Asset Replacement Programme (ARP).

- Following a strategic review, four of the six Commissioner's SUVs are not required, providing a revenue saving. All six of the Freemason funded vehicles will be removed from LFB's fleet, and two will be replaced with electric SUVs.
- The removal of the Commissioner's four SUV slots has reduced the total number of light vehicles requiring life replacement in 2024/25 from 18 to 14.
- The capital funding for the four SUVs not being replaced will remain in the budget to cover anticipated increases in RPI and from buying electric vehicle technology.

2.3 The light vehicles forecast of £514,000 (average of £37,000 per vehicle) is based on the last replacement costs and does not factor in RPI increases or the use of electronic technology. For this reason, FLEET requests to include a 10 per cent contingency of £51,400 on top of the £514,000. The inclusion of a 10 per cent contingency takes the total requested spend for replacing the 14 light vehicles to £565,400 for 2025/26.

2.4 Each vehicle has a maintenance slot price which covers the 13-week service plan and any required repairs. Emergency response vehicles are serviced every 13 weeks in accordance with Chief Fire Officers Association (CFOA) guidelines, by Babcock Critical Service. This is factored into the annual revenue slot price of each vehicle that Babcock charge for. These are replacement vehicles and so FLEETS revenue budget already has funding available to continue paying the maintenance costs of the 14 vehicles. This is for the 21-year term of the 2014 Vehicle and Equipment Contract, which expires in 2035. The slot costs are based on the current slot price we pay for the existing vehicles, and is index linked. There will be a saving against the revenue budget of £27,323 per year for the four vehicles we are not replacing. The total annual revenue cost allocated to FLEET's budget for the slot maintenance of the 14 vehicles detailed in this report is £71,443. These costs are not part of this decision and the servicing costs are contained within Property and Technical Support Services' Fleets revenue budget.

Table 1 – Estimated costs of Replacing 14 Light Vehicles

	Capital Costs £
Procurement of 14 new vehicles	514,000
10 per cent contingency	51,400
Total	565,400

2.5 Babcock Critical Services will carry out the life replacement of light vehicles on behalf of LFC. As part of this process FLEET and BCS will be reviewing all options

available for procuring the vehicles under the 2014 V&E Contract, providing best value for money.

3 Values Comments

- 3.1 The LFC notes the Fire Standards Board requirements around adopting and embedding the Core Code of Ethics at an individual and corporate level. Following extensive engagement, the LFC has introduced Brigade values which build on and do not detract from the Code of Ethics.
- 3.2 The replacement of the light vehicles demonstrates that LFC are committed to providing an excellent service to the public and is doing so by reducing air pollution through procuring electric vehicles that do not emit tailpipe emissions. Although LFB are adopting new technology in electric vehicles, LFB will continue to provide the same quality of service, and presence to the public.

4 Equality Comments

- 4.1 The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service 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.
- 4.2 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.
- 4.3 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.
- 4.4 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.
- 4.5 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.

4.6 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.

4.7 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.

4.8 An Equality Impact Assessment has been completed and is included with this report. Moving from manual transmission combustion engines to automatic transmission electric vehicles makes driving LFB vehicles accessible to more LFC staff having a positive impact on users.

5 Other considerations

Workforce comments

- 4.1 It is noted that with the introduction of electric vehicles, there will be a need to update the way in which staff work. For example, it is anticipated that some electric vehicles may require more frequent charging than combustion engines require refueling. This will require staff to plan and ensure that the vehicles are fully charged for the journey requirements in preparation for each day.
- 4.2 Although the Fire Brigades Union (FBU) have not commented on this specific proposal, the FBU has previously supported the electrification of LFB's emergency response driver training cars.
- 4.3 This report requests the approval of expenditure to provide electric vehicles that non-operational and operational staff will be trained in, into the mainstream FLEET.

Sustainability comments

- 4.4 At the end of their serviceable life the cars and vans will be resold by Babcock Critical Services Limited under the provisions of the 2014 Vehicle and Equipment Contract. The disposal process will fulfil London Fire Brigade (LFB) obligations under the Environmental Duty of Care Regulations.

- 4.5 FEP2237, the 2014 Vehicles and Equipment contract with Babcock Critical Services Limited provides for the capital replacement of fleet and equipment throughout the contract period of 21 years. Under the contract, Babcock Critical Services Limited procure new vehicles and equipment and replace the existing assets at their life expiry. Babcock Critical Services Limited have policies in place relating to anti-slavery, sustainability, and anti-corruption and this is done in accordance with the specifications and approvals issued by the LFC.
- 4.6 A technical Sustainability Development Impact Assessment has been completed previously to ensure LFC only procure from suppliers who share our sustainability values.
- 4.7 The electric vans being procured for Babcock Training have charging facilities available at the dedicated training venues they will be based at. The vehicles being procured for LFB teams, and that will be kept at fire stations, have charging facilities available at the stations. The vehicles based at Union Street also have charging facilities in the Sawyer Street car park.
- 4.8 London benefits from a vast charging network in and around the city. Staff will have the ability to charge vehicles whilst at their base location, as well as when out and about. There are many fast-charging networks available that staff can easily access, and there will be a charge card allocated to each vehicle.
- 4.9 This report discusses the start of the replacement of LFB's cars and vans, which if replaced with fully electric vehicles will have a positive impact relating to the Mayor's Net Zero by 2030 target and air quality.

Procurement comments

- 4.10 All the vehicles and equipment to support the operation of the London Fire Commissioner are provided through a long-term contract with Babcock Critical Services (BCS). The procurement and commercial approaches are discussed and agreed between LFC and BCS to arrive at the solution which provides best value for money overall.
- 4.11 An independent procurement process will be conducted by BCS on behalf of the LFC to provide the appropriate solution.

Communications comments

- 4.12 The introduction of electric cars and vans into LFC's fleet is a pivotal element of our strategic initiative to enhance sustainability and align with municipal environmental objectives, notably the Mayor of London's decarbonization objectives. This advantage of electric vehicle capabilities will be communicated to LFB personnel as a beacon of investing in the future of decarbonization and implementing new technologies that improve the air quality of London, for

Londoners and visitors.

5 Financial comments

- 5.1 This report recommends that capital expenditure of £565,400 for the purchase of 14 vehicles is agreed in the 2025/26 financial year.
- 5.2 This expenditure will be contained within the capital budget for light vehicles in 2025/26. LFC had planned for the expenditure to be split between 2024/25 and 2025/26, however this has been deferred to 2025/26 only as the vehicle lead times will take delivery past March 2025.
- 5.3 The report also notes that the reduction in the number of SUVs required will result in a capital saving of £108,000 and a revenue saving of £27,323 based on a like for like replacement. The capital saving has been factored into the outturn capital forecast as at quarter 1 2024/25. The revenue saving of £27,323 per year will be for the remaining life of the Babcock contract.
- 5.4 If this expenditure of £564,400 is funded through borrowing, then this will result in total additional annual revenue capital financing costs of £125,700, made up of £94,000 in minimum revenue provision and £31,700 in interest payments, assuming a six annual life of the vehicles. The capital financing cost of servicing this debt will be included as part of the LFC's Budget submission to the Mayor in November 2024.

6 Legal Comments

- 6.1 This report seeks approval to commit expenditure of money set out in the report.
- 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.
- 6.3 Section 327D of the Greater London Authority Act 1999, as amended, 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.
- 6.4 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 Planning, Regeneration and the Fire Service ('the Deputy Mayor'). In particular, 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 is identified in accordance with normal accounting practices...". The proposed expenditure exceeds this financial threshold, accordingly, prior approval from the Deputy Mayor will be sought.
- 6.5 The report confirms the replacement vehicles will be sourced by Babcock under the terms of the contract awarded by the Brigade, following an open procurement exercise in accordance with the Public Contract Regulations 2015.
- 6.6 Having fit for purpose vehicles will ensure the Brigade can fulfil its core duties.

List of appendices

Appendix	Title	Open or confidential*
1	Equality Impact Assessment	Open

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: NO