

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE DECISION – DMFD256

Procurement of estates professional services for the telecommunications estate

Executive summary:

This report requests the approval of the Deputy Mayor for Planning, Regeneration and the Fire Service (Deputy Mayor) to authorise the London Fire Commissioner (LFC) to commit revenue expenditure, up to the amount set out in Part 2 of this decision, to award a contract for estates professional services for the telecommunications estate.

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 Planning, Regeneration and the Fire Service authorises the London Fire Commissioner to enter into a contract for estates professional services for the telecommunications estate.

Deputy Mayor for Planning, Regeneration and the Fire Service

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

The above request has my approval.

Signature:



Date:

27/01/2025

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

Decision required – supporting report

1. Introduction and background

- 1.1 Report LFC-24-113 to the London Fire Commissioner (LFC) explains that, since the early 2000s, the LFC's estate has supported hosting mobile network operators' (MNOs') electronic communications installations. New legislation introducing the Electronic Communications Code 2017 (the Code) has significantly minimised the benefits to landowners, and reduced the income that landlords can generate. The Code has also increased the powers MNOs have to acquire sites. This benefits the government's targets in improving national telecommunications (telecoms) infrastructure.
- 1.2 Across the LFC estate, 59 fire stations have 79 lease agreements for telecoms installations with multiple MNOs on site for 20 stations. Their equipment is in various locations, from drill training towers to fire-station roofs and, in some cases, stand-alone antennae. Since 2022, estates professional services (EPS) for the telecommunications estate have been procured separately. The primary objective of this is to minimise impacts on fire station operations and uses, in respect of MNOs and their access to works/alterations on London Fire Brigade (LFB) sites.
- 1.3 Currently, none of the LFC's lease agreements are covered by the Code. However, LFB is due to feel the impacts of new legislation in 2025-26, with new lease agreements to be signed imminently. Any telecoms leases that have expired are 'holding over' as per lease rights pending negotiation and agreement new lease terms which will set precedent under the new legislative Code; therefore, the old (higher) rents are currently being paid. The introduction of the Code gives MNOs the power to install their equipment on private land, and to keep it installed. The LFC can only terminate the agreement in very limited and specific circumstances:
 - by providing evidence to redevelop all or part of the land, and giving at least 18 months' notice
 - where the MNO has substantially breached its obligations under the agreement
 - where there are persistent delays in making payments
 - where the MNO is not entitled to an agreement in the first place, because it has not passed the test to justify its need for the site.

2. Objectives and expected outcomes

- 2.1 The LFC's estate management team operates a core in-house function that relies on the support of an external supply chain of EPS advisers. The contract specification provides a range of professional services for LFB in a specialised telecommunications market. The proposed structure for delivery of the services LFB requires is split between core and call-off services. The supplier selected through the procurement process will be the only supplier responsible for providing EPS services to the LFC.

Table A, below, provides an overview of the services required and the fee basis.

Table A – Scope and structure of the EPS for the telecommunications estate

Service area	Service type	Proposed fee structure	Summary
Lease and data management	Core	Fixed	Responsibility for managing MNOs in accordance with lease terms and maintaining LFB telecoms-related estate data.
Site access management	Core	Fixed	Management and compliance of MNO contractors regarding site access for works/alterations in liaison with LFB's person in charge of the premises.
Rent collection	Core	Fixed	Efficient collection and transfer of rent/payments to the LFC in accordance with lease agreements.
Upgrades/major Works	Call-off	Fixed (costs recoverable)	Process all MNO requests for upgrades or major works, log and acknowledge in accordance with LFB's defined procedures and Royal Institute of Chartered Surveyors (RICS) standards.
Wayleaves	Call-off	Fixed (recoverable from MNO)	Process all wayleave applications in respect of LFC estate in accordance with LFB's procedures and RICS standards.
Rent reviews (retail price index and/or open market value)	Call-off	Fixed	Landlord activation of rent reviews in accordance with RICS standards.
Lease renewals	Call-off	Fixed (recoverable from MNO)	Process negotiations and agree lease terms with LFB property and legal teams, in line with respective industry standards.
Strategic advice	Call-off	Hourly rate	Provide strategic advice to LFC regarding telecoms lease agreements if/when appropriate.
New lettings	Call-off	Fixed (recoverable from MNO)	Process expression of interests/MNO requests in respect of new LFC sites in line with agreed processes.
Ad hoc services	Call-off	Fixed	Processes LFB requirements lift and shift provision, requests for power outages, snagging issues incurred by MNO works.

2.2. This new EPS for the telecommunications estate contract will be a key enabler in protecting the LFC's best interests in respect of the upgraded rights of MNO tenant occupations. The new contract will provide:

- independent professional advice to support decision making
- an effective commissioning and fee structure aligned to industry standards
- verified and accurate data to enable effective telecoms estates performance management
- assurance on the negotiation of new leases under the Code
- optimised cost recovery from MNOs, where appropriate
- support for Station Commanders in managing and minimising the impact of MNO contractors works on LFB sites
- assurance on matters such as challenging routes for wayleaves and or major works at LFC sites.

2.3. The EPS for the telecommunications estate supplier will be integral in setting precedent, and protecting LFC interests negotiating new leases under the Code. The contract is intended to last three years, with two one-year extension options providing a maximum contract length of five years.

3. Equality comments

3.1. The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service (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. This project does not negatively affect anyone with protected characteristics under the Equality Act 2010 (i.e., age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, and sexual orientation) for the following reasons:

- Equal access: The project focuses on managing telecoms installations and leases, which is unlikely to directly affect the services or accessibility of the fire stations for individuals with protected characteristics.
- Operational continuity: The project's goal is to ensure that the operation of the fire stations remains unaffected and unrestricted, meaning there should be no disruption to services that could indirectly disadvantage any specific group.
- Procurement of specialist advice: The involvement of a telecoms-specialist professional adviser ensures that the potential risks are well managed, minimising unintended consequences on LFB's assets, operations or individuals.

4. Other considerations

Workforce comments

4.1. No workforce implications associated with awarding this contract are anticipated. Any potential Transfer of Undertakings (Protection of Employment) Regulations 2006 obligations would be upon the new EPS for the telecommunications estate supplier, and would not be LFB's responsibility.

Sustainability comments

4.2. A sustainable development impact assessment has been completed, and is included at appendix 2 to the LFC report.

Procurement comments

4.3. This project will be tendered in accordance with the LFC Scheme of Governance, and the relevant procurement regulations that are applicable when the tender is issued to the market. This is because the new Procurement Act 2023 has been delayed to February 2025. The issuing of the invitation to tender may be subject to either the Public Contracts Regulations 2015 or the new Procurement Act 2023 regime, depending on the timing.

4.4. LFC Procurement has been engaged to develop the procurement strategy and the tender documentation. It will do so in a manner that reflects the correct regime under which the tender will be issued, once the final tender issue date has been clarified.

4.5. Procurement will explore all options to identify suitable bidders for this requirement, from existing frameworks to trade bodies, and using existing LFC market knowledge.

4.6. The market engagement will use the scope of services developed by Property to ensure that only suitable suppliers are identified to participate in the tender process.

4.7. The contract duration is intended to be for three years and with two one-year extension options, giving a potential maximum contract length of five years.

Conflicts of interest

4.8. 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 seeks approval to commit revenue expenditure, up to the amount set out in the Part 2 report, for the purposes of awarding an EPS contract for the LFC telecommunications estate.
- 5.2. Further information on any budgetary financial implications is included in Part 2 of this decision.

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 practice”.
- 6.4. It should be noted, however, that the telecoms estate earns a significant income for LFB that impacts upon actual spends incurred. The contract will be awarded in accordance with the LFC Scheme of Governance and relevant procurement legislation in force at the time of award.
- 6.5. These comments have been adopted from those provided by the LFC’s General Counsel Department in report LFC-24-113 to the LFC.

Appendices and supporting papers:

LFC-24-113 – Part 1 – Procurement of Estates Professional Services for the Telecommunications Estates

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

Niran Mothada has reviewed the documentation and is satisfied for it to be referred to the Deputy Mayor for Planning, Regeneration and the Fire Service for approval. ✓

Advice

The Finance and Legal teams have commented on this proposal. ✓

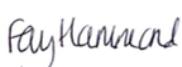
Mayoral Delivery Board

A summary of this decision was reviewed by the Mayoral Delivery Board on 20 January 2025. ✓

CHIEF FINANCE OFFICER:

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

Signature:



Date:

20/01/2025