

PART 2 – CONFIDENTIAL FACTS AND ADVICE

DMFD279

Terrain support vehicles – Part 2

Information may have to be disclosed in the event of a request under the Freedom of Information Act 2000. In the event of a request for confidential facts and advice, please consult the Information Governance team for advice.

This information is not for publication until the stated date, because:

This report contains information that is commercially sensitive.

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed: the date when the procurement process is completed.

Legal adviser recommendation on the grounds for not publishing information at this time:

On the basis of the information provided by the London Fire Commissioner (LFC), if the information contained in this Part 2 and/or its appendix is the subject of a request for information under section 1 of the Freedom of Information Act 2000 (the Act), it is considered that access can be denied on the basis that such information constitutes exempt information under Section 43(2) of the Act because the LFC considers that disclosing that information before the procurement exercise has been completed would:

- prejudice the commercial interests of the LFC
- compromise the LFC's ability to secure value for money, which is not in the public interest.

Legal Adviser – I make the above recommendations that this information should be considered confidential at this time

Name:

Date:

Once this form is fully authorised, it should be circulated with Part 1.

Confidential decision and/or advice:

The London Fire Commissioner (LFC) is requesting approval from the Deputy Mayor for Fire to commit expenditure of £610,000 to fund the purchase and maintenance of four customised wildfire response vehicles (WRVs), to maintain and expand London Fire Brigade's (LFB's) wildfire response capability.

LFB leased these WRVs from the supplier, Angloco, between May and September 2025. Angloco has offered LFB priority to purchase the WRVs before it makes them available to other buyers. This offer is valid until **28 November 2025**.

If purchased, LFB proposes to rename the WRVs terrain support vehicles (TSVs).

Finance comments

LFB proposed to incur expenditure of £660,100 for the purchase of four TSVs. LFB has purchased two of the four vehicles at a purchase price of £149,000; a further £171,000 will be spent on the remaining two vehicles, which are newer models.

LFB proposes to borrow £320,000 to fund the capital cost of the four WRVs. LFB reports that it has spent £149,000 to buy two vehicles. LFB will lose the option to buy two of the four vehicles if it does not complete the purchase by 28 November 2025.

LFB proposes the following spending profile to cover the total costs incurred (a more detailed breakdown is given in LFC-27-079 Part 2):

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
	2025-26 £	2026-27 £	2027-28 £	2028-29 £	2029-30 £	2030-31 £	2031-32 £	2032-33 £	Total £
Purchase of two vehicles	149,000	0	0	0	0	0	0	0	149,000
Purchase of two vehicles (newer models)	171,000	0	0	0	0	0	0	0	171,000
Total capital	320,000	0	320,000						
Capital financing – minimum revenue provision	0	45,714	45,714	45,714	45,714	45,714	45,714	45,714	320,000
Capital financing – interest payable	9,300	18,600	18,600	18,600	18,600	18,600	18,600	9,200	130,100
Capital financing costs to revenue	9,300	64,314	64,314	64,314	64,314	64,314	64,314	54,914	450,100
Maintenance costs – £7.5k per year per vehicle over seven years	15,000	30,000	30,000	30,000	30,000	30,000	30,000	15,000	210,000
Total costs to revenue	24,300	94,314	94,314	94,314	94,314	94,314	94,314	69,914	660,100

LFB proposes to fund the expenditure as follows:

Capital offset proposal

In June 2021, LFB received approval from the Deputy Mayor for Fire to spend £275,000 on a technical upgrade for five hose layer units (HLUs), to extend their service life and defer their replacement to 2025-26 (DMFD 115).

As set out in Part 1, LFB now proposes to reduce its requirement for HLUs from five to four; and upgrade the remaining vehicles to further extend their operational life until 2031. LFB expects that this will free up some of the capital budget approved previously to replace its HLUs in 2025-26 (£1,100,000 set out in LFC-0284y, and DMFDs 52 and 115). This represents a capital expenditure saving of approximately £825,000.

Maintenance costs

The spending profile above includes vehicle maintenance costs at £7,500 per vehicle. LFB notes that this element of the cost is not currently included in the revenue budget. It has made a bid to meet this cost as part of budget planning for 2026-27. LFB has confirmed that the bid has been accepted into the draft budget; however, it remains subject to approval through the final budget process.

LFB reports that if the investment bid is not approved, and savings are not delivered through the Specialist Capability Review, then it will need to find alternative savings, managed through the budget-planning process. It plans to absorb maintenance costs incurred in 2025-26 into existing revenue budgets, and manage this as part of in-year budget monitoring.

Permanent staffing model

LFB identifies the requirement for a permanent staffing model, reporting that this will be achieved within existing resources, linked to wider service planning. All relevant staff at the current vehicle locations have been appropriately trained; no additional training costs have been identified. A review of feedback on specialist personal protective equipment (PPE) will be taken forward through the PPE project. Therefore, no financial implications are identified at this time.

Legal comments

Legal comments from the LFC's General Counsel's department are provided in Part 1.

Procurement comments

The LFC's procurement team have confirmed the following:

- LFB identified an opportunity to explore whether a new type of operational vehicle would prove effective in managing wildfires, in areas the current fleet could not access. The Fleet and Operational Equipment Items Management and Maintenance Contract (reference 5522) was the chosen route to lease, temporarily, four units that satisfied this requirement.
- Babcock Critical was instructed to approach the market via the Fleet and Operational Equipment Items Management and Maintenance Contract (reference 5522). The aim was to identify providers who could supply, modify and deliver vehicles for this purpose, within the timescales required.
- Procurement of these vehicles would achieve cost parity with the current leasing model in four to five years – excluding potential annual increases in leasing costs, and the risk of vehicle unavailability. Ownership would provide year-round availability, enabling LFB to deploy these vehicles to a broader range of incidents and locations requiring off-road capability.
- Three suppliers (Angloco, Emergency One and North Fire Engineering) were identified and asked to for details of pricing, compliance with the output-based specification (OBS) and delivery schedules that would apply if were successful. All three submitted complaint responses which were evaluated by Babcock Critical.
- Angloco's submission was the lowest-priced compliant bid. Babcock Critical recommended the bid to LFC, which accepted it. The route to market is compliant with the LFC's applicable procurement law obligations; and aligns with the Babcock Critical contract.