

# PART TWO

## Confidential facts and advice

### Replacement and Increase of Emergency Response Driver Training Cars

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 Governance Team for advice.

This information is not for publication because:

Publication of the information included in this report is deferred as its disclosure would be likely to prejudice the commercial interests of the London Fire Commissioner (LFC).

Date at which Part 2 will cease to be confidential or when confidentiality should be reviewed: 31 December 2024.

Legal recommendation on the grounds of keeping the information confidential:

In the event the information contained in this Part Two 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 on the basis that the information in this report includes information which is exempt information if its disclosure under this Act would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

#### **Public Interest Assessment**

At present, on balance, it is considered that the public interest is best served if the information is not disclosed at this point. Disclosure by the LFC would be likely to have a detrimental effect on the LFC's

position and related commercial interest regarding the expenditure incurred for the purposes of new and enhanced Emergency Response Driver (ERD) training vehicles.

The eligibility of these exemptions should be reassessed in the event of an FOI request for this information as the level of sensitivity will change over time and different circumstances may alter the arguments in favour of non-disclosure.

This report is commercially sensitive and so is exempt from FOIA. The recommended period for non-publication of Part 2 is 31 December 2024.

**Legal Adviser**

I make the above recommendations that this information should be considered confidential at this time.

Name: Natasha Singh	Date: 19 December 2023
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# Confidential decision and/or advice

## 1. Introduction and background

- 1.1. This report seeks approval to procure two enhanced specification Emergency Response Driver (ERD) training cars under the Vehicles & Equipment 2014 Babcock Critical Services contract to a higher performance level, and to procure six additional ERD training cars of standard performance. Learning & Professional Development has requested a two-part solution within this procurement, which involves upgrading the existing two cars to align with the requirements for Senior Officer and instructor driver training for Emergency Response Driving Initial Acquisition Course (ERDIAC). Simultaneously, the acquisition of six new cars is intended to meet the standard performance needs for Emergency Fire Appliance Driver (EFAD) Training courses.

## 2. Objectives and expected outcomes

- 2.1. London Fire Brigade is committed to establishing itself as a center of excellence for instructor driver training, necessitating the acquisition of two enhanced performance cars designed for safe maneuvering under blue light conditions to realise this vision. Furthermore, with the addition of the six new cars, Learning & Professional Development will be better equipped to tackle existing training backlogs and meet future training demands in a more efficient and timely manner. The specification for Zero Emission vehicles ties into the Fleet Strategy which details how we plan to decarbonize our fleet of vehicles.

## 3. Financial comments

- 3.1. This paper requests approval for the purchase of eight training cars. Training has identified the need for six EFAD training cars and two ERDIAC training cars to address the existing backlog and fulfill future requirements for emergency response driver training.
- 3.2. The total purchase cost of the eight cars is estimated to be a £450,000 capital expenditure in the 2024/25 financial year, and £112,000 revenue expenditure over a five-year life period starting in 2024/25. £120,000 of the capital expenditure and £28,000 of the revenue expenditure over the five-year period will be funded under the FLEET Asset Replacement Program contract with Babcock Critical Services and is included within the 5 year and 20-year forecast. The £120,000 of capital expenditure will be funded through borrowing through the capital programme. This will be included as part of the treasury management mid-year report.
- 3.3. The overall whole life cost for the capital purchase and revenue maintenance cost of eight ERD Training cars is estimated to not exceed £562,000.
- 3.4. The remaining £330,000 of capital expenditure will be funded from the Learning & Professional Development Department's 2023/24 revenue budget allocation. The remaining £84,000 revenue expenditure over the five-year period will also be funded from the Learning & Professional Development Department's revenue budget allocation starting in 2023/24. The cost of this capacity for future capital purchases beyond the initial five-year period will be considered as part of the annual budget process and capital strategy.

## 4. Legal comments

4.1. Please see Part 1 for legal comments.

## 5. Confidential appendices and supporting papers

5.1 As detailed in part one of this report, Learning and Professional Development has identified the need for six EFAD training cars and two ERDIAC training cars to address the existing backlog and fulfill future requirements for emergency response driver training. This means that the total number of training cars required will increase from two to eight.

### Revenue Slot Cost

5.2 The LFC pays annual slot costs against all assets under the Babcock Vehicles & Equipment Contract. The slot cost is for checks and maintenance carried out by Babcock Critical Services to ensure the safety of LFC vehicles. Currently, the slot cost for an existing training car is £1,668. However, the estimated slot cost for a hybrid training car is projected to be £2,800, an increase which is partly due to annual RPI increases. The final slot cost cannot be determined until the winning tender has been selected by the LFC and the corresponding slot costs are provided by Babcock Critical Services Ltd at the end of the procurement process.

5.3 The revenue budget for the existing two training cars' slot cost is already funded under the Asset Replacement Programme, meaning no additional revenue growth is required for their operation. However, for the additional six cars, both the revenue slot cost and the capital purchase cost will need to be funded by Learning & Professional Development. The revenue growth needed to sustain these six additional training cars amounts to £84,000 over the 5-year life of the cars.

<b>Training Car Slot Costs Estimates</b>	<b>Unit Slot Price (P/A)</b>	<b>No. Cars</b>	<b>Total Slot Cost (P/A)</b>	<b>Contracted life (yrs)</b>	<b>Total Slot for 5 yrs</b>
<i>Two existing cars</i>	<i>£1,668</i>	<i>2</i>	<i>£3,335</i>	<i>5</i>	<i>£16,675</i>
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Six new additional cars	£2,800	6	£16,800	5	£84,000
Two existing replacement cars	£2,800	2	£5,600	5	£28,000
<b>Total for 8 cars</b>		<b>8</b>	<b>£22,400</b>		<b>£112,000</b>

### Capital Purchase Costs

5.4 Based on the findings of a light market engagement conducted by Babcock Critical Services Ltd on behalf of LFC, it is estimated that standard EFAD training cars can be purchased at a maximum cost of £50,000.00 per car. Additionally, there is an estimated maximum cost of £5,000.00 per car for blue light conversion. Since six additional cars are needed, Learning & Professional Development will need to allocate £330,000.00 from their funds. These cars are not currently accounted for in the Asset Replacement Programme and are not included in FLEET's forecasted capital spend under the Vehicles and Equipment Contract 2014 with Babcock Critical Services.

5.5 The two existing training cars, which are covered under the Vehicles and Equipment contract, will be replaced by two higher performance vehicles specifically for Senior Officer Emergency

Response Driver Training and Instructor Driver Training. The current Fleet capital forecast allocates £35,000.00 per car for their replacement by March 2024, based on the price of the previous procurement. However, due to the enhanced specifications required, the RPI increase since 2016, and the need for zero-emission capable vehicles, the estimated cost for each replacement vehicle is expected to be up to £55,000.00, with an additional cost of up to £5,000.00 per vehicle for blue light conversion.

5.6 The table provided below offers an estimate of the purchase costs, which are subject to change pending a complete procurement process:

<b>Training Car Purchase Estimate</b>	<b>Est Unit Cost</b>	<b>No. Required</b>	<b>Total Purchase Cost</b>	<b>Blue Light Conversion Cost (est £5k)</b>	<b>Total</b>
Standard Car	£50,000	6	£300,000	£30,000	
Enhanced Performance Car	£55,000	2	£110,000	£10,000	
<b>Total</b>	<b>£105,000</b>	<b>8</b>	<b>£410,000</b>	<b>£40,000</b>	<b>£450,000</b>

### Overall estimated cost

5.7 The table below details an overall estimated budget of £562,000 to be approved by LFC for the replacement of two Training Cars and the purchase of six additional Training Cars. £148,000 of this budget will be funded under the FLEET Asset Replacement Programme contract with Babcock Critical Services. The remaining £414,000 will be funded by Learning & Professional Development as detailed above.

<b>Total Est Budget Required</b>	<b>Capital Purchase</b>	<b>Capital Conversion</b>	<b>Revenue Slot (5 yrs)</b>	<b>Total Cost</b>
FLEET Budget	£110,000	£10,000	£28,000	<b>£148,000</b>
Learning & Professional Development Budget	£300,000	£30,000	£84,000	<b>£414,000</b>
				<b>£562,000</b>