

REQUEST FOR DEPUTY MAYOR FOR FIRE AND RESILIENCE DECISION – DMFD143

Title: Middle Leadership Programme

Executive summary:

This report seeks the approval of the Deputy Mayor for Fire and Resilience for the London Fire Commissioner (LFC) to commit expenditure up to the amount set in part 2 of the report for the provision of a three-year Middle Leadership Programme, by variation of the Babcock Training Limited training contract.

London Fire Brigade proposes to utilise its existing training contract with Babcock Training Limited to procure this training, as this will enable a quicker timeframe to delivery for the programme.

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 LFC to commit expenditure of up to the amount set out in part 2 of the report, for the provision of a three-year Middle Leadership Programme, by variation of the Babcock Training Limited training contract.

Deputy Mayor for Fire and Resilience

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

The above request has my approval.

Signature:



Date:

21/1/22

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

Decision required – supporting report

1. Introduction and background

- 1.1 Report LFC-0586y to the London Fire Commissioner (LFC) sets out the background for the request to approve expenditure for London Fire Brigade (LFB) to award Babcock Training Limited a three-year contract for the Middle Leadership Programme (MLP). Babcock Training Limited has indicated that it would engage an external supplier for trainers to deliver the programme through a subcontract (third-party) methodology.
- 1.2 LFB's People Directorate Risk Register contains the following risk regarding leadership:
- "Under-investment in the Brigade's leadership capability means that it is not sufficiently developed to deliver on the LFC's strategic priorities, and the Brigade fails to transform."*
- 1.3 The MLP contract was awarded by LFB to a supplier called Lane4 after a competitive tendering process. In May 2021, Lane4 informed LFB that it wanted to terminate services on 16 July 2021, due to a conflict of interest arising. This arose because of an acquisition of Lane4 by an organisation that already provides services to LFB in the form of external auditing. The contract was terminated on 16 July 2021. Following that, this report sets out LFB's proposals to provide an MLP for its cohort of middle leaders.

2. Objectives and expected outcomes

Funding

- 2.1 As a result of the decision to terminate the contract, the full amount paid to Lane4 to date (£92,000) has been refunded to LFB. In addition, LFB is in receipt of funds from a government scheme to incentivise hiring of apprentices during the pandemic (all trainee firefighters are apprentices). LFB anticipates this to be in the region of £220,000. As well as these two income streams, LFB's Cultural Change team within People Services has budgeted spending £130,000 each year for the next four financial years.¹ Therefore, the following funding has been earmarked for the delivery of the MLP:

Source of funding	Amount
Firefighter Apprentice incentive payment	£220,000 (reserve)
MLP Budget 2021-22	£130,000 (reserve)
MLP Budget 2022-23	£130,000
MLP Budget 2023-24	£130,000
MLP Budget 2024-25	£130,000

¹ A decision to wrap the targeted leadership development for under-represented groups into this project was made by the LFB Head of Culture. This resulted in an additional £30,000 being added to the £100,000 budget within each of the financial years. This will be factored into the programme design.

Total	£740,000
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- 2.2 The apprenticeship incentive payment is additional funding that was introduced by the government during the pandemic as an incentive for employers to keep recruiting apprentices. The incentive payments are paid directly to employers by the government and are for employers to choose how they spend them; there are no restrictions on the funding. The incentive payments are different and completely separate from the Apprenticeship Levy, which has strict rules on eligible expenditure. Employers can only make Apprenticeship Levy payments from their Levy Account hosted on the government's Apprenticeship Service, to registered apprenticeship training providers (including registered employer-providers). Although, in the spirit of why LFB has received the incentive payments, it should be noted that enhancing management skills at a middle level will have a direct benefit to apprentices who are developing their new skills at fire stations on their journey to becoming competent firefighters. The incentive payments have been confirmed by LFB's Apprenticeship Service account hosted on the government website, as per government funding guidance.²
- 2.3 The incentive payments appear to be a temporary measure by the government. They are introduced a couple of months before a set period during which an employer can claim for each apprentice recruited within that period. The current scheme was due to finish on 30 September 2021 but has recently been extended to 31 January 2022. The incentive payment has also been increased to a flat rate of £3,000 per person for the new extended recruitment 'window'. Should LFB resume recruitment in this period, further incentive payment claims will be made.

Collaboration

- 2.4 Discussions have taken place between LFB and the Organisational Development and Engagement Manager at the Greater London Authority (GLA) around opportunities to design a tender specification that allows for sharing of the programme content across the GLA, within the bounds of the training contract with Babcock Training Limited. The tender specification released to the market for bids included statements which will allow for sharing of intellectual property across partners.

Expenditure and eligibility

- 2.5 The LFB estimates the unit cost per delegate on an open market to be £1,000. The total number of delegates for the programme will be 620, drawn from the following staff groups:

Fire and rescue staff grades E, F and G	356
Station Commander and Group Commander	222
Control Operations Manager and Senior Control Commander	10
Talent Management (potential future middle leaders)	32
TOTAL DELEGATES	620

² <https://www.gov.uk/guidance/incentive-payments-for-hiring-a-new-apprentice>

- 2.6 The project costs are set out in part 2 of the decision.
- 2.7 The final amount, as set out in the part 2 form, would then be targeted over the three years on under-represented staff groups, as well as initiatives in the medium term whilst the programme is developed. LFB proposes to use these funds to provide bespoke sessions for the Employee Support Groups.
- 2.8 It is envisaged that each course will consist of 12 delegates. This equates to a total of 52 courses, and includes 32 delegates who have been identified as having the potential for becoming future middle leaders.

Content of the training programme

- 2.9 The original supplier, Lane4, was able to complete the discovery phase of the contract before termination. The discovery was formed of five discussions with individuals and three group discussions.
- 2.10 The discovery report researched three key themes across the LFB discussions:
- What are the key leadership challenges facing LFB over the next few years?
 - What does this mean for the leadership by middle managers?
 - What are the considerations for the programme to ensure it is effective and focused?

A synopsis of the findings is set out below.

Key leadership challenges

- LFB has a clear mandate for change but needs its managers to support colleagues through this change.
- LFB needs the right people in the right roles and a clear, fair and transparent promotion process.
- Great leadership should be an enabler of diversity and inclusion; LFB needs to immerse itself in its communities.
- Everyone should feel they have leadership responsibilities in the organisation.
- LFB needs to break down the uniform/non-uniform barrier.
- All at LFB are responsible for making its strategy understood and supported by all.
- LFB should encourage innovation and decision-making.

Impact on leadership by middle managers

- Important role in driving culture change.
- Need to be professional and not rely on friendships.
- Need to create inclusive environments where colleagues can have honest conversations.
- Need to feel trusted and empowered, and lose the fear of failure.

- Should show ownership for performance and not blame senior leaders or internal process.
- Should feel comfortable influencing upwards to drive change and create environments of success.
- Would benefit from having a wider understanding of political and regulatory influences on why certain changes are required.
- Should feel responsible for finding solutions, not just identifying issues.
- Have adaptable style; less command/control.

Considerations for design

The conversations about design considered that the design should be simple but effective. Participants commented that it should focus on: the impact of leaders; understanding leadership versus management, and different types of leadership; linking coaching to performance; managing change; and addressing issues relating to diversity and inclusion.

- 2.11 In addition to the content identified by the Lane4 discovery report, the LFB would also ensure that the National Fire Chiefs Council's Core Code of Ethics featured heavily in the design of the programme. The code encompasses the following five ethical principles that will be amalgamated into the MLP design:

- putting our communities first
- integrity
- dignity and respect
- leadership
- equality, diversity, and inclusion.

Options for delivery of the MLP

- 2.12 LFB considered three options, the costs of which are set out in part 2 of the report. The LFB's preferred option is option 3, which is to award Babcock Training Limited a three year-contract. The options are summarised below.

Option 1: Externally tender for a new three-year contract

- 2.13 Tendering for a new supplier would require a full tendering process.
- 2.14 Awarding any contract to an external supplier will require an agreement with Babcock Training Limited, through the managed service agreement within the main Babcock Training Limited contract to facilitate the administration of the programme. This managed service is employed as LFB does not have the systems and internal resources/processes due to the outsourced contract; for example, the management of release of staff is complex and requires understanding of LFB systems.
- 2.15 This option would offer the delegates a unique leadership experience, as a specialist leadership supplier will be used due to lack of specialist skills within the existing Babcock Training Limited cohort of trainers.

Option 2: Award the existing one-year contract to a second-place supplier

- 2.16 Options exist for LFB to award the current contract to the supplier scored as second within the competitive tendering process. LFB's procurement and legal teams have confirmed this is possible with flexibility to request minor changes to the suppliers bid to address some of shortfalls highlighted within our feedback document. No approach has been made yet with this potential supplier.
- 2.17 This would afford LFB the opportunity to move straight to design, but would only support the first-year delivery of the three-year programme. A further two-year competitive tendering process would be required. The LFB's procurement and legal teams have confirmed that extending this contract to encompass the three-year plan would not be an option.
- 2.18 The same situation exists regarding the need for the Babcock Training Limited managed service to be employed, as this is the only organisation that can interface with the LFB systems to support the administration aspects of the course.
- 2.19 This option is the quickest option to delivery, but is not the LFB's preferred option as it would require either another two-year competitive tender, or the development of a training commissioning and alteration process (TCAP) with Babcock Training Limited if managed through the existing contract.

Option 3: Award Babcock the three-year contract (delivery February 2022)

- 2.20 This is LFB's preferred option. Options exist to award the contract to Babcock through the existing training contract.
- 2.21 Babcock will carry out a procurement process to appoint an external supplier for trainers to deliver the programme through a subcontract (third party). The LFB's Training and Professional Development team has indicated a preference to allow Babcock to complete the tendering process for a the agreed supplier, as per the agreed contract. The secured funding for the MLP would convert into additional training units, above the current contract, and would be used to fund the design and delivery. It is not anticipated that the MLP will impact on the delivery of any other Babcock delivered training functions.
- 2.22 The TCAP process would be enacted to manage the programme but with minimal design content.
- 2.23 Babcock has tentatively indicated that design/delivery costs equate to the amount set out in part 2 of the report.
- 2.24 This option makes the administration aspect more efficient, as it all sits with Babcock and offers LFB a more flexible approach to the design and delivery. The performance regime of the overall contract will also apply to this.
- 2.25 LFB's Training and Professional Development team is currently proposing a new Organisational Learning Model (OLM). This model will set out the leadership expectations and training requirements for every role across the organisation. Option 3 will allow a competency framework to be developed in tandem with the MLP, to support alignment of leadership programmes to the OLM.
- 2.26 While this option is not the lowest-cost option, there is additional benefits of including it in the existing contract. It removes the need for additional internal procurement resource; is consistent with all other LFB training results; and will not result in revised or different engagement or processes. Any future changes that may be required will be straightforward to address, due to

the mature change mechanisms included in the current training contract. The performance regime of the current contract will also apply and to apply any similar regime to a new contract will simply add further cost.

3. Equality comments

- 3.1 The LFC and the Deputy Mayor for Fire and Resilience 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 The recommendations set out in the report aim to ensure the LFB meets its legal duty set out in the Equality Act 2010 and Public Sector Equality Duty through several means. Firstly, through expanding opportunities for staff development and considering protected characteristics when prioritising access within year. Second, several projects referenced in this report include or are targeted at staff from under-represented groups – for example, the medium term initiatives referenced in paragraph 2.7 will include a coaching service. The opportunity to attend a leadership training programme or benefit from coaching or mentoring directly addresses section 149 (1) b of the Equality Act “that a public authority must demonstrate due regard to the need to “advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it”. It does so by ensuring that staff from under-represented groups are given training, learning and development opportunities that may increase the likelihood with which they are promoted or take on leadership positions within the organisation, where staff who are women, or who are Black, Asian or from Ethnic Minorities, are under-represented. This advances equality of opportunities between people who share a relevant protected characteristic with those who do not share it.
- 3.9 The provision of supervisory and middle leadership courses also has inclusion within the content of the programmes, which also addresses section 49 (5) a and b, regarding the need to tackle prejudice and promote understanding.

4. Other considerations

Workforce comments

- 4.1 The proposals in this report relate to increased expenditure on leadership development programmes for LFB staff. The ambition to increase opportunities for staff development will be positive if agreed.

Procurement

- 4.2 The LFB procurement team was consulted as part of the drafting of report LFC-0586 and has considered options regarding the expansion of the leadership development programme for middle leaders. The recommendation is that to continue with any provision that materially changes the original scope of the leadership programme, and does not utilise the existing outsourced training contract with Babcock Training Limited, will require LFB to run a new competitive tender process. The proposal contained in the report relies upon increased income to the Cultural Change team from the government, relating to apprentices. If that funding is not realised at the levels currently anticipated, or the organisation is not able to create a reserve for this funding to be used for expanding middle leadership provision, the impact of that on the procurement would be to extend the delivery of the programme over a longer period, to make sure that costs can be met from within existing budgets if the programme for middle leaders was agreed to fall outside of the Babcock Training Limited contract.

5. Financial comments

- 5.1 The report discusses options for the delivery of a three-year MLP and recommends that Babcock Training Limited is awarded a three-year contract to deliver the leadership programme to the LFB. The costs are set out in part 2 of the report.

- 5.2 This expenditure would be funded from the Firefighter Apprentice Levy as well from existing revenue budgets over the financial years 2021-22 to 2024-25. It is currently anticipated, that due to development and design costs, payments related to the contract will be frontloaded. The frontloading of costs doesn't impact on the cost overall but does mean that expenditure may be incurred in different financial years to the funding being available. This cashflow challenge will be managed through the use of reserves to match funding to expenditure. To support this the £130,000 development budget from 2021-22, and the £220,000 apprentice levy, are to be moved to an earmarked reserve in 2021-22 for programme expenditure in future years. If at the end of the programme there is any money remaining in the reserve, this would be transferred back to the general reserve.

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 for Fire and Resilience (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...". The decision to spend the sums set out in option 3 as recommended in this report on a leadership programme accordingly requires prior approval from the Deputy Mayor.
- 6.4 Under the LFC Scheme of Governance (1 May 2020) (the Scheme) the final decision to make a commitment to expenditure (capital or revenue) with a value of £150,000 and above is reserved to the LFC.
- 6.5 The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 (FRSA 2004). Section 7 (2)(a) FRSA 2004 provides the LFC has the power to secure the provision of personnel, services, and equipment necessary to efficiently meet all normal requirements for firefighting. Furthermore, under section 7 (2)(b) of the FRSA 2004 requires that the LFC must secure the provision of training for personnel. Section 5A allows the LFC to procure personnel, services, and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes. The proposed programme will increase LFB's leadership capacity to enable better delivery of the LFC's strategic priorities.
- 6.6 The LFC Legal team have confirmed that: the Babcock Training Limited Training contract has been procured in accordance with the Public Procurement Regulations 2015; and to include provision for additional MLPs is permitted in accordance with the terms of the contract.

Appendices and supporting papers:

Part 2 of the decision.

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 either be published 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

Richard Berry 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 Fire and Resilience for approval.

✓

Advice

The Finance and Legal teams have commented on this proposal.

✓

Corporate Investment Board

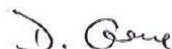
A summary of this decision was considered by the Corporate Investment Board on 10 January 2021

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature



Date

17/1/22