

REQUEST FOR DEPUTY MAYOR FOR FIRE AND RESILIENCE DECISION – DMFD158

Title: London Fire Brigade Training Plan – 2022-23

Executive summary:

This report seeks the approval of the Deputy Mayor for Fire and Resilience for the London Fire Commissioner (LFC) to commit additional revenue expenditure of up to £1,566,981 to be funded from the Budget Flexibility Reserve in order to roll out the London Fire Brigade Training Plan for 2022-23.

The Training Delivery Plan (TDP) reflects the known training requirements of London Fire Brigade after having considered both internal and external drivers. It encompasses all centrally led training. It does not include Brigade exercises, drills, or Development and Maintenance of Operational Professionalism training.

The 2022-23 TDP requires additional funding of up to £1,566,981, as the total requirements amount to £21,510,531 compared to funding of £19,943,550 (which includes £1,650,000 of apprenticeship funding). The single largest increase in cost is that of major change to the training contract provided by Babcock Training Limited. This is due to exceeding the tolerance level in the incident command, hazardous materials and driver training competency areas. The cost for major change in these areas amounts to £1,318,000. The £1,566,981 is a maximum figure, and the total required, may end up being less.

Additionally, there is an increased requirement for acquisition courses due to the estimated impact of the pension remedy. It is anticipated that the pension remedy will have a continued impact on the TDP for the next two years (2023-24 and 2024-25). The three key areas will be the reintroduction of Firefighter Development training; the introduction of new accredited incident command training; and an increase in the number of driving courses, which all have a significant impact on the budget for 2022-23.

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 £1,566,981, in order to roll out the London Fire Brigade Training Plan for 2022-23.

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:

28/3/22

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

Decision required – supporting report

1. Introduction and background

- 1.1 Report LFC0673 to the London Fire Commissioner (LFC) sets out the background for the request to approve expenditure for London Fire Brigade (LFB) to roll out the London Fire Brigade Training Plan for 2022-23.
- 1.2 LFB's annual training year coincides with the financial year (1 April – 31 March) and is broken down into four quarters (Q1, Q2, Q3 and Q4). The Training Delivery Plan (TDP) is developed in conjunction with commissioning departments and other key stakeholders within LFB.
- 1.3 Between May and September each year, the TDP is collated in consultation with commissioning departments and other key stakeholders at LFB. Heads of Service (HoS) of each commissioning LFB department are accountable for providing the delegate number requirements for each course for which they are responsible.
- 1.4 LFB HoS are also given the opportunity to review the full catalogue of training courses provided by Babcock Training Limited (i.e. including those courses where the formal delegate requirement is provided by another department).

2. Objectives and expected outcomes

2022-23 Plan expenditure

- 2.1 The overall training budget for 2022-23 is proposed to be set at a value of £18,293,550. This is due to be supplemented by £1,650,000 of apprenticeship funding, resulting in total training funding for 2022-23 of £19,943,550.
- 2.2 The TDP expenditure is split between the training contract provided by Babcock Training Limited and non-Babcock training. The training contract provided by Babcock Training Limited accounts of around 95 per cent of overall training expenditure.
- 2.3 The charges for the training contract provided by Babcock Training Limited are split between fixed and variable charges. These charges are presented as Training Units (TUs). Both fixed and variable charges are adjusted annually in line with the change in the Retail Prices Index excluding mortgage interest payments (RPIx). The adjustment will be finalised in April 2022 when the RPIx for March 2022 is published.
- 2.4 The TU tariff is the price of an individual TU, and each training course has a TU price. The TU tariff for 2021-22 is £72.92 and is estimated to increase to £75.11 for 2022-23 (with the RPIx). The TU tariff is made up of trainer/instructor costs (the variable element of the contract); the number of trainers/instructors required; course duration; and operating costs such as (but not limited to) venue costs, equipment costs, consumables, and wear and tear of non-consumables.
- 2.5 Based on LFB's projected training requirements in the 2022-23 plan, 68,286 TUs are currently proposed.

- 2.6 The baseline level of TU in the contract is approximately 250,000 TUs – 200,000 of which represent the fixed cost of the contract (training venues; Babcock Training Limited’s staff; trainers; and equipment). The number of variable TUs (those that can be spent on training courses) is 50,213. The contract has built-in flexibility, which allows the variable TU figure to be flexed upwards or downwards consistently across courses by up to 20 per cent without contract prices being affected. Beyond that level of flexibility, “major change” is triggered. The major change principle also applies within each competency area of the contract. A competency area is a type of training (e.g. transport training, fire safety).
- 2.7 The idea behind the major change concept is that the split of costs that underpin the contractual financial model – whereby 80 per cent of costs are fixed (and paid to Babcock Training Limited via a fixed fee) regardless of actual training volumes; and 20 per cent of costs are variable (and paid for on a per-course basis to Babcock Training Limited through TUs) – can only be expected to hold up where the requirement flexes up or down by no more than 20 per cent. Outside of that range, it is likely that the contract costs will result in paying Babcock Training Limited either too little for training (i.e. where the requirement exceeds 120 per cent of the baseline level) or too much (i.e. where the requirement is less than 80 per cent of the baseline level). To ensure that contract pricing remains fair when major change is triggered, Babcock Training Limited or LFB are contractually entitled to analyse the actual costs of meeting the training requirement, and charge these in addition to the contract training costs.
- 2.8 For 2022-23, major change has been triggered in incident command, hazardous materials and transport training. At the time of reporting, analysis has been undertaken to estimate the costs of major change in these areas. Analysis of other areas is ongoing but is not expected to have a material financial impact.
- 2.9 At the time of reporting, the estimated major change costs for 2022-23 are £1,318,000. The large majority of these costs relate to additional trainers (for both incident command and transport training) and additional vehicles (fire appliances and cars) for transport training.
- 2.10 The 2022-23 training requirement represents an increase of 11,326.73 TUs (£928,798) on last year. This increase is in part due to the expected impact of the pensions remedy, which LFB anticipates will require a large number of acquisition and promotion courses to make up for the predicted skills shortfall, caused by staff taking retirement in April 2022.
- 2.11 There has been an increase of 33 per cent across the skills acquisition courses identified by the establishment board (see Appendix 2 of the appended report LFC-0673) as being affected by the pensions remedy. These are skills where a gap will be created by potential requirements and, therefore, additional skill acquisition courses will be required to bring staffing levels up to establishment. LFB anticipates a similar increase in delegates for both the 2023-24 and 2024-25 TDP as part of a long-term plan to deal with the skills gaps in key operational areas.
- 2.12 LFB has requested a major increase in the number of Large Goods Vehicle (LGV) and blue light appliance driving (or Emergency Fire Appliance Driver (EFAD)) courses for 2022-23. This is driven by a number of factors; namely, a longstanding skills gap; the current sector-wide issues in attaining LGV theory licences and medicals; and the impact of the pensions remedy. LFB is working to increase the number of staff ready to complete their LGV and EFAD training.

- 2.13 Following the rollout of the new accredited level 1 incident command courses in the training year 2021-22, a similar number of courses are required in 2022-23. Before the next training year, level 2 and level 3 accredited incident command training will also be introduced. This increase in incident command training is due to the anticipated impact of the pensions remedy, with a greater-than-usual number of promotions being required to offset predicted retirements.
- 2.14 LFB anticipates that the reinstatement of Firefighter Development (FFD) recruitment and training will be agreed (a recruitment freeze is currently in place). LFB has requested 25 cohorts of FFD delegates, which is the maximum that Babcock Training Limited can support within the current contract.
- 2.15 In addition, a number of new training courses and changes to existing courses are anticipated. These are in various stages of development. A list of courses in the Training Commissioning and Alternation Process (TCAP) Pipeline is provided in Appendix 2 of the appended report LFC0673.
- 2.16 The contract fixed fee for 2022-23 (with RPIx) is expected to be £13,715,954. In addition, there are other training-related costs that need to be paid, such as the apprenticeship fixed fee and catering costs. The total costs of all additional training-related costs are £1,248,638.
- 2.17 The non-Babcock training expenditure for 2022-23, encompassing specialist fire safety and health and safety training, is projected to be £374,164.
- 2.18 So as not to increase the budget further than requested in this paper, a 90–95 per cent attendance rate is required on every training course. Support from LFB’s Directors and HoS in approving cancellation requests in exceptional circumstances only will be required to assist us in reaching this target. Course cancellation and withdrawal statistics will be monitored by LFB’s Training and Professional Development Department regularly.
- 2.19 It is proposed that the £1,566,981 resulting deficit, illustrated in Table 1 below, is met through the use of LFB’s Budget Flexibility Reserve (BFR) in 2022-23. This position will be kept under review to determine if there is any balance remaining within the training provided in 2021-22, and in training plans for 2022-23, in order to contribute to meeting this cost and to reduce the demand on the BFR.

Table 1: Estimated overall training position, 2022-23

	TU	£
Budget that can be spent on training in 2022-23		19,943,550
Fixed fee		13,715,954
Non-TU training-related costs		1,248,638
2022-23 projected training requirement*	68,286	5,128,930
Specialist fire safety, and health and safety training		374,164
Less estimated 5% non-delivery**		-275,155
Add estimated major change costs		1,318,000
Total costs		21,510,531
Forecast deficit to be funded from reserve		(1,566,981)

* There are likely to be pipeline design costs, attributed to the 2022-23 design costs, but these are not known at present as design work has not started. At the time of reporting, design costs paid so far in 2021-22 amount to £75k. If any additional design costs are incurred in 2022-23, then additional expenditure would be incurred. If all other estimated costs outlined in Table 1 above materialise, then the additional design costs would result in an overspend.

** Historically, the amount of training delivered has not met the 100 per cent requirement. To recognise this, an estimated 5 per cent level of non-delivery has been factored into the workings above.

Alternative options considered

2.20 A number of options have been considered by LFB prior to this recommendation. The recommended approach is Option 1, as reflected throughout this paper.

Option 1

2.21 This option represents the proposed TDP for 2022-23 with all departmental training requests in place at a total increased cost of up to £1,566,981, to be met from the BFR. At this stage, the additional funding is required for 2022-23 only. The whole Training Plan is refreshed annually, such that there is scope to produce a balanced training budget for 2023-24 and beyond. This is the recommended option. Two alternative options below seek to reduce this deficit.

Option 2

2.22 This option seeks to reduce the budget deficit by removing what could be considered as non-risk critical training (see Appendix 5 of the appended report LFC0673). However, the removal of this training will still have an impact on the LFB departments that have made the requests, so it cannot be considered to be without risk. The option also defers some driver revalidation courses by taking them out of the four-year cycle and into a five-year cycle that is in line with statutory requirements. Again, this is not without potential impact as it would remove the element of flexibility currently in place that assists in keeping staff within the cycle of competence. This option reduces the deficit by £153,126 to £1,413,855.

Table 2: Option 2 overall training position, 2022-23

	TU	£
Budget that can be spent on training in 2022-23		19,943,550
Fixed fee		13,715,954
Non-TU training-related costs		1,248,638
2022-23 projected training requirement	66,140	4,967,744
Specialist fire safety, and health and safety training		374,164
Added funding for estimated 5% non-delivery**		-267,095
Add estimated major change costs		1,318,000
Total costs		21,357,405
Forecast surplus/(deficit)		(1,413,855)

Option 3

- 2.23 In addition to the measures suggested in Option 2, above, there is an element of incident command training that could be deferred as a result of the numbers of level 1 incident commanders who have already received the minimum required amount of level 1 training. Deferment of additional incident command training for Sub and Station Officers who have completed a revalidation or accredited acquisition incident command course at level 1 would allow for a reduction in the Sub Officer and Station Officer courses within the TDP. This is outlined in Appendix 6 of the appended report LFC-0673. However, this is not a recommended option as the courses represent additional good-quality training in LFB's most risk-critical area, which has been the recent focus of Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS). The reduction in deficit would amount to a further £86,554, taking the total deficit to £1,327,301.

Table 3: Option 3 overall training position, 2022-23

	TU	£
Budget that can be spent on training in 2022-23		19,943,550
Fixed fee		13,715,954
Non-TU training-related costs		1,248,638
2022-23 projected training requirement	64,927	4,876,635
Specialist Fire safety, and health and safety training		374,164
Added funding for estimated 5% non-delivery**		-262,540
Add estimated major change costs		1,318,000
Total costs		21,270,851
Forecast surplus/(deficit)		(1,327,301)

- 2.24 The approval of the TDP is essential to ensure LFB meets its legal, financial and moral duty to ensure all employees receive the training they require to competently perform the day-to-day activities of their role.

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 December 2019 HMICFRS Inspection Report graded LFB as 'requires improvement' in the 'People' section of the inspection, and 'inadequate' on some areas of training provision. This included a remark that there is 'no corporate equality or diversity training'.
- 3.9 An Equalities Impact Assessment has been completed. This is provided in Appendix 4 of the appended report LFC-0673.
- 3.10 Fully addressing both the HMICFRS Inspection Report and Equalities Impact Assessment (referred to in paragraphs 3.8 and 3.9 above) will require LFC to implement the LFB learning and development strategy. The strategy is due for publication in May 2022.

4. Other considerations

Workforce comments

- 4.1 Although no staff-side consultation was undertaken specifically in relation to this report, officers from LFB's Training and Professional Development Department meet with LFB trade unions on a monthly basis to discuss training-related matters, including the TCAP Pipeline (the meeting is entitled 'Training and Professional Development & Trades Unions meeting').

Sustainability and procurement implications

- 4.2 LFB's Professional Services Category team has been involved in the review of these costing submissions. The provision of cost is in line with the contract provisions of both the Training Approvals process and the Schedule 28 (Change). The cost details and modelling are being scrutinised, with a fully open-book approach, with Babcock Training Limited. The costs included in this report are prudent and LFB would hope that through additional review these can be reduced at the very least for courses and competencies, which are not required next year. At the time this report was due for dispatch, Babcock Training Limited was still working through the overall model.
- 4.3 As part of the process for 2023-24, the process for compiling and submitting the TDP must be accelerated by both LFB and Babcock Training Limited, as this year it is behind the contractual timetable.
- 4.4 It is also advised that the contract model be reviewed to ensure that, given the increase in future requirements, it continues to provide best value going forward.
- 4.5 There are no sustainability implications arising from this report. Sustainability issues pertaining to the training contract are dealt with via the relevant contractual provisions. Sustainability issues pertaining to particular training courses are dealt with at the time on training commissioning during the TCAP.

Conflicts of interest

- 4.3 There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

- 5.1 This report recommends that the proposed London Fire Brigade Training Plan for 2022-23 is approved at a revenue cost of £21,510,531 in 2022-23. This represents an increase of £1,566,981 against the budget for that year. This increase is as a result of major change to the training contract provided by Babcock Training Limited, due to exceeding the tolerance level in the incident command and driver training competency areas.
- 5.2. This report recommends that this additional one-off cost is met through a draw on the BFR, which has a forecast balance of £30,582,000 at the end of the financial year. This projected reserve draw is also included in the Final 2022-23 LFB Budget Report, which will be used to increase the budget to meet the full estimated contract cost in 2022-23.

6. Legal comments

- 6.1 This report presents the TDP for 2022-23 and seeks a commitment for additional expenditure to roll out the programme of training.
- 6.2 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. Section 327D of the Greater London Authority Act 1999, as amended, 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.
- 6.3 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). In particular, paragraph (b) of Part 2 of that 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 is identified in accordance with normal accounting practices...”. Therefore, approval from the Deputy Mayor is required to authorise the LFC to commit revenue expenditure of up to £1,566,981 in order roll out the TDP for 2022-23.
- 6.4 Section 1 of the Fire and Rescue Services Act 2004 (FRSA 2004) states the LFC is the fire and rescue authority for Greater London. The statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the 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, 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 TDP for 2022-23 will improve various elements of the extant training courses to enable better delivery of the LFC’s strategic priorities.
- 6.5 The report confirms that the professional development of staff will include work to address the findings of the Grenfell Tower Phase 1 report, in addition to the recommendations from the HMICFRS inspection. In doing so, the LFC is taking necessary steps to mitigate potential areas of risk.
- 6.6 The body of the report also refers to securing training needs under the existing training contract provided by Babcock Training Limited, which has been procured compliantly in accordance with the Public Contracts Regulations 2006 (the applicable regulations at the time the contract was let).
- 6.7 These comments have been adopted from those provided by the LFC’s General Counsel Department in report LFC0673 to the LFC Commissioner.

Appendices and supporting papers:

Report LFC0673 – London Fire Brigade Training Plan – 2022-23

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 – NO

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

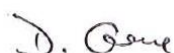
This decision was agreed by the Corporate Investment Board on 28 March 2022.

✓

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature



Date

28/3/22