

# GREATER LONDON AUTHORITY

## REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD44

### Title: Premises Asset Replacement Works – London Fire Brigade Estate

#### Executive Summary:

Report LFC-0235 to the London Fire Commissioner seeks approval to undertake key assets replacement works at various London Fire Commissioner (LFC) premises to avoid asset dilapidation.

These works were initially identified by condition surveys in support of delivering the London Fire and Emergency Planning Authority's Asset Management Plan (Property) 2017, March 2017 (FEP2714). Replacement has been programmed and funded under the capital programme of works as detailed in the Capital Strategy 2019–20 and Future Years, March 2019 (LFC-0134) report.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the London Fire Commissioner 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:


The Deputy Mayor for Fire and Resilience approves capital expenditure of up to £3,374,544 in 2019/20 for the purposes of asset replacement works by the London Fire Commissioner as set out in report LFC-0235 to the Commissioner.

#### 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:

26/11/19

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

### **Decision required – supporting report**

#### **1. Introduction and background**

- 1.1. The London Fire Brigade's Asset Management Plan (Property) 2017 March 2017 (FEP 2714), identified that condition surveys will be undertaken bi-yearly on a rolling programme to all of the Brigade's fire stations to identify building fabric, mechanical and electrical asset replacements required in order to maintain, operational efficiency of the fire station and health and safety compliance. Each major building, mechanical and electrical asset is assigned either an 'A' (excellent condition), 'B' (satisfactory condition) or 'C' (poor condition) rating. 'C' being classed as poor and at or near the end of its useful economical life.
- 1.2. Since publication of the Brigade's Asset Management Plan 2017, officers have completed key asset replacement works as programmed in the Forward Works Register (FWR). Details of these works are contained in Appendix A to report LFC-0235 for reference. A further set of works to be completed in 2020 is set out in Table 1 of report LFC-0235 appended to this decision.

#### **2. Objectives and expected outcomes**

- 2.1. Report LFC-0235 to the London Fire Commissioner seeks approval to undertake key assets replacement works at various London Fire Commissioner (LFC) premises to avoid asset dilapidation. Approval for the expenditure of £3,374,544 is sought by this decision from the Deputy Mayor for Fire and Resilience to facilitate the completion of tenders and the programming and completion of works on premises.
- 2.2. The asset replacement works listed in report LFC-0235 were highlighted as condition 'C' (poor condition) and in need of replacement given they are now beyond their economic design life and are deteriorating. If they continue to deteriorate further, they will give rise to non-compliant environmental conditions, health and safety concerns and possible non-compliance with statutory instruments.
- 2.3. All asset replacement works will be replaced in accordance with the Brigade's Standard Station Design Brief (SSDB), to ensure they have key performance attributes of longevity and robustness to withstand the environment of an operational fire station.
- 2.4. The replacement asset works will contribute to the strategic aim of reducing the Brigade's maintenance backlog, as reported in the Asset Management Plan (Property) 2017 March 2017 (FEP2714).
- 2.5. The works will be carried out during normal working hours, being planned and phased to ensure each fire station remains fully operational 24/7. Any interruptions to the power supplies will be kept to a minimum and be pre planned and executed using the Brigade's established protocols and periods of notice to all relevant parties.

#### *Anticipated timeline*

- 2.6. The intention is for construction of these works to commence between November 2019 and January 2020,. The anticipated contract duration is between 12 and 20 weeks depending on the size and complexity of each asset replacement project. As a result, the majority of asset replacement works will be completed in the first quarter of the 2020/21 financial year,

- 2.7. Officers are progressing all the works to RIBA Stage 4 (the preparation of tender documentation and procurement of the works, including Technical Design in accordance with Design Responsibility Matrix and Project Strategies to include all architectural, structural and building services information, specialist subcontractor design and specifications, in accordance with the Design Programme) and preparing the contract documentation in preparation to award the contracts as soon as approval has been granted.

### **3. Equality comments**

- 3.1. The Public Sector Equality Duty – and the potential impacts of this decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, sex, religion or belief, sexual orientation) – has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience at the Fire and Resilience Board on 24 September 2019.
- 3.2. The Public Sector Equality Duty applies to the London Fire Commissioner and Deputy Mayor for Fire and Resilience when they make decisions. The Duty requires them to have regard to the need to:
- a) eliminate discrimination, harassment and victimisation and other behaviour prohibited by the Act;
  - b) advance equality of opportunity between people who share a relevant protected characteristic and those who do not; and
  - c) foster good relations between people who share a relevant protected characteristic and those who do not, including tackling prejudice and promoting understanding.
- 3.3. An important aspect of the works proposed is that they will be designed to incorporate measures that include people with protected characteristics, ensuring compliance with the Equality Act 2010.
- 3.4. The replacement of building assets is an opportunity at design stage to review the existing assets and ensure they comply with Disability Discrimination Act 1995 (DDA) regulations and Part M of the building regulations, thus in turn ensuring those with protected characteristics are not discriminated against, examples for these works are:
- Chingford window project – alterations to the ground floor public access ramp will eliminate the current discrepancies in floor heights.
  - East Greenwich, Hainault and Richmond electrical rewire projects – new sockets and light switches will be mounted at heights in line with the current DDA regulations.
  - Clapham and Stoke Newington roof projects – the erected scaffolding for the works will not block any existing exit or access ramps and will be colour coded and lit.
  - Acton, Surbiton and Wimbledon heating projects – the new central heating system will allow the users to individually control the room temperature to a temperature they are comfortable with.
- 3.5. Appointed contractors will be required to comply with The Equality Act 2010 and associated policies and the Equality Protocol of the Commissioner in respect of any accessibility considerations during or after the works, including the provision of temporary accessibility ingress/egress required during the duration of these works.
- 3.6. Works will be in accordance with the new Standard Station Design Brief, which puts the PSED at its heart, ensuring, for example, the provision of individual rooms for resting, changing, washing and toilets facilities, giving complete privacy to all fire fighter gender groups, with a strategic aim of providing accommodation that helps to develop an inclusive culture within the Brigade.

#### **4. Other considerations**

##### *Procurement and Sustainability*

- 4.1. The works are being tendered in accordance with the Commissioner's Code of Practice on Tenders and Contracts and the Commissioner's external professional consultants will recommend the appointment of the most economically advantageous tenderer to carry out these works.
- 4.2. The procurement process is being run by LFB Procurement officers through the Bluelight portal with the assistance of LFB's multi-disciplinary consultants (MDC). The Brigade's MDC consultants were procured using a competitive process which was advertised on Bluelight using the OJEU Restricted procedure which started in March 2017. Three MDC consultants were appointed to a four-year framework under LFB contractual arrangements and delegations at that time. The preferred contractor will be selected based on their tender sum, the quality of their tender submission including the comprehensiveness of their tender documents. The consultants do not appoint the successful tenderer in isolation; they are responsible for supporting Brigade officers in reviewing and completing the tender report and making a recommendation to the Brigade.
- 4.3. Where possible, the Brigade tries to utilise existing frameworks for tendering works, in accordance with the Greater London Authority (GLA) collaborative procurement approach. This is viable for repetitive works involving schedules of rates, which can drive down unit costs. However, it is not suitable for "one off" asset replacement works to existing stations, as these require bespoke specifications and phasing proposals and the risk is priced differently for each project and premises.
- 4.4. The preferred contractor will be selected based on their tender sum and the quality of their tender submission, their price being the most competitive and their tender documents being the most comprehensive.
- 4.5. Each of the asset replacement projects is anticipated to be below the OJEU works threshold of £4,551,413, negating the need to conduct an OJEU procurement process.
- 4.6. The works are subject to a competitive tendering exercise through the Blue Light tendering portal with bids sought from five tenderers, for each project. Officers will ensure that a tender analysis report is completed for each project to ensure compliant bids.
- 4.7. Any asset replacement works above the given tolerance of 15 per cent against the projected capital cost in Table 2 of report LFC-0235 will be subject to a revalue engineering exercise to see if the cost can be reduced within the tolerance band. If this exercise is unsuccessful the works will be subject to further approval.
- 4.8. The Commissioner is seeking approval for a number of asset replacement works as set out in the Capital Strategy resulting from condition surveys. This includes two heating replacement projects incorporating Combined Heat and Power units and high efficiency condensing boiler installations, a windows replacement project and two roofing installations that will include new insulation. The works will deliver energy efficiency and carbon reductions from buildings, contributing towards the Commissioner's carbon reduction target. Further improvements will be required to achieve the Commissioners 60 per cent CO<sub>2</sub> reduction target by 2025.
- 4.9. The London Environment Strategy also sets out the longer-term target of zero carbon emissions by 2050. Whilst it is uncertain as to what will be the zero-emission alternative to natural gas for heating and hot water, the life of the heating asset replacements proposed is within the timeframe of the target, allowing for future zero emission technologies to be introduced by 2050.
- 4.10. All waste arising from works is to be removed by a licensed waste carrier and disposed of at a permitted facility. The contractor is to supply all legally compliant signed waste transfer notes and waste consignment notes to the Commissioner.

4.11. There are no adverse environmental implications resulting from these projects

#### *Workforce*

4.12. The London Fire Commissioner's officers have ensured that the station manager and watches of the fire stations have been kept informed throughout the feasibility consultation process.

4.13. The station manager has been consulted on impacts to operational delivery and an agreed outcome on contractor requirements was built into the tender package to ensure minimal impact on operational delivery during the construction phase.

4.14. A representative of Fire Brigades Union will be invited to attend the pre-start site meeting.

### **5. Financial comments**

5.1. This report seeks approval for capital expenditure of up to £3,374,544 in 2019/20 for asset replacement works at various London Fire Commissioner (LFC) premises.

5.2. Report LFC-0235 recommends that a total capital budget of £3,374,544 agreed for a range of asset replacements works across the estate and that delegated authority is approved to appoint contractors following a tender process. The budgeted expenditure is based on cost estimates from the pre-tender feasibility reports commissioned by officers. These estimates are within the budget approved in the capital programme for 2019-20 and expenditure against this will continue to be monitored as part of the regular financial position reports. The funding sought is to be provided from the London Fire Commissioner's budget; no further funds are sought from the Greater London Authority.

5.3. If the project was financed from external borrowing, the annual debt charges to the Commissioner would be £292,000, based on a 15-year life – this includes annual debt repayment at £225,000 and annual interest charge of £67,000, based on an interest rate of two per cent.

### **6. Legal comments**

6.1. Under section 9 of the Policing and Crime Act 2017, the London Fire Commissioner (the "Commissioner") 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 Commissioner 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 Commissioner 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 Commissioner 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...".

6.4. The statutory basis for the actions proposed in report LFC-0235 to the Commissioner is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 ("FRSA 2004"). Section 7 (2)(a) FRSA 2004 the Commissioner has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting and section 5A allows the Commissioner to procure personnel, services and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes.

- 6.5. General Counsel to the Commissioner notes that the tenders are being carried out in accordance with the Public Contracts Regulations 2015 and the Commissioner's Code of Practice on Tenders and Contracts.
- 6.6. The Deputy Mayor's approval for the expenditure of £3,374,544 is accordingly required for the Commissioner to award contracts for the implementation of the premises asset replacement works.
- 6.7. Approval by the Deputy Mayor and subsequently the Commissioner will lead to the implementation of the premises asset replacement works, including the award of associated contracts, as set out in report LFC-0235 to the Commissioner.
- 6.8. In taking the decisions requested, the Deputy Mayor must have due regard to the Public Sector Equality Duty – namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010 and to advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic (race, disability, gender, age, sexual orientation, religion or belief, pregnancy and maternity and gender reassignment) and persons who do not share it (section 149 of the Equality Act 2010). To this end, the Deputy Mayor should have particular regard to section 3 (above) of this report.

#### **Appendices and supporting papers:**

Appendix A: LFC-0235 – *'Premises Asset Replacement Works – London Fire Brigade Estate'*

**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**

If YES, for what reason:

Until what date: (a date is required if deferring)

**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**

Tom Middleton 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 25 November 2019.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

Signature

*M. D. Allen*

Date

*25-11-19*

