GREATER**LONDON**AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD52

Title: LFB Specialist Heavy Fleet Vehicles Replacement

Executive Summary:

Report LFC-0284y to the London Fire Commissioner seeks approval to replace the London Fire Brigade fleet of heavy specialist vehicles, including the proposed fleet composition and the associated capital costs of up to £15,218k.

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"*.

Decision:

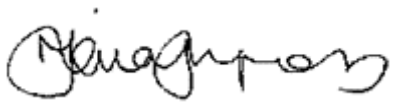
The Deputy Mayor for Fire and Resilience approves capital expenditure of up to £15,218k by the London Fire Commissioner for the purpose of replacing the London Fire Brigade Specialist Heavy Fleet Vehicles as set out in report LFC-0284y to the Commissioner. Expenditure is expected to take place in 2020/21 and 2021/22.

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:

1 June 2020

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

Decision required – supporting report

1. Introduction and background

1.1. The current London Fire Brigade (LFB) fleet of specialist heavy vehicles identified within report LFC-0284y to the Commissioner have reached or are nearing the end of their planned serviceable life, as such, all of these vehicles require replacement. This replacement programme also assists to ensure that the fleet complies with current emission control requirements which will apply to LFB vehicles from October 2021. That report outlines predicted costs associated with the procurement of the replacement of these specialist heavy vehicles and seeks permission to spend capital budget accordingly. All these vehicles are absolutely necessary for the maintenance of LFB's existing level of service to the people of London.

2. Objectives and expected outcomes

Projects Combined Cost Summary Table

2.1. Stage payments are usually broken down into the following:

- Stage 1 on delivery of chassis to the LFB
- Stage 2 on manufacture and build of body including delivery to LFB.

Project code	Project & Payment description	Staged payment £k	No vehicles £k	Total per vehicle £k	Total for project £k	10% contingency £k	Total project value £k
RV069	Fire Rescue Unit stage 1	£232	18	£322	£5,800	£580	
	Fire Rescue Unit stage 2	£90					£6,380
RV127	Command Support Unit stage 1	£320	9	£476	£4,284		
	Command Support Unit stage 2	£100				£428	£4,712
	Command Support IT Hardware	£56					
RV143	All Wheel Drive	£220	1	£220	£220	£22	£242
TBC	Detection Identification and Monitoring	£225	1	£225	£225	£23	£248
RV140	Hose Layer Unit Stage 1	£80	5	£200	£1,000	£100	£1,100
	Hose Layer Unit Stage 2	£120					
RV141	Bulk Foam Unit Stage 1	£120	3	£245	£735		

	Bulk Foam Unit Stage 2	£85				£74	£809
	Bulk Foam Unit Fork Lift Truck	£40					
	Heavy Distribution Unit Stage 1	£120	2	£245	£490		
	Heavy Distribution Unit Stage 2	£85				£49	£539
	HDU Fork lift Truck	£40					
RV142	Operational Support Unit - frontline	£120	9	£120	£1,080		
	Operational Support Unit - OSC	£120				£108	£1,188
Total			48		£13,834	£1,384	£15,218

2.2. **Fire Rescue Units (FRUs)** – Fire Rescue Units are deployed to incidents where specialist equipment is required to assist in search and rescue operations, water rescue operations, casualty extrication, line rescue operations and HAZMAT incidents. The Fire Rescue Units carry large amounts of specialist equipment to assist with numerous types of emergency incidents. The existing Fire Rescue Units came into service between September 2004 and August 2007 and are categorised as Euro 3, making them non-compliant against the current London Ultra Low Emissions Zone (ULEZ) requirements which will apply to all LFB vehicles from October 2021.

2.3. The contracted life of a Fire Rescue Unit is 12 years and so all of the Fire Rescue Unit vehicles are at the point natural life replacement, which is also an opportunity to bring the vehicles in line with the ULEZ target. Babcock Emergency Services maintain the front-line Fire Rescue Unit vehicles for a revenue slot price of £20k per vehicle, per year. When the vehicles go out of planned life, Babcock can increase the slot price if maintenance exceeds this cost.

2.4. It was initially estimated that the cost of replacing one Fire Rescue Unit would be £215k, and £3,870k for all 18 vehicles. These costs were based on the similar Pumping Appliance vehicle value as these have the same chassis and a Euro 6 combustion engine. Bulk buy discount on the 189 Pumping Appliances was not factored into the original tender quotes for the 18 Fire Rescue Units, which is partly why the revised cost is greater, along with inflation and a different design i.e. different body build. A 10% contingency has been applied to the estimated project spend as standard practice. For the FRUs this is £580k and a total approval value of £6,380k.

2.5. **Command Support Units (CSUs)** – Command Support Units are mobilised to incidents of four pump fires and above and are utilised to support Fire Rescue Unit senior officers in command of incidents. The Command Support Units offer a full incident command facility with inbuilt IT and communications capabilities, as well as a conference facility for briefings. The existing Command Support Units came into service between March 2006 and August 2007 and are categorised as Euro 4, making them non-compliant against the current ULEZ requirements which will apply to all LFB vehicles from October 2021.

2.6. The contracted life of a Command Support Unit is 12 years and so all vehicles are at the point of natural life replacement, which is also an opportunity to bring them in line with the ULEZ target. Babcock Emergency Services maintain the front-line Command Support Unit vehicles for a revenue

slot price of £65k per vehicle, per year. When the vehicles are out of planned life, Babcock can increase the slot price if maintenance exceeds this cost.

2.7. LFB has expressed an interest in a fully electric solution for the Command Support Unit, which is what the following vehicle cost estimates have been based on. It is estimated that the cost of replacing one Command Support Unit base vehicle with conversion would be £421k plus £55k for the IT hardware instalment. A 10% contingency has been applied to the project estimated spend as standard practice. For the CSUs this is £428k, leading to a total approval value of £4,712k. These costs have not yet been confirmed through a market evaluation and nor do they provide a whole life cost comparison, including the costs of the infrastructure to support the electrical charging of these vehicles. The cost of the infrastructure itself has been estimated by the electricity suppliers as ranging between £35k to £250k per location, as the actual costs will be site specific. There may, however, be possible cost savings in fuel, maintenance and by avoiding early vehicle replacement in later years. Therefore, further information is required to fully understand the implications of the electric option. There is a risk for this option, as the electric charging infrastructure is yet to be funded and issues around the provision of this infrastructure within fire stations and whether it can be achieved within the timeframe required remains uncertain.

2.8. This vehicle procurement project is in the early planning stage and Babcock are nearing the stage of going out to tender. However, due to the risks posed by the electric powered vehicle described in paragraph six, Babcock have invited tenders for: 1) An electric powered vehicle solution and 2) A ULEZ compliant combustion engine vehicle solution.

2.9. A separate project for the Incident Command Operating System (ICOS) is running alongside the vehicle and IT hardware replacement project and is being managed and funded internally by the LFB Procurement, Operational Policy and Assurance and IT departments. It is estimated that this ICOS project may cost up to an additional £1,000k.. The Operational Policy and Assurance department have also drawn up a paper to cover the whole project, so to include the Command Support Units in this paper is to seek permission to spend for the vehicles and hardware element within the wider project as a whole. The Chief Information Officer will be bringing a further paper to the appropriate governance boards in the future, setting out proposals to procure the Incident Command Operating Software (ICOS) and seeking appropriate authority to proceed.

2.10. **Hose Layer units (HLUs)** – Hose Layer Units are a specialist heavy vehicle utilised to support large fires and deploy 90-millimetre fire hose to facilitate relay water pumping operations with minimal delay. The Hose Layer Units came into service between August 2010 and March 2011 and are categorised as Euro 5, making them non-compliant against the current London ULEZ requirements which will apply to all LFB vehicles from October 2021.

2.11. It is estimated that the cost of replacing one Hose Layer Unit would be £200k, and £1,000k for all five. A 10% contingency has been applied to the estimated project spend as standard practice. For the HLUs this is £100k and a total approval value of £1100k. . Babcock Emergency Services maintain the front-line Hose Layer Unit vehicles for a revenue slot price of £9k per vehicle, per year. When the vehicles are out of planned life, Babcock can increase the slot price if maintenance exceeds this cost. This project is in the early planning stage and so replacement costs provided are estimates.

2.12. **Bulk Foam and Heavy Distribution Units** – LFB plan to replace the Bulk Foam Units (BFUs) and the Heavy Distribution Units (HDUs) under the same workstream, bringing the three Bulk Foam Units and two Heavy Distribution Units to the same specification for continuity and to assist with operational availability and deployment. The Heavy Distribution Units and Bulk Foam Units are operated by the Brigade Distribution Centre and Fire Stations to deliver large quantities of materials and operational equipment to incidents, such as flood rescue equipment or IBCs containing up to 1000 Litres of liquid foam concentrate. The Bulk Foam Unit has a Forklift Truck attached to the vehicle. There are currently three Bulk Foam Units which came into service in February 2010 and are categorised as Euro 5, making them non-compliant against the current London ULEZ requirements which will apply to all LFB vehicles from October 2021.

2.13. The contracted life of a Bulk Foam Unit is 12 years and so the vehicles will be out of life in 2022. London Fire Brigade need to ensure that their vehicles are compliant against the emission control requirements and so the natural life replacement of these vehicles needs to be bought forward to meet the October 2021 sunset period deadline. It is estimated that the cost of replacing one Bulk Foam Unit would be £245k, and £735k for all three. A 10% contingency has been applied to the forecast project spend as standard practice. For the BFUs this is £74k, leading to a total approval value of £809k.

2.14. Babcock Emergency Services maintain the front-line Bulk Foam Unit vehicles for a slot price of £15k per vehicle, per year.

2.15. There is one Heavy Distribution Unit on fleet which came into service in June 2010 and is categorised as a Euro 5, making it non-compliant against the current London ULEZ requirements which will apply to all LFB vehicles from October 2021. The contracted life of the Heavy Distribution Units is 12 years and so it will be out of life in 2022. London Fire Brigade need to ensure that their vehicles are compliant against the emission control requirements and so the natural life replacement of these vehicles needs to be bought forward to meet the October 2021 sunset period deadline. It is estimated that the cost of replacing one Heavy Distribution Unit would be £245k per vehicle.

2.16. A growth bid was submitted to procure a reserve Heavy Distribution Unit as we currently have no resilience when this vehicle is in for maintenance every 13 weeks. The total cost for the two vehicles is estimated to be £490k. A 10% contingency has been applied to the forecast project spend as standard practice. For the HDUs this is £49k,, leading to a total approval value of £539k.

2.17. Babcock Emergency Services maintain the front-line Heavy Distribution Unit for a slot price of £15k per year. When the vehicles are out of planned life, Babcock can increase the slot price if maintenance exceeds this cost.

2.18. **Operational Support Units (OSUs) and London Resilience Lorries (LRLs)** – There are six front line Operation Support Unit (OSU) type vehicles, three London Resilience Lorries, and one reserve OSU in service in service, with the end user requiring only nine replacements in total. The Operational Support Units came into service in August 2007 and the London Resilience Lorries came into service in January 2004. Both vehicle types are categorised as Euro 3, making them non-compliant against the current London ULEZ requirements which will apply to all LFB vehicles from October 2021. The contracted life of both vehicle types is 12 years and so both vehicle types are either at or approaching the end of their life.

2.19. The replacement vehicles will be operated by the Operational Support Centre and Fire Stations to deliver and replenish a variety of operational equipment such as breathing apparatus (BA) and personal protective equipment (PPE) as well as large quantities of materials and some items of flood rescue equipment to incident grounds. It is estimated that the cost of replacing one Operational Support Unit would be £120k and £1,080k for all nine. A 10% contingency has been applied to the forecast project spend as standard practice. For the OSUs this is £108k, leading to a total approval value of £1,188k

2.20. Nine new Operational Support Units are required in total. This includes seven replacements for the existing OSU-type vehicles. A growth bid was also submitted and approved for two additional OSUs for the Operational Support Centre, which will replace the London Resilience Lorries. The London Resilience Lorries were previously in the National Resilience fleet; they were repurposed for LFB use but have not previously been covered by the planned capital budget.

2.21. Babcock Emergency Services maintain the frontline Operational Support Units and London Resilience Lorries for a revenue slot price per vehicle of £16k per year. When the vehicles are out of planned life, Babcock can increase the slot price if maintenance exceeds this cost.

2.22. **Biggin Hill All Wheel Drive Small Pumping Appliance** – Biggin Hill Fire Station has one 6x6 All-Wheel Drive (AWD) Land Rover Challenger which is used to respond to calls where a normal Pumping Appliance would be less able to reach due to the rural nature of the area. The All-Wheel Drive vehicle came into service in July 2003 and is categorised as a Euro 4. The vehicle is now driven by only four of the six wheels due to an unrepairable defect; it has a contracted life of 10 years and is overdue for replacement.

2.23. Babcock Emergency Services maintain the All-Wheel Drive vehicle for a revenue slot cost of £10k per year and can increase the slot price if maintenance exceeds this cost. It is estimated that due to the specialist nature of this appliance and the need for an individual build, the cost of replacing the All-Wheel Drive would be £220k. A 10% contingency has been applied to the project spend as standard practice. For the AWD vehicle this is £22k, leading to a total approval value of £242k.

2.24. **Detection, Identification & Monitoring Vehicles** – There are three Detection, Identification & Monitoring (DIM) Vehicles within the LFB FLEET, however only one Detection, Identification and Monitoring vehicle belongs to LFB. The remaining 2 Detection, Identification and Monitoring vehicles are National Resilience assets which belong to the Home Office. As a result, LFB are currently only seeking funding to replace the one LFB owned Detection, Identification and Monitoring vehicle. The Detection, Identification and Monitoring vehicle is used by the Rapid Response Team currently based at Lambeth to detect, identify and monitor hazardous materials at incidents.

2.25. Detection, Identification and Monitoring vehicle 101 (the LFB owned Detection, Identification and Monitoring Unit came into service in July 2009 and is categorised as Euro 4). The vehicle has a 10-year contracted life and so it is at the point of its natural life replacement. Babcock Emergency Services maintain the Detection, Identification and Monitoring vehicle for a revenue cost of £27k per year. When the vehicles are out of life, Babcock can increase the slot price if maintenance exceeds this cost. To replace LFB's Detection, Identification and Monitoring vehicle it is estimated that it will cost £225k. A 10% contingency has been applied to the forecast project spend as standard practice. For the DIM this is £22.5k, leading to a total approval value of £2,47,5k00.

2.26. Based on recent previous vehicle procurements, Babcock has warned us that if we do not have a Brexit deal, an estimated 16% additional cost could be applied as a port levy. This sum may be lower or higher dependant on the port levy applied.

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, gender, religion or belief, sexual orientation) – has been considered by the London Fire Commissioner and the Deputy Mayor for Fire and Resilience.

3.2. The Public Sector Equality Duty applies to the London Fire Brigade when it makes decisions. The duty requires us to have regard to the need to:

a. Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful.

b. Advance equality of opportunity between people who share a protected characteristic and those who do not.

c. Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, sex, and sexual orientation.

3.3. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).

3.4. The equality impact assessment undertaken within the tender bid's evaluation process found that the proposals in this report will not have an adverse effect on any persons with a particular characteristic. This was based on the following; the Output Based Specification (OBS) was written with the end-users' needs in mind. Reasonable seating position adjustments can be made in the vehicles by users, however where required, modifications can be carried out on vehicles to cater for those with special requirements.

3.5. In addition, the Babcock contract requires Babcock and any sub-contractor they may engage, to conform to equality legislation and LFB equalities protocol. Babcock also assess all of their providers approach to equality and ensure they are satisfied that they meet appropriate protocols, prior to them listing those companies as approved providers. Therefore, it is considered that there is an appropriate approach to equalities right through the supply chain in respect of this procurement.

4. Other considerations

Procurement

4.1. Output based specifications (OBS) have already been submitted to Babcock for most of the above workstreams and work has begun on the projects with the LFB Technical and Service Support workstream lead to review and determine the Brigade's requirements for safety, operational use, quality and performance for our specialist fleet. These requirements include the vehicles listed in paragraphs 27 to 31 below:

4.2. **Fire Rescue Units (FRUs)** – 18 heavy vehicles to stow and transport specialist equipment and crews to assist in search and rescue operations, water rescue operations, casualty extrication, line rescue operations and HAZMAT incidents. Euro 6 engines are being pursued for this bespoke heavy vehicle workstream. Tenders were returned on 2nd March and Babcock provided LFB with informal notice of the costs. As such LFB have had to adjust the figures initially submitted in this report in December 2019 (FP0533). Babcock will supply LFB with a Product Description and Financials (PDF) and an Agreed Solution Order (ASO) with final costs, which are anticipated to be within the new revised figures detailed in the financials table.

4.3. **Command Support Units (CSUs)** – nine heavy vehicles to provide command support at large operational incidents that attract senior management command and control. Electric vehicle options have been spec'd and are being considered as part of this bespoke heavy vehicle workstream. However, as described above, there are risks including the fact that the procurement of electric vehicles will be dependent on the provision of a charging infrastructure under the wider Command Support Unit project being managed by Operational Policy and Assurance, this provision has yet to be confirmed. Therefore, due to the risks posed by the electric powered vehicle, Babcock have invited tenders for both: 1) an electric powered vehicle solution and 2) a ULEZ compliant combustion engine vehicle solution.

4.4. **Hose Layer Units (HLUs)** – five heavy vehicles to provide fast mechanically assisted hose laying capability at large incidents. Euro 6 engines are being pursued for this bespoke heavy vehicle workstream.

4.5. **Bulk Foam Units, Heavy Distribution Units, Operational Support Units and London Resilience Lorries** – Ten heavy vehicles where Babcock are approaching commercial, non-fire specific and fire specific companies to provide non bespoke heavy vehicles that can be converted and liveried in accordance to the LFB's output based specifications.

4.6. **Biggin Hill All-Wheel Drive** – One bespoke All Wheel Drive Small Pumping Appliance to be deployed to size appropriate incidents where a Dual Pump Ladder would be excessive or inappropriate due to the nature of the terrain.

4.7. Babcock will draw up procurement strategies for each workstream that will include an evaluation process to be agreed with LFB officers before going out to tender. The evaluation scoring has historically consisted of using Most Economically Advantageous Tender (MEAT) with a split of 70% scoring for technical/quality and 30% for cost. Lead times and emission standards that play a significant role in the selection process will be included in the evaluation, where Babcock will identify potential vehicle suppliers and score them against these criteria. As detailed above, Babcock have advised that they are looking to approach commercial non-fire specific and fire specific companies to provide non bespoke heavy vehicles that can be converted and liveried in accordance to the LFB's output based specifications, for the Joint workstreams of Bulk Foam Units, Heavy Distribution Units, Operational Support Units and London Resilience Lorries replacements. This could result in cost and time savings for the Brigade.

4.8. Following a competitive tender process and evaluation of the tenders, Babcock Emergency Services will identify the preferred bidders that meet the LFB's requirements. The quotes from the preferred bidders are anticipated to sit within the identified capital spend budget, though some of the spend will need to be brought forward to earlier years. Details of the quotes will be shared with Finance once received and until the quotes are received, the estimated costs outlined in this report will populate capital expenditure forecast.

4.9. On top of the costs of purchasing the replacement equipment, there are additional costs included in the indicative project costs given in this report. The costs are to cover fittings to ensure safe carriage of equipment, for corporate livery and road safety markings. The detailed cost of these items will be determined once Babcock have been out to tender for each workstream. Babcock has informed us that these items need to be separate from the main vehicle procurement, as experience has demonstrated that it is the most effective and efficient method of providing an acceptable product.

4.10. There will be an increase to the revenue budget of £16k for the maintenance slots for the one additional new Operational Support Unit, as this will be an addition to the fleet.

Training

4.11. For the FRU, an agreed copy of a full and comprehensive Operators Manual will be provided to the authorised officer, along with the Manual Handling and Safety Risk Assessment reports and the Environmental Impact Assessment report. Familiarisation for Fire Rescue Unit crews on how to operate any new features on this vehicle will be provided via Babcock Emergency Services.

4.12. A Command Support Unit (CSU) training solution will be required to facilitate the upskilling of CU operators. The solution will not require the use of an operational Command Unit and will be conducted through the LFB's training provider, Babcock Training or the ICOS provider. This will not form part of the vehicle replacement project. If a bus type vehicle is procured, driver familiarisation may be required via Babcock Emergency Services.

4.13. For the Hose Layer Units, Bulk Foam Units, Heavy Distribution Units, Operational Support Units and London Resilience Lorries replacements, LFB have requested that Babcock Emergency Services ensure that the training programme and skill sets required to operate these vehicles and its ancillary equipment is compatible with established courses. In addition to this, that they have provided the necessary Training Programme agreed by the Joint Specification Technical and Training Team.

4.14. For the All-Wheel Drive Small Pumping Appliance an agreed copy of a full and comprehensive Operators Manual will be provided to the authorised officer, along with the Manual Handling and Safety Risk Assessment reports, and the Environmental Impact Assessment report. Familiarisation for

the All-Wheel Drive Small Pumping Appliance crew on how to operate any new features on this vehicle will be provided via Babcock Emergency Services.

Sustainability – ULEZ

4.15. New emission regulations came into force for central London on 8th April 2019 (Ultra Low Emission Zone). A sunset period extension for LFB's specialist heavy vehicles replacement was agreed until 25th October 2021 to coincide with the expansion of the ULEZ.

4.16. Therefore, if we have not replaced the vehicles mentioned in this report by 25th October 2021, we will potentially be subject to numerous daily charges as a result. LFB will have replaced the majority of its fleet with ULEZ complaint vehicles by October 2021 and therefore very successfully supporting the Mayor's ambitions for cleaner air in London. All 188 of the ULEZ compliant combustion engine pumping appliances will be in service by quarter-three of 2020/21, ahead of the deadline. This makes up the largest proportion of London Fire Brigade's fleet. It is also currently planned that all fifteen of the Aerial Appliances will be successfully replaced with ULEZ compliant vehicles by the October 2021 deadline. The LFB will have delivered into service by the October ULEZ deadline, over 250 ULEZ compliant heavy vehicles and over 120 ULEZ compliant vans and cars.

4.17. Babcock are predicting that 19 of the heavy vehicle replacements will not be complete by the deadline of October 2021 and the delay could range between two-to-six months. This is due to large numbers of vehicles that need replacing at the same time, the resources needed to run that number of projects concurrently and due to the need to prioritise the delivery of the busiest vehicles first. The 19 vehicles predicted not to be replaced by October 2021 are as follows; 3 x Fire Rescue Units, 2 x Command Support Units, 1 x Detection Identification & Monitoring Units, 4 x Bulk Foam & Heavy Distribution Units and 9 x Operational Support units. These vehicles account for an average of 2,400 blue light journeys per year and are used much more widely on a day to day basis, so the ULEZ charges after October 2021 could amount to well in excess of £300,000 for these vehicles. At the time this matter was discussed at the Deputy Mayor's Fire and Resilience Board in January 2021, LFB agreed to request an additional three-month extension from Transport for London to the deadline for the 19 vehicles that are not anticipated to be delivered by October 2021.

4.18. Restrictions put in place as a result of the COVID-19 outbreak in the UK and Europe are expected to remain in place for the foreseeable future and are likely to impact the current estimated delivery dates to LFB. At the time of writing the supplier of a number of our replacements vehicles has closed its factory for two weeks. LFB is communicating with its supply chain on a daily basis and will assess the situation once the pandemic is over and/or restrictions are modified; LFB intend to mitigate the impact of COVID-19 as much as possible and update all key stakeholders on a revised timeline for each vehicle workstream accordingly. The result of a two-week delay would not be significant; a longer delay, however, is likely to mean the number of vehicles in the LFB fleet not meeting the ULEZ requirements will be greater than the 19. LFB officers have discussed the potential impact of COVID-19 on supply chains with the GLA's Air Quality Team, and this issue will be kept under review.

4.19. As mentioned in paragraph 2.23, there are also 2 x Detection, Identification & Monitoring (DIM) vehicles on the fleet that belong to the Home Office, they are not currently planning to renew these prior to the October 2021 ULEZ deadline. In addition to this, there are 25 x Urban Search and Rescue (USAR) Prime Movers on the fleet that belong to the Home Office and again they are not currently planning to renew these prior to the October 2021 ULEZ deadline. The LFB understands that perhaps with the exception of the two DIM units, the Home Office do not intend to start to look at renewing these vehicles until 2024. The LFB has been in discussions with the Home Office to try to progress this matter and will continue with those discussions.

4.20. The LFB recognises that the future 2030 emissions targets will also be challenging for it to achieve, with the latest estimates for electric vehicles and the required infrastructure to support them ranging up to an additional £108 million to be spent up to six years earlier than the normal lifing programme under the capital spend budget. If fossil free fuels are readily available at that point, that will present

us with a much more viable option financially, but at this stage it is unknown as to whether these fuels will be sufficiently developed or available at that time. Therefore, the LFB needs to highlight this issue as a potential future risk.

Lead times

4.21. It is anticipated that each heavy vehicle workstream will take 18 to 24 months from project initiation, to delivery.

4.22. Throughout the end of 2019/20 and into 2020/21, COVID-19 started to have an impact on existing workstreams. Babcock have issued LFB with an early warning notice advising that the Government restrictions in the UK could impact current estimated delivery dates to LFB. This will also have an impact on the heavy vehicles within this report, however the extent of which is unknown.

4.23. For the Hose Layer Units, Bulk Foam Units, Heavy Distribution Units, Operational Support Units and London Resilience Lorries, as the replacements for these vehicles are reasonably standard lorries with bespoke conversions and livery, delivery could be sooner, depending on supplier stock availability and ability of Babcock to overcome the issues raised in paragraph 4.17 which may affect the speed of these projects.

5. Financial comments

5.1 This decision seeks approval for capital expenditure of up to £15,218k, based on the estimated costs set out above. Any significant variances in costs as part of the tender process or other changes, above £150k will be subject to further formal approval.

5.2 The original total estimated capital costs for all Fleet vehicles included in this report was £11,900k. This has increased to £15,218k. The increase of £3,318k relates to £1,934k additional costs after the tender process for the FRUs and £1,384k for a 10% contingency on all vehicle estimates to cover change requests and modifications. The revised capital budgets include £14,318k budget for these costs as the budget allocations. The £900k increase relates to additional costs of the Command Support Unit Vehicles which includes £500k for IT hardware and £400k additional cost for the purchase of electric vehicles.

5.3 As these vehicles are part of the front-line service, with the plans for their replacement well developed, it is not possible to change the requirements to remain within the current capital budget allocated. However future changes to other capital projects will be subject to scrutiny to determine whether they can be contained within the overall capital programme.

5.4 If the total expenditure of £15,218k is funded from external borrowing, the l debt charges will be £1,725k per annum. The minimum revenue provision for the repayment of principal is based on a 12-year asset life which is £1,268k per annum and the interest cost will be £457k per annum based on a rate of 3%.

5.5 The 2020/21 approved revenue budget included the capital debt charges for the £11,900k original capital budget. The additional debt charges as a result of the increase in the proposed expenditure of £3,318k, assuming all the additional funding including the contingency was required, are £376k per annum. The minimum revenue provision for the repayment of principal is based on a 12-year asset life which is £277k per annum and the interest cost will be £99k per annum based on a rate of 3%. These costs would need to be taken into account as part of the 2021/20 budget process if approved.

5.6 The original capital budget was included within LFC's 2020/21 Capital Strategy submission to the Mayor in November 2019 and is included in the March budget report for the 2020/21 capital budgets. The changes included in this report will need to be reflected in the capital and revenue budgets in 2020/21 onwards.

5.7 The associated costs for infrastructure changes and training in relation to the purchase of electric Command Support Unit vehicles are not included in this report and would need to be considered as part of the overall scheme costs.

5.8 The report also notes that the addition of one new Operational Support Unit to the fleet will increase annual maintenance costs by £16k. This additional pressure will be included as part of the budget process for future years. The maintenance costs for the other vehicle replacements set out in this paper will be contained within existing budgets.

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".

6.4 The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to place orders with Babcock Emergency Services for LFB Specialist Heavy Fleet Vehicles identified in this report.

6.5 The statutory basis for the actions proposed in this report is provided by section 7 (2)(a) of the Fire and Rescue Services Act 2004, under which the Commissioner must secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting.

6.6 Furthermore, under section 7 (2)(b) of the aforementioned Act the Commissioner must secure the provision of training for personnel.

6.7 The General Counsel also notes that the proposed procurement under the vehicles and equipment contract with Babcock Emergency Services is within the scope of services provided under that contract and is in compliance with the Public Contracts Regulations 2015.

Appendices and supporting papers:

1. Report LFC-0284y LFB Specialist Heavy Fleet Vehicles Replacement

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:

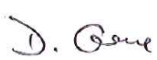
Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

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 27 April 2020. On 1 June 2020, amendments throughout the decision form were agreed following discussion between the Executive Director, Resources and LFB officers.	

EXECUTIVE DIRECTOR, RESOURCES:
I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date
1 June 2020