

Report title

Procurement of Replacement Aerial Appliances

Report to
Commissioner's Board

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Report by
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LFC-0082

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Summary

The Brigade's fleet of aerial appliances have come to the end of their serviceable life and require replacing. A review has been undertaken and determined that the Brigade would be best served by a fleet of turntable ladders. This report details the broad requirements, the procurement process and makes recommendations as to the replacement aerial appliances to be procured.

Recommended decisions

The Assistant Director Technical and Commercial be authorised by the London Fire Commissioner to place orders under the vehicles and equipment contract with Babcock Emergency Services for:

1. The replacement of the fleet of 15 aerial appliances for a sum not exceeding that contained in confidential appendix A. This is to be made up of three extended range turntable ladders and twelve standard range turntable ladders, with each of these twelve having an articulated section of ladder and specialist detachable items for bariatric rescue, multi-person working at height safety restraint and fire fighting hose aloft attachment.
2. A supplemental provision for a sum not exceeding that contained in confidential appendix A, for on-going maintenance and repair for the three extended range aerial appliances.

Background

1. The Brigade's fleet of aerial appliances have come to the end of their serviceable life and require replacing. A review and comparative trials have been undertaken and determined that the Brigade would be better served by a fleet of turntable ladders.
2. The LFEPA Resources Committee gave approval (FEP2763 – July 2017) for three extended range aerial appliances as part of the aerial replacement programme. As reported to the Resources Committee (FEP2778 - September 2017), that entailed the procurement process for the replacement of aerial appliances being stopped whilst officers completed a review of the LFB aerial appliance capability requirements in line with the aims set out in FEP2763 (July 2017).

3. That review identified that the required operational capability enhancements could be provided by three extended range aerial appliances forming part of the replacement of the overall fleet of 15 aerial appliances.
4. The Metropolitan Grand Lodge of London have also made an offer of a significant financial donation to support the procurement of two of the three extended range aerial appliances. The Freemasons have set a target to raise £2,500k for this purpose.
5. Approval had originally been given (FEP2650 – September 2016) to replace all fifteen aerial appliances with a single type. The purpose of this being to simplify the operation, operator skills requirements and maintenance for this fleet of appliances.
6. Subsequently approval was given (FEP2763 – July 2017) for three of the fifteen to be extended range aerial appliances.
7. The Metropolitan Grand Lodge of London's proposed donation to purchase two of the extended reach aerial appliances and has set a target to raise £2,500k for that purpose. FEP2763 (July 2017) agreed a supplemental provision for on-going maintenance and repair for the 3 extended range aerial appliances. More detailed analysis has subsequently been undertaken in relation to the specific revenue budget requirement and officers are now confident that the figure contained within confidential appendix A should be sufficient to cover the additional service and maintenance costs of all three extended aerial appliances.

Competitive Tendering Process

8. An operational requirements specification was submitted to Babcock and they subsequently worked with LFB Technical and Service Support managers to review and determine the Brigade's key operational requirements for aerial appliances, which included the following;
 - Proven reliability and durability;
 - A consolidated skill set for all aerial operators and aerial appliances
 - Quick and agile system of aerial operation
 - Compact design so that appliances that will fit in the Brigade's fire station appliances bays and are able to negotiate the congested roads of London
 - Head of the ladder and cage stability when extended
9. The generic term of "aerial appliances" is used when referring to these appliances, but specifically the assessments found that in our current fleet, the key requirements could only be met by turntable ladder (TL) appliances and that the future aerial control functions would need to be of a common functional type.
10. The assessments also found that only two manufacturers had designs that could meet the key requirements and that all fifteen should be supplied from one manufacture with a common operating system.
11. Babcock drew up a suitable competitive procurement process and agreed an evaluation process with LFB officers before going out to tender.
12. Subsequently, tenders were sought by Babcock. The tender applicants were invited to include twelve standard range and three extended range aerial appliances to be tendered for in single bids for all fifteen appliances.
13. The standard range TL appliances were required to be the same specification as set out for the original procurement process that was stopped. The section of the tenders for the three

extended range TL appliances invited applicants to meet a new specification to match LFB's additional operational requirements.

14. The tenders for both standard and extended range types have been systematically evaluated by project officers from LFB and Babcock, in order to establish the best single supplier solution. The headline results of this evaluation can be seen in confidential appendix A.
15. The Commissioner is requested to approve that the Assistant Director Technical and Commercial be authorised to accept the most advantageous tender and place orders for fifteen replacement aerial appliances.

Training

16. The introduction of these appliances will require additional training for the appropriately skilled staff, though for the standard range aerials this should only be limited to familiarisation sessions.
17. The operators of the extended range aerials will require further training due to the greater height and the differing driving characteristics of these larger and heavier appliances.
18. Early engagement will take place with the Brigades training and development department.

Finance comments

19. The finance comments are contained within confidential appendix A.

Workforce comments

20. There does not appear to be any requirement for industrial relations consultation on the issues raised within this report. Any discussion with the trade unions on new equipment, and new training requirements, takes place in the health and safety arena.
21. There has already been an informal comment from the FBU stating that a minority of TL qualified staff are slightly anxious about operating the extended reach appliances. However, officers involved in this procurement process have themselves experienced travelling to the full extension of these types of appliances in operation and they are confident that the natural concerns of the small number of staff will quickly be overcome once they have had that first experience themselves.

Legal comments

22. 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.
23. 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").
24. 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...".

25. The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to place orders with Babcock Emergency Services for the aerial appliances.
26. 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.
27. Furthermore, under section 7 (2)(b) of the aforementioned Act the Commissioner must secure the provision of training for personnel.
28. 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 the contract and is in compliance with the Public Contracts Regulations 2015.

Sustainability implications

29. All of these new appliances will be fitted with a Euro 6 engine, which achieves ULEZ compliance and compliance with the Memorandum of Understanding between Transport for London and LFC.
30. The vehicle life would normally be 12 to 13 years, so the timing of these replacement vehicles will mean that achieving the London Environment Strategy target for HGVs to be zero emission capable or fossil fuel free from 2030, may only be achieved by early renewal towards 2030 or the use of drop in fuels if available.

Equalities implications

31. 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.
32. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
33. The equality impact assessment indicates that the proposals in this report will not have a disproportionately adverse effect on any persons with a particular characteristic.

List of Appendices

Appendix	Title	Protective Marking
1.	Tender evaluation results In commercial confidence.	Confidential

Consultation

[Note: this section is for internal reference only – consultation information for public consideration should be included within the body of the report]

Name/role	Method consulted
Adrian Bloomfield/Michelle Gooch (Finance)	e-mail & DMB & face to face.
Tim Powell & Dominic Johnson (People Services)	e-mail & DMB
Jonathan Reid (Contract Management)	e-mail
Miles Smith/Michele Rolfe (Legal)	e-mail & DMB
Nicole Fletcher (Sustainability)	e-mail
Paul Davis (Equalities implications)	e-mail

Tender evaluation results		RV 055B Aerial Consolidation Evaluation summary				Diff E1 to RB
	Overall Weighting %	Emergency One Magirus		Rosenbauer UK Metz		
		Section Score - 100 max	Weighted Evaluation Score	Section Score - 100 max	Weighted Evaluation Score	
Supplier Communication	PASS / FAIL	Pass	N/A	Pass	N/A	
NDA declaration	PASS / FAIL	Pass	N/A	Pass	N/A	
Executive Summary	INFORMATION	N/A	N/A	N/A	N/A	
Corporate Organisation	1.00	88.00	0.88	76.00	0.76	0.12
Financial Stability of Organisation	PASS / FAIL	Pass	N/A	Pass	N/A	
Corporate Social Responsibility	2.00	84.00	1.68	82.00	1.64	0.04
Technical Specification	56.00	74.48	41.71	65.84	36.87	4.83
Business Continuity Plan	3.00	80.00	2.40	68.00	2.04	0.36
Contract T&Cs	PASS / FAIL	Pass	N/A	Pass	N/A	
Insurances	PASS / FAIL	Pass	N/A	Pass	N/A	
Contract Management / Project Management	5.00	80.00	4.00	80.00	4.00	0.00
Price	28.00	93.88	26.29	98.00	27.44	-1.15
Warranty	3.00	78.75	2.36	63.75	1.91	0.45
Training	2.00	85.00	1.70	70.00	1.40	0.30
UK Distribution / Licence Agreements	PASS / FAIL	Pass	N/A	Pass	N/A	
Continuous Improvement	INFORMATION	N/A	N/A	N/A	N/A	
Hard Copies	INFORMATION	N/A	N/A	N/A	N/A	
TOTAL SCORE	100.00		81.02		76.07	4.95
No of Section Score Fail Items		0		0		

Volume Split Input Here	No.
Standard Range	12
Extended Range	3

1. Following a competitive tendering process, Babcock have negotiated the best and final offer with the vehicle provider "Emergency One" for the pricing of all fifteen aerial appliances, to include twelve standard reach TL's at £617,228.33 each and three extended reach TL's at £1,061,900 each. These prices combine to a total sum of £10,592,440, for Magirus turntable ladders on Scania chassis.
2. Therefore, it is recommended that the Freemasons be advised that the actual costs of the two extended reach aerial appliances is £1,061,900 each, representing a total cost of £2,123,800 for the two appliances they wish to provide the donation for.
3. A supplemental provision of £150k per year is anticipated for on-going maintenance and repair for the 3 extended range aerial appliances.

Finance comments

4. This report requests the approval for the replacement of the fleet of 15 aerial appliances at a cost not exceeding £10,592k, with a revenue provision of £150k per annum for on-going maintenance and repair.
5. The original capital budget for the purchase of these items was £14,800k resulting in an overall saving of £4,208k which is reduced by the reduction in the donation from the London Freemasons to a net saving of £3,832k. The net cost of the purchase is £8,469k, after taking into account the London Freemasons donation of £2,123k and based on a useful life of 15 years, the annual revenue debt charges will be £819k, being £565k for the repayment of borrowing and £254k in interest payments at a projected rate of 3%.
6. The additional on-going maintenance and repair cost of £150k is included in the Medium Term Plan.