

## REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD90

### **Title: Provision of Layflat Hose**

#### **Executive Summary:**

This report recommends the Deputy Mayor for Fire and Resilience to give approval for the London Fire Commissioner (LFC) to award a six-year contract to Angus Fire Limited for the provision of layflat hose of various diameters and lengths for fire-fighting purposes, with a value of up to £600,000.

The proposed contract award will ensure layflat hose is provided whilst achieving best value for money for the LFC.

The tender evaluation process considered quality, price, delivery and customer service, sustainability and social value. Product samples for goods used operationally were also subject to further testing by the LFC's Scientific Services provider, Bureau Veritas, for abrasion resistance, accelerated ageing and coupling pull tests and scored accordingly.

#### **Decision:**

That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to incur expenditure of up to £600,000 for the provision of layflat hose by awarding a six-year contract to Angus Fire Limited.

#### **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:**

19 October 2020

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

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

#### **1. Background**

- 1.1. Report LFC-0407 explains that the London Fire Commissioner (LFC) has an ongoing requirement for layflat hose in various diameters as a fundamental part of its core firefighting activity and for firefighter safety. 45mm and 70mm layflat hose is carried on front line fire engines and will be deployed at most incidents where firefighters actively fight fire. 90mm layflat hose is carried on Hose Layer Units and is deployed at larger incidents where larger volumes of water are required to extinguish larger fires. Currently the LFC has a total of approximately 100km of layflat hose.
- 1.2. All hose to be purchased is compliant with BS 6391:2009, the British Standard for non-percolating layflat delivery hoses and hose assemblies for firefighting purposes.
- 1.3. Following a suggestion by a London Fire Brigade (LFB) member of staff relating to improved visibility (particularly at night), and in consultation with the LFB's Inclusion Team for ease of accessibility and ability to see the hose quickly and clearly, the decision was taken by the LFB's Operational Policy and Assurance Department that all future hose will be changed from red to yellow in colour.
- 1.4. The current contract is with Angus Fire Limited and expires on 31 October 2020. The LFC's current stock of hose is serviced and maintained by a dedicated team of hose and line technicians in the LFB Operational Support Group. New hose is ordered from Angus Fire Ltd as and when it becomes unserviceable. The new contract seeks to maintain that approach.

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

##### *Options*

- 2.1. A route to market analysis was undertaken. However, this being a niche requirement in the wider market meant that alternative routes other than the collaborative Yorkshire Procurement Organisation (YPO) Framework No. 865 'Emergency Response and Rescue Equipment' Lot 11 ('Hoses and Hose Testing, Nozzles and Branches') (YPO Framework) which was utilised previously for the procurement of the last contract, were limited. The YPO is a publicly owned central purchasing body based in Wakefield, Yorkshire. It is owned and governed by a consortium of county, metropolitan and borough councils in Yorkshire and the North West England. It provides a wide range of resources and services to schools, councils, charities, emergency services, and other public sector organisations and is one of the largest formally constituted public sector buying organisation in the UK. The only other option would have been to instigate a separate OJEU procurement which would have been considerably more time and labour-intensive and would not necessarily have yielded any better results than the existing YPO Framework, which, as it is used by many other fire and rescue services in the UK, was assessed as likely to offer the best value.
- 2.2. No GLA or Crown and Commercial Services (CCS) Framework was available, (the CCS is the biggest public procurement organisation in the UK, sponsored by the Cabinet Office), however the YPO Framework was available for use and allowed a further competition between nine suppliers on that framework. This was considered the best option as it provided a route which allowed the LFC's individual requirement to be competitively tendered and for further value to be sought through suppliers not only competing on price but on the quality of the service wrap, which includes delivery, availability, customer service provision and the potential for take-back at end-of-life.
- 2.3. The YPO Framework has been utilised by five other UK fire and rescue services since its award in July 2018, and a further three are currently accessing it to begin their own further competitions. It is therefore widely used and attracts high quality suppliers and competitive pricing.

## *Procurement*

- 2.4. A competition under the YPO Framework was conducted, inviting the following 9 suppliers:
- Angloco Limited
  - Angus Fire Limited
  - ARCO Limited
  - Clan Tools & Plant Limited
  - Delta Fire Limited
  - Fire Hosetech Limited
  - Premier Hose Technologies Limited
  - Terberg DTS (UK) Limited
  - Typhoon International
- 2.5. On 03 April 2020 procurement initiation consent was granted to commence the procurement. The current specification was reviewed and amended by the LFB Protective Equipment Group (PEG), Sustainability and Procurement to make it fit for purpose prior to going to the market.

## *Procurement Results*

- 2.6. On 24 April 2020 Invitations to Tender documentation packs were advertised through the LFB's e-procurement system to the 9 framework suppliers. A tender deadline of 15 May 2020 was set.
- 2.7. Three suppliers submitted tenders (Angloco Ltd, Delta Fire Ltd and Angus Fire Ltd). The tender responses were evaluated by LFB's Procurement and the PEG as lead client. Additionally, product samples of the three diameters of hose required were rigorously tested by the LFB's Scientific Services provider, Bureau Veritas, to ensure they were fit for purpose.
- 2.8. The results of the evaluation are as follows:

Criteria	Item	Section Weighting	Angloco Ltd	Delta Fire Ltd	Angus Fire Ltd
Price	Based on a Total Weighted Basket Price of Goods	30%	24%	30%	26%
Quality (testing of samples)	Abrasion Resistance	15%	7%	5%	15%
	Accelerated Ageing	10%	5%	3%	10%
	Coupling Pull Tests	15%	9%	7%	11%
Delivery & Customer Service	Delivery (procedures from receipt of order, including standard and expedited delivery timescales to our warehouse)	5%	3%	5%	4%
	Availability of Hose (stock holding capacity and confirmation of availability of the Commissioner's estimated quantities of the different types of hose, including details of all stock holding facilities)	10%	7%	8%	6%

	which would be used for the Contract)				
	Contract Management (Proposal for how the Contract will be managed, including details of the proposed Contract Manager and the proposed review and monitoring procedures which will be adopted)	5%	3%	5%	4%
Sustainability/Social Value	Tenderers were required to provide a method statement setting out how they intended to manage socio-economic and environmental impacts associated with the delivery of the product/services.	10%	5%	4%	8%
TOTAL		100%	63%	67%	84%

2.9. The Price Evaluation was based on an annual basket of the three hose sizes, which was representative of typical historic usage rates as below.

Hose Size	Qty	Angloco	Basket Price	Delta Fire	Basket Price	Angus Fire	Basket Price
90mm Hose	50	£273.55	£13,677.50	£245.70	£12,285.00	£228.00	£11,400.00
70mm Hose	500	£140.29	£70,145.00	£110.50	£55,250.00	£133.80	£66,900.00
45mm Hose	200	£93.95	£18,790.00	£72.50	£14,500.00	£80.55	£16,110.00
			<b>£102,612.50</b>				<b>£94,410.00</b>

2.10. Price was evaluated on the basis of awarding the full percentage points available for each criterion to the lowest priced bid. A percentage score proportionate to the lowest price was awarded to the other tendered prices using the following calculation:

$$\frac{\text{Lowest Tender price}}{\text{Tender price}} \times \text{price criteria weighting} = \% \text{ Score}$$

Price Weighting: **30%**

<b>Angloco</b>	<b>24%</b>
<b>Delta Fire</b>	<b>30%</b>
<b>Angus Fire</b>	<b>26%</b>

**Compared to current pricing, the new prices are as follows:**

Hose Size	Current Price Per Each	New Price Per Each
45mm x 23m	£81.88	£80.55
70mm x 23m	£120.98	£133.80
90mm x 30m	£216.60	£228.25

2.11. Following the completion of this procurement exercise, it is recommended that this contract be awarded to Angus Fire. This will convey the following benefits:

1. consistency of supply arrangements since Angus Fire are the current incumbent, therefore no requirement to upskill or to mobilise on either side;

2. improved evidence of sustainability and social value as shown in the Sustainability Comments below;
3. layflat hoses which performed considerably better than the other samples as verified by Bureau Veritas;
4. competitive pricing which is slightly higher than the current/previous contract pricing for 90mm and 70mm hose, but slightly lower on the 45mm hose as per above chart; and
5. hoses are now yellow, making them easier to see, particularly at night.

### **3. Equality comments**

- 3.1. The LFC and decision takers are required to have due regard to the Public Sector Equality Duty (s149 of the Equality Act 2010) when exercising our functions and taking decisions.
- 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 us, in the exercise of all LFC functions (i.e. everything the LFC does), to have due regard to the need to:
  - a) eliminate discrimination, harassment and victimisation and other prohibited conduct;
  - b) advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it; and
  - c) 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:
  - a) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic;
  - b) 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; and
  - c) 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:
  - a) tackle prejudice; and
  - b) promote understanding.

- 3.8. An Equality Impact Assessment (EIA) was undertaken on 13 August 2020. The EIA found there to be no adverse impacts in any area or on any particular group.

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

##### *Sustainability*

- 4.1. In line with requirements for contracts over £100,000 to include a 10% evaluation weighting at tender stage to address the sustainability implications, in consultation with LFB's Sustainable Procurement Team, tenderers were asked to provide a method statement setting out how they intended to manage socio-economic and environmental impacts associated with the delivery of layflat hose with examples given of:
- waste (e.g. recycled content, any take back and reuse/recycling schemes, reduction of packaging, avoidance of single-use plastics);
  - transport (e.g. deliveries in low emission vehicles, delivery out of peak hours);
  - skills and employment opportunities with the Supplier, or support for related activities within the wider community; and
  - support for disadvantaged groups (e.g. social enterprise partnership).
- 4.2. Angus Fire scored higher against the Sustainability criteria than the other bidders. Comments from the Sustainable Procurement Team were as follows:
- evidence of ISO14001 Certification was provided;
  - assurance by signature of compliance to the ETI (Ethical Trading Initiative) Base Code was provided;
  - Angus Fire has a comprehensive Equality and Diversity policy;
  - Angus Fire outlined a range of initiatives to reduce waste, including innovation work in development;
  - apprenticeship plans and educational support was detailed in the response; and
  - reference in the response to local charities and initiatives which were supported.

#### **5. Financial comments**

- 5.1 Report LFC-0407 seeks approval to award a six-year contract for the Provision of layflat hose of various diameters and lengths for fire-fighting purposes from 1 November 2020. The cost of the contract is dependent on the actual quantity of hose purchased. However, the overall cost is based on an anticipated annual cost of just over £94,000 as referenced in the Price Evaluation showing the annual basket price, which is largely in line with previous expenditure, being only around £10,000 per year more at maximum anticipated usage rates. This additional spend will be contained within the existing Protection Equipment Group budget which in 2020/21 is £164k.

#### **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 Deputy Mayor's approval will be required for the Commissioner when it comes to any new procurement of layflat hose equipment.
- 6.5. The statutory basis for the actions proposed in this report is proposed 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. The General Counsel also notes that the proposed procurement is in compliance with the Public Contracts Regulations 2015.

**Appendices and supporting papers:**

Appendix 1 - LFC-0407– The Provision of Layflat Hose (BS 6931:2009) of Various Diameters and Lengths for Firefighting Purposes (6633)

**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? Yes**

If YES, for what reason: The commercial interests of the London Fire Commissioner require deferral of the decision until after the cooling off period for the contract award has expired.

Until what date: 1 December 2020

**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.

✓

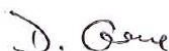
**Corporate Investment Board**

This decision was agreed by the Corporate Investment Board on 19 October 2020.

**EXECUTIVE DIRECTOR, RESOURCES:**

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

**Signature**



**Date**

29 October 2020