

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD9

Title: Fire Appliance Replacement Programme – Third Batch

Executive Summary:

The London Fire Commissioner is delivering an on-going project to replace the pumping appliance fleet of vehicles. This report therefore seeks approval for the third batch of 62 appliances to be procured for reasons of age replacement and so as to comply with the Ultra Low Emission Zone (ULEZ) vehicle emission requirements, including the Memorandum of Understanding (MoU) with Transport for London (TfL).

The London Fire Commissioner Governance Direction 2018 sets out, at Part 2, para 2.1(b), a requirement for the London Fire Commissioner to seek prior consent from the Deputy Mayor for Fire before '*[a] commitment to expenditure (capital or revenue) of £150,000 or above...*'.

This decision seeks prior approval of the Deputy Mayor for the London Fire Commissioner to procure a third batch of appliances from Babcock Critical Services for £15,324,223.80.

Decision:

The Deputy Mayor for Fire and Resilience gives consent to the London Fire Commissioner to:

Place orders with Babcock Critical Services (Babcock) to procure a third batch of sixty-two replacement pumping appliances for £15,324,223.80.

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:

13/08/18

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

Decision required – supporting report

1. Introduction and background

- 1.1. For reasons of age replacement and so as to comply with the Ultra Low Emission Zone (ULEZ) vehicle emission requirements – including the Memorandum of Understanding (MoU) with Transport for London (TfL) – the London Fire Brigade (LFB) fleet replacement programme includes a project to replace all 188 pumping appliances. This was split into three batches of: 53 in batch one, 73 in batch two, and 62 in batch three.
- 1.2. Batch one was completed with all 53 appliances delivered by the end of 2017. The batch two deliveries are on-going, with 19 of the 73 appliances successfully delivered and the remaining appliance deliveries due to be completed by August 2019.
- 1.3. Babcock's original tender and supply contract with Emergency One Ltd was for batches one and two, leaving the option for the third batch via a supply contract variation between Babcock and Emergency One Ltd for a further 62 new replacement pumping appliances.

Future Option

- 1.4. In relation to procuring the third batch of replacement pumping appliances, at the end of April 2018, Babcock informed LFB of their preferred option, this being a contiguous delivery to be dealt with commercially via change control note to their existing contract with Emergency One Ltd. This was then to supply 62 further new pumping appliances to the same specification as the batch two appliances. They were also looking to hold the price on the cab conversion and at that time, the Mercedes chassis price needed to be confirmed.
- 1.5. LFB's Fleet, Procurement and General Counsel's departments have reviewed Babcock's proposal and agree that Babcock's proposed preferred option is an acceptable procurement process to deliver Batch 3 as set out within the terms and scope of the overarching Vehicles and Equipment Contract. Subsequently, Babcock were informed that an assured price confirmation was required before a decision could be made.
- 1.6. On 27 June 2018, Babcock confirmed to officers that the batch three appliances would be manufactured to the same specification as the batch two new pumping appliances and at the 2017 purchase price of £243,218.02.
- 1.7. However, as batch one and two have had additional modifications requested and paid for by LFB, Babcock have advised that these modifications for batch three can be undertaken prior to delivery, but that this will take the price up to £247,164.90 per appliance. The costs of these modifications have already been included in the capital budget.

2. Objectives and expected outcomes

- 2.1. The preferred option to supply the 62 further new pumping appliances, a contiguous delivery to be dealt with commercially via change control note contract between Babcock and Emergency One Ltd, provides the following significant advantages to LFB:
 - Assurance that the whole pumping appliance fleet will be replaced with EURO VI engined ULEZ compliant vehicles within the timescales of the MoU with TfL and supports LFB's emissions reduction targets. It is anticipated that this proposal would see the 62 appliances in batch three delivered by the end of December 2020, giving a comfortable nine months to protect against any potential slippage in delivery affecting LFB's ability to comply with the ULEZ MoU.

- All structured operator familiarisation for the Series 3 pumping appliances will be completed within the batch two rollout, so no further familiarisation sessions will be required for batch three.
- Consolidated specification across the whole pumping appliance fleet, needing no additional operator training, simplifies and reduces future training needs across all firefighters.
- Known, proven and acceptable performance, capabilities and design across the whole pumping appliance fleet achieves consistency for managing future pumping appliance issues.
- Purchase prices held at 2017 batch two levels provides good value for money for LFB and the value is factored into the Brigade's capital programme.
- Achieves the replacement of the pumping appliance fleet in line with their lifing policy of 12 years. It also releases overstretched engineering resources in both LFB and Babcock to concentrate on other vehicle replacement projects.
- Avoids any expensive short-lived modifications to existing pumping appliances for ULEZ compliance,
- Provides consistent repair and maintenance requirements, making the best use of maintenance staff experience and reducing their future training requirements.

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. No impacts have been identified.

4. Other considerations

- 4.1. None.

5. Financial comments

- 5.1. The total expenditure has been incorporated into the Commissioner's capital programme budget and is to be funded through sums available to the Commissioner. There are no direct financial implications for the GLA.

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. This decision seeks the Deputy Mayor's approval for the Commissioner to the London Fire Commissioner to place orders with Babcock Critical Services (Babcock) to procure a third batch of sixty-two replacement pumping appliances for £15,324,223.80.

Appendices and supporting papers:

Appendix 1- LFC 0053- Pumping Appliances Replacement Project- third batch

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

Andrew Nathan 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 13 August 2018.

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Ellis

Date

13.8.18

