

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE & RESILIENCE DECISION – DMFD29

Title: Fuel Cards and Associated Services: Contract Award

Executive Summary:

Report LFC-0167 to the London Fire Commissioner seeks approval to award a five-year contract with a value of circa £6.5 million for the fuel cards and associated services to Allstar Business Solutions under the 'CCS Commercial Agreement RM6000 – Fuel Card and Associated Services'.

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:

Consents to the commitment of £6.5 million by the London Fire Commissioner for the award of a fuel card and associated services contract with Allstar Business Solutions.

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:

10/6/19

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

Decision required – supporting report

1. Introduction and background

- 1.1. Provision of fuel cards allows operational staff easy access to payment services for the purchase of fuel for any type of vehicles at petrol stations open to the public. It ensures operational staff have easy and convenient access to fuel without using the 37 strategic reserve tanks at fire stations, which are required in the event of fuel not being easily accessible.
- 1.2. The spend on the contract over the last five years was £5.3 million, however the last 12-month spend was £1.3 million. Based on this spend-level, the future five-year cost is projected to be £6.5 million. The actual spend under the contract each year will be variable as it will depend on vehicle use and inflation. Primarily, this cost is made up of the actual fuel cost and in past contracts a small proportion of the cost is the fee to use the service.
- 1.3. Report LFC-0167 to the London Fire Commissioner sought approval to award a five-year contract for fuel cards and associated services. The Commissioner's Board have considered and recommended the proposal to the Commissioner, who has indicated in-principle support pending prior consent to spend from the Deputy Mayor. The Deputy Mayor for Fire and Resilience also considered the proposals to the Commissioner in report LFC-0167 at her Fire and Resilience Board on 14 May 2019 and indicated her support.

2. Objectives and expected outcomes

- 2.1. The London Fire Commissioner procured a demand-led five-year contract, for the provision of fuel cards and associated services. The proposed fuel card service to the London Fire Commissioner includes a 'service wrap' to provide a complete back-up service including security monitoring, card replacement and the provision of online management information.
- 2.2. Using historic data and applying the new contract pricing structure it is estimated that an annual saving of £2437 on diesel fuel could be achieved based on current use. The reduction in card fees would also deliver an estimated £600 per year saving. However, it should be noted that the cost of fuel exceeded the budget by £0.1m in 2018/19 and as a result additional funding will be requested as part of the budget process for 2020/21.

3. Equality comments

- 3.1. The Public Sector Equality Duty applies to the London Fire Commissioner and the Deputy Mayor for Fire and Resilience when they make decisions. The duty requires them 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.
- 3.2. 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).

- 3.3. 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 at the Fire and Resilience Board on 14 May 2019). The equality impact assessment performed for this decision indicates that the proposals in this report will not have a disproportionately adverse effect on any persons with a particular characteristic. Further, the Commissioner and Deputy Mayor have considered the opportunities to advance equality of opportunity and foster good relations in the community; no further actions are required.
- 3.4. The framework RM6000 'Provision of Fuel cards and Associated Services' includes requirements which specifically address equality and diversity and will form part of the contract with the supplier. These require the Supplier to:
 - a) perform its obligations under this Framework Agreement (including those in relation to the provision of the Services) in accordance with:
 - i. all applicable equality Law (whether in relation to race, sex, gender reassignment, religion or belief, disability, sexual orientation, pregnancy, maternity, age or otherwise); and
 - ii. any other requirements and instructions which the Authority reasonably imposes in connection with any equality obligations imposed on the Authority at any time under applicable equality Law;
 - b) take all necessary steps, and inform the Authority of the steps taken, to prevent unlawful discrimination designated as such by any court or tribunal, or the Equality and Human Rights Commission or (any successor organisation).

4. Other considerations

Procurement and Sustainability

- 4.1. A joint mini competition was undertaken calling off from the Crown Commercial Services (CCS) framework RM6000 Provision of fuel cards and associated services. LFC will be completing a Call Off Order Form in accordance with the provisions of the Framework Agreement for the provision of Emergency Services Fuel Cards. Surrey and Sussex Police Constabularies acted as the Lead Customer and Crown Commercial Services conducted the procurement event on behalf of those who had provided their specification.
- 4.2. Crown Commercial Services (CCS) Award Recommendation Report (attached as Appendix 1 in report LFC-0167) provides details of the procurement and evaluation process conducted by CCS on behalf of Surrey and Sussex Police Constabularies who represent UK Police Authorities, Fire and Rescue Services and UK Ambulance Services. This is the first occasion whereby all emergency services are procuring their needs in an aggregated manner.

Strategic drivers

- 4.3. Page 54 of the London Safety Plan says: "*The Brigade will look to explore the potential for other shared service arrangements to ensure that the Brigade offers the best value for money to the public.*". This commitment addresses both the Mayor's priorities for London-wide collaboration within the Greater London Authority Group wherever appropriate. It also addresses the requirement upon the London Fire Commissioner from the statutory duty upon the Commissioner from the Policing and Crime Act 2017, cited in the National Framework for the Fire and Rescue Service in England, to:
 - a) keep collaboration opportunities under review;

- b) notify other emergency services of proposed collaborations that could be in the interests of their mutual efficiency or effectiveness; and
- c) give effect to a proposed collaboration where the proposed parties agree that it would be in the interests of their efficiency or effectiveness and that it does not have an adverse effect on public safety.

4.4. The proposal to the Commissioner in report LFC-0167 delivers upon these strategic drivers.

5. Financial comments

5.1. Report LFC-0167 to the London Fire Commissioner recommends the award of a five-year contract for the provision of Fuel Cards and Associated Services. The report notes that spend on this service over the last five years was £5.3 million and that the annual contract spend going forwards will depend on vehicle use and inflation. For 2018/19 the annual budget for this was £1.2million with an outturn spend of £1.3 million. The budget provision for this will be considered as part of the budget process for 2020/21 to assess any inflationary requirements. The expenditure 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. The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to purchase Fuel cards and Associated Services for the value of £6.5 million.
- 6.5. The Commissioner's General Counsel has reviewed this report and notes that the arrangement proposed is consistent with the Commissioner's power under section 5A of the Fire and Rescue Services Act 2004 to do anything it considers appropriate for the purposes of the carrying-out of any of its functions.
- 6.6. Furthermore, under section 7 (2)(a) of the aforementioned legislation, the Commissioner has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting.
- 6.7. The General Counsel also notes that the proposed service has been procured in compliance with the Public Contracts Regulations 2015. The Crown Commercial Service have conducted a compliant OJEU procurement in accordance with section 33 of the Public Contracts Regulations 2015 to set up CCS framework RM6000 for the provision of Fuel Cards and Associated Services, from which the Commissioner is able to make a compliant call-off.

- 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-0167 – ‘Award Contract – Fuel Cards and Associated Services’

Appendix B: Award Recommendation Report – Provision of Emergency Services Fuel Cards

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 10 June 2019

EXECUTIVE DIRECTOR, RESOURCES:

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

Signature

M. D. Blö

Date

10. 10. 19