

GREATER LONDON AUTHORITY

REQUEST FOR DEPUTY MAYOR FOR FIRE AND RESILIENCE DECISION – DMFD206

Title: London Fire Brigade New Headquarters Project

Executive summary:

This report requests the approval of the Deputy Mayor for Fire and Resilience (the Deputy Mayor) to authorise the London Fire Commissioner (LFC) to commit capital expenditure, up to the amount set out in the Part 2 report. This expenditure is intended for developing options for a new London Fire Brigade (LFB) headquarters (HQ) after LFC's lease at 169 Union Street (US) ends in March 2027.

A project exploring options for HQ accommodation beyond that date is proposed, in readiness for a decision in summer 2024. The costs of the project requiring approval are primarily for the employment of project team staff and professional fees, with detail provided in the Part Two report.

The London Fire Commissioner Governance Direction 2018 sets out a requirement for the LFC 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:

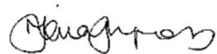
That the Deputy Mayor for Fire and Resilience authorises the London Fire Commissioner to commit capital expenditure up to the amount set out in the Part Two report, for the purposes of developing options for a new London Fire Brigade headquarters after the lease at 169 Union Street ends in 2027.

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:

14/08/2023

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

Decision required – supporting report

1. Introduction and background

- 1.1. Report LFC-23-063 to the London Fire Commissioner (LFC) explains that the lease for the current London Fire Brigade (LFB) headquarters (HQ) at 169 Union Street (US) expires in March 2027.
- 1.2. Renewing the lease for US is an option, although this would present significant challenges. The building is much too large for LFB needs, with several sub-tenants based in the building (including the GLA and MOPAC). However, sub-tenants are not committed to staying beyond the lease end. In addition, the building does not support effective energy performance or accessibility requirements. The building would be difficult to sub-let to multiple non-government bodies without significant work, due to its lack of secure divisions between floors.
- 1.3. Discussions between the LFB property team and LFB corporate management in 2022 have identified an overriding requirement that a new HQ should have a strong brand to support LFB pride and purpose. The 2022 Independent Culture Review of LFB subsequently recommended that the expiry of the HQ lease in 2027 should be used as an opportunity to improve integration of LFB senior leaders/HQ staff with operations. The GLA Group accommodation strategy indicates a moratorium on new leased space external to the GLA Group (subject to operational need). On this basis, solutions have been sought that locate HQ with a fire station, necessitating a capital build.
- 1.4. The preferred option, based on project objectives and feedback from senior management, is to carry out a construction/refurbishment project at an existing fire station to provide a central HQ. This may be augmented with additional HQ office accommodation in the remaining fire station estate. Further work is necessary to prove feasibility of this option. Until that is completed, other options as presented in the business case must be pursued concurrently.

2. Objectives and expected outcomes

- 2.1. A detailed strategic business case for the project is appended to the report LFC-23-063, which is appended to Part Two of this report. This includes information on objectives, selection of options, costs, risks, and plans for delivery.
- 2.2. The overall objective is to provide continuity of suitable LFB HQ accommodation beyond the end of the lease at US. This will entail having suitable accommodation ready by the end of 2026. However, at this stage, the option of putting in place transitional arrangements (for instance, serviced offices) has not been ruled out.
- 2.3. The objectives set out for the project in the business case are as follows:
 - estate objectives (pending final LFC approval): to fully support the delivery of LFB services; to be environmentally sustainable, used efficiently and shared with community and partners; to retain a strong LFB identity; and to be inclusive to users
 - HQ specific objectives: to allow LFB branding to support LFB pride and purpose, attracting and retaining staff and facilitating collaborations (staff and partners)
 - Independent Culture Review: to address recommendation 13, to consider greater integration of HQ with LFB operations
 - GLA Group accommodation strategy: to deliver a freehold or existing GLA Group leasehold option, if operationally possible

- delivery objectives: to be deliverable by the end of 2026; to be affordable for LFB; and to provide acceptable value for money overall.
- 2.4. As detailed in the business case accompanying the LFC report, the main options for provision of a HQ facility beyond the end of the US lease are:
- do nothing, and remain in the whole of the current US building (this option is subject to any plans by the landlord that could preclude this)
 - remain in US but use a smaller footprint (requires landlord agreement and action)
 - move to suitable rented office accommodation in a commercial or GLA Group building
 - refurbish and extend a fire station on the LFB freehold estate to create a new HQ.
- 2.5. Approval is sought to commit expenditure and resource to continue investigating the feasibility of building an HQ alongside an existing fire station, while keeping other options open. This will involve establishing a project team to develop the feasibility of options, prior to making a final decision in summer 2024 (when planning permission is expected on the preferred site).

Preferred option

- 2.6. LFB's preferred option, based on its fit with project objectives and feedback from senior management, is to carry out a construction/refurbishment project at an existing fire station to provide a central HQ. This would potentially be augmented with additional HQ office accommodation in the remaining fire station estate.
- 2.7. The LFC has stated that this option can help address the recommendation of the 2022 Independent Culture Review to integrate HQ with operations; and the objective to provide an LFB-branded facility to support LFB pride and purpose. This option requires more up-front capital expenditure than other options, but can also provide savings in rental costs over the long term. More information about this choice is contained within the strategic business case.
- 2.8. Further work is necessary to prove the feasibility of this option. Until that is completed, other options as presented in the business case must be pursued concurrently.

GLA Group collaboration

- 2.9. An agreed principle of the GLA Group Accommodation Strategy is that moving to a GLA Group building (including an existing LFB site) should be considered a preferred option for office relocations. A divergence from this principle would require agreement with the GLA Group Collaboration Board, on which LFB is represented.
- 2.10. One option considered during development of the business case was a move to Transport for London's (TfL's) Palestra building. The feasibility of this option will be assessed, although it is considered unlikely to prove feasible. TfL's latest estates strategy makes provision for GLA Group organisations currently occupying space at US – other than LFB – to relocate to Palestra in late 2026. While TfL's current estates strategy doesn't allow for Palestra's use as the LFB HQ, it is important that the costs and benefits of moving to a building such as Palestra are fully understood as part of investigating the option to move to suitable rented office accommodation in a commercial or GLA building.
- 2.11. The option for LFB to move into rented office accommodation is being retained for consideration alongside the preferred option. However, the potential location of this accommodation has not yet been determined. This will be considered during the next stage as necessary.
- 2.12. LFB officers have confirmed that they will continue to proactively engage with GLA Group and other existing US occupants, including sharing plans for staff-engagement exercises. LFB will continue to work with the GLA Group Collaboration team, and other GLA group organisations, to ensure

coordination with partners' plans. LFB would, where practical, remain open to modifying its approach provided any changes remain in line with overall project objectives. LFB officers are aware that plans for a HQ at a refurbished and extended fire station on its freehold estate should, where possible, enable continued collaboration between operational and HQ staff, other GLA Group staff, and key partners. The assessment of options in the next phase of the project will therefore include consideration of how to enable collaboration within the GLA Group.

2.13. Officers from the GLA Group Collaboration team have been consulted in the drafting of this decision.

Potential use of fire stations

2.14. All options (except "do nothing") include an assumption that the main part of the HQ requirement will be provided in a central site, with the remainder in refurbished parts of existing fire stations. This approach will be reviewed at the next stage as more information is made available on deliverability and design considerations for relevant sites.

Risks

2.15. Risks for the project going forward are detailed in the business case. However, at this stage, it is important to note the following key points:

- There is potential for transitional accommodation becoming necessary. Due to the timescale imposed by the US lease end, and the uncertainties inherent within planning processes and building projects, there is a strong possibility of a delay. This may mean the facility would not be ready by the end of the US lease. This will lead to the potential for a temporary HQ office facility to be put in place, pending completion of the new facility.
- The new HQ footprint will be smaller. The expectation is that the new HQ facility will be significantly smaller than the current HQ. This takes account of hybrid working, and reflects a move to a smaller, more agile HQ design. There is a risk that the building could be undersized, particularly if staffing numbers (or average time worked in the office) increase between now and 2027.
- Potential for some work at the next stage to be rendered nugatory. Because the work being carried out at the next stage involves uncertainties around planning permission, there is a possibility that some of the outputs will be rendered nugatory. This could happen if planning permission proves unachievable within the timescale; or a change of direction is necessary due to other factors. However, much of the work (including the staff engagement and development of design concepts for the smaller, more agile future HQ solution) will be unaffected by issues concerning a specific site, and will remain useful whichever option is pursued.

Next stage

2.16. The work necessary for the next stage between now and July 2024 is as follows:

- Ensure that a full staff-engagement exercise takes place, in order to inform an inclusive building design. LFB officers have confirmed this exercise will be drawn up in collaboration with colleagues from other existing US occupants, to ensure they can engage with their own staff on future accommodation plans.
- Complete necessary site surveys and develop the building design to a sufficient detail for submission of a planning application (RIBA stage 3).
- Make a planning application to the local authority.
- Continue to work on all other options pending confirmation of the feasibility of a capital build option.

2.17. Progression through the project's next stage will involve two main areas of expenditure:

- Professional fees – this expenditure is to support:
 - construction project management
 - development of the design brief
 - planning pre-application inquiry and stage 2 planning inquiry
 - full site surveys; concept design of building (RIBA Stage 2)
 - developed design (RIBA stage 3)
 - planning application
 - engagement/determination.

In order to progress this, it is anticipated that a single multi-disciplinary service provider will be procured.

- LFB project team – this expenditure is to support:
 - overall project management
 - reporting
 - support for the project board
 - procuring construction project manager, architect and cost consultant,
 - engaging with HQ based departments and staff, gathering full requirements, engaging with stakeholders including the local council,
 - engaging with teams and team leadership, engaging with people services regarding smart working strategy and supporting policies,
 - progressing the design and refurbishment of fire station estate to accommodate de-centralised capacity of the current HQ office solution as well as the main central part,
 - ensuring full communication with staff and the establishment of support for the project across LFB.

2.10 A breakdown of the estimated cost for this work is provided in the Part Two report.

3. Equality comments

- 3.1. The LFC and the Deputy Mayor for Fire and Resilience (the Deputy Mayor) are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
- 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 decision-takers in the exercise of all their functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other prohibited conduct
 - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it
 - 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:
- remove or minimise disadvantages suffered by persons who share a relevant protected characteristic where those disadvantages are connected to that characteristic
 - 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
 - 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:
- tackle prejudice
 - promote understanding.
- 3.8. An early-stage Equality Impact Assessment (EIA) has been undertaken. This indicates that the project will have a low impact on equalities, because there are no adverse impacts predicted at this stage. The EIA will continue to be developed during the next phase the project. This will put staff consultation and equalities at the centre of the design process, to ensure alignment with the provisions of the Equality Act 2010.

4. Other considerations

Workforce

- 4.1. The US building currently has around 780 staff assigned to it. The project's next phase will include creation of a project team that will ensure a full engagement/consultation process with staff, trade unions, equality support groups and other users of HQ facilities. This will also require formal negotiation with the trade unions collectively (because staff locations are a contractual term and condition for LFB's Fire and Rescue Services (non-operational) staff). The team will work with LFB People services to ensure that new ways of working are taken into account; and that the design of the office and additional facilities supporting service delivery, across all occupational groups, is based on a thorough understanding of the needs and requirements of the LFB workforce, and other required uses of new HQ accommodation. As set out above, any staff-engagement exercise will be drawn up in collaboration with colleagues from other existing US occupants, to ensure they can engage with their own staff on future accommodation plans.

Sustainability

- 4.2. One of the project's objectives is to deliver environmental sustainability – capital build options will be aiming for at least an “excellent” Building Research Establishment Environmental Assessment Method rating. Sustainability will be built into consideration during the process of design and/or selection of buildings. The project team is working with the LFB Sustainable Development team, and will carry out the necessary Sustainability Impact Assessment during the project’s next stage.

Procurement

- 4.3. The current project team is working with Procurement and Commercial Department (Assets and Estates) to develop a procurement strategy that is fully compliant with LFB Scheme of Governance and Standing Orders relating to procurement. This will ensure timely procurement of necessary services whilst providing a sustainable and value-for-money solution.

Communications

- 4.4. The project’s next phase will involve the production of a developed design (RIBA Stage 3) and planning application.
- 4.5. The main focus of communications for this stage of the project will be with the future users, and defining LFB corporate and individual department requirements of a new HQ. It is intended that a comprehensive workplace survey will be undertaken, allowing all staff to contribute. In addition, focus groups will be formed to seek further information on user requirements. Equalities support groups will also be engaged with.
- 4.6. Feedback from the staff-engagement process will be used to directly inform the design process, which will support new ways of working.
- 4.7. In the run-up to a planning application, the correct levels of engagement with the local community will be considered very carefully. Consideration will be based on advice from architects and planning consultants, and engagement with the local planning authority.

Conflicts of interest

- 4.8. There are no conflicts of interest to declare from those involved in the drafting or clearance of this decision.

5. Financial comments

- 5.1. Under Part Two of this report, commercially sensitive information is disclosed. As part of this, the requirement for feasibility funding and potential capital funding is set out across the range of options.
- 5.2. The feasibility expenditure will be contained by drawing forward elements of the £18m budget in 2025-26, as part of LFB’s existing capital plan. This is part of a wider £34.3m property plan for 2025-26. This will be revisited as part of the current budget-setting process for 2024-25 onwards.
- 5.3. In terms of longer-term capital costs, the current preferred option capital cost will substantially exceed the current capital budget. The increased cost of the preferred option needs to be considered and incorporated into the future capital plan, along with the associated financing of any such project once given approval. This will be developed throughout the budget-setting process, with the next draft submission due in November 2023.
- 5.4. This will also have a significant impact on the revenue budget. Again, this will need to be incorporated into the budget-setting process in terms of potential savings and investments required, in order to deliver the preferred option.

6. Legal comments

- 6.1. Under section 9 of the Policing and Crime Act 2017, the LFC 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 LFC 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 LFC would require the prior approval of either the Mayor or the Deputy Mayor.
- 6.3. Paragraph (b) of Part 2 of said direction requires the LFC 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 statutory basis for the actions proposed in this report is provided by sections 7 and 5A of the Fire and Rescue Services Act 2004 (FRSA 2004). Under section 7 (2)(a) of FRSA 2004, the LFC has the power to secure the provision of personnel, services and equipment necessary to efficiently meet all normal requirements for firefighting. Section 5A allows the LFC to procure personnel, services and equipment they consider appropriate for purposes incidental or indirectly incidental to their functional purposes. Provision of a suitable HQ building falls within this remit.
- 6.5. LFB’s General Counsel notes that the proposed tenders will be carried out in accordance with the Public Contracts Regulations 2015 and the LFC’s Scheme of Governance (Part 3 Standing Orders Relating To Procurement).
- 6.6. These comments have been adopted from those provided by the LFC’s General Counsel Department in report LFC-23-063 to the LFC.

Appendices and supporting papers:

LFC-23-063 Part 1 London Fire Brigade (LFB) – New Headquarters Project

LFC-23-063 Part 1, Appendix 1 – LFB New Headquarters Project Equality Impact Assessment (EIA)

LFC-23-063 Part 1, Appendix 2 – LFB HQ Project – Sustainable Development Impact Assessment Checklist

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 be published either 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: Publication is to be deferral until internal comms activities are completed.

Until what date: 15 November 2023

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 – YES**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

A summary of this decision was reviewed by the Corporate Investment Board on 14 August 2023.

✓

INTERIM CHIEF FINANCE OFFICER:

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

Signature:

Anna Castolt

Date:

14/08/2023

PP on behalf of Enver Enver