



LONDON FIRE BRIGADE

Report title

Interest-free loans for ULEZ-compliant vehicles for stationbased staff who undertake standbys

Report to

Corporate Service Directorate Board Commissioner's Board
Deputy Mayor's Fire and Resilience Board
London Fire Commissioner

Date

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Report by

Assistant Director - Finance
Assistant Director for People Services

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I agree the recommended decision below.

Andy Roe
London Fire Commissioner

Date

This decision was remotely signed on 3rd December 2021

Executive Summary

In light of the expansion of the Ultra Low Emissions Zone (ULEZ) on 25 October 2021, this report seeks agreement for the London Fire Commissioner to introduce a scheme for interestfree loans to enable station-based staff who may be required to undertake standbys to purchase a ULEZ-compliant vehicle. **Recommended decisions**

For the London Fire Commissioner

That the London Fire Commissioner:

1. Approves the introduction of a scheme for interest-free loans to enable station-based staff who may be required to undertake standbys to purchase an ULEZ-compliant vehicle, as set out at paragraph 26 below, with a maximum expenditure on loans at any one time of up to £1m.
2. Gives delegated authority to the Assistant Director Finance, in consultation with the Assistant Director for People Services, to determine the final details of the scheme.

Introduction and Background

1. The Ultra Low Emissions Zone (ULEZ) was introduced by the Mayor of London on 8 April 2019. This is an important environmental initiative to help improve air quality in Central London. Currently the ULEZ area is coterminous with the congestion charge zone. The drivers of cars, motorcycles, vans and other specialist vehicles have to meet the ULEZ emissions standards or pay the £12.50 daily charge when driving within the ULEZ. The ULEZ operates 24 hours a day, seven days a week, every day of the year except Christmas Day.
2. At the time of the introduction of the ULEZ, the Brigade took a number of measures to mitigate the impact particularly for operational staff based within the zone, see LFC-0178z. This included reimbursement of the ULEZ charge for a 12-month period for watch-based staff based in the zone who incurred the charge travelling to work, and who were required to undertake standbys. The Brigade also offered an interest-free loan of up to £9,000, repayable in monthly instalments over a 4-year period to watch-based staff based within the ULEZ area who did not have a ULEZ-compliant vehicle for the purposes of purchasing a ULEZ-compliant vehicle.
3. The Brigade made it clear at the time that it would cease all reimbursements of the ULEZ charge after 8 April 2020, however in light of the Covid pandemic, and the advice to avoid using public transport, the Brigade reinstated reimbursements for a four-week period, 18 May-14 June 2020, for staff required to travel to work who incurred the ULEZ charge.
4. On 25 October 2021 the ULEZ is expanding significantly, up to (but not including) the North and South Circular roads. At the present time there are three fire stations, plus Lambeth River, which are inside the ULEZ; from 25 October 2021 47 fire stations will be inside the ULEZ area, with 56 outside, including three on the boundary.

Standbys

5. The Brigade is unusual in that it employs a large number of staff, i.e. operational stationbased staff, where there are advantages to the employer that these staff drive to work. This is because these staff are required to undertake 'standbys' to keep appliances on the run, and in the great majority of cases it is quicker to undertake a standby by car (see table at paragraph 11 below). Station-based staff are fully entitled to use public transport to undertake standbys (they may not drive/own a car, and they cannot be compelled to bring a car to work), and some do, but those who have cars ordinarily will prefer to use those cars, and the resulting quicker standby journey brings benefits to the Brigade as explained below. No data is kept on the numbers of standbys that are carried out on public transport, but anecdotally this is known to be a low figure at the present time.

6. A 'standby' is where a station-based employee works from a different station to their normal station for a shift in order to keep an appliance on the run, because there is a staff shortage at one station and spare staff at another station. Standbys are either 'direct' standbys which are arranged in advance, and the employee travels directly to the new station for commencement of shift, or 'on shift' standbys which are arranged up to the shift in question, and the employee travels to the new station having arrived for work at their normal base station. It is 'on shift' standbys which are relevant for the issue of speed of travel to the new station. In most cases 'on shift' standbys are arranged at the commencement of shift, but they can take place at any time during the shift if a staff shortage emerges at a particular station taking an appliance off the run.
7. Over the last two years there have been on average 40 on shift standbys per shift (in 2019/20 there were approx. 28,500 on shift standbys averaging 39 per shift; in 2020-21 there were approx. 30,000 on shift standbys averaging 41 per shift). The on shift standbys relevant to this report are those which include at least one station within the expanded

ULEZ: those which take place exclusively outside the expanded ULEZ will not be impacted by ULEZ expansion. No data currently exists on the numbers/percentage of standbys which are exclusively outside the expanded ULEZ, but mathematically where 56 stations are outside the expanded zone, and 47 are inside it, then 37% of all possible journeys between two stations will either be exclusively outside the zone or will involve one of the four stations already inside the ULEZ (and so will not represent a new journey within the ULEZ when the ULEZ expands); intuitively, and from small sample data, this figure looks in the right ballpark. Using the figure of an average 40 on shift standbys per shift, and assuming 37% of these will either be exclusively outside the zone or involve a station already within the ULEZ, this gives a figure of 18,396 on shift standbys per year that will take place within the ULEZ for the first time when the ULEZ expands.

8. From a staff survey undertaken last May, see paragraphs 17-24 below, especially paragraph 19, and also Appendix 1, 72% of station-based staff stated that they currently drive to work in a non-ULEZ compliant vehicle as opposed to using other transport means. If this 72% figure is used in conjunction with the figure of 18,396 'new' ULEZ-related on shift standby journeys per year when the ULEZ expands, this means that from 25 October 2021 there will potentially be 13,245 on shift standby journeys per year where stationbased staff will face incurring the ULEZ charge for the first time unless they change their mode of transport or acquire a ULEZ-compliant vehicle.
9. In order to assess the impact of longer on shift standby journeys, it is necessary to understand what happens at change of shift when most on shift standbys are arranged. For on shift standbys at the start of shift, in order to keep a 'Pump Ladder', and generally special appliances, on the run an employee at the receiving station is required to 'hang on' (i.e. stay behind at the end of shift) for up to one hour waiting for the standby to arrive, and can hang on for longer voluntarily; periods of hanging on are overtime, paid at timeand-a-half. There is no requirement for hanging on to keep 'Pumps' on the run, however staff may volunteer to do so, in which case they will be paid overtime. No records are kept for how many Pumps are kept on the run by hanging on as this is a voluntary activity, but this certainly takes place. The view of officers in the Establishment and Performance Team who organise standbys is that this voluntary hanging on is undertaken most often at change of watch in the morning as opposed to in the evening.

Where staff do not volunteer to hang on to keep a Pump on the run, it will remain off the run until the standby arrives at the station.

10. It is also the case that for the day shift, ordinarily all standby moves can take up to two hours or more to complete, taking this beyond the compulsory hanging on period of one hour. Additional time taken to complete a standby move therefore either costs additional money in terms of increased overtime payments, or means an appliance is off the run for a longer period.
11. As stated above, in most cases it is quicker to undertake a standby by car than by public transport. The table below shows 20 actual on shift standby moves on the day shift on a specimen day, in this case 4 August 2021. The footnotes explain how the time by public transport, and the time by car, have been derived. These standby journeys all include at least one station within the expanded ULEZ, and exclude journeys involving those 4 stations already inside the ULEZ.

Table showing time taken to travel between stations for 20 on shift standby journeys which took place on 04/08/2021

Station 1	Station 2	Distance (m)	Time by Public Transport ¹ (minutes)	Time by car ² (minutes)	Difference
Acton	Finchley	9.9	86	27	59
Chelsea	Croydon	10.1	80	45	35
Chiswick	Wembley	5.6	51	22	29
Clapham	North Kensington	6.9	65	33	32
Dockhead	Kentish Town	6.2	50	36	14
Dockhead	Tooting	6.9	50	36	14
East Ham	Barking	1.7	28	4	24
Edmonton	Bethnal Green	7.9	49	33	16
Eltham	Lee Green	2.1	25	8	17
Erith	East Greenwich	9.2	62	23	39
Euston	Wembley	8.6	51	33	18
Greenwich	Old Kent Road	3.0	38	17	21
Homerton	Walthamstow	3.7	51	19	32
Lewisham	Bexley	8.6	49	23	26
Park Royal	Stanmore	7.2	70	26	44
Plaistow	Barking	2.9	43	6	37
Plaistow	Holloway	9.0	74	41	33
Plumstead	Stratford	8.4	55	30	25
Tottenham	Walthamstow	2.4	33	11	22
Wimbledon	North Kensington	9.3	73	43	30
Average			54.1	25.8	28.3

Footnotes:

¹ 'Time by Public Transport' is taken from Transport for London Journey Planner; fastest public transport time at 10.00 hrs on a weekday. The time includes walking between the station and the public transport point(s).

² 'Time by Car' is taken from AA Route Planner, quickest route between 09.30-10.00 hrs on a weekday, average traffic conditions ('Avoid current traffic' option not selected). It is accepted that these times are likely to be subject to more variation than average times by public transport, e.g. where traffic conditions are heavy.

12. It will be seen from the above table that the data gives an average of an additional 28.3 minutes for a standby to be undertaken by public transport as opposed to by car. It is accepted that this is a small sample, however a pattern does emerge, and in every single example the public transport journey takes longer than driving. This is not surprising since in many cases it will take time to walk between the fire station and the nearest public transport point. It should be noted that taking public transport or driving are the only realistic options for undertaking a standby. Cycling is not possible due to the amount of equipment that needs to be transported on a standby, and walking between two fire stations will generally take too long given the impact of additional overtime and/or the additional time an appliance will stay off the run.

13. At paragraph 8 it was calculated that following ULEZ expansion there would potentially be 13,245 on shift standbys per year where station-based staff would face incurring the ULEZ charge for the first time. If in all these cases the staff concerned chose to use public transport for the standby, and if in all these cases the appliances were kept on the run by staff hanging on including on a voluntary basis, the additional overtime bill would be £168,000 using the figure of an average additional 28.3 minutes to complete a standby by public transport and the median station-based salary (firefighter competent plus). However this is a maximum figure as firstly some of the staff in question may choose to continue driving their non-ULEZ compliant vehicle and to incur the ULEZ charge, or to acquire a ULEZ-compliant vehicle. The staff survey, see paragraph 23 below, indicated that only 34% of this cohort would use public transport for standbys which, if this is borne out, would reduce the maximum additional overtime bill to £57,000. The same survey question indicated that 40% of this cohort would continue to drive their non-ULEZ compliant car on standbys which would mean they would be incurring significant ULEZ charges (in excess of £2000 p.a.). Secondly, the maximum overtime figure will reduce as in some cases appliances will be off the run as staff will not be volunteering to hang on, either because the appliance is a Pump, or because the maximum one-hour compulsory hanging on period for a Pump Ladder/special has been reached. Using the average additional 28.3 minute figure for a standby by public transport, if on average one appliance was off the run on every shift for this extra 28.3 minute period, the annual additional overtime figure would reduce by £9,275. This figure would be doubled for an average of two appliances off the run on every shift for the 28.3 minute period, and so on.

14. Exactly what will happen after 25 October 2021 is difficult to predict. What however is undeniable is that if staff choose to take public transport rather than drive for on shift standbys after the ULEZ expands, the journey will take longer. This will either incur additional overtime costs where staff are hanging on, or it will lead to appliances being off the run for a longer period where staff are not hanging on. The precise amount of additional overtime costs, and increased length of appliances being off the run will depend firstly on the extent to which staff volunteer to hang on, and also on the number of staff who switch from driving to public transport. Both factors are difficult to forecast with a great degree of accuracy.

15. Leaving aside the additional time taken to complete a standby by public transport as opposed to car, there are additional reasons why there are advantages to station-based staff in using cars rather than public transport for standby journeys; these are as follows:
- First and foremost, there could be safety issues for a lone Brigade employee travelling around London using public transport late at night. The safety issues are particularly relevant for female station-based staff undertaking standbys, an already underrepresented group amongst operational staff; the safety agenda for lone women in London is currently a potent issue. Around 41% of all onshift standbys take place on the night shift, and for 6 months of the year, between late September and late March, the night shift commences in darkness (at least 70 minutes after sunset). This gives nearly 6000 on shift standbys per year taking place in the dark. In addition standby moves can be arranged at any time of the day or night. It is therefore possible for standby moves to be required very late at night when the public transport service is reduced or non-existent. There is no data on the number of on shift standbys which take place when public transport is not running, and they are infrequent, but they can happen.
 - When undertaking standbys, station-based staff need to transport their PPE in a bulky kit bag. It is far more convenient to transport this in a car than to take this on public transport, and for the walk between station and public transport point. This is particularly true for standbys from Fire Rescue Unit (FRU) stations with Urban Search & Rescue capability who carry additional kit. There are five such stations, two of which will be in the expanded ULEZ.
 - If, after 25 October 2021, a station-based employee drives to work (e.g. to a station outside the expanded ULEZ) and then undertakes a standby into the expanded zone, if they use public transport they will need to return to their base station at the end of shift, extending the time before they are able to leave work. If they use their car, they will be able to drive directly home.
16. For all the above reasons, it is recommended at this time that the Brigade seeks to mitigate the impact of the expansion of the ULEZ on 25 October 2021 through schemes which still enable station-based staff to use a vehicle to undertake standbys, rather than promoting widespread use of public transport for this purpose. This is also the strongly-held view of the London Region Fire Brigades Union (FBU), see the 'Workforce comments' section, paragraphs 43-44.

Staff survey

17. As referenced above in this report, earlier this year, in May 2021, the Brigade undertook a survey of all station-based staff to assess the impact of the forthcoming expansion of the ULEZ. The headline outcomes from this survey are attached as Appendix 1. The survey made it clear that the references to an interest-free loan to purchase a ULEZ-compliant vehicle, and a salary sacrifice scheme to acquire an electric vehicle (see paragraph 30 below), involved no commitment from the Brigade to introduce such schemes, and also that staff responses to the survey did not signify any commitment.
18. Staff based at stations that will remain outside of the ULEZ on 25 October 2021 were included in the survey as all these staff (excluding Station Officers and Sub Officers at one

appliance stations) may be required to undertake standbys to a station that will be inside the ULEZ from 25 October 2021. It was therefore relevant to include these staff in the survey.

19. It will be seen from Appendix 1 that 656 responses were received, approximately 15% of station-based staff. Of these, the clear majority (474, or 72%) currently drive to work in a non-ULEZ compliant vehicle as opposed to using other transport means. The survey was designed so that only this group were then asked the subsequent questions in the survey.
20. In relation to question 2, therefore, of those who currently drive a non-ULEZ compliant vehicle to work, only 20% (98) said they would be acquiring a ULEZ-compliant vehicle before 25/10/2021; 43% (210) said they would not be acquiring a ULEZ-compliant vehicle; and 37% (178) replied 'Maybe'.
21. In relation to question 3, of those who currently drive a non-ULEZ compliant vehicle to work, 70% (341) said they would be interested in a Brigade interest-free loan to purchase a ULEZ-compliant vehicle; 12% (57) said they would not be; and 18% (89) said 'Maybe'.
22. In relation to question 4, of those who currently drive a non-ULEZ compliant vehicle to work, 43% (206) said they would be interested in a salary sacrifice scheme to acquire an electric vehicle; 32% (153) said they would not be; and 26% (125) said 'Maybe'. Further information regarding a proposed salary sacrifice scheme is at paragraph 30 below.
23. The responses to question 5 indicate that for those who currently drive to work in a non-ULEZ compliant vehicle, and who are not intending to acquire a ULEZ compliant vehicle by 25 October 2021, 59% will continue to travel to work in a non-compliant vehicle, 11% will use public transport, 5% will cycle/walk. In terms of undertaking standbys or PAO, 40% said they would continue to drive in a non-compliant vehicle, 34% said they would use public transport, and 1% said they would cycle/walk. (In reality, whilst cycling/walking may be an option to travel to work, as stated at paragraph 12 above neither are feasible options for undertaking standbys, so with hindsight this option should have been excluded within the survey for the second part of question 5.)
24. From free-text responses within the survey under question 6, there is a group of staff who will be based within the expanded ULEZ from 25 October 2021 who propose to drive to work (in their non-ULEZ-compliant vehicle) but park just outside the zone, and then continue their journey to work by public transport or other means. These staff are therefore likely to be intending to undertake standbys by public transport. Similarly staff who will be based outside of the ULEZ on 25 October 2021 who are able to drive to work in a non-ULEZ compliant vehicle without incurring the ULEZ charge, are also much more likely to choose to undertake standbys into the ULEZ area by public transport.
25. In overall terms it is clear that the expansion of the ULEZ on 25 October 2021 will have a significant impact on our station-based staff given that a high percentage are currently driving to work in non-ULEZ compliant vehicles. The Brigade therefore needs to look at ways of mitigating this impact.

Interest-free loan scheme to purchase a ULEZ-compliant vehicle

26. It is proposed to introduce an interest-free loan scheme to assist station-based staff who undertake standbys to purchase a ULEZ-compliant vehicle. As stated in paragraph 2

above, in 2019 an interest-free loan scheme was introduced for this purpose for watchbased staff based within the newly introduced ULEZ. That loan was for a maximum of £9,000 repayable over 4 years. 41 such loans were requested and processed. However a loan of that size for a new scheme will potentially cause cash-flow issues given the much larger potential audience – 47 fire stations will be in the expanded ULEZ as opposed to 4 including Lambeth River which are in the current ULEZ. Given that all petrol vehicles registered after 2005 will generally be ULEZ-compliant, it will be possible to purchase a second-hand compliant vehicle for considerably less than £9,000. The proposals for the new scheme are as follows:

- A maximum loan of £4,000. This could be used in part-payment towards a more expensive ULEZ-compliant vehicle if the employee prefers.
- A maximum number of staff able to access the scheme at the same time be set initially at 250.
- Loan repayable over two years by monthly deductions from payroll.
- The full loan is repayable on termination of employment if the employee leaves Brigade service before the loan is paid off.
- Eligibility restricted to station-based staff required to undertake standbys.
- The Assistant Director – Finance, in consultation with the Assistant Director for People Services, to have delegated authority to determine the final details of the scheme. This to include determining when the scheme is closed; in this event as much notice as possible of the scheme's closure would be given to staff.

27. It will be seen that agreement is being sought for expenditure of up to £1m (250 * £4000) at any one time on the provision of interest-free loans.

Financial impact

28. The financial impact of the interest-free loan scheme will be the loss of interest to the Brigade on sums loaned. If we assume a take-up of 250 loans @ £4000, it is estimated that the loss of interest to the Brigade will total up to £5,000 pa, based on an interest rate of 0.5%.

29. The scheme will also introduce a financial risk on the repayment of the loans, however recovering the loan via the payroll, and making the loan repayable in full on leaving the Brigade, leads to the expectation that this risk would be fully mitigated.

Salary sacrifice scheme to lease an electric vehicle

30. Under the Brigade's Scheme of Delegation, the Assistant Director for People Services has delegated authority "for the approval of nil cost employee benefit and salary sacrifice schemes". It is therefore the intention to introduce a nil cost salary sacrifice scheme for staff to lease an electric vehicle under delegated authority, and this is currently being progressed with the Procurement department. Such a scheme would be open to all staff and would be fully supportive of the Mayor's Environmental Strategy which seeks to achieve zero emission road transport in London by 2050.

Alternative Options Considered and Consultation 31.

Alternative options include the following:

- To reimburse the ULEZ charge for staff undertaking standbys. Whilst this would be popular with staff, this would undermine the ULEZ initiative, and therefore the Mayor's Environmental Strategy. It would be prohibitively expensive and would also be damaging reputationally if one part of the GLA were using public funds to subsidise staff incurring the ULEZ charge which is a flagship Mayoral initiative. This option therefore cannot realistically be entertained.
- To do nothing. It can be argued that the Brigade has given plenty of warning to staff of the expansion of the ULEZ, and has long stated that if staff wish to drive within the zone, and not incur the charge after 25 October 2021, they need to acquire a ULEZ-compliant vehicle. However this is not straightforward for employees if domestic budgets are tight. Alternatively it can be argued that if staff wish to avoid incurring the ULEZ charge they can use public transport to travel to work and undertake standbys. However as noted earlier, the Brigade has an interest in staff using their cars for standbys, and it is therefore felt that the Brigade should be implementing schemes to mitigate the impact of the ULEZ expansion where staff wish to drive to work and currently own a non-ULEZ compliant vehicle.

Objectives and Expected Outcomes

32. The objective of the interest-free loan scheme is to assist staff in purchasing a ULEZ compliant vehicle, which will enable them to avoid incurring the ULEZ charge after 25 October 2021 when they drive to work and/or undertake standbys within the expanded ULEZ.

Impacts

Equality Impact

33. The London Fire Commissioner 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.
34. 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.
35. 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.
36. The Public Sector Equality Duty requires us, in the exercise of all our functions (i.e. everything we do), 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.
 - (c) Foster good relations between people who share a relevant protected characteristic and persons who do not share it.
37. 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;
 - (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.
38. 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.
39. 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.
40. An Equality Impact Assessment (EIA) has been undertaken in preparing this report, and this is at appendix 2. An EIA in relation to the expansion of the ULEZ itself is out of scope for this report; that decision has already been taken. The EIA for this report shows only positive impacts as the proposal is for an additional employee benefit, i.e. an interest-free loan scheme to assist the purchase of a ULEZ-compliant vehicle in order to mitigate the potential adverse impact of the expansion of the ULEZ – the much more frequent incurring of a daily £12.50 charge for those whose current vehicles do not meet ULEZ emissions standards. Broadly speaking, the profile of those operational staff who may be required to undertake standbys is similar to that of the operational staff group as a whole; this is because 86% of operational staff fall into this category. The Brigade does not have data broken down by protected characteristic for those staff required to undertake standbys who currently drive a non-ULEZ-compliant vehicle to work, compared to those who travel to work by other means (including in a ULEZ-compliant vehicle), however this would not affect the overall positive impact across all protected characteristics of introducing this additional employee benefit.

Procurement and Sustainability

41. The interest-free loan scheme will have a positive impact for the Brigade's sustainability agenda, and the Mayor's Environmental Strategy, as it will enable staff to switch to driving ULEZ-compliant vehicles as opposed to non-ULEZ compliant vehicles. There are no direct Procurement impacts for the interest-free loan scheme; the proposed salary sacrifice

scheme to lease an electric vehicle is however currently being procured through the Brigade's normal processes.

Strategic Drivers

42. The interest-free loan initiative supports the strategic pillar within the Transformation Delivery Plan, 'The best people and the best place to work' as it will mitigate the financial impact of the expansion of the ULEZ for station-based staff. It also supports the Brigade's Sustainable Development Strategy, and the Mayor's Environmental Strategy, through the replacement of non-ULEZ-compliant vehicles with ULEZ-compliant vehicles.

Workforce Impact

43. The expansion of ULEZ on 25 October 2021 will affect all staff who drive into, or across, the ULEZ in a non-ULEZ compliant car. The key group of staff affected are station-based staff who undertake standbys as they are more likely to drive to work, and the Brigade has an interest in them driving to work as outlined in this report, see paragraphs 5-16.
44. A stakeholder group has convened in 2020/21 to discuss what steps the Brigade may take to mitigate the impact; this group has involved a representative from the London Region Fire Brigades Union (FBU). The proposals for the interest-free loan scheme and salary sacrifice scheme to lease electric vehicles (and the initial proposal for the staff survey) have come out of this stakeholder group. The London Region FBU have been consulted on the proposals for the interest-free loan scheme and have been provided with a copy of this report in advance of Corporate Services Directorate Board. The FBU are strongly in support of the proposed interest-free loans scheme, and do not believe that promotion of public transport to undertake standbys, as an alternative to driving, is a viable alternative for the reasons set out in this report, including at paragraph 15.

Finance comments

45. This report proposes the introduction of a scheme to provide interest free loans to staff that are available for stand by duties to purchase a ULEZ compliant car. The loan scheme will lead to the loss of income on the total amount of the loans provided. This is estimated to cost up to £5,000 pa based on a maximum of 250 loans at £4,000 and an interest rate of 0.5%. The costs of this will be managed within the forecasts on interest receipts from the GLA Group Investment Syndicate.

Legal comments

46. 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.
47. The proposed recommendation is also for the London Fire Commissioner to delegate authority to the Assistant Director Finance, in consultation with the Assistant Director for People Services, to determine the final details of the scheme, this is permitted under the LFC Scheme of Governance.
48. The statutory basis for the actions proposed in this report is provided by section 112 of the Local Government Act 1972 ("LGA 1972") which states, inter alia, that the Commissioner "shall appoint such officers as they think necessary" and that those officers "shall hold

office on such reasonable terms and conditions, including conditions as to remuneration, as the authority appointing him think fit".

49. Section 5A of the Fire and Rescue Services Act 2004 ("FRSA 2004") allows the Commissioner to do "anything it considers appropriate for the purposes of the carrying out of any of its functions... through any number of removes" when utilising the powers under s112 LGA 1972. This includes the ability to provide the interest free loan as set out in this report.
50. 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. 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...". The Deputy Mayor's approval is accordingly required for the London Fire Commissioner to incur the expenditure set out in the recommendations to this report.
51. HMRC do not require the Commissioner to report loans to its officers if that loan is part of a salary sacrifice arrangement as discussed in this report, though the Commissioner will have to report and pay on loans to officers that are written off (if writing off occurs in the future).
52. Any procurement activity required will need to be undertaken in accordance with the applicable provisions of the Public Contract Regulations 2015 and the Commissioner's standards on procurement.

List of Appendices

Appendix	Title	Protective Marking
1.	Survey of station-based staff, May 2021	None
2.	Equalities Impact Assessment	None