



30 September 2015

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Title of consultation

## **Charges scheme rules for 2016-17 and future developments**

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Organisation

Ofwat

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### Introduction

The London Fire and Emergency Planning Authority (LFEPA) runs the London Fire Brigade (LFB). The 17 members of the Fire Authority are appointed by the Mayor of London. Eight are nominated from the London Assembly, seven are nominated from the London boroughs and two are Mayoral appointees. LFB is the busiest fire and rescue service in the country and one of the largest firefighting and rescue organisations in the world. We are here to make London a safer city and our vision is to be a world class fire and rescue service for London, Londoners and visitors. We will always respond to fires and other emergencies, but our work has changed over the years with a much stronger emphasis now on fire prevention and community safety.

### Response

LFEPA has in the past encountered issues around water companies repairing fire hydrants to an acceptable standard and in an acceptable timeframe. There are impacts of this on the provision of water for fire fighting in order to save lives and property and hence a risk that needs to be managed appropriately. It has been found that this risk can fall secondary to priorities.

Additionally, LFEPA has experienced unacceptable cost increases that are significantly higher than inflation and often not introduced on an annual basis. This impacts on public sector budgetary planning and the economic restraints currently in place on the fire service.

Research has found that water company fire hydrant repair costs are inconsistent. There is also a lack of any transparency as to how costs are calculated or how above inflation increases are justified.

Finally, hydrant repairs are subject to costs levied by local authorities for permits to undertake the work (the Permit Scheme). These have the affect of delaying work in some cases, are levied on the Water Company who passes the costs to the fire authority who return the costs to the local authority through increased annual funding. This is a layer of bureaucracy that impacts on service delivery and is wasteful, hence water companies should be actively campaigning in coordination with their local fire authority partners to exempt fire hydrant works from these charges.

These responses, therefore, relate to consultation questions Q4 to Q6. To avoid recurrence of the issues described above, LFEPA proposes that Board assurance statements include the following:

- that companies will comply with their legal obligations in relation to fire hydrants installed on their water mains and will deliver a service that is in accordance with local Memorandum of Understanding agreements to which they have signed. For London and south-east England this period is 60 days and should be adopted as the norm on a national basis.
- That costs will be clear and transparent and will be subject to annual review.
- Where costs are intended at higher than inflation, companies will consult fully with their fire authority partners and justification will be provided.
- In the event of dispute, a referral process should be implemented for resolution through a mechanism that includes appropriate bodies, i.e. the LGA, Ofwat or Water UK.

- That the company will (in partnership with its local fire authorities) actively campaign for exemption from permit costs for fire hydrant works