

# Lancashire Combined Fire Authority

Monday, 23 February 2026 at 10.30 am in Washington Hall, Service Training Centre, Euxton

## Minutes

### Present:

### Councillors

G Mirfin (Chair)  
U Arif (Vice-Chair)  
A Blake  
S Asghar  
J Ash  
G Baker  
P Buckley  
M Clifford  
I Duxbury  
J Fox

D Howarth  
J Hugo  
L Hutchinson  
Z Khan MBE  
A Riggott  
M Ritson  
D Smith  
J Tetlow  
R Walsh  
E Worthington

60-25/2	<b>Chair's Welcome and Introduction</b>
	<p>The Chair welcomed members to the meeting. On behalf of the authority, and via the CFO, he sent his thoughts and prayers to County Councillor A Ali who had given apologies for this meeting.</p> <p>The Chair informed members of two firefighters from Lancashire who were deployed to Mozambique in January to support international flood rescue operations following storms and widespread flooding. They were mobilised as part of the UK's International Search and Rescue Team, which is made up of specially trained firefighters who volunteer their time from Fire and Rescue Services across the country.</p> <p>The Chair remarked on the variety of incidents contained within the operational incidents of interest report within the agenda pack, noting that there were a number of serious road traffic collisions. He remarked that funding should reflect the variety of roles undertaken by the Fire Service.</p> <p>The Chair announced that the Clerk and Monitoring Officer was leaving the role, with today being his last full authority meeting. He commenced the role in October 2015 and would be moving on to pastures new from 1 May 2026. On behalf of the authority, the Chair thanked the Clerk and Monitoring Officer for his Service over the past 10 years and wished him the best of luck in his new role. The Clerk and Monitoring Officer remarked that it had been an honour and a privilege to serve in the role and commented that there was a sense of community within the authority that he was grateful for.</p>

61-25/2	<b>Apologies for Absence</b>
	Apologies were received from County Councillors N Alderson, A Ali and L Parker and Councillors F Jackson and S Sidat.
62-25/2	<b>Disclosure of Pecuniary and non-Pecuniary Interests</b>
	None received.
63-25/2	<b>Minutes of Previous Meeting</b>
	<b>Resolved:</b> That the Minutes of the CFA held on 12 January 2026 be confirmed and signed by the Chair.
64-25/2	<b>Minutes of meeting Wednesday 3 December 2025 of Performance Committee</b>
	<p>In response to a question from County Councillor E Worthington in relation to the wellbeing interactions provided across the Service, the Assistant Chief Fire Officer (ACFO) confirmed that the Service had an occupational health unit which provided support via nurses, doctors and psychologist. The Service also had a wellbeing unit which provided support following traumatic incidents, this included mindfulness, support dogs, anxiety support and discussion of thoughts and feelings after traumatic incidents.</p> <p>In response to a question from County Councillor E Worthington in relation to how the Service worked with highways to address flooding, the ACFO confirmed that flooding reports often related to surface water collection on roads or rivers that had burst their banks. The Service worked with the Highways Agency to carry out prevention activities along with proactive response to incidents, this included effective communication to encourage road users not to drive through flood water.</p> <p>The Chair thanked officers for their Water Safety presentation at the committee meeting.</p> <p>County Councillor J Tetlow added that there had been continued improvement in relation to staff survey engagement which was a credit to the Communications Team and Leaders building trust. He added that there had been an increase in demand relating to wildfires which the committee would continue to scrutinise through the Community Risk Management Plan (CRMP). He commended Prevention Support Officer Paul Slee on his recent award in relation to Water Safety and advised members that the Performance Committee had requested reports be brought to the committee relating to battery fires, houses in multiple occupancy (HMOs) and arson convictions.</p> <p>The minutes were proposed by County Councillor E Worthington and seconded by County Councillor R Walsh.</p> <p><b>Resolved:</b> That the proceedings of the Performance Committee held on 3 December 2025 be noted.</p>

65-25/2	<p><b>Minutes of meeting Thursday 11 December 2025 of Audit Committee</b></p>
	<p>County Councillor M Clifford thanked members, officers and external audit for their engagement at the Audit Committee, and noted the positives of questions raised and scrutiny. He drew members attention to the statement of accounts, risk register and two external audit recommendations contained within the minutes.</p> <p>The minutes were proposed by County Councillor M Clifford and seconded by County Councillor J Ash.</p> <p><b>Resolved:</b> That the proceedings of the Audit Committee held on 11 December 2025 be noted.</p>
66-25/2	<p><b>Minutes of meeting Monday 2 February 2026 of Planning Committee</b></p>
	<p>County Councillor I Duxbury drew members attention to the following items contained within the minutes, Consultation Strategy, Blue Light Collaboration Board update, His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) update, council tax precept mid-point consultation update and the Annual Service Plan.</p> <p>The Chair added that in relation to the Blue Light Collaboration Board updates, he had written a paper and was keen to explore co-location between blue light Services and Lancashire County Council.</p> <p>The minutes were proposed by County Councillor I Duxbury and seconded by County Councillor J Ash.</p> <p><b>Resolved:</b> That the proceedings of the Planning Committee held on 2 February 2026 be noted.</p>
67-25/2	<p><b>Annual Statement of Assurance 2024-25</b></p>
	<p>The Chief Fire Officer (CFO) presented the report to members. The Fire and Rescue National Framework for England (2018) set out the Government's high-level expectations, priorities and objectives for Fire and Rescue Authorities (FRAs) in England. Included within the framework was the requirement that all FRAs must provide assurance on financial, governance and operational matters.</p> <p>The Statement of Assurance aimed to provide the required accountability and transparency to Lancashire communities and the Government that Lancashire Fire and Rescue Service (LFRS) continued to deliver efficient, effective value for money Services.</p> <p>The statement sat alongside the Community Risk Management Plan (CRMP), Statement of Accounts, the Annual Governance Statement, the Annual Service Plan and Annual Progress Report. It detailed what measures were in place to assure that the Combined Fire Authority's performance was efficient, economic, and effective and provided further evidence that LFRS continued to deliver under the expectations detailed within both the National Framework and its own Community Risk</p>

	<p>Management Plan.</p> <p>The Clerk and Monitoring Officer added that HMICFRS would be focusing on governance at their next inspection, including the impact that the Combined Fire Authority (CFA) had on the Service and its performance. He noted that work was ongoing to review and update the authority's constitution to ensure that arrangements were robust and resilient. The Chair added that the work of the Constitution Working Group was intensive.</p> <p>County Councillor M Clifford emphasised the focus on governance and thanked the Fire Authority for the amount of continuous training he had received through Grant Thornton, the Services' external auditors. Additionally, he thanked those involved in the Constitution Working Group and advised members that once the review was finalised the document would be brought to the full Fire Authority for approval.</p> <p>The report was proposed by County Councillor M Clifford and Seconded by County Councillor L Hutchinson.</p> <p><b>Resolved:</b> That the Authority approved the Annual Statement of Assurance 2024-25 as presented and approved the signing of this by the Chair of the Authority and the Chief Fire Officer.</p>
68-25/2	<p><b>Matters of Governance in relation to appeals and dismissals of statutory officers</b></p>
	<p>The Director of People and Development (DoPD) presented the report to members.</p> <p>The report outlined a matter of governance related to the appeals and dismissals of statutory officers within Lancashire Combined Fire Authority.</p> <p>In line with statutory requirements, clear processes must be established for the management of key statutory roles, namely, the Head of Paid Service (Chief Fire Officer), Section 151 Chief Finance Officer (Director of Corporate Services) and Clerk and Monitoring Officer. The importance of having robust and transparent procedures was underlined by recent national events highlighting the pressures and scrutiny associated with these senior posts and the risks of inadequate support or oversight.</p> <p>It was proposed that matters of misconduct, relating to directors of the Fire Authority, other than the statutory officers, would be dealt with under the Service's Disciplinary Procedure which clearly explained the process to be followed and the support which should be in place. An additional procedure would be established for dealing with matters relating to statutory officers, who had additional provisions relating to dismissal due to their statutory protection. These provisions required approval from the full Fire Authority and would include the involvement of an independent third-party in any proposed disciplinary investigations. The disciplinary procedure for dealing with issues of misconduct relating to statutory officers was attached at Appendix A of the report.</p> <p>Further to the review of the Complaints Procedure by the Fire Authority 28</p>

	<p>September 2010, as detailed in anecdotal non-constitutional operating procedures relating to the Appeals Committee October 2024, the role of the Appeals Committee was updated to remove reference to stage 3 complaints, but further to an administrative oversight the Terms of Reference was not updated. It was proposed to address this omission. In addition, it was proposed to amend the Appeals Committee Terms of Reference (TOR) in accordance with the new arrangements for dealing with issues of concern raised against directors including statutory officers.</p> <p>County Councillor M Clifford noted that the Appeals TOR referenced attending appropriate training and asked that this be arranged.</p> <p>The report was moved by County Councillor M Clifford and seconded by the Chair.</p> <p><b>Resolved:</b> That the Authority approved;</p> <ul style="list-style-type: none"> <li>• The implementation of a new Disciplinary Procedure for dealing with matters of misconduct relating to Statutory Officers and agree that matters relating to other Executive Board members would be dealt with under Lancashire Fire and Rescue Service (LFRS) Disciplinary and Grievance procedures.</li> <li>• An amendment to the Appeals Committee Terms of Reference as detailed within the report.</li> <li>• Amendments to be discussed with the Independent Persons in relation to their contracts to allow them to be involved in disciplinary matters for Statutory Officers.</li> </ul>
69-25/2	<p><b>2026/27 Budget</b></p>
	<p>The Director of Corporate Services (DoCS) / Treasurer advised that appendices A to D in the Budget Report were linked, with changes in one impacting on the others: A) the Medium Term Financial Strategy (MTFS) set out the financial outlook and estimated borrowing over the next five years, B) the Capital Strategy set out major expenditure for investment within the Service (including the ten-year capital programme), C) the Reserves Strategy set out savings and how they were planned to be used over the next 5 years, and D) the Treasury Management Strategy set out investment, borrowing, repayment and how money was set aside to repay borrowing.</p> <p>The DoCS presented the report that set out the Council Tax Precept and Budget for 2026/27 along with the associated appended documents.</p> <p>The Authority was required to set a balanced budget and council tax precept for the next financial year by 1 March 2026. The Authority had to ensure it:</p> <ul style="list-style-type: none"> <li>• Considered the link between capital investment decisions and the revenue implications.</li> <li>• Considered the results of the Council Tax Precept Consultation.</li> <li>• Considered the Treasury Management implications of revenue and capital decisions.</li> <li>• Provided value for money.</li> <li>• Reflected best practice.</li> <li>• Ensured consistency between financial planning and pay policy.</li> </ul>

The Budget and appended documents in the report formed the Service's financial strategies which were part of Lancashire Fire and Rescue Service (LFRS) strategic planning activity and governance framework which set out the direction of the Service and how it would achieve the aim of making Lancashire safer. These financial strategies were one of six core strategies that set out how LFRS, would provide Services in line with the following priorities in the five-year Community Risk Management Plan (CRMP):

- Valuing our people.
- Preventing fires.
- Protecting people and property.
- Responding to fire and other emergencies.
- Delivering value for money.

### **Financial Context**

At the time of the report, UK inflation (CPI) stood at 3.4% following a slight rise in December 2025. Looking ahead, leading public-sector forecasters, including the Office of Budget Responsibility and Bank of England, expected inflation to continue easing through 2026, moving closer to over 2% by the end of the year. Economic growth was forecast to remain modest but steady at around 1.2–1.4%, broadly in line with long-term trend levels. Overall, 2026 was expected to bring gradually improving conditions, with lower inflation helping stabilise household finances despite continuing subdued economic growth.

Nationally, the Fire and Rescue Service continued to face significant financial pressures driven by funding pressures, rising legislative requirements, environmental and societal changes, persistent inflationary pressures, particularly affecting major capital projects, and above-inflation pay awards, alongside increasingly complex demands on resources.

### **Funding**

Funding for the fire sector had changed in the last 15 years. The 2008 banking crisis was followed by a period of austerity in the sector. As government grants fell sharply after 2010, the fire and rescue sector was forced to adapt through a combination of workforce, operational, and financial measures. Nationally, firefighter numbers were reduced significantly, with England losing around 25% of its wholetime firefighters since 2008. In addition, latest comparison figures for On-call firefighter (full time equivalent) numbers showed a decline from 10,768 in March 2014 to 7,967 in March 2024, representing a 26% reduction across England. Changes to the funding methodology during this period also meant that changes in the economy, that impact on benefits claimant numbers or business rates, now impacted on funding levels.

Funding for capital schemes had also changed over this period, with the sector now almost exclusively funding new capital schemes from local sources of funding such as revenue contributions, reserves, capital receipts and borrowing (that was repaid from revenue budgets). During this period the Service had funded its capital schemes primarily from revenue resources and had not utilised any borrowing, unlike most of the Fire and Rescue Services.

### **Fair Funding Review**

In June of 2025 the Spending Review set out government departmental budgets for the next three years, confirmed a full reset of business rates baselines from April 2026 and a review of the Funding Formula which allocated funding amongst each Fire Authority; the Fair Funding Review (FFR) consultation, launched with the spending review, updated the funding formula for the first time since 2013. Initial assessments undertaken on behalf of the National Fire Chiefs Council (NFCC) identified cuts for the sector and Lancashire Fire and Rescue Service (LFRS); estimated at between £3 million and £4 million were modelled.

All Fire and Rescue Services (FRS) resourced to risk which was driven by a range of other risks, most notably deprivation. Unfortunately, the new funding review, rather than increasing funding to match increasing risk, was mainly being redistributed towards areas with higher population growth. There was a perversity in the result, LFRS was experiencing cuts in its share of funding and yet had one of the highest levels of deprivation. If the funding formula continued at this level, revenue resources would continue to decline.

Following a period of significant lobbying both nationally and locally through MPs, locally elected members and the Fire Brigades Union, Government protections were put in place to ensure no FRS lost funding providing a Council Tax increase of £5 was agreed by the respective authorities for each of the next 3 years; note the £5 precept in each year 2026/27, 2027/28 and 2028/29 had been assumed in the MTFS. There was also a promise of a fundamental review of the funding formula for the next Spending Review, effective from April 2029. Whilst the £5 precept flexibility was welcome; it was unfortunately offsetting Government grant cuts rather than an opportunity to invest in the Service.

### **Settlement**

The Provisional Settlement announced in mid-December 2025 provided estimated funding levels for the next three years from 2026/27. Revenue funding levels in the provisional settlement, alongside local planning assumptions suggested that funding levels would be broadly in line with the previously set MTFS for 2026/27; an increase of circa 3%. Whilst this was an improvement compared to earlier planning assumptions, due to higher than budgeted inflation in 2025, 3.8% actual in September compared to 2% assumed in the MTFS, the settlement would represent a real term cut. Unfortunately, no capital grant funding was provided again for in the provisional settlement despite continuous lobbying from the sector.

The only change in the Final Settlement announced on the 9 February included protection funding; LFRS was one of a few fire Services receiving this funding due to the cut in its share of funding, this totalled just £0.150 million in 2026/27 only and would be earmarked to meet potential in year pressures and future deficits.

### **Proposed Revenue Budget 2026/27**

The 2025/26 budget proposals were based on the latest funding assumptions set out in the report and a maximum increase in the council tax precept allowed of £5 at Band D was assumed to give total funding of £45.1 million. The proportion of the budget that was funded by Council Tax had increased again as the percentage of funding from other sources such as government grants reduced. The proportion of the budget that was funded by Council Tax had increased again as the percentage

of funding from other sources such as government grants reduced.

The net expenditure budget took account of general inflation, assumed pay awards, previous commitments, required permanent and one-off increases and decreases in resources to give a net budget requirement of £80.5 million. The following table sets out the proposed 2026/27 budget and subsequent paragraphs set out the key changes underpinning the net budget requirement:

<b>Table 2 – Budget Proposals 2026/27</b>		<b>£ million</b>
<b>Budget</b>	Base Budget*	77.511
	Inflation	3.176
	Commitments	1.305
	Permanent increases in Resourcing	0.571
	One-off items	(0.194)
	Permanent decreases in Resourcing	(1.844)
	<b>Proposed Net Budget Requirement</b>	<b>80.525</b>
<b>Funding</b>	Council Tax	45.064
	Business Rates	15.481
	Revenue Support Grant	19.980
	<b>Total Funding</b>	<b>80.525</b>

Precept (Council Tax – Band D) per annum	<b>£94.73</b>
Precept (Council Tax – Band D) per week	<b>£1.82</b>
Increase from 2025/26 Band D of £89.73	<b>£5.00</b>
Increase per week Band D	<b>10p</b>

The proposal delivered a balanced budget as required by law. The £5 increase equated to a 5.57% increase in the council tax precept, if the precept was reduced additional savings would be required, for example, a reduction of 1% would reduce funding by £0.4 million which equated to a loss of £4 million in funding over 10 years.

The main elements that made up the Proposed Budget Requirement for 2026/27 are set out below and were detailed in the Medium Term Financial Strategy (MTFS) in Appendix A:

- Economic changes
  - Pay - An allowance of 4% for pay awards in 2026/27 had been included with 2% thereafter. If pay awards were higher than assumed they would need to be met from reserves or in year savings in 2026/27 with additional savings made in future years. Each 1% increase resulted in an additional £0.5 million and £0.1 million for Grey book and Green book staff respectively.
  - Inflation – Non-pay budgets had been increased by 3.8% in line with CPI and 2% thereafter. Specific increases in price inflation for known areas had been assumed.
  - Interest earned – The interest earned on cash balances in the MTFS was

updated to reflect the amended use of reserves and gradual reduction in interest rates. The budget in 2026/27 was £1.4 million and then reduced over the period of the MTFs to £0.2 million by 2030/31.

- Commitments – These reflected the impact of previous decisions that had a financial consequence in 2026/27 or were due to policy, legal or regulatory changes. The main adjustment in 2026/27 related to a planned £1 million increase in revenue funding for the capital programme from £2.5 million to £3.5 million. Whilst a comprehensive review of the Capital programme had taken place, and asset life extended where possible, significant inflationary pressures for vehicles, property and ICT meant that without dedicated central Government capital grants, revenue to capital contributions must increase.
- Permanent increases in Resourcing - An increase of £0.5 million was required in 2026/27 to reflect the loss of the National Insurance grant; Government had confirmed this had been rolled into Grants now.
- Permanent decreases in Resourcing – In 2026/27 £1.8 million of savings would be realised from optimising crewing arrangements; reducing wholetime crewing levels from 13 to 12 (on 2 pump Wholetime, Flexible Day Crewed and Day Crewing Plus stations [excluding Urban Search and Rescue units]) as the next step in meeting financial challenges, improving efficiency, and aligning Lancashire with sector- equivalent crewing models. This would result in the reduction of the grey book establishment from 636 to 608. The £0.5 million overtime savings realised in 2025/26 from Dynamic Resourcing was built into the base budget and thus assumed to continue.

### Council Tax Precept

Council Tax funding was based on the estimated taxbase (band D equivalents) provided by each local authority. Compared to 2025/26, the overall taxbase had increased by 0.83% (3,912 properties), last year the increase was 1.43%. The following table shows the number of Band D equivalents and proposed precept for each local authority based on the band D precept increase of £5.

<b>Table 1 – Proposed Precepts 2026/27</b>	<b>Number of Band D Equivalents</b>	<b>Precept on Collection Fund</b>
Burnley Borough Council	24,497.00	2,320,601
Chorley Borough Council	39,157.93	3,709,431
Fylde Borough Council	33,067.00	3,132,437
Hyndburn Borough Council	22,183.00	2,101,396
Lancaster City Council	43,832.69	4,152,271
Pendle Borough Council	25,164.44	2,383,827
Preston City Council	45,222.90	4,283,965
Ribble Valley Borough Council	25,853.00	2,449,055
Rosendale Borough Council	21,350.00	2,022,486
South Ribble Borough Council	38,816.17	3,677,056
West Lancashire District Council	38,756.88	3,671,439

Wyre Borough Council	40,088.94	3,797,625
Blackburn with Darwen Borough Council	38,246.03	3,623,046
Blackpool Council	39,477.00	3,739,656
<b>Total</b>	<b>475,712.98</b>	<b>45,064,291</b>

<b>Band</b>	<b>Proposed 2026/27 £</b>	<b>Actual 2025/26 £</b>	<b>Change per year £</b>	<b>Change per week £</b>
A	63.15	59.82	3.33	0.06
B	73.68	69.79	3.89	0.07
C	84.20	79.76	4.44	0.09
D	94.73	89.73	5.00	0.10
E	115.78	109.67	6.11	0.12
F	136.83	129.61	7.22	0.14
G	157.88	149.55	8.33	0.16
H	189.46	179.46	10.00	0.19

The increase for a Band D property per year was £5; that was 10 pence per week. The precept received from each collection authority was adjusted to reflect any surplus or deficit on the collection fund. This year there was a small surplus of £0.294 million which would be earmarked to meet in year pressures and future deficits on the collection fund. The MTFs included the adjusted precept from each collection authority.

### **Council Tax Precept Consultation**

The legal requirements for council tax increases were primarily governed by the Local Government Finance Act 1992, as amended by the Localism Act 2011. A consultation with the public was launched on 11 December 2025 for a £5 increase in the council tax precept for the year ahead. The consultation ended at 5pm on 4 February 2026 and the results were set out in Appendix E of the agenda pack along with the response from the Fire Brigade Union to the budget.

970 responses were received, 75% supported the increase in the precept, 6% neither supported nor opposed the increase and 18% did not support the increase. Less than 1% responded with 'Don't know'.

### **Medium Term Financial Strategy (MTFS)**

The purpose of the MTFs was to provide the Authority, staff, the public and other stakeholders with information on the financial outlook and the estimated available funding over the next five years. It considered future estimates on funding and potential high level revenue and capital expenditure over the period. A summary of the MTFs Revenue budget is set out below:

<b>Table 2 – Revenue MTFS £ million</b>	<b>26/27 £ million</b>	<b>27/28 £ million</b>	<b>28/29 £ million</b>	<b>29/30 £ million</b>	<b>30/31 £ million</b>
<b>Base Budget</b>	<b>77.511</b>	<b>80.525</b>	<b>82.804</b>	<b>84.999</b>	<b>87.351</b>
Add:					
Inflation	3.176	2.162	2.027	2.046	2.013
Commitments	1.305	0.817	0.157	(0.026)	(0.096)

Increases in Resourcing	0.571	0.143	0.932	1.507	1.553
One-off items	(0.194)	0.158	0.079	(0.175)	(0.050)
Decreases in Resourcing	(1.844)	(1.000)	(1.000)	(1.000)	(1.000)
<b>Net Budget</b>	<b>80.525</b>	<b>82.804</b>	<b>84.999</b>	<b>87.351</b>	<b>89.770</b>
Council Tax	(45.064)	(48.036)	(51.075)	(52.747)	(54.475)
Business Rates	(15.481)	(15.843)	(16.169)	(16.493)	(16.822)
Revenue Support Grant	(19.980)	(18.925)	(17.755)	(18.111)	(18.473)
<b>Funding</b>	<b>(80.525)</b>	<b>(82.804)</b>	<b>(84.999)</b>	<b>(87.351)</b>	<b>(89.770)</b>

Note that Council Tax increases were assumed at £5 in 2026/27, 2027/28 and 2028/29 and 2% thereafter.

Some of the key financial assumptions and estimates over the period of the MTFS are set out below:

- Inflation – The pay awards for 2026/27 were estimated at 4% then 2% thereafter. Non-pay budgets had increased by the September Office of Budget Responsibility (OBR) CPI figures; 3.8% in 2026/27 and 2% thereafter. Income earned on investments was expected to reduce as cash balances reduced and interest rates reduced from 3.7% to 3% over the period of the MTFS.
- Commitments – The MTFS included increases in revenue contributions to Capital, rising from £3.500 million in 2026/27 to £4.592 million by 2029/30, thus ensuring the capital programme was financially sustainable in the long term.
- Increases in Resourcing - The 2026/27 increase reflected the loss of the National Insurance grant; Government had confirmed this had been rolled into Grants now. Increases thereafter related to borrowing repayment and interest costs to fund the major projects in the capital programme; by the end of the MTFS total interest and repayment costs were forecast at £4.1 million per annum.
- Decreases in Resourcing – These were required to balance the budget. In 2026/27 £1.8 million of savings would be realised from the optimising crewing changes; reducing wholtime crewing levels from 13 to 12 (on 2 pump Wholtime, Flexible Day Crewed and Day Crewing Plus stations (excluding USAR units) as the next step in meeting financial challenges, improving efficiency, and aligning Lancashire with sector-equivalent crewing models. New savings were required from 2027/28 of £1 million per annum, each year through to 2030/31, so by 2030/31 cumulatively £4 million of recurring new savings would be required to balance the budget.
- Funding – Detailed assumptions were included in the MTFS, in broad terms the funding was expected to increase between 2% to 3% however, the outcome of the next spending review and review of the funding formula was likely to impact on these assumptions which was expected to be determined during late 2028. This year there was a small surplus on the business rates collection fund of

£0.151 million which would be earmarked to meet in year pressures and future deficits on the collection fund.

The key variables within the budget were inflation assumptions, in particular pay awards, and funding levels. The MTFS in Appendix A considered a range of risks and scenarios that impact on the MTFS. The analysis showed that whilst the general reserve was sufficient to meet all the worst-case risks in the next three years, with reliance on earmarked reserves, major structural changes would be required alongside government support beyond year three of the MTFS.

### Capital Strategy

In addition to the revenue budgets a programme of capital investment was proposed for 2026/27, this was set out in detail in the Capital Strategy in Appendix B. The purpose of the Strategy was to provide the Authority, staff, the public and other stakeholders with information on the Capital plans. Capital plans needed to be affordable, prudent and sustainable and treasury management decisions taken in accordance with good professional practice and in full understanding of the risks involved. A summary of the capital programme and funding is set out below:

<b>Table 3 – Capital Programme</b>	<b>2026/27 £ million</b>	<b>2027/28 £ million</b>	<b>2028/29 £ million</b>	<b>2029/30 £ million</b>	<b>2030/31 £ million</b>
Vehicles	4.046	2.933	2.650	3.455	2.338
Operational Equipment	1.753	0.174	0.123	0.523	0.109
Buildings	1.066	5.600	14.600	18.500	18.500
ICT	2.376	1.200	0.333	0.723	1.853
Inflation	0.000	0.106	0.166	0.349	0.437
	<b>9.241</b>	<b>10.012</b>	<b>17.873</b>	<b>23.550</b>	<b>23.236</b>
<b>Funding</b>					
Revenue Contributions	3.500	4.500	4.500	4.569	4.592
Capital Reserve	5.741	0.912	(0.227)	1.481	1.144
Capital Receipts	0.000	0.000	0.000	0.000	0.000
Borrowing	0.000	4.600	13.600	17.500	17.500
	<b>9.241</b>	<b>10.012</b>	<b>17.873</b>	<b>23.550</b>	<b>23.236</b>

The 2025/26 five-year capital programme approved by the Authority in February 2025 included four major projects; Leadership and Development Centre Training Facilities (£18 million), Headquarters and Stores relocation (£18 million), Fulwood replacement station (£7 million) and Preston replacement station (£10 million). The focus during 2025/26 had been to obtain planning approval for the Chorley Masterplan. Due to new Biodiversity Net Gain (BNG) planning legislation requirements, additional studies, which can only be undertaken during Spring, and changes to the designs were required. The result was that the masterplan had been delayed by approximately one year with planning approval now sought in late summer / early autumn 2026.

Progress with the Leadership and Development Centre Training Facilities would continue in tandem with the masterplan application to ensure development was not unduly delayed. The Preston, Fulwood and Headquarters and Stores relocation projects had been programmed for years four and five of the capital programme so

the scope could be considered as part of a refreshed CRMP and supporting the Service Review during 2026.

A summary of the major projects was reflected in the updated 2026/27 10-year capital programme, these included:

- Leadership and Development Centre Training Facilities – A modern and progressive Service required high quality facilities to help in the initial training and ongoing maintenance of competency requirements across a broad spectrum of operational activities. The existing facilities were reviewed alongside more modern facilities in the region. The review identified that greater investment was required to meet our requirements and an estimate of £18 million was included in the programme between 2027/28 and 2028/29.
- The following major projects were programmed for 2029/30 to 2030/31, however the scope and timing of these major schemes would be considered as part of the CRMP and Service Review that was due to be consulted on and finalised in early 2027.
  - The Preston replacement station was the busiest station in Lancashire and was in a very poor condition, the budget was £10 million.
  - The Headquarters and Stores relocation project combined the Headquarters and Training Facility and relocated the Stores at the Leadership and Development Centre, replacing the current Headquarters at Fulwood and office / training / catering space in Lancaster House ([Reinforced Autoclaved Aerated Concrete](#) (RAAC) which required a resolution). The budget was £18 million.
  - The relocation of Headquarters necessitated the need to invest in a new station to replace Fulwood either on the existing site or at an alternative location. The budget was £7 million.

To fund the Capital Programme, in addition to utilising the Capital Reserve and revenue contributions, £51.2 million of borrowing was required to fund the major schemes. The long-term revenue costs of this borrowing was £4.1 million per annum, this would need to be met from revenue resources. The scope and timing of these major projects would be considered as part of the CRMP and Service Review.

Following the capital investment set out above the Authority's reserves and borrowing levels would be commensurate with similar sized fire Services based on current levels across Services.

### **Reserves Strategy**

Section 25 of the Local Government Act 2003 placed a requirement on the Section 151 Officer to formally report on the adequacy of the reserves. The DoCS assessed this in the context of the strategic, operational and financial risks and opportunities facing the Authority.

While holding reserves was a recognised and recommended financial management tool, the levels of such reserves must remain prudent, appropriate to the level of risk

and opportunity and not excessive. This was set out within the Reserves Strategy attached at Appendix C, which included details of the reserves held and their proposed usage over the next five years.

It was good practice for an Authority to review its reserves on a regular basis to consider each reserve. This was to ensure that the level was both prudent and adequate for the current climate, but not excessive. A review had been undertaken based on historical analysis and the current environment and future forecasts; this review had not resulted in any material change.

The General Reserve existed to one off cover unforeseen risks and expenditure that may be incurred outside of planned budgets such as major flooding or wildfire events or costs associated with Industrial Action, the General Reserve may not be used to offset annual revenue budget pressures. The minimum level of General Reserve advised by the Treasurer for the 2025/26 budget was £3.85 million. A generally accepted level was one that was equivalent to 5% of the net revenue budget but that must be considered alongside specific Authority risks; 5% of the net revenue budget was approximately £4 million. Considering the risks facing the Authority the Treasurer recommended increasing the minimum level for 2026/27 to £4 million. The level of the General Reserve at 1 April 2025 was estimated at £6 million, this was above the minimum level of General Reserve recommended. Over the period of the MTFS the level of the General Reserve remained above this minimum level.

### **Treasury Management**

Treasury Management covered the cashflow, investment and borrowing activities together with the impacts of budgetary decisions on such activities. The Treasury Management Strategy was included at Appendix D and comprised of four main elements:

- Capital Expenditure Plans and Prudential Indicators.
- Borrowing Strategy and Prudential Limits.
- Annual Investment Strategy.
- Minimum Revenue Provision (MRP) Statement.

The Strategy reflected the revenue and capital estimates contained in the MTFS and Capital Strategy. Treasury Management in the public sector was heavily regulated and transparency with the Authority on its activities was paramount. The Resource Committee oversaw Treasury activities, but it was a legal requirement that the Authority approved the Strategy.

### **Statement of Robustness of Estimates**

Section 25 of the Local Government Act 2003 placed a requirement on the “Chief Finance Officer” of an Authority to report on the robustness of the estimates used in preparing the budget. There was then a requirement for the Authority to have regard to the report of the Chief Finance Officer when making decisions on its budget. At Lancashire Fire Authority, the Chief Finance Officer was the DoCS.

The statutory requirement was reinforced by the Prudential Code, which required authorities to have regard to affordability when considering recommendations about future capital programmes.

The Authority had a medium term planning process that took account of Service demands and the financial scenario covering a 5-year period to 2031. The aim of the Medium Term Financial Strategy was to provide a realistic and sustainable plan that reflected the Authority's priorities and anticipated the future impact of current decisions. Alongside this, future capital programmes were planned taking into account forecasted Government funding, borrowing limits and council tax.

For 2026/27, full consideration of these issues had led to:

- Policy and expenditure proposals that reflected the Local Government Finance Settlement together with the on-going revenue impact of new capital projects, whilst recognising the outstanding issues and uncertainties.
- A proposed capital financing budget based on the 2026/27 capital programme.

In assessing the robustness of the 2026/27 proposals and the estimates on which they were based, the DoCS had been assured that:

- The budget proposals were based on the advice of Service managers (supported by finance staff) or were based upon or supported by information that the DoCS considered reasonable to accept.
- The budget proposals had been fully reviewed and endorsed by the Executive Board and the implications on performance, if any, had been identified and assessed.
- The proposed budget provided for all known future developments either within the revenue budget itself or as part of the Reserves Strategy.

When using estimates in preparing the budget every effort was taken to ensure that they took into account the most up to date data. There was, however, always the potential for the actual impact to vary from the estimates used in setting the budget, particularly as a result of:

- Variations in the rate of price inflation, pay awards and pension increases;
- Service financial performance (i.e. variances on budgets);
- Ability to deliver policy proposals and/or achieve projected savings; and
- Unforeseen additional operational demands and activities.

The potential for unanticipated events to occur that may impact on the budget, reinforced the importance of prudent financial management including:

- Promoting a robust approach to financial management requiring budget holders to monitor expenditure against budget and to take early action in reporting and responding to projected variances;
- Regular reporting of the projected budgetary outturn supplemented by exception reports to prompt remedial action if necessary; and

- Maintaining an appropriate and proportionate contingency, as part of the General Reserve, to cushion the impact of unexpected events and emergencies.

Based on the advice and assurance set out above and the process by which the budget had been constructed, the DoCS was satisfied that the estimates were robust and could be relied upon for approval as part of the proposed budget.

### **Pay Policy Statement 2026/27**

In accordance with the provisions of the Localism Act 2011 a pay policy statement for 2026/27 was considered by Members. The pay policy published data on senior salaries and the structure of the workforce and it demonstrated the principles of transparency. The pay policy statement set out the Authority's policies for the financial year relating to:

- The remuneration of its chief officers;
- The remuneration of its lowest paid employees; and
- The relationship between the remuneration of its chief officers and that of other employees who were not chief officers.

The statement included:

- The level and elements of remuneration for each chief officer;
- Remuneration range for chief officers on recruitment;
- Methodology for increases and additions to remuneration for each chief officer;
- The use of performance-related pay for chief officers;
- The use of bonuses for chief officers;
- The approach to the payment of chief officers on their ceasing to hold office under, or be employed by, the authority; and
- The publication of and access to information relating to the remuneration of chief officers.

It also included the Authority's policies for the financial year relating to other terms and conditions applying to its chief officers.

In response to a question from Councillor J Hugo in relation to permanent decreases in grey book resources, the DoCS confirmed that this would be achieved through natural wastage with no redundancies planned.

In response to a question from County Councillor J Tetlow in relation to the variation in pay award percentages in the report, the DoCS confirmed that the local government pay award for green book staff was effective from April and the grey book staff pay award was effective from July hence the change in percentage detailed.

In response to a question from Councillor J Hugo in relation to the real living wage, the Director of People and Development (DoPD) confirmed that pay rates would be adjusted in line with any changes to the real living wage.

	<p>The report was proposed by County Councillor I Duxbury and moved by County Councillor M Clifford.</p> <p>The Authority voted unanimously in favour of the recommendations by a named vote.</p> <p><b>Resolved:</b> - That the Authority: -</p> <ul style="list-style-type: none"> <li>• Agreed the 2026/27 budget, including the Net Budget Requirement of £80.5 million as set out in Table 2 paragraph 18 of the agenda pack, which took account of adjustments set out and detailed in Appendix A.</li> <li>• Agreed the proposed Council Tax increase of £5 for a Band D Council tax precept of £94.73 for 2026/27.</li> <li>• Agreed the levels of Council Tax precept as set out in Table 3, paragraph 21 of the agenda pack.</li> <li>• Approved the capital programme and associated funding for 2026/27 as set out in table 5, paragraph 28 of the agenda pack;</li> <li>• Approved the Medium Term Financial Strategy set out in Appendix A;</li> <li>• Approved the Capital Strategy set out in Appendix B;</li> <li>• Approved the Reserves Strategy set out in Appendix C;</li> <li>• Approved the Treasury Management Strategy in Appendix D, this included the Prudential Indicators and Minimum Revenue Provision;</li> <li>• Noted the results of the Council Tax Precept Consultation as set out in paragraph 24 of the agenda pack and Appendix E;</li> <li>• Note the Statement of Robustness of Estimates set out in paragraph 40 of the agenda pack; and</li> <li>• Approved the Pay Policy Statement in Appendix F.</li> </ul>
70-25/2	<p><b>Member Champion Activity Report and Feedback</b></p>
	<p>The current Member Champions and their areas of responsibility were:</p> <ul style="list-style-type: none"> <li>• Community Safety – County Councillor Andy Blake</li> <li>• Equality, Diversity and Inclusion – Councillor Salim Sidat</li> <li>• Health and Wellbeing – County Councillor Sohail Asghar</li> <li>• Road Safety – County Councillor Jordan Fox.</li> </ul> <p>Reports relating to the activity of the Member Champions were provided on a regular basis to the Authority. This report related to activity for the period up to 22 February 2026.</p> <p>Member Champions highlighted several details within the reports and expressed thanks to the officers who supported them in their roles.</p> <p>The Chair remarked that the Biker Down scheme was very popular within the Ribble Valley.</p> <p>In response to a question from County Councillor P Buckley in relation to coordinating road safety across partners and the Community Safety Partnership (CSP), the ACFO confirmed that the focus of the Lancashire Road Safety Partnership (LRSP) was being reviewed in conjunction with partners at a strategic</p>

	<p>level to continue to drive performance and keep everyone safe on the roads of Lancashire.</p> <p>The CFO added that the LRSP has been established for over 25 years but had recently undergone a review of responsibilities and funding. The LRSP covered the whole of Lancashire and used data to drive focus. He added that the Service worked with partners in line with the statutory duties to educate and protect road users. The Chair commented that there was previously a pan-Lancashire data group which had been disestablished and could be reestablished. He requested that a report be brought to Performance Committee in relation to road traffic collision hot spots. The CFO confirmed that this could be incorporated in the annual road safety report brought to the full CFA later in the year for visibility of all members of the Authority.</p> <p>County Councillor E Worthington commented that she had serious concerns in relation to a number of rural roads in West Lancashire, one where somebody had lost their life.</p> <p>Councillor J Hugo reminded those in attendance that when referring to local authority and highways involvement they should be mindful that the fire authority was made up of three constituent authorities.</p> <p>County Councillor D Howarth remarked that he had not heard about the LRSP recently and it was useful to know it was still ongoing.</p> <p>The report was proposed by County Councillor J Ash and seconded by Councillor Z Khan.</p> <p><b>Resolved:</b> That the Authority noted the report and acknowledged the work of the respective Champions.</p>
71-25/2	<p><b>Fire Protection Reports</b></p>
	<p>The Deputy Chief Fire Officer (DCFO) presented the report which summarised Lancashire Fire and Rescue Service (LFRS) prosecutions pertaining to fire safety offences under the Regulatory Reform (Fire Safety Order) 2005.</p> <p>Members noted that there had been no sentencings since the previous meeting.</p> <p>Four cases sat within the court system. The responsible person for two Houses of Multiple Occupation (HMO) premises, (located in Bacup and Darwen) pleaded guilty to breaches of the Fire Safety Order (FSO) on the 13 August 2025 at Preston Magistrates Court. A sentencing date for the 30 January 2026 at Preston Crown Court had been cancelled and the Service was awaiting a new date.</p> <p>An NHS Trust and maintenance company were due to appear at Blackburn Magistrates Court on the 1 October 2025. The initial plea and case management hearing was heard on 15 December 2025, no pleas were given. A further plea and case management hearing would be heard at Preston Crown Court on 22 April 2026.</p> <p>The responsible persons and a company were to appear at Blackburn Magistrates</p>

	<p>Court on the 18 February 2026 for breaches of the FSO relating to a nightclub venue.</p> <p>Protection teams continue to investigate and build case files in relation to twelve other premises where offences were believed to have been committed under the FSO.</p> <p>Members noted that there had been four arson convictions since the last report and another 15 deliberate fire investigations were ongoing within the criminal justice system.</p> <p>Members noted a breakdown of arson prosecutions, the details of which had been requested at the last full authority meeting.</p> <p><b>April 2023 to March 2024</b> 16 arson related convictions resulting in: 8 custodial sentences totalling 48 yrs 2 months, 7 youth referral orders and 1 youth caution.</p> <p><b>April 2024 to 2025</b> 11 arson related convictions resulting in: 9 custodial sentences totalling 33 yrs 11months and 2 suspended sentences.</p> <p><b>April 2025 to date</b> 15 arson related convictions resulting in: 6 custodial sentences totalling 28 yrs 5 months, 4 suspended sentences, 2 detentions under the Mental Health Act, 2 cautions and 1 community order.</p> <p>The ACFO advised that the request to provide details on the behaviours and motivation in relation to arson convictions was unable to be provided as the Service did not capture such data.</p> <p>The report was proposed by County Councillor J Ash and seconded by Councillor Z Khan.</p> <p><b>Resolved:</b> That the report be noted.</p>
72-25/2	<p><b>Operational Incidents of Interest</b></p>
	<p>The Assistant Chief Fire Officer (ACFO) presented the report which provided Members with information relating to operational incidents of note. As the operational period had been very busy, the report detailed only the larger deployments or more complex incidents. As a result, some incidents that Members had been made aware of locally, may not have formed part of the report. Full details of the following incidents were provided in the report:</p> <ul style="list-style-type: none"> <li>• Commercial building fire in Burnley (17/11/25)</li> <li>• Road Traffic Collision in Chorley (3/12/25)</li> <li>• Animal Rescue in Preesall (12/12/25)</li> <li>• Dwelling fire in Bispham (19/12/25)</li> <li>• Road traffic Collision in Lancaster (20/12/25)</li> </ul>

- Building Fire in Ormskirk (22/12/25)
- Road Traffic Collision in Blackburn (25/12/25)
- Animal Rescue in Lancaster (5/1/26)
- Dwelling Fire in Bamber Bridge (6/1/26)
- Commercial Building Fire in Bacup (21/1/26)

There were several complex incidents which included the use of modern capabilities such as drones and advanced skills and specialist rescue whilst maintaining capability across the county.

County Councillor M Ritson remarked that there has been a number of serious incidents in the Bacup area, he thanked the Service for its response to these incidents. The ACFO added that there had been a lot of warning and informing messaging completed by the communications team to keep residents informed.

Councillor J Hugo remarked that she had felt privileged to attend a commendation event in Blackpool following a serious fire in Blackpool in July 2024. Following the event the firefighters involved and the CFO had been invited to attend the Mayors Parlour at Blackpool. The CFO expressed his thanks in relation to this and remarked that the firefighters involved had enjoyed the event and felt very privileged to attend. The CFO would write formally to thank the Mayor for hosting colleagues.

County Councillor D Howarth commented that a number of incidents appeared to have been caused by carelessness.

The Chair requested that a report be taken to Performance Committee on incidents of interest over the past few years and to understand trends. The CFO highlighted that this information was included in the annual refresh of the strategic assessment of risk which came to the Authority and would also be used to inform the forthcoming Service review which would undergo scrutiny by members as a matter of course.

County Councillor I Duxbury proposed the report and County Councillor E Worthington seconded the report.

**Resolved:** That the Authority noted the report.

73-25/2 **Member Complaints**

The Clerk and Monitoring Officer confirmed that there had been no complaints since the last meeting.

The Chair suggested that consideration be given to removing this as a standing item and only listing the item on the agenda should there be any complaints to note. The Clerk and Monitoring Officer confirmed that this was a historical item and as part of the review of the constitution, going forward, any complaints would be reported into the Audit Committee.

It was noted that the member champion report agenda item would be amended to incorporate feedback from members at future meetings, and that this would be made clearer within the report title going forward.

	<p>County Councillor A Riggott proposed the removal of member complaints as a standing agenda item, this was seconded by County Councillor P Buckley.</p> <p><b>Resolved:</b> That the current position be noted and member complaints be removed as a standing item on the agenda, with any complaints to be reported to Audit Committee.</p>
74-25/2	<b>Date of Next Meeting</b>
	The next meeting of the Authority would be held on Monday 27 April at 10:30am at the Training Centre, Euxton.
75-25/2	<b>Exclusion of Press and Public</b>
	<b>Resolved:</b> That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.
76-25/2	<b>Appointment of Monitoring Officer</b>
	<p>The Monitoring Officer and Deputy Monitoring Officer recused themselves from the meeting.</p> <p>The Director of People and Development (DoPD) presented the report to member in relation to the appointment of the Monitoring Officer.</p> <p><b>Resolved:</b> That the authority appointed the Deputy Monitoring Officer (Legal Services and Standards Manager) as Monitoring Officer.</p>
77-25/2	<b>Business Continuity Planning</b>
	<p>The Chief Fire Officer presented the report to members in relation to the Services business continuity planning activities.</p> <p><b>Resolved:</b> That the authority noted the report.</p>

**M Nolan**  
Clerk to CFA

**LFRS HQ**  
**Fulwood**