

Public Document Pack

Lancashire Combined Fire Authority Audit, Risk and Governance Committee

**Thursday, 1 October 2026 in Main Conference Room, Service Headquarters,
Fulwood commencing at 10.00 am.**

If you have any queries regarding the agenda papers or require any further information, please initially contact Jen Kelly on telephone number Preston (01772) 866908 and she will be pleased to assist.

Agenda

Part 1 (open to press and public)

Chair's Announcement – Openness of Local Government Bodies Regulations 2014

Any persons present at the meeting may photograph, film or record the proceedings, during the public part of the agenda. Any member of the press and public who objects to being photographed, filmed or recorded should let it be known to the Chair who will then instruct that those persons are not photographed, filmed or recorded.

1. **Apologies for Absence**
2. **Disclosure of Pecuniary and Non-Pecuniary Interests**

Members are asked to consider any pecuniary and non-pecuniary interests they may have to disclose to the meeting in relation to matters under consideration on the agenda.

3. **Minutes of the previous meeting (June) (Pages 1 - 12)**
4. **Minutes of the Previous Meeting (August) (Pages 13 - 20)**

For decision

5. **Amendments to Constitution (Pages 21 - 24)**

For noting

6. **Internal Audit Monitoring Report (Pages 25 - 30)**
7. **External Audit Progress Report and Sector Updates (Pages 31 - 46)**
8. **Risk Management (Pages 47 - 72)**
9. **Expenditure Outside of Budget Report (Pages 73 - 74)**
10. **Urgent Business**

An item of business may only be considered under this heading where, by reason of special circumstances to be recorded in the Minutes, the Chair of the meeting is of the opinion that the item should be considered as a matter of urgency. Wherever possible, the Monitoring Officer should be given advance warning of any Member's intention to raise a matter under this heading.

11. Date of Next Meeting

The next scheduled meeting of the Committee has been agreed for 10:00 hours on 15 December 2026 in the Main Conference Room, Service Headquarters, Fulwood.

Further meetings are: scheduled for 25 March 2027
 proposed for 30 June 2027

**Lancashire Combined Fire Authority
Audit Committee**

**Tuesday, 30 June 2026, at 10.00 am in the Main Conference Room,
Service Headquarters, Fulwood.**

Minutes

Present:	
Councillors	
M Clifford (Chair)	
U Arif (Vice-Chair)	
J Ash	
A Blake	
P Buckley	
A Joynes	
B Langford	

Officers
S Pink, Assistant Chief Fire Officer (LFRS) S Brown, Director of Corporate Services (LFRS) D Howell, Monitoring Officer (LFRS) A Latham, Financial Accountant (LFRS) S Hunter, Member Services Manager (LFRS) J Kelly, Member Services Officer (LFRS)

In attendance

1-26/27	Apologies for Absence
	None received.
2-26/27	Disclosure of Pecuniary and Non-Pecuniary Interests
	None received.
3-26/27	Minutes of the Previous Meeting
	The minutes were moved by County Councillor J Ash. Resolved: - That the Minutes of the last meeting held on Thursday 26 March 2026 be confirmed as a correct record and signed by the Chair.

4-26/27	Annual Governance Statement
	The report was introduced by the Director of Corporate Services (DoCS). It was noted that the Authority was required to prepare and publish an Annual Governance Statement (AGS) alongside its Statement of Accounts. The AGS must be supported by an annual review of the effectiveness of the Authority's governance framework and system of internal control. The self-assessment, AGS and Local Code of Corporate Governance set out the key elements of that framework, the assurance sources considered, and the Authority's overall conclusion on the effectiveness of its arrangements. The DoCS drew attention to page 8 of the report and the ongoing review of the constitutional and policy framework, development of board arrangements, the embedding of arrangements to oversee performance, productivity, efficiency and value for money. The overall conclusion was that the Authority's governance arrangements remained sound and continued to operate effectively. No significant governance issues had been identified. The report did, however, recognise that good governance was not static and identified areas where arrangements would continue to be strengthened, including policy review, programme governance, assurance reporting, productivity and efficiency oversight, and the tracking of audit and improvement actions. Members were asked to approve the updated documents on the basis that they provided a clear and evidence-based account of the Authority's governance arrangements, while also demonstrating that identified improvements were being managed through established governance, assurance and performance arrangements. In response to a question from County Councillor P Buckley in relation to it being stated that there were no significant governance issues identified but that arrangements should continue to be strengthened, the DoCS responded that the aim was to bring through matters of governance that need improvement, including the review of the constitution and providing more information on internal audit follow up recommendations. These were captured as part of the governance review. County Councillor J Ash moved to note the report which was seconded by County Councillor P Buckley and all members voted in favour. Resolved: - That the Committee; • Noted and endorsed the self-assessment at Appendix A and the Annual Governance Statement at Appendix B, including the conclusion that no significant governance issues had been identified. • Recommended that the Chair of the Authority sign the Annual Governance Statement as formal confirmation of the Authority's governance assurance for 2025-26. • That the Committee noted and endorsed the updated Local Code of

	Corporate Governance at Appendix C as the framework against which the Authority's governance arrangements will continue to be reviewed.
5-26/27	Internal Audit - Charter and mandate
	It was noted that the Internal Audit Charter and Mandate established the framework within which Lancashire County Council's Internal Audit Service operated to best serve the Combined Fire Authority and to meet its professional obligations under applicable professional standards. The Charter and Mandate had been reviewed for 2026-27 by the Head of Service – Internal Audit (Head of Internal Audit) and updated to reflect the Global Internal Audit Standards and the associated UK public sector application requirements, which replaced the previous Public Sector Internal Audit Standards from April 2025. It is presented to the Audit Committee for approval. County Councillor J Ash moved the report which was seconded by County Councillor P Buckley and all members voted in favour. Resolved: - That the Committee approved the 2026-27 Internal Audit Charter and Mandate.
6-26/27	Compliments and complaints
	The DoCS indicated that this report provided an overview of the compliments and complaints activity during 2025-26 and explained the changes the Service was making in response to the Local Government and Social Care Ombudsman Complaint Handling Code, which would be used by the Ombudsman when considering compliance from 1 April 2026. The report was intended to provide members with assurance that complaints were being monitored, that learning was being identified, and that the Service was strengthening its arrangements in line with recognised good practice. Attention was drawn to page 67 of the agenda pack and the general process for processing complaints with a greater focus on learning and development. In 2025-26, it was noted that the Service received a total of 105 compliments and 65 complaints. Appendix 1 of the report set out the breakdown of the complaints, the main messages from the 2025-26 data being: • Complaint volumes had increased; • Email and website routes were now the main channels for complaints; • 41% (27) of complaints were 'Against the Service' Complaints against the Service were spread across a wide range of issues, with Lancashire Fire and Rescue Service (LFRS) procedures the largest single category, alongside one-off concerns about inspections, communications, social media, signage and noise. 20% (13) of complaints were 'Against LFRS Staff' – these were mainly about behaviour and professional conduct; • The two other significant areas related to damage to property (10) and driving (11).

Most complaints were resolved early and quickly. While complaint volumes had increased, themes pointed to opportunities to improve communication, consistency in procedures, and public interaction.

In response to a question from County Councillor A Blake in relation to why there was a downward trend in complaints in 2024-25 but a subsequent increase seen in 2025-26, the DoCS explained that the reason was unclear. However, looking back over the past decade, it was usual for the volume of complaints to fluctuate. There were no particular trends evident and the use of communication channels had been consistent over the past few years.

In response to a comment from County Councillor J Ash regarding driving related complaints, it was noted that there were an increased volume of vehicles on roads in recent years, as well as an increase in the number of communication channels being used by the Service for complaint handling, these factors could have led to an increased volume of complaints. However, it was felt that overall the volume of complaints was relatively low in comparison to other services.

The Chair commented that it was surprising that the LFRS social media had received complaints as he felt that it was very good. A compliment was then shared by the Chair with regards to a summer fair event held last weekend in Clayton-le-Woods which fire service teams from Chorley and Bamber Bridge were attended and with whom members of the public had enjoyed interacting.

The Chair also noted that member complaints were dealt with separately to the complaint handling process.

County Councillor P Buckley asked for clarification on compliments volume and commented that there could be more focus on positives. The DoCS responded that there were often many compliments received from the public at the site of incidents or in stations but that these were not necessarily always fed through formal channels though this was being encouraged.

County Councillor U Arif asked about the method of capturing compliments. The DoCS responded that the area admin teams should be capturing these centrally and they could come via phone, letter or email. The Assistant Chief Fire Officer (ACFO) added that there was a satisfaction survey that the service ask users of the Service to complete, though this was a slightly different process.

County Councillor P Buckley enquired whether there was a follow up done with LFRS event organisers to capture any feedback in terms of compliments. The ACFO responded that the Service would not normally pursue the capture of compliments on these occasions.

County Councillor J Ash commented that she felt that the public had an expectation that LFRS would operate to high standards as a norm and were therefore less likely to issue compliments.

County Councillor J Ash moved the report; this was seconded by County Councillor P Buckley, and all members voted in favour.

	Resolved: - That the Committee • Noted the compliments and complaints activity for 2025-26. • Endorsed the revised complaint handling arrangements to align with the Ombudsman Complaint Handling Code. • Supported the introduction of enhanced governance and reporting arrangements. • Noted a further annual report including performance against the new Code and identified service improvements will be provided at the end of 2026-27.
7-26/27	Accounting Estimates
	The DoCS presented the report to members. It was noted that the International Standard on Auditing (UK) 540, Auditing Accounting Estimates and Related Disclosures, were revised in December 2018 and applied to audits of financial statements for periods commencing on or after 15 December 2019. The revised standard strengthened the focus on estimation uncertainty, complexity, subjectivity, management bias and the adequacy of related disclosures. The standard was relevant because a number of balances in the Authority's Statement of Accounts could not be measured with absolute certainty and therefore required management judgement, specialist advice and the use of assumptions. Auditors were required to understand and evaluate the nature and extent of the oversight and governance arrangements in place over management's financial reporting process for accounting estimates. It was noted that the Audit Committee should understand which significant estimates are included within the Statement of Accounts. Significant estimates are those that: • Require significant judgement by management to address subjectivity; • Have high estimation uncertainty; • Are complex to make; • Had, or ought to have had, a change in method, assumptions or data compared to previous periods; or • Involve significant assumptions. The Statement of Accounts included balances based on assumptions about future events or other matters that were inherently uncertain. Estimates were made having regard to historical experience, current trends and other relevant factors. As a result, actual outcomes may differ materially from those estimates. The Statement of Accounts were prepared in accordance with the most recent edition of the Code of Practice on Local Authority Accounting in the United Kingdom (the Code), published by the Chartered Institute of Public Finance and Accountancy (CIPFA). It was noted that the Statement of Accounts were prepared on a 'going concern' basis, reflecting the Authority's assessment that its financial position remained sustainable for the foreseeable future, having regard to the 2026-27 budget-setting process approved in February 2026, the Medium Term Financial Strategy, the

	reserves position and the statutory framework within which fire and rescue authorities operate. Accounting standards required management to undertake an annual assessment of going concern. Although the Code recognises that local authorities could only be created or dissolved through statutory provision, the accounts must nevertheless be prepared on a going concern basis. Management had completed this assessment and was not aware of any material uncertainty that would prevent the Authority from continuing to provide services for the foreseeable future. Members considered the significant Accounting Estimates for 2025-26 including the estimated value, degree of uncertainty and methodology used for the: 1. Valuation of land and buildings 2. Depreciation of property and equipment 3. Valuation of Firefighter (FF) and Local Government Pension Scheme (LGPS) liability 4. Valuation of LGPS pension asset 5. Holiday pay expenditure accrual. It was noted that each year the Executive Board was asked to consider whether there were any transactions, events, or conditions (or changes in circumstances) that may require either the recognition of a further significant accounting estimate or disclosure as a contingent liability. This provided a formal management check that the estimates and disclosures remained complete and up to date. Based on the confirmations received from Executive Board, the contingent liabilities note had been updated to reflect the current position. One additional contingent liability had been identified in 2025-26 in respect of on-call sick pay, with an estimated potential exposure of £300,000. This matter was disclosed as a contingent liability rather than recognised as a provision because the timing, likelihood and final value of any obligation remained uncertain. In response to a question from the Chair in relation to the valuation of land and buildings, the DoCS indicated that to the value had depreciated due to a change in the construction cost and valuation indices that were being used. Resolved: - The Chair moved to note the report.
8-26/27	Financial Statements Update The report, presented by the DoCS, updated the Audit Committee on progress in preparing the Authority's 2025-26 unaudited Financial Statements. The latest draft core financial statements were included at Appendix 1 of the agenda pack for information. The statements remained subject to final quality assurance and external audit. These were not presented for approval by the Committee at this stage, and the figures could change before the audited accounts were presented to the Committee later in the year.

	For the financial year 2025-26, it was noted that the Authority must publish its draft accounts by the statutory deadline of 30 June 2026. The audited accounts were expected to be available by 30 November 2026, subject to completion of the external audit. This report provided the Committee with an update on the latest draft financial statements prepared for publication and audit. It was noted that there was no statutory requirement to present the unaudited accounts to the Committee before the external audit process commenced. However, presenting the latest draft core financial statements provided members with early visibility of the Authority's financial position and supported transparent financial governance. The Accounts and Audit (England) Regulations 2015 applied to the preparation, approval and audit of the Statement of Accounts and other financial statements. These regulations were based on International Financial Reporting Standards (IFRS), which sought to present accounts in a consistent format across the public and private sectors with the aim of improving transparency. The Authority's revenue outturn and statutory financial statements were prepared on different bases. The revenue outturn reflected financial performance against the Authority's budget. The statutory financial statements then applied required accounting adjustments, including pension and asset valuation entries. These adjustments were necessary for compliance with accounting standards but did not affect the Authority's available revenue funding. The latest draft Comprehensive Income and Expenditure Statement, Movement in Reserves Statement, Balance Sheet and Cash Flow Statement were set out in Appendix 1 of the report. Subject to final quality assurance processes, these would form part of the accounts submitted for external audit. The draft financial statements did not identify any immediate issues affecting the Authority's ability to deliver operational services. There were no questions raised by Committee members. The Chair thanked the team who put the report together. The DoCS echoed his thanks and congratulations to the Finance Team. Resolved: - That the Committee • Noted progress in preparing the Authority's 2025-26 unaudited Financial Statements; • Noted the Authority's latest draft core financial statements at Appendix 1; and • Noted that the figures remain subject to final quality assurance and external audit and may therefore change before the audited accounts are presented for approval.
9-26/27	Risk Management
	The DoCS presented the report. Lancashire Fire and Rescue Service (LFRS) had continued to strengthen its approach to organisational risk management, aligning policy and practice with ISO 31000:2018, National Fire Chiefs Council (NFCC) guidance, and HM Treasury's Orange Book: Management of Risk – Principles and Concepts. Risk management remained embedded within the Service's governance

framework, supporting ongoing scrutiny, informed decision-making and proportionate allocation of resources to risk treatment.

The Corporate Risk Register reflected a broadly stable overall position:

- Retention and recruitment of on-call staff and replacement of the existing mobilising system remained the highest-rated corporate risks.
- During the latest review cycle, one risk had increased (fuel due to uncertainties with the geopolitical environment), one risk was archived, and two new strategic risks were added relating to the Emergency Services Mobile Communications Programme (ESMCP), Emergency Services Network (ESN) and Local Government Reorganisation (LGR).

During the reporting period, governance arrangements for strategic risk oversight were revised, with scrutiny of the Corporate Risk Register transferring from the Senior Management Team Corporate Programme Board to the Business and Development Board. This change had strengthened the alignment between risk, organisational development and resource planning.

The Service had also continued to develop its risk management framework through closer alignment with HM Treasury's Orange Book. This included enhancements to the Corporate Risk Register to improve visibility of risk treatment requirements, resource implications and associated financial considerations, enabling the financial and value-for-money consequences of risk treatment to be considered alongside operational risk exposure.

In response to a question from the County Councillor P Buckley in relation to the recent heatwave and the potential increase in wildfire events

The ACFO explained that a national tactical approach to wildfires had recently been launched by the Fire Minister and training had been undertaken overseas for members of specialised teams. Lancashire's Chief Fire Officer was the National Fire Chiefs Council (NFCC) lead for Wildfires. This was a very new national resilience group which recognises the need to be more prepared and responsive to wildfires.

County Councillor P Buckley asked if the 2018 Winter Hill wildfire was affected by the high occurrence of peat in the area. The ACFO explained that composition of the ground was a factor that affected the behaviour of wildfires, as was the increased growth of vegetation that followed wet summers. It was also noted that the Service worked closely with local landowners to encourage them to put in fire breaks. County Councillor P Buckley asked if there would be an entry in the Risk Register to cover this risk, the DoCS explained that the Corporate Risk Register was there to capture strategic risks and the corporate response to these. This would include contingency arrangements required to respond to events such as flooding or wildfires. The ACFO added that the Service received early warnings of wildfires and had the benefits of better equipment and technical innovations to deal with these well.

County Councillor J Ash commented that the majority of wildfires were caused by humans and asked if the Service had plans to launch a campaign to manage or reduce this risk. The Chair commented on discussions being held at Chorley

	Council regarding the protection of public spaces through the use of the 'Public Spaces Protection Order'. The ACFO added that the Service had improved its ability to predict wildfires and the Service worked with partners including the police to prosecute perpetrators which could assist as a deterrent going forwards. County Councillor A Blake asked a question about the new risk, the impact of Local Government Review (LGR) to the Service which he felt to be a higher risk than was captured in the report. The ACFO responded that mechanisms for sharing referrals with partners would shift, as would risk mapping, but further details were awaited. The Chair indicated that it would be mid-July before any indicators of structures started to emerge. County Councillor A Joynes enquired as to why pagers have dropped significantly as a risk. The ACFO explained that the Service was a keen innovator and had been trialling new pagers, the teething issues were now resolved. However, app based mobilising was also being utilised effectively and seemed to be preferred by Firefighters. A decision needed to be made on which system was adopted as the preferred one and whether the other system would become a resilience back up. County Councillor A Joynes asked if one system had more benefits than the other and the ACFO confirmed that the pager probably had greater coverage but it was noted that the IT Department were currently exploring the best mobilisation tools available on the market. Resolved: - That the Committee • Endorsed the Service's current risk management arrangements; and • Noted the latest position reflected in the Corporate Risk Matrix and Summary Register at Appendix A.
10-26/27	Internal Audit - Annual report 2025-26
	The report was presented by Sarah Oldendorp, Audit Manager. The Internal Audit Annual Report summarised the work undertaken by the Internal Audit Service during 2025-26 and key themes relating to risk management, governance and internal control. It provided the Head of Internal Audit's annual opinion on the overall adequacy and effectiveness of the Authority's framework of governance, risk management and internal control. On the basis of the programme of work completed during 2025-26, the Head of Internal Audit confirmed substantial assurance regarding the adequacy of design and effectiveness in operation of the organisation's framework of governance, risk management and control. Internal Audit Work Undertaken All 70 of the budgeted days were used to deliver the internal audit plan and all work had been completed. • Governance, risk management and internal control Overall substantial assurances were provided regarding the adequacy of design and effectiveness in operation of the organisation's frameworks of governance, risk management and control. Three reasonable and two substantial audits conducted within the year with a low number of resulting actions overall. A summary of actions was provided. Systems and processes were generally working effectively and ensured staff were aware of correct

processes. Action plans were agreed with Senior Managers for issues raised during the year.

- **VAT**

Substantial assurance was provided. It was noted that the Service had a established and well-structured process for the administration of the VAT return, supported by experienced finance staff and comprehensive procedures and documentation.

- **Treasury Management**

Reasonable assurance was provided. LFRS demonstrated strong strategic oversight of treasury management, appropriate oversight and effective reporting. However, the absence of approved Treasury Management Practices (TMPs) was discussed with the Deputy Finance Manager during the audit and was now being addressed. It remained a material control gap that must be resolved to ensure full compliance with the CIPFA Treasury Management Code and to strengthen operational resilience.

- **Procurement**

Reasonable assurance was provided. Lancashire Fire and Rescue Service (LFRS) had made significant progress in strengthening its procurement governance, supported by an increasingly structured framework, improved tools, and a growing alignment with the Procurement Act 2023 (the 2023 Act). The foundations for effective, well-governed procurement activity were in place, and ongoing improvements demonstrate a proactive commitment to enhancing consistency, transparency, and assurance across procurement processes.

It was noted that LFRS had established a strong governance base, with Contract Standing Orders already updated to align fully with the 2023 Act and procurement staff completing training on the 2023 Act. Several supporting documents and tools, such as the newly introduced Process Workflow Guide, revised procurement initiation templates and the implementation of the Chest e-procurement system (the Chest platform), showed a clear direction of travel toward stronger compliance. Work was already underway to refresh remaining documents, including Terms and Conditions, and to update website information to accurately reflect current practice. These initiatives demonstrated a positive and forward-looking approach that would further strengthen organisational clarity, compliance, and governance.

The Procurement Team had taken important steps to modernise its transparency arrangements, with The Chest now established as the primary platform for tendering and publication. This transition represented a significant improvement, with built-in safeguards that support compliance and consistency. While some gaps were noted during the review, such as delays in publishing contract awards and updating the contracts register, staff were already embedding new processes and strengthening record retention practices. Continued adoption of the Chest platform, together with the ongoing population of the live contracts register, would further enhance transparency, assurance, and public confidence.

In response to a question from County Councillor J Ash in relation to group procurement with other public services to get better deals, the DoCS explained that LFRS liaised wherever possible with other areas and there was a very good Blue Light Network.

	County Councillor A Joynes asked when the Treasury Management Plan would be completed. The Deputy Head of Finance explained that this was the next priority after the financial statements were finalised and would be completed by the end of the financial year. Resolved: - That the Audit Committee noted and approved the report.
11-26/27	Internal Audit - Monitoring report
	Sarah Oldendorp, Audit Manager, presented the report which set out progress against the Internal Audit Plan for 2026-27 for the period ended 15 June 2026. It was brought to the attention of the Committee that it has been agreed previously that the Plan can be flexible in approach. Therefore, it had been decided after consultation with the Deputy Chief Fire Officer (DCFO) not to look at health and wellbeing or contaminants in this cycle as it might be repeating work that had already taken place and would not be the best use of resources. It had been proposed to replace these with reviews of the Complaints Management Process and Protection activity instead. Members were asked to note that the internal auditors had recorded four days of work against the 2026-27 Plan to date, all relating to management activity. The remaining planned audit work had not yet started and no assurance opinions had therefore been issued. The monitoring report asked the Committee to note the proposed replacement of two planned reviews with reviews of the Complaints Management Process and Protection activity. Resolved: - That the Committee noted the report.
12-26/27	External Audit - Audit progress report and sector updates
	The report presented by Curtis Wallace, Public Sector Audit Manager, provided the Audit Committee with an update on progress in delivering the external audit for 2025-26, together with sector updates on matters of relevance to local government, fire and rescue authorities and audit committees. The report confirmed that the 2024-25 financial statements audit had been completed, with an unmodified audit opinion issued on 17 December 2025. It also confirmed that the detailed risk assessment for the 2025-26 audit was substantially complete, the 2025-26 Audit Plan was presented to the Committee on 26 March 2026, and audit fieldwork was expected to commence between mid-June and early July 2026 following receipt of the draft financial statements. Grant Thornton had indicated that the results of the audit would be shared in the Audit Findings Report, with the aim of issuing the audit opinion on the Statement of Accounts by 30 November 2026. The auditor's value for money risk assessment for the year ended 31 March 2026 had also been completed and did not identify any risks of significant weakness. The Auditor's Annual Report was expected by November 2026.

	It was noted that there are no additions to the current engagement fees which were set at £105,900. The sector update included matters for members' awareness, including changes to the His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection cycle, Chartered Institute of Public Finance and Accountancy (CIPFA) Code changes to the accounting for non-investment assets, CIPFA Bulletin 23 on closure of the 2025-26 financial statements, devolution and local government reorganisation, recent legal and regulatory developments, workforce-related issues and audit committee resources. Audit was progressing well with nothing else to report. Resolved: - That the Committee noted the external auditor's progress report and sector updates.
13-26/27	Date of Next Meeting
	The next meeting of the Committee would be held on Thursday 1 October 2026 at 10:00 hours in the Main Conference Room at Lancashire Fire and Rescue Service Headquarters, Fulwood. Further meeting dates were noted for 15 December 2026 and agreed for 25 March 2027.

**LFRS HQ
Fulwood**

**D Howell
Monitoring Officer to CFA**

**Lancashire Combined Fire Authority
Audit Committee**

**Tuesday, 18 August 2026, at 10.00 am in the Main Conference Room,
Service Headquarters, Fulwood.**

Minutes

Present:	
Councillors	
A Blake	
B Langford	
U Arif (Vice-Chair)	
A Joynes	
J Ash	
P Buckley	
M Clifford (Chair)	

Officers
S Collinson, Assistant Director - Communications and Engagement (LFRS) D Howell, Monitoring Officer S Hunter, Member Services Manager J Kelly, Member Services Officer (LFRS)
In attendance

14-26/27	Apologies for Absence
	There were apologies from the following: County Councillor Usman Arif had been delayed.
15-26/27	Disclosure of Pecuniary and Non-Pecuniary Interests
	None received.
16-26/27	New Constitution
	The Monitoring Officer (MO) introduced the item. It was noted that a separate working group had been set up to revise and update the constitution for Lancashire Combined Fire Authority; the group had met several times to work up the draft document which was also externally assured by an

experienced monitoring officer. The MO indicated that the draft constitution was in alignment with best practice from other authorities and existing legislation.

The final draft comprised of three main sections: a scheme of delegation; terms of reference for the various committees and standing orders which set out the technical details about how matters would be dealt with. There were also several other miscellaneous documents which completed the picture.

It was noted that further changes might be required in due course following the constitution's implementation. The document would be reviewed regularly, at least on an annual basis. Local government reorganisation would also mean that certain sections would need to be re-visited once the new unitary authorities were in place.

The following sections of the constitution were particularly significant or had undergone major revision. The Chair indicated that the best course of action in the meeting was to discuss the main changes. The purpose of this extraordinary Audit Committee was to review the current draft document prior to its submission at the September 2026 full CFA meeting for approval.

Scheme of delegation

National guidance on a fire authority's scheme of delegation and legislation about operational independence of Chief Fire Officers was known to be in development. However, this was not currently available and there was no clarity as to when it would be finalised. The new scheme of delegation had been drafted so far as possible to take into account anticipated requirements of any such guidance, and schemes of delegation from a number of other authorities had been reviewed in order to distil best practice.

Paragraph 6 (page 5 of the constitution) set out the matters that were reserved to the full authority. These were the high level, strategic matters such as budget setting and overall direction of the fire service.

Other matters were delegated to one of the three statutory officers (Chief Fire Officer; Treasurer and Monitoring Officer). Once the authority set the strategic direction, the discharge of these duties at an operational level would then be delegated to the Chief Fire Officer.

It was not intended that this revised scheme of delegation would make any significant change to the current split of decision-making abilities between the authority and the service, but rather it simplified and clarified what was previously a lengthy and technical document. Of note, paragraphs 8 to 12 set out general principles of delegation which should ensure that no issue which should be considered by the Authority would be able to by-pass that crucial oversight and governance.

It was noted that any major changes to the constitution (for example to the terms of reference) would need to be submitted to the full Authority for approval, but minor, grammatical, non-substantive changes or those to align the document with updated legislation would be made by the MO.

The MO referred to item 6 (page 5) and the decisions which were reserved to the full Authority.

It was noted that, in line with best practice, an appointments committee would be set up for senior level appointments.

County Councillor A Joynes asked if the anticipated government white paper was likely to generate further changes to the draft constitution. The MO confirmed that this was possible, but it was hoped that the current draft covered the anticipated direction of travel, though further tweaks might be needed.

County Councillor P Buckley thanked the MO for the work that had been undertaken on the constitution review to date. County Councillor P Buckley indicated he had shared some slight anomalies he had recently found with the Chair and MO prior to this meeting as a further check and balance. It was agreed that these be considered by the MO outside the meeting. The MO indicated that he would subsequently feedback any final revisions to the Constitution Working Group via email. The committee agreed on this course of action subject to the revisions not being major ones.

The MO took the committee through the sections of the constitution which related to the general and specific principles of delegation to officers, the major area being delegation to the Chief Fire Officer (page 8).

County Councillor B Langford commented on section 16.6 regarding the CFO's power to use expenditure of up to £200,000, outside of budget, in each financial year and asked in what circumstances this would be used and how it would be reported upon for the purposes of transparency. The Assistant Director of Communications and Engagement (ADCE) confirmed that the expenditure was often used for emergency incidents and there would be consultation with the Chair in that circumstance. The MO agreed to amend this section and the committee agreed for a standing agenda item to be added to the Audit Committee terms of reference to facilitate reporting on this expenditure. County Councillor B Langford commented that tracking outside budget spend could also be helpful in terms of future budget setting.

Committee and working group terms of reference

In the main, these had not changed significantly but the following key changes were noted:

- Audit Committee had been re-named to Audit, Risk and Governance with the addition of a function determining member complaints (under the section on standards) and the addition of an independent person which would in due course be a legislative requirement. The MO shared that interviews were due to take place next month for the appointment of an independent person to this committee. It was also noted that the Audit, Risk and Governance Committee would have the authority to change minor matters relating to the constitution.
- Performance Committee - the ADCE shared that the Planning Committee

had previously asked the Performance Committee to undertake an annual review of KPI 3:3 on Fire Engine Availability. This had been taking place but the Performance Committee had agreed at the 13 July 2026 Performance Committee meeting that they were comfortable that this could be removed as an annual item and monitored through the Measuring Progress report. Section 3.2 (on page 17) would therefore now be removed from the committee terms of reference.

- Planning Committee - the MO indicated that the committee dealt with many major items but most of these were fed through to the full Authority for approval.
- Resources Committee - the MO highlighted the addition of approval of severance payments above £100,000; removal of appointments to the Executive Board (appointments of statutory officers would be dealt with by an appointments committee formed by Authority members, all other appointments were now delegated to the Chief Fire Officer). Pension appeals had also been removed from this committee.
- Appeals Committee - As noted above, there had been the addition of pensions appeals, Internal Disputes Resolution Procedures (IDRP 2) which were previously heard by Resources Committee. There had also been the addition of hearing appeals from Audit relating to member complaint matters. County Councillor U Arif asked whether member training would be available for those with a role on this committee who did not have previous relevant background knowledge or experience, this suggestion would be raised at the Member Training and Development Working Group.
- Appointments Committee - This was a new committee and would deal with the appointment of the three statutory officers. It was noted there was also now a standing order which dealt with disciplinary action including dismissal of the statutory officers. Subject to political balance rules, the committee would include both the Chair and Vice Chair of the full Authority.

County Councillor B Langford raised a query regarding section 5 which stated that the CFO would act as advisor to the appointments committee. He asked if it be better practice to make the advisor independent of the Executive Board. The MO indicated that there would generally be representation from HR on the appointments committee too, the Chair provided reassurance that a similar practice was the case at Lancashire County Council (LCC) and worked well.

County Councillor J Ash asked if the wording of section 11 (page 26) could be made clearer – the MO agreed to add a comma after the word ‘members’.

County Councillor A Blake then raised a matter relating to Standing Order 5 (page 45) and asked if this was reflective of the process used at the most recent CFA meeting in June 2026 for the election of the Chair and Vice Chair of the Authority.

The MO indicated the starting point was a show of hands for a named vote, but this could then lead to a vote by show of hands for an anonymous ballot. It was intended that the section on page 41 (Standing Order 5 – Appointment of Chair and Vice-Chair of the Combined Fire Authority) would clarify this process. Members discussed the voting process used at the previous CFA meeting in June 2026 and the advantages and disadvantages of different voting methods. The MO referred members to Standing Order 7 (page 50) and the details provided regarding recorded (named) voting and anonymous ballots. Members commented that a named vote did not need to be agreed by a majority at LCC (it could be agreed by 6) and that this seemed to be standard for local government. A change was suggested to the wording of sections 43 and 45 on page 50 to take out the word 'majority' and to replace this with 5 members' votes. There was discussion over whether priority would be given to a request for a named or anonymous vote depending on which was requested first. It was agreed that the MO would try to source best practice on this matter of sequencing and feedback to working group members.

The Chair suggested and it was agreed by members of the committee that there could be a default position for anonymous voting for the roles of Chair and Vice-Chair at the CFA Annual General Meeting (AGM).

- Strategy Forum - members noted a change of name from Strategy Group to Strategy Forum. It was noted that this was not a committee as the forum did not make decisions and was a private meeting. Feedback from each forum meeting would be presented to the next CFA meeting.
- Capital Building Projects Working Group - The terms of reference had been streamlined and it was clarified that the group would make recommendations into the relevant decision-making committee or the full Authority.

Standing Orders

Standing orders (SOs) 1 to 8 dealt with the specifics of how meetings would run. These were revised to reflect best practice and existing legislation.

Attention was drawn by the MO to section 11 of SO1 which the Constitution Working Group had felt important to retain.

A suggestion was raised by County Councillor U Arif regarding the term of office for members serving as Chair or Vice Chair. It was felt that these positions could require some time for members to become fully established in their roles. Therefore, he suggested that consideration be given to extending the term of office to 2 years so that the CFA could benefit from greater stability and continuity in these key positions. The MO and Chair explained that this was not within the CFA control, that home authorities determined membership of the CFA and political balance could also change from year to year. The MO indicated that the term of the Chair and Vice Chair was only set for 12 months and this was set out in legislation and could not be changed.

County Councillor A Blake asked whether there would be any impact to membership of the CFA after the shadow local government elections took place in 2027. The MO indicated this would not have any impact on the CFA until 2028.

SO3 was new and related to replacement and temporary members. The point was made by the Chair that members should not sit on both Resources and Audit, did this need to be stated here or would that be overly prescriptive. The MO indicated that the restriction was documented within the committee terms of reference.

SO7 had been extensively reviewed and was intended to be comprehensive but may need some modification in practice.

SO8 was also new and related to the urgent business procedure. The other SOs had been re-worked and were amended versions of SOs that were already in place.

SO9 was drafted with input from HR and had been approved earlier in the year by the full Authority.

Miscellaneous

The member complaints procedure was new and outlined a detailed procedure for dealing with any complaints. The members' code of conduct and relevant appendices were noted.

With regards to the member champion roles (page 106), the addition of item 7 was noted as a suggestion from County Councillor P Buckley at a previous working group meeting and was regarding engagement with relevant partners.

The member's allowance scheme (page 250 onwards) had been amended to add a dependents' carers' allowance and also an allowance for the Audit Committee independent person. A special responsibility allowance had been added for the leader of the ruling group if they were not also Chair or Vice-Chair of the authority and it was now clarified that it was possible to have more than one Special Responsibility Allowance (SRA).

In terms of Members' Allowance Scheme Schedule 'B' – Travel and Subsistence Allowances, it was noted that the mileage rate had been increased. There was also discussion of which expenses were taxable.

In terms of the new Appointments Committee, there was discussion as to whether an SRA should apply, given it would only meet infrequently. It was proposed by the Chair that there was no SRA applied, this was seconded by County Councillor P Buckley and agreed unanimously by members.

The MO raised some anomalies with regards to SRAs for the various working groups and asked members to decide whether these should remain as they were, be standardised or removed. It was agreed that the SRAs would remain for the Appeals Committee and the Member Training and Development Working Group but would not be applied for the Capital Building Projects Working Group.

	This brought the meeting to the end of the constitution document. The MO clarified that any further amendments would be sent to the working group via email ahead of the document being taken to the full Authority meeting in September 2026. Resolved: - That the Committee; Reviewed the final draft of the constitution and made necessary recommendations for further amendments before the document was sent to the full authority meeting on 21 September 2026 for approval and adoption.
17-26/27	Date of Next Meeting
	The next meeting of the Committee would be held on Thursday 1 October 2026 at 10:00 hours in the Main Conference Room at Lancashire Fire and Rescue Service Headquarters, Fulwood. Further meeting dates were noted for 15 December 2026 and agreed for 25 March 2027.

**LFRS HQ
Fulwood**

**D Howell
Monitoring Officer to CFA**

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Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

Amendments to constitution

Contact for further information – Dominic Howell, Monitoring Officer
Tel: 07810 772851

Executive Summary

Minor amendments are required to the constitution in order to clarify some procedural matters relating to voting.

Recommendation(s)

1. The committee is asked to approve the amendments to standing orders 5 and 7 as set out in paragraph 5 below.
2. The committee is asked to approve the amendment to standing order 7 as set out in paragraph 10 below.

Information

Voting for Chair and Vice-Chair

1. At the extraordinary meeting of the Audit Committee on 18 August 2026, the committee considered the proposed new constitution for the Fire Authority. One of the matters discussed was in relation to voting procedures and in particular anonymous votes versus named (recorded) votes. The Monitoring Officer was tasked with ascertaining what the correct course of action should be if both an anonymous and a named vote were requested for the same matter.

2. Research showed that accepted practice would be for the named vote to take precedence in these circumstances (as set out in the standard textbook - Knowles on Local Authority Meetings and is also what happens at Lancashire County Council). This is now reflected in paragraph 41 of Standing Order 7:-

“41. If both a recorded (named) vote and an anonymous vote are proposed and voted in favour for the same item, then it is the recorded (named) vote that will take precedence.”

Paragraphs 44 and 45 set out the procedure for having a named vote.

3. Separately to this, there was some discussion about the voting mechanism for the Chair and Vice-Chair of the Authority at the AGM. It was decided that this should be done anonymously by default (instead of the usual default of a show of hands). This instruction is currently reflected in Standing Order 5 at paragraph 4:-

“4. The Monitoring Officer will invite nominations for the Chair of the Authority, and if required for the Vice-Chair. Once moved and seconded a vote is taken, which will be an anonymous vote, and the new Chair (or Vice-Chair) will take up their role.”

And also in Standing Order 7 at paragraphs 40:-

“40. The details of the exact procedural steps relating to any manner of voting shall be explained by the Monitoring Officer. The Authority shall normally vote upon matters by a show of hands except where the vote is for the appointment of the Chair or Vice-Chair of the Authority (which will be an anonymous vote) or in accordance with paragraphs 44 to 47 below.”

And paragraph 46:-

“46. An anonymous ballot may be held if it is proposed and five of the members vote in favour. Standing Order 5 also provides that an anonymous ballot must be held for the election of the Chair and Vice-Chair of the Authority.”

4. Whilst reviewing the new constitution in order to write internal guidance on the voting procedure, it became apparent that it was not entirely clear that the rule set out in paragraph 41 of Standing Order 7 – the named vote taking precedence over the anonymous vote would also apply to the vote for the Chair and Vice-Chair of the Authority. In other words, whilst the starting point for the Chair and Vice-Chair is an anonymous vote, if a recorded vote is proposed and voted for by 5 members, in accordance with paragraphs 44 and 45 of Standing Order 7, this will override the rule about it being anonymous. It was understood that this was the intention of the Audit Committee but the standing orders as drafted could be mis-interpreted.

5. It is therefore proposed that the standing orders are amended to make this rule clearer as follows:-

Standing order 5 paragraph 4:

“The Monitoring Officer will invite nominations for the Chair of the Authority, and if required for the Vice-Chair. Once moved and seconded a vote is taken, and the new Chair (or Vice-Chair) will take up their role. This vote will by default be anonymous unless a recorded vote is instead proposed and five of the members vote in favour of a recorded vote.”

And also standing order 7 paragraph 46:

“An anonymous ballot may be held if it is proposed and five of the members vote in favour.”

Abstentions

6. Paragraph 42 of standing order 7 currently reads:

“The Chair and Monitoring Officer shall ascertain the number voting for or against any question and their declaration as to the result shall be conclusive.”

7. Again whilst writing internal guidance, it was highlighted that the constitution does not make it clear how abstentions from voting will be treated. Guidance makes it clear that even if a member abstains from voting, they are still “present” at the meeting for quoracy purposes. However, if they are included when counting the total number of

voters for and against an issue, then in practical terms this would amount to a “no” vote which is unlikely to be the intention of the person abstaining. Alternatively, if any abstentions are excluded from the count, then that is likely to reflect a more accurate representation of the intentions of the members.

8. As examples to demonstrate this, if out of 25 members present at a meeting, 5 abstain, 11 vote for and 9 vote against, there would be a difference in outcome depending on what rule is adopted. If the rules are that all 25 members are present and entitled votes (including those that abstained) are counted, then as only 11 have voted for the issue, this is not a majority of 25 and the resolution would not be passed. If the rules were that any abstaining members are discounted however, then we remove the 5 abstaining from the equation and look at the majority of those actually voting which is 20. As 11 voted in favour, which is a majority of 20, then the resolution would be passed.

9. A review of how other local authorities and Fire Authorities deal with this shows that there is no consensus. Some appear to count abstaining members in the overall count of votes cast, whereas others do not. It is recommended that the constitution is amended to make it clear that if a member abstains, then they are entirely discounted from the votes cast.

10. It is recommended that the constitution is amended to clarify that abstaining members are not included in the count of votes, as this would appear to reflect what the intention is behind abstaining. The suggested amendment to paragraph 42 is shown below

“42. The Chair and Monitoring Officer shall ascertain the number voting for or against any question and their declaration as to the result shall be conclusive. All matters shall be decided by a simple majority of members present and actually voting for or against the matter. For clarity, members who abstain from a vote will still count as present for quoracy of the meeting, but will not form part of the count in determining the simple majority.”

Business risk

Failure to have explicit rules on voting could lead to confusion on process during public meetings.

Sustainability or Environmental Impact

NA

Equality and Diversity Implications

NA

Data Protection (GDPR)

Will the proposal(s) involve the processing of personal data? NA

HR implications

NA

Financial implications

NA

Legal implications

NA

Local Government (Access to Information) Act 1985**List of background papers**

Paper: Minutes of extraordinary meeting of the Audit committee

Date: 18.8.2026

Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

Internal Audit Monitoring Report

(Appendix A)

Contact for further information - Steven Brown, Director of Corporate Services (DoCS)
Telephone Number: 01772 866804

Executive Summary

The attached report sets out progress against the Internal Audit Plan for 2026-27 for the period ended 16 September 2026. It confirms that seven and a half audit days have been completed to date, with planning work underway on the governance review and financial systems audits, and management activity ongoing.

The report also notes the proposed timing of planned audit work. The Protection review is scheduled to commence in quarter three to reflect the transfer to a new system, and the Complaints Management Process review is scheduled for quarter four to allow the new policy and processes introduced in April 2026 to become fully embedded.

Recommendation(s)

The Committee is asked to note the report.

Information

The Internal Audit Service provides a monitoring report to each Audit, Risk and Governance Committee, setting out progress against the annual audit plan and highlighting any changes or issues requiring the Committee's attention. The attached report confirms that the 2026-27 plan was approved by the Audit Committee in March 2026 and summarises progress for the period ended 16 September 2026.

Members are asked to note that the internal auditors have recorded seven and a half days of work against the 2026-27 plan to date. This includes planning work on the governance review, initial planning for the accounts payable, accounts receivables and general ledger audits, and ongoing management activity. No assurance opinions have been issued at this stage.

Business risk

Effective internal audit is a key element of the Authority's governance arrangements. Regular monitoring of progress against the audit plan supports assurance that key risks, controls and governance arrangements are being reviewed in a timely and proportionate way.

Sustainability or Environmental Impact

None.

Equality and Diversity Implications

None.

Data Protection (GDPR)

Will the proposal(s) involve the processing of personal data? N/A

HR implications

None

Financial implications

None.

Legal implications

None.

Local Government (Access to Information) Act 1985**List of background papers**

Paper: N/A

Date: N/A

Contact: N/A

Reason for inclusion in Part 2 if appropriate: N/A

Appendix A: Internal Audit Service monitoring report: period ended 16 September 2026

Appendix A

Lancashire Combined Fire Authority

Internal Audit Service monitoring report: period ended 16 September 2026

1 Purpose of this report

- 1.1 The Internal Audit Plan for 2026-27 was approved by the Audit Committee in March 2026. This report details the progress to date in undertaking the agreed coverage.

2 Internal audit work undertaken

- 2.1 To date, seven and a half days have been spent this financial year on completion of the 2026-27 plan. The table in section 3 below provides a summary of the assignments that comprise the 2026-27 audit plan.
- 2.2 One and a half days have been spent planning the governance review and the auditor completing the review will be attending a meeting of the Lancashire Combined Fire Authority on the 21 September 2026 as an observer.
- 2.3 Planning work has commenced for the financial system audits covering accounts payable, receivables and the general ledger, and one day in total has been spent to date for the three systems. We are working closely with the Head of Finance and Procurement to ensure the timing of the audits does not impact on the Finance teams other commitments.
- 2.4 On request from the Director of Corporate Services the protection review will commence in quarter three due to them transferring to a new system and the complaints management process review will commence in quarter four to allow time for the new policy and processes introduced in April 2026 to be fully embedded.

Use of this report

- 2.5 This report has been prepared solely for the use of Lancashire Combined Fire Authority, and it would therefore not be appropriate for it or extracts from it to be made available to third parties other than the external auditors. We accept no responsibility to any third party who may receive this report, in whole or in part, for any reliance that they may place on it and, in particular, we expect the external auditors to determine for themselves the extent to which they choose to utilise our work.

3.1 Progress up to 16 September 2026

Audit review	Audit days			Status	Assurance Opinion
	Planned	Actual	Variation		
Governance and business effectiveness					
Governance	5	1.5	3.5	Planning	
Service delivery and support					
Complaints Management Process	11	0	11	Not started – scheduled for Q4	N/A
Protection	11	0	11	Not started – scheduled for Q3	N/A
Business processes					
Accounts Payable	22	1	21	Planning	N/A
Accounts Receivables					N/A
General Ledger					N/A
Follow up audit activity					
Follow up activity	8	0	8	Not started	N/A
Other components of the audit plan					
Management activity	11	5	6	Ongoing	
National Fraud Initiative	2	0	2		
Total	70	7.5	62.5		

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Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

External Audit – Audit progress report and sector updates

(Appendix 1 refers)

Contact for further information - Steven Brown, Director of Corporate Services (DoCS)
Telephone Number: 01772 866804

Executive Summary

The attached report from Grant Thornton provides the Audit, Risk and Governance Committee with an update on progress in delivering the external audit for 2025-26, together with sector updates on matters of relevance to local government, fire and rescue authorities and audit committees.

Decision Required

The Committee is asked to note the external auditor's progress report and sector updates.

Information

Grant Thornton's External Audit Progress and Sector Update Report provides the Audit, Risk and Governance Committee with an update on the 2025-26 external audit. The audit is progressing to schedule, with risk assessment and systems documentation completed and financial statements fieldwork well underway. The draft accounts and supporting working papers were received on time and were of good quality, with effective engagement from officers. Value for Money work is also progressing, focusing on financial sustainability, the medium-term financial strategy, budget monitoring and follow-up of two improvement recommendations from 2024-25. The Audit Findings Report, Auditor's Report and Annual Auditor's Report are expected in November 2026.

The report also highlights developments across the local government sector, including governance expectations, proposed revisions to Best Value statutory guidance and local government reorganisation. No significant audit issues or formal recommendations have been identified at this stage, and no decisions are required from the Committee. Members are asked to note the progress made, maintain oversight of the remaining audit work and reporting timetable, and consider the potential implications of the wider sector developments outlined in the report.

Financial Implications

The Public Sector Audit Appointments scale fee for the 2025-26 audit is £105,938.

Legal Implications

None

Business Risk Implications

The external audit programme is informed by the risks facing the Authority and the wider local government and fire sector. The progress report assists the Committee in maintaining oversight of the external audit timetable, the auditor's value for money work and relevant sector developments that may affect governance, financial reporting and assurance arrangements.

Environmental Impact

None

Equality and Diversity Implications

None

Human Resource Implications

None

Local Government (Access to Information) Act 1985

List of background papers

N/A

Appendix 1: Audit progress report and sector updates

Glossary of terms used in the report

AGS	Annual Governance Statement
CIPFA	Chartered Institute of Public Finance and Accountancy
LGR	Local Government Re-organisation
MHCLG	Ministry of Housing, Communities and Local Government
PSAA	Public Sector Audit Appointments
SOLACE	Society of Local Authority Chief Executives

Lancashire Combined Fire Authority

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Audit progress report and sector updates

September 2026

Agenda

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Audit Progress Report

Introduction

This paper provides the Audit Committee with a report on progress in delivering our responsibilities as your external auditors.

The paper also includes a series of sector updates in respect of emerging issues which the Committee may wish to consider.

Members of the Audit Committee can find further useful material on our website, where we have a section dedicated to our work in the public sector. Here you can download copies of our publications:

[Local government | Grant Thornton](#)

If you would like further information on any items in this briefing or would like to register with Grant Thornton to receive regular email updates on issues that are of interest to you, please contact either your Engagement Lead or Engagement Manager.



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Progress as of September 2026

Financial Statements Audit

Regular liaison meetings have been held with management to discuss key developments and emerging risks, and to ensure alignment throughout the audit process.

We have completed our initial risk assessment procedures and updated our documentation on the design effectiveness of key systems and controls, which has informed the development and issue of our Audit Plan.

The draft accounts and the majority of supporting working papers were provided on time and were of good quality.

At present, we have made good progress with our fieldwork procedures, and management are responding well to all queries raised so far.

Value for Money

We have made good progress in respect of our value for money work to date and expect the main fieldwork to be completed throughout September and October. An initial planning meeting has been held with management to discuss our proposed approach and areas of audit focus, including obtaining an update on progress made in addressing the two improvement recommendations raised in 2024/25.

Our planning procedures have been completed, incorporating consideration of the Authority's strategic context and relevant risks. Fieldwork has begun and is supported by structured engagement with management and detailed review of key Authority documentation, including the business plan, medium-term financial strategy and budget monitoring reports, alongside other supporting evidence.

Progress as of September 2026 (continued)

Meetings

Since commencement of our work in respect of the audit year 2025/26 we have met with Steven Brown (Director of Corporate Services) and Jacquie Meadows (Head of Finance and Procurement).

We have

- agreed a timetable and deliverables with Management;
- issued the Audit Plan to Management and presented it to the Accounts and Audit Committee;
- documented the design effectiveness of systems and processes;
- held progress meetings with Management;
- undertaken planning risk assessment procedures; and
- selected and tested advanced samples
- selected out sample selection for fieldwork
- progressed testing the samples selected within fieldwork

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Audit Fees

PSAA published their scale fees for 2025/26: [2025/26 audit fee scale - PSAA](#)

For Lancashire Combined Fire Authority these fees are £105,938. These fees are derived from the procurement exercise carried out by PSAA in 2022. They reflect both the increased work auditors must now undertake as well as the scarcity of audit firms willing to do this work.

Events

We provide a range of workshops and network events.

On 2nd July 2026, we hosted a webinar on how the local government Audit Committee functions within a wider governance landscape. Insights from our webinar can be found here: [Supporting Effective Audit Committees in a Changing Local Government Landscape | Grant Thornton](#).

On 25th September 2026, we will be hosting a webinar on grants delivery, unpacking how to tackle funding certainty; achieve consistency; reduce administration friction; and build capacity. To attend, members and officers can: [Register here](#).

Audit Deliverables

Below are some of the audit deliverables planned for 2025/26

2025/26 Deliverables	Planned Date	Status
Audit Plan We are required to issue a detailed audit plan to the Audit Committee setting out our proposed approach in order to give an opinion on the Authority’s 2025/26 financial statements.	Issued to management on 30 March 2026 and presented to the Audit Committee on 15 April 2026.	Issued.
Audit Findings Report The Audit Findings Report will be reported to the Audit Committee.	To management in November 2026 and presented at December Audit Committee	Not yet due.
Auditor’s Report This includes the opinion on your financial statements.	To management in November 2026 and presented at December Audit Committee	Not yet due.
Auditor’s Annual Report This report communicates the key outputs of the audit, including our commentary on the Authority’s value for money arrangements.	To management in November 2026 and presented at December Audit Committee	Not yet due.

Sector Updates

Local government reorganisation (LGR)*

Audit Committees need to be aware of latest announcements and useful guidance.

On 16th July 2026 the Government LGR decisions for 14 areas of England. Together with decisions already announced for Surrey, Essex, Hampshire, Norfolk and Suffolk, this takes the total programme to 134 existing Authority's being replaced by 38 new unitary authorities.

Areas covered by the decisions on 16th July were:

- ❖ Derbyshire and Derby;
- ❖ Devon, Plymouth and Torbay;
- ❖ East Sussex and Brighton and Hove;
- ❖ Gloucestershire;
- ❖ Hertfordshire;
- ❖ Kent and Medway;
- ❖ Lancashire, Blackpool & Blackburn with Darwen;
- ❖ Leicestershire, Leicester and Rutland;
- ❖ Lincolnshire, North & Northeast Lincolnshire;
- ❖ Nottinghamshire and Nottingham;
- ❖ Oxfordshire (plus part of West Berkshire);
- ❖ Staffordshire and Stoke-on-Trent;
- ❖ Warwickshire; and
- ❖ Worcestershire.

In the meantime, [Rewiring the State](#) was published on 31st July 2026, setting out the government's wider plan to fundamentally rewire the state by shifting power, funding and accountability from Whitehall to local leaders.

Helpful guidance from Grant Thornton:

For our learning from the eight new unitary Authorities that were created between 2019 and 2024, see [Learning from the new unitary Authorities](#).

- ❖ For insights into how best to prepare for the new changes now to come, see three recent publications from July and August 2026:
- ❖ [Why agreeing the balance sheet split early matters](#).
- ❖ [The financial planning process and Medium-Term Financial Strategy for newly created unitary Authorities](#).
- ❖ [Managing assets through Local Government Reorganisation](#).

Audit Committee members are also encouraged to visit our LGR hub for additional information on how their Authority can successfully navigate change: [Local Government Reorganisation | Grant Thornton](#).

* Following Government's announcement on 7 September, the LGR programme is currently paused for Lancashire, however we have kept this slide in for background information.

Making the Annual Governance Statement matter

Audit Committees are responsible for approving the AGS (sometimes with Full Authority too) and should seek assurance it reflects a robust review against the CIPFA/SOLACE principles, a well-developed Code of Corporate Governance, and a clear assessment of effectiveness.



An evidence-based, candid view of strengths, weaknesses and planned improvements



Effectiveness is a qualitative judgement — not just a policy checklist



The review and drafting of the AGS should always be internally led



Senior officers must show genuine ownership, directed by members



An organisation-wide understanding of how governance works in practice

“

The AGS is a key indicator of the effectiveness of a Authority’s governance framework and a potential early warning sign of wider governance weaknesses.

Grant Thornton UK, July 2026

[Read our full article →](#) Published 20 July 2026

Best Value – have your say

New consultation to take part in

The Ministry of Housing, Communities and Local Government (MHCLG) is currently seeking views on revised statutory guidance for local and strategic authorities in England on compliance with the Best Value Duty.

A new consultation opened on Citizen Space on 15th July 2026, and will remain open until 11:59pm on 7th October 2026. This follows the government's March 2026 publication of Lessons learnt from best value interventions 2025. All local authorities are encouraged to take part in the new consultation, to help shape guidance going forward.

There has been a significant increase in the number of Authority's entering best value intervention since 2020. The government is aiming to learn from direct Authority experiences to improve policy, practice, and central government's relationship with local government. For the first time, MHCLG has undertaken structured engagement with all Authority's in statutory and non-statutory interventions exploring their challenges, recovery actions, and outcomes.

To have your say on the revised guidance and what should happen next, follow this link:

[Consultation on revised Best Value guidance - Ministry of Housing, Communities and Local Government - Citizen Space](#)



Audit Committee resources

Commentary from Grant Thornton on recovering the accounts preparation and audit timetable:

[Local audit reset: What comes after the backstop? | Grant Thornton](#)

Latest guidance and learning from Grant Thornton on local government reorganisation and devolution:

[Navigating the future: The dual challenge of local Government reorganisation and devolution | Grant Thornton](#)

[Dual delivery - How can areas successfully reorganise local government and implement devolution at the same time?](#)

[Learning from the new unitary Authorities](#)

Grant Thornton learning on procurement and contract management:

[Local government procurement and contract management](#)

Audit Committee and organisational effectiveness in local authorities (CIPFA):

<https://www.cipfa.org/services/support-for-audit-committees/local-authority-audit-committees>

LGA Regional Audit Forums for Audit Committee Chairs

These are convened at least three times a year and are supported by the LGA. The forums provide an opportunity to share good practice, discuss common issues and offer training on key topics. Forums are organised by a lead authority in each region. Please email ami.beeton@local.gov.uk LGA Senior Adviser, for more information.

CIPFA Application Note: Global Internal Audit Standards in the UK Public Sector

[Global Internal Audit Standards in the UK Public Sector | CIPFA](#)

CIPFA Good Governance

[Delivering Good Governance in Local Government Addendum](#)

The Three Lines of Defence Model (IAA)

<https://www.theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf>

Risk Management Guidance / The Orange Book (UK Government):

<https://www.gov.uk/government/publications/orange-book>



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Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

Risk Management

(Appendix A - Risk Matrix)

Contact for further information - Steven Brown, Director of Corporate Services (DoCS)
Telephone Number: 01772 866804

Executive Summary

Lancashire Fire and Rescue Service (LFRS) continues to strengthen its approach to organisational risk management, aligning policy and practice with ISO 31000:2018, National Fire Chiefs Council (NFCC) guidance, and HM Treasury's Orange Book: Management of Risk – Principles and Concepts. Risk management remains embedded within the Service's governance framework, supporting ongoing scrutiny, informed decision-making and proportionate allocation of resources to risk treatment.

The Corporate Risk Register continues to reflect a broadly stable overall position. Retention and recruitment of on-call staff (11f) and replacement of the existing mobilising system (11g) remain the highest-rated corporate risks. During the latest review cycle, one risk reduced: 1a – Industrial Action.

As reported in June, the Service has also continued to develop its risk management framework through closer alignment with HM Treasury's Orange Book. This includes enhancements to the Corporate Risk Register to improve visibility of risk treatment requirements, resource implications and associated financial considerations, enabling the financial and value-for-money consequences of risk treatment to be considered alongside operational risk exposure.

Recommendation(s)

The Audit, Risk and Governance Committee is requested to:

- note the Service's current risk management arrangements; and
- note the latest position reflected in the Corporate Risk Matrix and Summary Register at Appendix A.

Overview

Risk management remains a core component of organisational resilience, enabling Lancashire Fire and Rescue Service (LFRS) to anticipate, understand and respond effectively to uncertainty that may impact operational delivery, strategic objectives, financial sustainability or organisational reputation.

The Service continues to operate a tiered approach to risk identification, assessment and escalation, with departmental risk registers informing discussion at Directorate level before escalation to the Corporate Risk Register where risks exceed local tolerance thresholds or present wider organisational implications.

Further work continues to mature the Service's risk management arrangements. This has included reviewing the Corporate Risk Register against HM Treasury's Orange

Book: Management of Risk – Principles and Concepts and incorporating additional fields relating to risk treatment planning, resource requirements and financial implications. These enhancements strengthen decision-making by ensuring that the costs, benefits, affordability and practicality of mitigation measures are considered alongside the level of risk exposure.

Current Risk Profile

The corporate risk landscape remains broadly stable, with no significant change to the Service's highest-rated risks. Retention and recruitment of on-call staff (11f) and replacement of the existing mobilising system (11g) continue to represent the most significant areas of organisational exposure. These risks remain influenced by long-term external factors and sector-wide pressures rather than deterioration in internal controls or mitigation activity.

The following change has been identified since the previous report to the Audit Committee.

Decreased risks

Risk	Description
1a – Industrial Action	The likelihood score for the Industrial Action risk has been reduced following acceptance of the 2026 grey book pay settlement, which includes a 3.8% pay award effective from 1 July 2026. The potential impact on LFRS is now assessed as significantly lower. The impact score remains unchanged.

The Service continues to monitor a range of emerging issues that may influence future risk exposure, including geopolitical instability, economic pressures, workforce challenges, national infrastructure programmes and wider public sector reform. Any material changes will be assessed and incorporated into the Corporate Risk Register through established governance arrangements.

Overall, the risk landscape remains stable, with established governance and mitigation arrangements in place. Several key risks remain subject to external factors, sector-wide pressures and national programme dependencies, and will continue to require active monitoring and oversight.

Business risk

Failure to maintain an effective risk management system could result in significant operational, financial, legal and reputational impacts, and undermine the Service's ability to meet statutory duties and strategic objectives. The current arrangements are designed to provide proportionate assurance that material risks are identified, escalated and managed through established governance processes.

Sustainability or Environmental Impact

There are no direct sustainability or environmental impacts arising from this report. Where relevant, environmental risks and opportunities will continue to be considered through the Corporate Risk Register and associated risk treatment plans.

Equality and Diversity Implications

There are no direct equality and diversity implications arising from this report. Equality, diversity and inclusion considerations will continue to be assessed where individual risk treatment actions, policies or service changes require further development.

General Data Protection Regulation (GDPR)

Will the proposal(s) involve the processing of personal data? N/A

Human Resource (HR) implications

Improved consistency, governance and reporting will support managers in managing risks proactively, reducing the likelihood of impact on personnel and improving decision-making confidence. Workforce-related risks, including recruitment, retention, wellbeing and capability, will continue to be monitored through the relevant governance routes.

Financial implications

There are no immediate financial approvals arising from this report. However, the risk management system supports financial planning, value-for-money assessments and cost-benefit considerations linked to mitigation, transfer, treatment or acceptance of risk. Where risk treatment requires additional investment, this will be considered through the Medium-Term Financial Strategy (MTFS), budget monitoring and the appropriate decision-making route.

Legal implications

Well-governed risk management supports compliance with the Civil Contingencies Act 2004 and strengthens organisational assurance in relation to scrutiny and accountability frameworks. Specific legal implications arising from individual risk treatment actions will be considered separately where required.

Local Government (Access to Information) Act 1985

List of background papers

Paper: Corporate Risk Matrix and Summary Register

Date: 30 June 2026

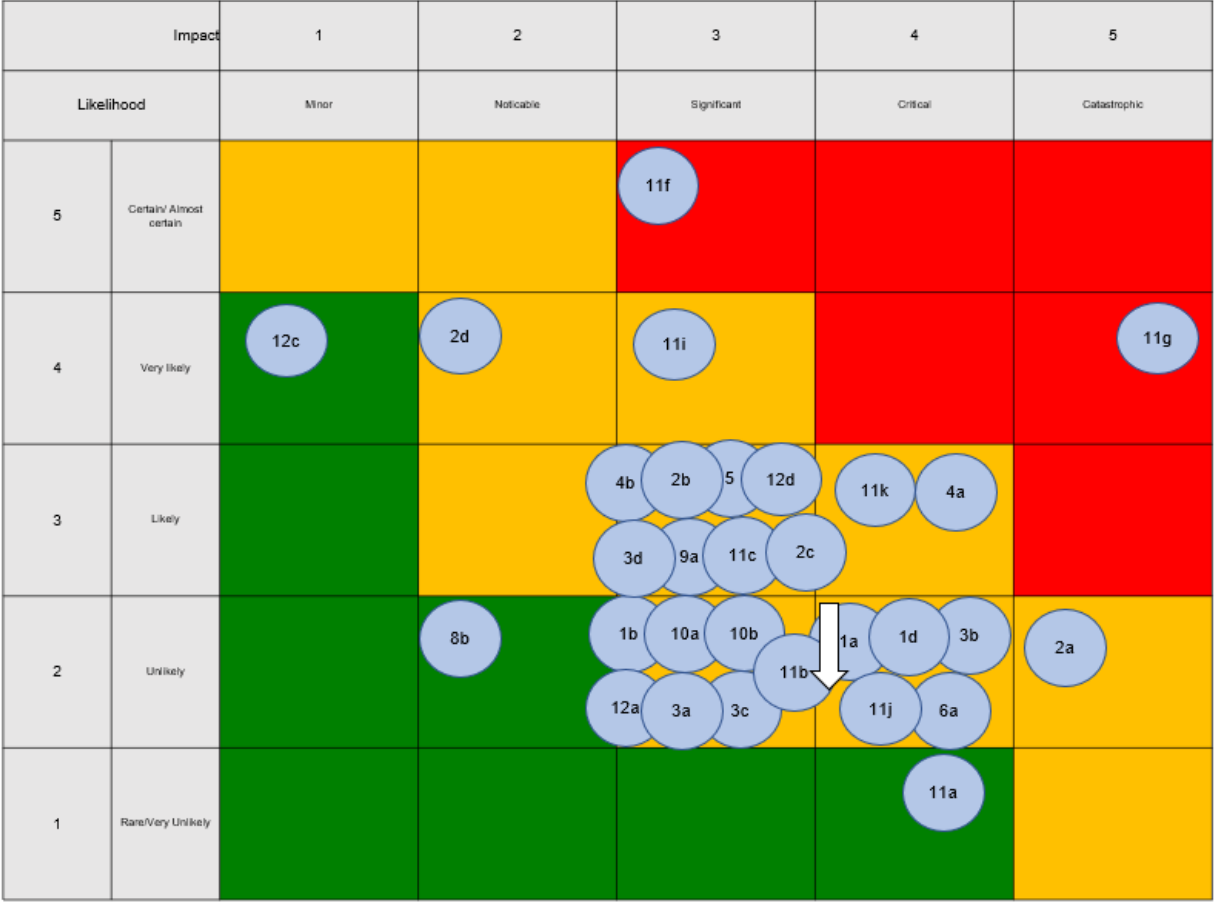
Contact: Esma Alicehajic, Senior Business Continuity and Emergency Planning Officer

Reason for inclusion in Part 2 if appropriate: Not applicable.

Appendix A: Corporate Risk Matrix and Summary Register

Corporate Risk Matrix and Summary Register

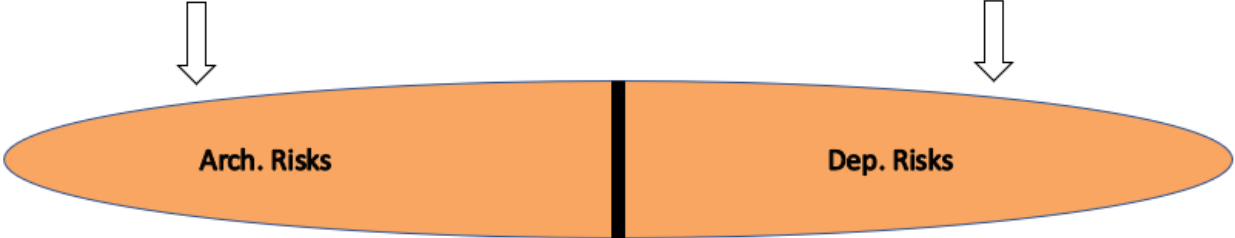
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KEY

- New Risk
- Existing Risk
- Priority Reduction
- Tolerance (ongoing reduction)
- Within Appetite (monitor)

1a – Industrial Action



Risk ID	Sub Risk ID	Risk Cause	Triggers	Actions
1		Loss or lack of staff due to...	A widespread event or situation that leads to a significant loss of workforce availability and affects the ability to undertake normal business.	
	1a	Industrial Action	A local or national dispute with a major or multiple unions leading to staff undertaking partial performance or withdrawal of labour	1) Continue monitoring the position of trade unions on current and future potential disputes. 2) Continue to review operational response models and monitor the trade union position, including through the upcoming Service Review. 3) Develop an options paper in relation to the potential employment of a resilience workforce. 4) Continue to review, update and test business continuity plans relating to industrial action in line with the testing schedule or upon increased likelihood. 5) Continue reviewing and updating the costing of industrial action operations in line with the current economic position. 6) Exercise and test the resilience model. 7) Consider the financial implications of the resilience model aligned to the MTFS. 8) Complete and follow up any recommendations arising from the national resilience industrial action survey. 9) Monitor the National Pay Reform programme and communicate emerging developments and implications to relevant stakeholders.

	1b	Inability to recruit or retain key staff	Decline in available workforce due to a number of factors a. long term illnesses b. high level of retirement c. Service cannot offer competitive salary d. poor levels of recruitment due to social, or financial pressures and capacity of current workforce to undertake promotion processes e. perception of service and culture discouraging applications f. ineffective recruitment programme	1) Continue to monitor through Workforce Planning arrangements. 2) Raise any shortfalls through Group Managers Meeting or Executive Board as applicable. 3) Evaluate the success of recruitment sources. 4) Financial pressures to be considered as part of workforce planning
	1c	Inability to provide sufficient staff in leadership roles	a. Further to pension changes and turnover there is a need to meet the demand for talented leaders with the ability to work in a changing operating environment	1) The Service continues to offer leadership development to supervisory and middle managers. 2) Advertise leadership vacancies externally.
	1d	Pandemic or ill-health epidemic	An ill-health epidemic or pandemic reducing ability of staff to attend or access to workplace, either due to their own illness, to prevent or reduce transmission and to care for dependants	1) Continuation of updating relevant plans and Health and Safety information in line with newest developments and research. 2) Explore the possibility of developing an early warning trigger mechanism from HR to inform Response and Emergency (REP) action and monitoring on potential increases sickness and absences, by end of quarter 4. 3) Combine learnings from COVID, Pegasus and LFRS Business Continuity Service Management Team exercise, tracked through LFRS Assurance Management System, by end of quarter 4.

				4) Continue monitoring developing epidemiological trends via LRF partners.
2		Financial Pressures	Insufficient funding or unbudgeted cost pressures that affect financial sustainability and the ability to maintain critical functions.	
	2a	Loss of funding	a. Government reduction of grant monies affecting income b. Change in Fair Funding Formula or Business Rates Retention impacting on LFRS share of funding c. Change in local or national economic circumstances resulting in reductions in Council Tax or Business Rates	1) Continue lobbying Government through local Members and MPs. 2) Responding to consultations.

	2b	Overspending and future financial pressures on the MTFS due to increases in the costs of goods, services and pay	a. Unexpected event that leads to rise in costs for goods and services and pay such as Fuel costs due to Ukraine war, Global recession b. higher than budgeted pay award	Use of the £0.6 million utility volatility reserve to help manage short-term movements in energy costs above budget; Active management of contract indexation, including checking, challenging and validating inflation-related uplifts where appropriate; Re-profiling discretionary non-pay spend where required to help contain in-year pressures; Enhanced financial monitoring and exception reporting where forecast pressures exceed agreed triggers; and Working through sector bodies and other channels to lobby Government for recognition of inflation pressures and any appropriate funding support.
	2c	Future financial pressures on MTFS due to changes in legislation	a. Changes in building regulations resulting in higher costs than assumed in the MTFS, for example Building Research Establishment Environmental Assessment Method (BREEAM) requirements. b. New environmental targets resulting in increased costs in the future. c. Net zero targets. d. Changes to employers' National Insurance contributions.	1) Continue to monitor potential impact, incorporating relevant assumptions into the draft MTFS. 2) Continue to regularly review any potential legislative changes. 3) Review the outcomes of the Spending Review, funding consultations and Autumn Budget.

	2d	Emerging risk associated with grey book pensions and overspending due to increase in costs and administrations associated with changes to pensions	a. Unexpected changes to the pension schemes due to court rulings.	1) Follow government guidance and legislative changes in relation to individual cases. 2) Record rationale for decision making. 3) Provide regular updates to Pension Board and Resources Committee
3		Loss of Utilities	An event or situation, malicious or non-malicious, that causes a partial or total loss of utilities services	
	3a	Telecommunications	Severe weather, Space weather, failure of equipment due to fault or malicious attack on national or local telecoms infrastructure at LFRS and North West Fire Control (NWFC). This could also be due to loss or withdrawal of contracts from suppliers.	1) Participate in the NWFC business continuity group to address communication back-up arrangements. 2) Implement recommendations from Operation Exercise Blackout. 3) Digital, Data and Technology (DDaT) to evaluate AtHoc Basic Connect licence requirements for LFRS. 4) Communicate the alternative Fire 999 number once established.
	3b (i)	Power outage - Generally	Severe weather, space weather, failure of equipment due to fault or malicious attack on national or local power infrastructure or supply chains. Local or national demand is above capacity leading to Rota load disconnections etc.	1) Draft a power outage tactical business continuity plan, informed by the outcome of Business Continuity Management Group workshops, by Quarter 1 2026-27. 2) Conduct a cost-benefit analysis of strategically locating mobile generators across Lancashire by Quarter 1 2026-27. 3) Produce an appendix to station business continuity plans providing guidance on the use of generators by Quarter 1 2026-27.

	3b (ii)	Power outage - SHQ	Severe weather, space weather, failure of equipment due to fault or malicious attack on national or local power infrastructure or supply chains. Local or national demand is above capacity leading to Rota load disconnections etc.	1) ICT to review the condition of the uninterruptible power supply (UPS) to the main server room and provide a report by Quarter 1 2026-27. 2) Property to review and discuss any recommended works or actions identified by the generator contractor by Quarter 1 2026-27.
	3b (iii)	Power outage - LDC	Severe weather, space weather, failure of equipment due to fault or malicious attack on national or local power infrastructure or supply chains. Local or national demand is above capacity leading to Rota load disconnections etc.	1) Isolation of Photovoltaic (PV) panels on Hangar 54 - requires further investigation to resolve back feed to the generator issues 2) Electrical infrastructure upgrades and resilience to be part of project scope for the development of the site 3) Implementation of the recommendations from the LDC remedial power outage Incident 2024. (under review)
	3c	Water	Large scale failure of water company equipment due to fault or malicious attack on national or local processing and pumping infrastructure or supply chains, or failure of private company.	1) Conduct a gap analysis on water outage on a county-wide scale, including bottled drinking water, firefighting water, and hygiene requirements. 2) Consider service delivery and training requirements to reduce water needs as required. 3) Investigate multiagency reciprocal agreements

	3d	Fuel	Failure of equipment due to fault, incident, industrial action or malicious attack on national or local infrastructure or supply chains. Geopolitical issues affecting access to fuel from international sources. Public behaviour (panic buying as a result of any of above scenarios)	1) Ensure that bulk fuel storage is consistently maintained at a minimum average level of 75% across all six LFRS locations. 2) A comprehensive review of the light vehicle fleet has been completed, resulting in the diversification of vehicle types to better meet operational requirements at each station. This approach ensures that the fleet includes a range of vehicles, from standard saloon cars to 4x4s and alternatively powered models, thereby supporting the varied activities undertaken by the stations. The implementation of these changes is scheduled for completion by the end of Quarter 2. 3) Review the third-party power supply report for stations to guide the next phase of electrification and carry out the recommendations by the end of Quarter 3.
4		Loss of ICT	Partial or total loss of physical or electronic and virtual ICT systems due to a fault, accidental damage or malicious attack.	

	4a	Cyber Security	Partial or total loss of electronic and virtual ICT systems due to a malicious attack.	1) A Cyber Security Strategy has been approved by Executive Board. This includes additional managed services to assist with monitoring the environment, investment in next generation perimeter defences such as next generation firewalls, and changes to working practices including stronger password controls and multi-factor authentication. 2) Continue to align with the National Cyber Security Centre best practice security framework as it develops. 3) Maintain an incident response retainer, providing access to a specialist company for potential incidents. 4) Introduce a managed detection and response (MDR) solution. 5) Invest in Local Resilience Forum cyber resilience arrangements. 6) Maintain a dedicated cyber security role. 7) Introduce penetration testing.
	4b	Failure of key ICT systems	Partial or total loss of physical or electronic and virtual ICT systems due to a fault, accidental damage or malicious attack.	1) Identify a pathway for Azure migration for data, storage and infrastructure. 2) Exploit cloud-based security controls and increase secure score across subscriptions. 3) Maintain monthly data backups to offline storage with an air gap. 4) Re-architect elements of the network through the firewall refresh to increase resilience and security. 5) Consider further investment to migrate virtual on-premise systems to cloud-based services, including Citrix and VMware.

5		Death or Serious injury of...	An incident that causes the death or serious injury of a person either in or interacting with the Service	
	5a	A member of staff or contractor during work activities	An incident in the workplace related to general duties e.g. a member of staff involved in a road traffic collision (RTC) whilst undertaking duties, slips trips and falls.	1) In March 2024, the Health and Safety and Environmental Management Systems underwent an independent audit as part of our ISO 45001 and ISO 14001 certification process. No non-conformances were identified with one opportunity for improvement suggested by the auditor.
	5b	A member of staff during operational activities	An incident enroute to, on an incident ground or in operational training scenario such as falling debris.	1) In March 2024, the Health and Safety and Environmental Management Systems underwent an independent audit as part of our ISO 45001 and ISO 14001 certification process. No non-conformances were identified with one opportunity for improvement suggested by the auditor.
	5c	A member of the public due to Service activities	An incident or situation that leads to the death or serious injury of a member of the public. During operational response, training activities or any other public interaction, or incident on Service premises. OR Failure to appropriately assess, inform or safeguard the public from hazards and risks associated with fires	1) In March 2024, the Health and Safety and Environmental Management Systems underwent an independent audit as part of our ISO 45001 and ISO 14001 certification process. No non-conformances were identified with one opportunity for improvement suggested by the auditor.

	5d	Death of member of staff, visitor or contractor due to on service premises	An incident or situation on service premises or estate that leads to death or serious injury. Failure to provide appropriate risk assessment, first aid provision and training, damaged or faulty equipment or buildings or structures.	1) In March 2024, the Health and Safety and Environmental Management Systems underwent an independent audit as part of our ISO 45001 and ISO 14001 certification process. No non-conformances were identified with one opportunity for improvement suggested by the auditor.
	5e	Failure to identify and implement learning from past events.	Failure to properly investigate and implement actions following recommendations, from a near miss, death or serious injury to mitigate risk for the future	1) In March 2024, the Health and Safety and Environmental Management Systems underwent an independent audit as part of our ISO 45001 and ISO 14001 certification process. No non-conformances were identified with one opportunity for improvement suggested by the auditor.

6		Change in national legislation requiring additional workloads to assess implement and embed.	Change in national legislation requiring additional workloads, this might be due to a significant event requiring learning, new government initiatives or change in political landscape	
	6a	Changes to Emergency Response Driver Training which would increase the training requirements for driving	Change in Fire Standard for Emergency Response Driver Training requiring additional workloads in training	1) The increase in course duration for Emergency Response Driver Training is likely to come into force once section 19 of the Road Safety Act changes. However, the duration required under the new legislation is still unknown. This may be partially offset by changes to the trainer-to-student ratio. 2) A review of driver trainer contracts is taking place. 3) Monitor the impact over time to ensure that new entrants can undertake the relevant training and are able to drive appliances. 4) Scope options to further supplement and support the driving school to meet identified deficiencies. 5) Keep abreast of discussions through the Driver Training Advisory Group (DTAG) and Home Office around legislative changes. Latest intelligence suggests that the proposed changes do not appear to be imminent and NFCC is challenging the position. 6) As of 14 May 2026, section 19 has not been introduced. 7) Establish clear prioritisation criteria for driver training allocation to ensure operational risk is managed where training demand exceeds capacity. 8) Secure a second driving instructor from Service Delivery. 9) Explore alternative training delivery models, such as external driving school provision, regional

				collaboration, extended training hours or modular approaches, to increase throughput where required.
8		Loss of Service Premises	An event or situation, malicious or non-malicious, that causes a partial or total loss of a fire service asset	
	8b	Control room	Severe weather, physical or technical attack or failure, general damage to building, denial of access (due to Protests or Industrial Action), failure of contracts with third party supplier (for joint or co-located premises)	1) Continue involvement in North West Fire Control (NWFC) governance structures to assure operations and business continuity arrangements. 2) Continue involvement in NWFC business continuity arrangements and exercises. 3) Actively participate in NWFC Business Continuity Management Group meetings. 4) Monitor the upcoming testing of NWFC's secondary location and capture any learning.
9		Failure to maximise opportunities	An event or situation that could provide an opportunity to improve the Service, which if not utilised could have a negative impact on the Service's progress	

	9a	Technological advances	Failure to maximise the opportunities that technological advances present due to a lack of capacity within the ICT & DT department, and an inability of staff to keep pace with new developments that are implemented	1) Initiate and mature the Community Developer concept. 2) Continue to train, educate and develop users' digital skills. 3) Reassign key resource to progress a strategic technology workstream. 4) Undertake a planned review of DDaT resource and structure to align and optimise resource, provide progression routes with succession planning and remove single points of failure. 5) Executive Board will consider investment in DDaT resource following the above exercise, subject to compelling evidence of risk reduction and value for money.
10		Failure to manage incidents or staff conduct effectively, including inadequate handling of complaints or disciplinary processes, leading to loss of public confidence or reputational damage.	An incident or situation that results in loss of public or staff confidence due to employee conduct (in the workplace, personal life, or on social media), non-compliance with Service policies, the Core Code of Ethics, or Equality, Diversity and Inclusion (EDI) principles; compounded by negative media coverage or the Service's mismanagement of the response.	

	10a	Failure to provide appropriate communications on events, situations or incidents that could lead to a loss of public confidence in LFRS	An event or situation relating to, loss of public or staff confidence due to Employee conduct at work, in personal life and on social media, failure to adhere to service policy, core code of ethics, EDI and related negative press, or Sector events.	1) Social media sessions to be delivered jointly with HR to address corporate and personal use. 2) E-learning module on use of social media to be created for all staff.
	10b	Failure to implement appropriate people processes in response to staff misconduct or complaints.	Allegations or evidence of staff misconduct (e.g., bullying, harassment, discrimination). Failure to act in line with Service Values, Core Code of Ethics, Staff Code of Conduct or service policy. Delays or inconsistencies in investigations or decision making. Lack of transparency or perceived fairness in internal procedures	1) Continue delivering training for all line managers on investigative best practices. 2) Continue to strengthen and embed the quality assurance process for misconduct cases. 3) Address adequate capacity and resource in HR or management which could delay case progress, by Q4 2026-27. 4) Monitoring and evaluating the strengthening of the professional standards function following the introduction of a 12-month trial of a dedicated GM to support investigation processes.

11		Operational	An event or situation that could impact on LFRS ability to respond effectively and efficiently.	
	11a	Rapid external fire spread in high rise premises	An event or situation relating to lack of prevention, protection and operational response leading to a major incident.	1) Continue built environment awareness training for operational and community safety staff. 2) Continue high-rise exercises involving LFRS staff. 3) Continue regulatory activity to ensure remediation of flammable external wall systems and other areas of non-compliance. 4) Implement activities identified through the extraordinary Operational Assurance Group focusing on Grenfell Tower Phase 2. 5) Implement actions arising from the Hong Kong fire, which identified external coverings that may lead to accelerated fire spread. 6) Assess whether Construction Design and Management (CDM) regulations are being appropriately considered through protection activity in relation to buildings under construction or renovation.
	11b	Complete removal of Day Crewing Plus (DCP)	A challenge from a Union to current local agreement.	1) Ongoing engagement with staff and Trade Unions. 2) Assess the impact of reverting some stations to DCP. 3) Trigger a need for an Emergency Cover Review (ECR) with changes to duty systems possible.

	11c	Lack of required skills of operational staff	A situation where operational staff do not possess the required skill to operate safely at an incident	1) Monitor effectiveness of Operational Assurance Performance Report in disseminating information. 2) Operational Assurance Officers to be mobilised to provide additional assurance at incidents that meet specific criteria, broadly when the risk to Firefighters is increased. For example this includes operational discretion and critical incidents. 3) LDC continue to work closely with Service Delivery to ensure attendance on Safety Critical mandatory training, monthly performance reports are sent to Head of Service Delivery. 4) LDC trainers are skill graded to ensure they operate consistently in terms of identifying training needs. 5) Review of the internal quality assurance policy and inclusion of Station based assurance activity by qualified personnel in relation to training, by end of Quarter 4. 6) Explore opportunities to formalise mentoring or support arrangements. 7) Internal Quality Assurance arrangements are now established for apprenticeships and will be progressively extended across all watches and operational units to ensure consistency, standardisation and oversight of training delivery.
	11f	Retention, development and recruitment of On Call staff	The failure to recruit and retain on-call staff caused by lack of on-call recruiting strategies, not being perceived as a desirable employer, not being competitive in pay rates, not providing enough flexibility to on-call staff with work arrangements.	1) Continue the programme of improvement to identify and make proposals across On Call aimed at improving recruitment, development and retention. 2) Maintain enhanced coordination between the On Call Support Officer Team Leader, Human Resources and Corporate Communications on recruitment targeting.

				3) Continue wholetime “Have a Go” events to showcase the On Call role at targeted stations. 4) Implement changes to development requirements, including an approximate 50% reduction in evidence requirements. 5) Develop forward plans for On Call Station Managers to review turn-in and turn-out arrangements, maintenance of skills, levels of demand and employer engagement. 6) Move On Call to the mobile phone app, with additional back-up provided by pagers in areas where mobile signal is limited. Station action plans will accommodate options for either cluster crewing or extended turn-out. 7) Evaluate pay-as-you-go proposals to enable more flexible contracts. 8) Continue 365 recruitment and Area Hubs arrangements. 9) Develop an On Call Service Order to signpost Service guidance. 10) Promote the hybrid working model and consider expansion of green book hybrid working. 11) Continue to implement actions from the On Call academic study, including building on the training and development of On Call Unit Managers and Station Delivery Managers through a development day. 12) Implement three-person crewing proposals. 13) Consider the outcome of the National Joint Council On Call Pay Review consultation, including whether to expand this workstream to resolve issues around time off in lieu (TOIL). 14) Review the new model and the On Call
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				Support Officer function, including redistribution of workstreams to deliver outcomes efficiently by the end of Quarter 2 2026-27.
	11g	Replacement of the existing mobilising system as current solution comes to end of life	Delay in implementing the replacement mobilising system delays with supplier, milestone deliver from the Fire and Rescue Services, lack of consensus project implementation.	1) Establish the feasibility and cost of extending the contract with the current mobilising system supplier, pending legal advice and development of extension options. By Quarter 1 2026-27, assurance will be gained on cost and timescales. 2) Identify options and contingencies for delivery of the new mobilising system. 3) Identify sources of additional budget where required. 4) Continue director level engagement. 5) Maintain regular reporting via the project board. 6) Capture lessons learned. 7) Ensure the project team maintains engagement with the supplier. 8) Escalate matters to supplier senior leadership where required.
	11i	Unauthorised access, criminal damage or theft from stations, vehicles, or operational equipment, including during periods when staff may be present on site.	A spate of break-ins nationally targeting fire stations or vehicles, including when crew are present or nearby.	1. Review and update station security risk assessments for all premises 2. Prioritise investment in physical security enhancements at vulnerable or remote stations (e.g. lighting, Closed Circuit TV (CCTV), alarms) 3. Explore procurement of equipment with tracking or remote-disable features 4. Issue refreshed guidance on securing vehicles and equipment during and outside of operational hours 5. Capture and share lessons learned from recent incidents and near misses

				6. Strengthen local police engagement for enhanced patrols, crime trend awareness, and response planning 7. Agree a policy for accessing CCTV systems
	11j	Failing Pager messages	Drill towers on station removed which moves the crews to Pagers and away from alerters	1) Continue internal work to identify routes away from pagers in favour of the app. 2) Ask crews to choose either pager or app where they do not wish to use their own personal devices. 3) Obtain a full report and mitigation plan from Critico. 4) Manage crew behaviour locally when receiving full incident details.
	11k	Emergency Services Mobile Communications Programme (ESMCP) and Emergency Services Network (ESN)	Although the project has now started to increase in pace, with further detail emerging around implementation packages and the associated funding model, recent correspondence from the Ministry of Housing, Communities and Local Government (MHCLG) dated 28 April 2026 confirmed that national delivery of the project is behind schedule. Current estimates indicate full migration by Quarter 2 2030. This brings into the risk profile the end of the Competition and Markets Authority (CMA) price cap on Airwave costs on 1 January 2030. This could expose LFRS to a risk of significant cost increases for the	1) Work is ongoing at service, regional and national levels to prepare for transition to ESN. This is focused on coverage, transition planning, device support requirements and integration with existing systems such as Mobile Data Terminals (MDT) and Computer Aided Dispatch (CAD). 2) Work is underway jointly between NFCC and MHCLG to understand the full impact and explore options to mitigate or support the sector. Given the significance of the risks, strategic leads from MHCLG and NFCC now sit on the ESN programme board to represent fire and rescue services.

			period from January 2030 to April 2030. The full details are not yet known, although sector estimates suggest the potential national exposure could be in the region of £10m per week.	
12		General	An event or situation that could impact on LFRS	
	12a	Major lack of effective Management of personal data	A situation or event caused by the lack of effective information management in LFRS	1) Procedure for ensuring appropriate retention of HR records.
	12c	Uncertainty and change arising from Local Government Reorganisation (LGR), devolution proposals or future changes to Fire and Rescue governance arrangements.	National reform relating to local government structures and Fire and Rescue governance arrangements may create uncertainty and transitional pressures impacting governance, funding, strategic planning, and partnership working.	1) Continue to monitor national developments relating to LGR, devolution and fire governance reform. 2) Maintain engagement with sector bodies, partners and local authorities. 3) Assess emerging impacts on governance, finance, workforce planning and organisational resilience as further information becomes available. 4) Escalate significant emerging risks through appropriate governance arrangements.

Glossary

BREEAM	Building Research Establishment Environmental Assessment Method
CAD	Computer Aided Dispatch
CCTV	Closed Circuit TV
CDM	Construction Design and Management regulations
CMA	Competition and Markets Authority
DCP	Day Crewing Plus
DDaT	Digital, Data and Technology
DTAG	Driver Training Advisory Group
ECR	Emergency Cover Review
EDI	Equality, Diversity and Inclusion
ESMCP	Emergency Services Mobile Communications Programme
ESN	Emergency Services Network
LDC	Leadership Development Centre
LFRS	Lancashire Fire and Rescue Service
LGR	Local Government Reorganisation
MDT	Mobile Data Terminals
MHCLG	Ministry of Housing, Communities and Local Government
MTFS	Medium-Term Financial Strategy
NFCC	National Fire Chiefs Council
NJC	National Joint Council
NWFC	North West Fire Control
REP	Response and Emergency
RTC	Road Traffic Collision
SHQ	Service Headquarters
TOIL	Time off in lieu
UPS	uninterruptible power supply

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Lancashire Combined Fire Authority Audit, Risk and Governance Committee

Meeting to be held on Thursday 1 October 2026

Expenditure outside of budget (up to £200,000 in each financial year)

Contact for further information - Steven Brown, Director of Corporate Services
Telephone Number: 01772 866804

Executive Summary

Following the implementation of the new Constitution at the full Combined Fire Authority meeting on 21 September 2026, the Audit Committee is asked to note any expenditure approved by the Chief Fire Officer in line with the Scheme of Delegation up to £200,000 in each financial year.

Recommendation(s)

The Committee is asked to note the report.

Information

The Authority's scheme of delegation, formally adopted by the Authority on Monday 21 September 2026 states that the authority is delegated to the Chief Fire Officer for expenditure outside of budget up to £200,000 in each financial year. A report on the use of this delegated power will be brought to each meeting of the Audit, Risk and Governance committee, even if it is a nil report.

For the financial year (commencing 1 April 2026) up to 23 September 2026 there has been no expenditure that falls within this delegated authority.

Business risk

None.

Sustainability or Environmental Impact

None.

Equality and Diversity Implications

None.

Data Protection (GDPR)

Will the proposal(s) involve the processing of personal data? N/A

HR implications

None

Financial implications

None.

Legal implications

None.

Local Government (Access to Information) Act 1985

List of background papers

Paper: N/A

Date: N/A

Contact: N/A