

Lancashire Combined Fire Authority

Monday, 17 February 2025 at 10.30 am in Washington Hall, Leadership and Development Centre, Euxton

Minutes

Present:

N Hennessy (Chair)

Councillors

S Serridge (Vice-Chair)

U Arif

G Baker

P Britcliffe

S Clarke

M Clifford

F De Molfetta

M Desai

D Howarth

T Hurn

H Khan

Z Khan MBE

D O'Toole

M Pattison

P Rigby

M Salter

S Serridge (Vice-Chair)

J Shedwick

J Singleton

D Smith

R Woollam

B Yates

64/24	Chair's Welcome and Introduction
	The Chair welcomed members to the meeting. The Chair congratulated the Deputy Chief Fire Officer (DCFO) on being awarded the King's Fire Service Medal in the New Year's Honours List and welcomed the new Assistant Chief Fire Officer (ACFO) Sam Pink, who joined the service in February. The ACFO thanked the Chair and remarked that she was proud to lead the service.
65/24	Apologies for Absence
	Apologies were received from Councillors J Hugo and F Jackson and County Councillor S Morris.
66/24	Minutes of Previous Meeting
	Resolved: - That the Minutes of the CFA held on 16 December 2024 be confirmed and signed by the Chair.
67/24	Minutes of meeting Wednesday 27 November 2024 of Resources Committee
	Resolved: - That the proceedings of the Resources Committee held on 27 November 2024 be noted.
68/24	Minutes of meeting Thursday 28 November 2024 of Audit Committee

	Resolved: - That the proceedings of the Audit Committee held on 28 November 2024 be noted.
69/24	Minutes of meeting Wednesday 4 December 2024 of Performance Committee
	Resolved: - That the proceedings of the Performance Committee held on 4 December 2024 be noted.
70/24	Disclosure of Pecuniary and non-Pecuniary Interests
	None received.
71/24	Minutes of meeting Monday 3 February 2024 of Planning Committee
	The Deputy Chief Fire Officer (DCFO) advised members of a correction to the minutes, the final paragraph within resolution 24/24 of the minutes (page 73 of the agenda pack) made reference to more information on prevention being brought to a future Planning Committee, this was corrected to information on protection. The DCFO reminded members that Lancashire Fire and Rescue Services (LFRSs) His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS) inspection had commenced today. The inspection team would work remotely for the first three weeks whilst they reviewed service documentation and data. The inspection team would physically be in service for weeks 4 and 6 (w/c 10 and 24 March) and conduct interviews, reality testing and further reviews, weeks 5, 7, and 8 were all remote, inspection activity would conclude early April. The service would receive a hot debrief on 1 May 2025 which would provide insight into the possible outcome of the inspection with a draft report expected in June 2025. Resolved: - That the proceedings of the Planning Committee held on 3 February 2025 be noted.
72/24	Report from members on Outside Bodies
	The Chair presented the report which detailed key points raised at Local Government Association (LGA) meetings of the Fire Service Management Committee and Fire Service Management Commission. The Chair advised members of a correction to the report, the entry relating to the Fire Service Committee on Friday 9 June 2023 (on page 85 of the agenda pack) should refer to the Fire Service Management Commission rather than committee. Resolved: That the report be noted.
73/24	Annual Statement of Assurance
	The Chief Fire Officer (CFO) presented the report to members. The Fire and Rescue National Framework for England (2018) set out the Government's high-level

	expectations, priorities and objectives for Fire and Rescue Authorities (FRAs) in England. Included within the framework was the requirement that all FRAs must provide assurance on financial, governance and operational matters. The Statement of Assurance aimed to provide the required accountability and transparency to Lancashire communities and the Government that Lancashire Fire and Rescue Service (LFRS) continued to deliver efficient, effective value for money services. This statement sat alongside the Community Risk Management Plan (CRMP), Statement of Accounts, the Annual Governance Statement, the Annual Service Plan and Annual Progress Report. It detailed what measures were in place to assure that the Combined Fire Authority's performance was efficient, economic, and effective and provided further evidence that LFRS continued to deliver under the expectations detailed within both the National Framework and its own Risk Management Plan. Resolved: - That the Authority approved the Annual Statement of Assurance 2023-24 as presented and approved the signing of this by the Chair of the Authority and the Chief Fire Officer.
74/24	Pay Policy Statement 2025/26
	The Director of People and Development (DoPD) presented the report. In accordance with the provisions of the Localism Act 2011 a pay policy statement for 2025/26 was considered by Members. The pay policy published data on senior salaries and the structure of the workforce and it demonstrated the principles of transparency. The pay policy statement set out the Authority's policies for the financial year relating to: • The remuneration of its chief officers; • The remuneration of its lowest paid employees; and • The relationship between the remuneration of its chief officers and that of other employees who were not chief officers. The statement included: • The level and elements of remuneration for each chief officer; • Remuneration range for chief officers on recruitment; • Methodology for increases and additions to remuneration for each chief officer; • The use of performance-related pay for chief officers; • The use of bonuses for chief officers; • The approach to the payment of chief officers on their ceasing to hold office under, or be employed by, the authority; and • The publication of and access to information relating to the remuneration of chief officers.

	It also included the Authority's policies for the financial year relating to other terms and conditions applying to its chief officers. County Councillor D O'Toole remarked that the Service needed to ensure that it was prioritising the remedy of firefighter pensions, which whilst they were often complex, it was vital to resolve as soon as possible. Resolved: - That the Pay Policy Statement be approved.
75/24	Budget Report 2025/26
	The Director of Corporate Services (DoCS) / Treasurer advised that appendices A to D in the Budget Report were linked, with changes in one impacting on the others: A) the Medium Term Financial Strategy (MTFS) set out the financial outlook and estimated borrowing over the next five years, B) the Capital Strategy set out major expenditure for investment within the Service (including the ten-year capital programme), C) the Reserves Strategy set out savings and how they were planned to be used over the next 5 years, and D) the Treasury Management Strategy set out investment, borrowing, repayment and how money was set aside to repay borrowing. The DoCS presented the report that set out the Council Tax Precept and Budget for 2025/26 along with the associated appended documents. The Authority was required to set a balanced budget and council tax precept for the next financial year by 1 March 2025. The Authority had to ensure it: • Considered the link between capital investment decisions and the revenue implications. • Considered the results of the Council Tax Precept Consultation. • Considered the Treasury Management implications of revenue and capital decisions. • Provided value for money. • Reflected best practice. The Budget and appended documents in the report formed the Service's financial strategies which were part of Lancashire Fire and Rescue Service (LFRS) strategic planning activity and governance framework which set out the direction of the Service and how it would achieve the aim of making Lancashire safer. These financial strategies were one of six core strategies that set out how LFRS, would provide services in line with the following priorities in the five-year Community Risk Management Plan (CRMP): • Valuing our people. • Preventing fires. • Protecting people and property. • Responding to fire and other emergencies. • Delivering value for money. Financial Context

The outlook for the UK economy in 2025 was mixed. Modest improvements in Gross Domestic Product (GDP) were expected, but still below pre pandemic levels and inflation was expected to stabilise at 2% by the end of 2025, but there could be temporary increases due to factors like rising gas prices. Interest rates were expected to continue to reduce gradually and whilst personal finances remain relatively strong, employers had raised concerns about job creation due to rises in National Insurance contributions. Overall, while there were positive signs of recovery, challenges such as geopolitical issues and global trade frictions could impact the UK's economic performance.

Nationally the Fire Service continued to face financial pressures from increasing legislative demands, environmental and societal changes, inflationary pressures, particularly on capital projects, above inflation pay settlements and increasingly more complex demands on resources.

Funding

Funding for the fire sector had changed in the last 15 years. The 2008 banking crisis was followed by a period of austerity in the sector. During this period government grants for the fire sector reduced. Changes to the funding methodology during this period also meant that changes in the economy, that impacted on benefits claimant numbers or business rates, impacted on funding levels. With Council Tax and Business Rates representing 81% of LFRS funding these changes had presented an additional risk. The main sources of funding in 2024/25 were:

Table 1 – Sources of Funding	£m	%
Council Tax	39.4	53%
Business Rates	21.3	28%
Revenue Support Grant	13.5	18%
Other Grants	1.0	1%
Total	75.2	100%

Funding for capital schemes had changed over this period, with the sector now almost exclusively funding new capital schemes from local sources of funding such as revenue contributions, reserves, capital receipts and borrowing (that was repaid from revenue budgets).

Prior to the Autumn Budget and finance settlement the National Fire Chiefs Council (NFCC) and LFRS asked Government to consider increased council tax precept flexibility, protect grant funding in real terms, and provide suitable capital grant funding.

The Autumn 2024 Budget announced the Government's intention to pursue a comprehensive set of reforms to place local government in a more sustainable position, and the Autumn Budget promised a deprivation-based approach in 2025/26, followed by broader reform through a multi-year settlement from 2026/27. On 18 December 2024, the Minister of State (Minister for Local Government and English Devolution) released the provisional local government finance settlement for 2025/26. The main headlines for the 2025/26 budget were:

- Fire and Rescue Authorities (FRA) would be able to raise council tax (for a band

D property) by up to £5 (for information the threshold for Police will rise to £14).

- The Funding Guarantee Grant received in 2023/24 would not continue (for LFRS this was £0.9m in 2023/24). For information this grant was designed to ensure that no local authority would see a reduction in their Core Spending Power compared to the previous year.
- Standalone FRAs were not eligible for the one-off Recovery Grant; this grant was designed to support local authorities in managing financial pressures and ensuring the continuity of essential services.
- The September Consumer Price Index (CPI) figure of 1.7% had been applied to increase business rates grants and Revenue Support grant funding; last year this was an increase of 6.7%. The 2025/26 increase was below the current CPI rate which was 2.5% at the time of writing.
- The Autumn Budget included an increase to employer's National Insurance contributions with a commitment that additional funding would be provided for the public sector to help manage the increased costs. The provisional finance settlement provided guidance on this additional funding and for LFRS there was a funding shortfall that resulted in an unfunded pressure of £0.7m.
- No capital grant funding was provided for in the provisional settlement.

Government measured the resources available to local authorities to fund service delivery through a mechanism called Core Spending Power (CSP), it did not exactly mirror spending but was a useful measure when considering spend across the sector. Following the settlement, and assuming all fire authorities increased council tax by £5, Government had confirmed that CSP for the fire sector had increased by 2.8%, which was broadly in line with current CPI inflation, for LFRS the increase was 3.2%. After taking into account the shortfall in national insurance funding this resulted in an increase of just 2.2%, which was below inflation and created additional financial strain for the Authority.

Against the NFCC and LFRS budget asks of government; for increased council tax precept flexibility, to protect grant funding in real terms, and provide suitable capital grant funding, only the precept flexibility had been delivered (assuming the £5 precept was agreed by the CFA), and ultimately this settlement represented a real term reduction in funding for LFRS.

Funding Reform

For almost a decade local government funding reform had been on the horizon and presented both a risk and an opportunity for authorities. The recent national election had brought about some renewed momentum in this area:

- Alongside the Provisional Settlement Government published a consultation on funding reform. The local government funding formula had not been updated since 2013/14 and there was consensus amongst independent voices and across the political spectrum that it no longer reflected need, and reform was necessary. The aim of this reform was to allocate funding efficiently to reflect an updated

assessment of local need and revenues and build on the previous government's proposed 'Fair Funding' reforms. It was expected that 2026/27 would be the first multi-year funding settlement for local government. Initial projections indicated that funding for individual fire authorities may increase or decrease by as much as 15%, although there would likely be a phasing in of these changes.

- Whilst developing and implementing funding reforms Government also intended to implement the proposals in the English Devolution White Paper published on 16 December 2024.
- The business rates reset for local authorities was also scheduled to take place in the 2026/27 financial year. For those authorities that had experienced a real term growth in business rates, as part of the business rates retention system, there was a risk that the reset may result in the redistribution of the growth to those authorities that had experienced a reduction. LFRS benefitted from the growth experienced across Lancashire and therefore there was a risk that business rates funding may reduce by approximately £1m per year; again, the service would expect a phasing in of these changes.

Certainty of funding was essential for long term planning and whilst a one-year settlement was expected, progress with funding reform was beneficial for the sector.

Council Tax income was based on the precept approved by the Authority and the estimated taxbase; this was the number of band D equivalent properties in the area. Factors influencing the taxbase included changes to property numbers, collection rates in each local authority, local authority discounts and changes in benefit claimants. The estimated taxbase for 2025/26 increased by 1.43% compared with 1.38% in 2024/25. Table 3 paragraph 17 on page 122 of the agenda pack set out the taxbase and proposed Council Tax precept for 2025/26.

Proposed Revenue Budget 2025/26

The 2025/26 budget proposals were based on the latest funding assumptions set out in the report and a maximum increase in the council tax precept allowed of £5 at Band D was assumed to give total funding of £77.5m. The net expenditure budget took account of inflation, previous commitments, required permanent and one-off increases and decreases in resources to give a net budget requirement of £77.5m. The following table sets out the proposed 2025/26 budget and subsequent paragraphs set out the key changes underpinning the net budget requirement:

Table 2 – Budget Proposals 2025/26		£'m
Budget	Base Budget	75.2
	Inflation	2.7
	Commitments	(0.7)
	Permanent increases in Resourcing	0.6
	One-off items	0.1
	Permanent decreases in Resourcing	(0.5)
	Proposed Net Budget Requirement	77.5

Funding	Council Tax	(42.3)
	Business Rates	(21.6)
	Revenue Support Grant	(13.7)
	Other Grants	0.0
	Total Funding	(77.5)

Precept (Council Tax – Band D) per annum	£89.73
Precept (Council Tax – Band D) per week	£1.73
Increase from 2024/25 Band D of £84.73	£5.00
Increase per week Band D	10p

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

The main elements that made up the Proposed Budget Requirement for 2025/26 are set out below and were detailed in the Medium Term Financial Strategy (MTFS) in Appendix A:

- Economic changes
 - Pay - An allowance of 3% for pay awards in 2025/26 had been included with 2% thereafter. If pay awards were higher than assumed they would need to be met from reserves or in year savings in 2025/26 with additional savings made in future years. Each 1% increase resulted in an additional £0.5m and £0.1m for Grey book and Green book staff respectively.
 - Inflation – Government Grants were updated by the September Office of Budget Responsibility (OBR) CPI figures which was 1.7%. Non-pay budgets had been increased by 1.7% in line with grant increases in 2025/26 and 2% thereafter. Specific increases in price inflation for known areas had been assumed. At the time of writing the latest CPI rate (December 2024) was 2.5%.
 - Interest earned – The interest earned on cash balances in the MTFS was updated to reflect the amended use of reserves and gradual reduction in interest rates. The budget in 2025/26 was expected to increase to £1.4m and then reduce over the period of the MTFS to £0.3m by 2029/30.
- Commitments – These reflected the impact of previous decisions that had a financial consequence in 2025/26 or were due to policy, legal or regulatory changes. The main adjustment in 2025/26 related to one off funding of £0.4m provided in 2024/25 to support pressures in support services which had been reversed in 2025/26, resulting in a (£0.4m) adjustment.
- Permanent increases in Resourcing - Several growth proposals totalling £0.7m were included in the budget for 2025/26; £0.3m related to initiatives to continue to improve the availability and future sustainability of the retained duty system and £0.3m related to an increase to support services to provide additional capacity.
- Permanent decreases in Resourcing – A reduction of £0.5m was required in 2025/26 to balance the budget; this would be delivered by using the Dynamic Cover Tool, for the effective deployment of resources and effective management

of overtime, and delivery of changes to resources agreed as part of the previous Emergency Cover Review.

Council Tax Precept

Council Tax funding was based on the estimated taxbase (band D equivalents) provided by each local authority. Compared to 2024/25, the overall taxbase had increased by 1.43% (6,633 properties), last year the increase was 1.38%. The following table shows the number of Band D equivalents and proposed precept for each local authority based on the band D precept increase of £5.

Table 3 – Proposed Precepts 2025/26	Number of Band D Equivalents	Precept on Collection Fund
Burnley Borough Council	24,104	2,162,852
Chorley Borough Council	38,752	3,477,218
Fylde Borough Council	32,665	2,931,030
Hyndburn Borough Council	22,163	1,988,686
Lancaster City Council	43,702	3,921,380
Pendle Borough Council	25,118	2,253,838
Preston City Council	44,182	3,964,469
Ribble Valley Borough Council	25,649	2,301,485
Rossendale Borough Council	21,152	1,897,969
South Ribble Borough Council	38,233	3,430,669
West Lancashire District Council	39,038	3,502,840
Wyre Borough Council	39,784	3,569,834
Blackburn with Darwen Borough Council	37,503	3,365,133
Blackpool Council	38,856	3,486,549
Total	464,268	42,253,952

Band	Proposed 2025/26 £	Actual 2024/25 £	Change per year £	Change per week £p
A	59.82	56.49	3.33	0.06
B	69.79	65.90	3.89	0.07
C	79.76	75.32	4.44	0.09
D	89.73	84.73	5.00	0.10
E	109.67	103.56	6.11	0.12
F	129.61	122.39	7.22	0.14
G	149.55	141.22	8.33	0.16
H	179.46	169.46	10.00	0.19

The increase for a Band D property per year was £5; that was 10 pence per week.

Council Tax Precept Consultation

The legal requirements for council tax increases were primarily governed by the Local Government Finance Act 1992, as amended by the Localism Act 2011. A consultation with the public was launched on 7 January 2025 on a £5 increase in the council tax precept for the year ahead. The consultation ended at 5pm on Monday 3

February 2025 and the results were set out in Appendix E of the agenda pack along with the response from the Fire Brigade Union to the budget in Appendix F.

602 responses were received, 76% supported the increase in the precept, 6% neither supported nor opposed the increase and 17% did not support the increase.

Medium Term Financial Strategy (MTFS)

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

Table 4 – Revenue MTFS	25/26 £m	26/27 £m	27/28 £m	28/29 £m	29/30 £m
Base Budget	75.2	77.5	79.8	82.1	84.3
Inflation	2.7	2.3	1.7	2.0	1.8
Commitments	(0.7)	1.0	0.6	0.6	(0.3)
Increases in Resourcing	0.6	0.4	1.4	1.3	0.7
One-off items	0.1	(0.4)	0.0	(0.2)	0.6
Decreases in Resourcing	(0.5)	(1.0)	(1.5)	(1.5)	(0.5)
Net Budget	77.5	79.8	82.1	84.3	86.6
Council Tax	(42.3)	(43.8)	(45.5)	(46.9)	(48.4)
Business Rates	(21.6)	(22.1)	(22.5)	(22.9)	(23.4)
Revenue Support Grant	(13.7)	(13.9)	(14.2)	(14.4)	(14.7)
Other Grants	0.0	0.0	0.0	0.0	0.0
Funding	(77.5)	(79.8)	(82.1)	(84.3)	(86.6)

Note that Council Tax increases were assumed at 2.5% in 2026/27 reducing to 2% per annum from 2028/29.

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

- Inflation – The pay awards for 2025/26 were estimated at 3% then 2% thereafter. Non-pay budgets had increased by the latest Office of Budget Responsibility (OBR) CPI figures; 1.7% in 2025/26 and 2% thereafter. Income earned on investments was expected to reduce as cash balances reduced and interest rates reduced from 4.25% to 3.5% over the period of the MTFS.
- Commitments – The 2026/27 budget allowed for a £0.5m increase in Local Government Pension Scheme (LGPS) contributions and increase in revenue contribution to Capital of £0.5m which was also budgeted for 2027/28 and 2028/29. By the end of the MTFS the revenue contribution to capital would be £4m.
- Increases in Resourcing:
 - 32 of LFRS's 58 Fire Engines were crewed by firefighters working the on-

call duty system. There were national challenges in relation to on-call Fire Engine availability and LFRS was facing similar challenges. An extensive work programme was underway and there were signs of improvement in the emergency cover provided by our On-Call crews. It was anticipated that additional revenue costs would be required in order to continue to improve the availability and future sustainability of this duty system, therefore it would be prudent to assign up to £0.5m additional revenue costs across the 32 On-Call appliances.

- Investment in support services in 2025/26 and capital financing costs from 2026/27 to meet the costs associated with borrowing to largely fund the major projects in the capital programme; by the end of the capital programme borrowing costs were forecast at £3.8m per annum.
- Decreases in resourcing were required to balance the budget and meet the costs associated with funding the borrowing costs. Over the period of the MTFS £5m of savings was required to be delivered; £0.5m in 2025/26, £1.0m in 2026/27, £1.5m in 2027/28 and 2028/29 and £0.5m in 2029/30. To deliver the savings a review of services would commence in 2025.
- Funding – Detailed assumptions were included in the MTFS, in broad terms the funding was expected to increase between 2% to 3% however, the outcome of the comprehensive spending review and review of the funding formula was likely to impact on these assumptions which was expected to be determined during late 2025.

The key variables within the budget were inflation assumptions, in particular pay awards, and funding levels. The MTFS in Appendix A considered a range of risks and scenarios that impact on the MTFS. The analysis showed that whilst the general reserve was sufficient to meet all the worst-case risks in 2025/26 and 2026/27, with reliance on earmarked reserves, major structural changes would be required alongside government support beyond year two of the MTFS.

Capital Strategy

In addition to the revenue budgets a programme of capital investment was proposed for 2025/26, this was set out in detail in the Capital Strategy in Appendix B. The purpose of the Strategy was to provide the Authority, staff, the public and other stakeholders with information on the Capital plans. Capital plans needed to be affordable, prudent and sustainable and treasury management decisions taken in accordance with good professional practice and in full understanding of the risks involved. A summary of the capital programme and funding is set out below:

Table 5 – Capital Programme	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
Vehicles	4.5	2.8	2.0	2.5	2.9
Operational Equipment	1.6	1.2	0.1	0.6	0.6
Buildings	3.9	9.4	27.8	9.6	11.0
ICT	2.8	1.3	0.1	0.6	0.6
	12.8	14.8	30.1	13.1	15.1
Funding					

Revenue Contributions	2.5	3.0	3.5	4.0	4.0
Capital Reserve	10.3	6.6	0.0	0.0	0.0
Capital Receipts	0.0	0.0	0.0	0.0	1.6
Grants	0.0	1.0	0.0	0.0	0.0
Borrowing	0.0	4.2	26.6	9.1	9.5
	12.8	14.8	30.1	13.1	15.1

The 2024/25 five-year capital programme approved by the Authority in February 2024 included four major projects; Leadership and Development Centre Training Facilities (£10m), Headquarters and Stores relocation (£18m), Fulwood replacement station (£7m) and Preston replacement station (£10m). Together with the Member Capital Working Group officers had been reviewing the scope of the projects, costings to reflect changes in prices, timings for these three major capital projects and the Masterplan for the Leadership and Development Centre in Chorley. The key changes considered by the working group were reflected in the updated 2025/26 capital programme proposed, these included:

- Leadership and Development Centre Training Facilities – A modern and progressive service required high quality facilities to help in the initial training and ongoing maintenance of competency requirements across a broad spectrum of operational activities. The existing facilities were reviewed alongside more modern facilities in the region. The review identified that greater investment was required to meet the services requirements and an estimate of £18m was included in the programme between 2026/27 and 2027/28.
- Headquarters and Stores relocation – This project combined the Headquarters and Training Facility and relocated the Stores at the Leadership and Development Centre, replacing the current Headquarters at Fulwood and office / training / catering space in Lancaster House. This would provide modern office and training facilities that met current environmental and design requirements. It would also ensure that LFRSs people had the best facilities to support health and wellbeing by providing a safe and positive work environment. The costings were updated during the year to reflect the latest inflation forecast and an estimate of £18m was included in the programme between 2028/29 and 2030/31.
- The relocation of Headquarters necessitated the need to invest in a new station to replace Fulwood either on the existing site or at an alternative location. This formed part of the Preston review and was included in the programme at an estimate of £7m in 2026/27 and 2027/28.
- Preston replacement station – A review of emergency cover in the Preston area had commenced. The aim of the review was to create a new, modern station for Preston and consider the impact on other stations in the area, either in the same place or another location, that serves both LFRS staff and the local community well. The budget was £10m, which assumed any cost of new land (if the station was relocated) was offset by capital receipts from the sale of the existing site and was programmed for 2027/28.

Whilst LFRS had sequenced the projects as detailed, the Authority should remain flexible, and the years that the projects were delivered may change due to

opportunities of land and other matters, details of which would be discussed with the Working Group and approvals sought as required.

To fund the Capital Programme table four showed that in addition to utilising the Capital Reserve and revenue contributions, £49m of new borrowing was required. The long-term revenue costs of this borrowing, based on the latest borrowing forecasts, was over £4m per annum which was included in the MTFS.

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

Reserves Strategy

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

While holding reserves was a recognised and recommended financial management tool, the levels of such reserves must remain prudent, appropriate to the level of risk and opportunity and not excessive. This was set out within the Reserves Strategy attached at Appendix C, which included details of the reserves held and their proposed usage over the next five years.

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

The General Reserve existed to cover unforeseen risks and expenditure that may be incurred outside of planned budgets. The minimum level of General Reserve advised by the Treasurer for the 2024/25 budget was £3.75m. A generally accepted level was one that was equivalent to 5% of the net revenue budget but that must be considered alongside specific Authority risks; 5% of the net revenue budget was approximately £3.85m. Considering the risks facing the Authority the Treasurer recommended increasing the minimum level for 2025/26 to £3.85m. The level of the General Reserve at 1 April 2025 was estimated at £5m, this was above the minimum level of General Reserve recommended. Over the period of the MTFS the level of the General Reserve remained above this minimum level.

Treasury Management

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

- Capital Expenditure Plans and Prudential Indicators.
- Borrowing Strategy and Prudential Limits.
- Annual Investment Strategy.

- Minimum Revenue Provision (MRP) Statement.

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

Statement of Robustness of Estimates

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

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

The Authority had a medium term planning process that took account of service demands and the financial scenario covering a 5-year period to 2030. The aim of the Medium Term Financial Strategy was to provide a realistic and sustainable plan that reflected the Authority’s priorities and anticipated the future impact of current decisions. Alongside this, future capital programmes were planned taking into account forecasted Government funding, borrowing limits and council tax.

For 2025/26, full consideration of these issues had led to:

- Policy and expenditure proposals that reflected the Local Government Finance.
- Settlement together with the on-going revenue impact of new capital projects, whilst recognising the outstanding issues and uncertainties.
- A proposed capital financing budget based on the 2025/26 capital programme.

In assessing the robustness of the 2025/26 proposals and the estimates on which they were based, the DoCS had been assured that:

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

When using estimates in preparing the budget every effort was taken to ensure that

they took into account the most up to-date data. There was, however, always the potential for the actual impact to vary from the estimates used in setting the budget, particularly as a result of:

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

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

- Promoting a robust approach to financial management requiring budget holders to monitor expenditure against budget and to take early action in reporting and responding to projected variances;
- Regular reporting of the projected budgetary outturn supplemented by exception reports to prompt remedial action if necessary; and
- Maintaining an appropriate and proportionate contingency, as part of the General Reserve, to cushion the impact of unexpected events and emergencies.

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

County Councillor S Serridge joined the meeting at 11:03.

County Councillor D O'Toole thanked the DoCS for the report and stated that his party had discussed the proposals and read the comments from the Fire Brigades Union (FBU) included at appendix F of the report. He requested that there be a named vote in relation to the report recommendations.

The Authority voted unanimously in favour of the recommendations by a named vote.

Resolved: - That the Authority: -

- Agreed the 2025/26 budget, including the net budget requirement of £77.5m (as set out in table 2 paragraph 14 on page 121 of the agenda pack), which takes account of adjustments set out and detailed in Appendix A;
- Agreed the proposed Council Tax increase of £5 for a Band D Council tax precept of £89.73 for 2025/26;
- Agreed the levels of Council Tax precept set out in Table 3, paragraph 17 on page 122 of the agenda pack;
- Approved the capital programme and associated funding for 2025/26 set out in table 5, paragraph 24 on page 125 of the agenda pack;
- Approved the Medium Term Financial Strategy set out in Appendix A;
- Approved the Capital Strategy set out in Appendix B;
- Approved the Reserves Strategy set out in Appendix C;
- Approved the Treasury Management Strategy in Appendix D which included

	the Prudential Indicators and Minimum Revenue Provision as set out in the appendix; • Noted the results of the Council Tax Precept Consultation set out in paragraph 19 on page 123 of the agenda pack and Appendices E and F; and • Noted the Statement of Robustness of Estimates set out in paragraph 35 on page 127 of the agenda pack.
76/24	Proposed amendment to Members role & Community Safety Champion role description
	The Clerk to the authority presented the report to members on the proposed amendment to the members role and Community Safety Champion role description. At the November 2024 Member Training and Development Working Group, some proposals for minor changes were made, with regard to the current financial climate and uncertainties around Local Government funding. Other cosmetic changes were also proposed in relation to the role of Member Champions. The amendments, proposed by County Councillor Salter, in respect of the change to the Description of the Role of members was as follows: • To change the wording on Page 2 of appendix 1 of the report from ‘Deliver Affordable and Sustainable Services’, to ‘Deliver Realistic Future Planning’. • To remove the bullet point ‘Planning for future grant reductions’. The proposal to change the Role Description of Member Champions attached in the report at appendix 2 was as follows: • To change the wording of the bullet point ‘Engage with other Fire Authority Members to promote awareness of older people issues and to seek their views’, to ‘Engage with other Fire Authority Members to promote awareness of issues effecting older people and seek their views’. The proposals were mindful of the need to review the Authority’s functions and adapt to changes within the social and economic climate, which was consistent with good governance principles. The proposals, whilst relatively minor, did potentially engage with paragraph 3.1.d of the Authority’s Constitutional Procedural and Contractual Standing Orders, and therefore it was a requirement that the proposals were ratified by the Authority. The proposals were consistent with the Authority’s Member Training and Development Strategy, which was last approved by the CFA on 22 February 2021. Councillor D Smith remarked that he would welcome a review of the strategy as proposed in the report. The Chair thanked Councillor D Smith and County Councillor M Salter for the proposal at the recent Member Training and Development Working Group.

	Resolved: - That the authority approved the minor amendments and revised Role of Members and Role Description for the Member Champions.
77/24	Climate Change Operational Response Plan 2022-27 - Interim Report on Progress
	The Chief Fire Officer (CFO) presented the report to members. Lancashire Fire and Rescue Services (LFRSs) Climate Change Operational Response Plan (CCORP) was published in 2022 and spanned 5 years to 2027 in line with the services Community Risk Management Plan (CRMP). It provided an overview of LFRSs intentions to strengthen the provision of services to communities in response to the impacts of climate change. The report provided the Authority with a mid-point review of progress against the aspirations contained within the CCORP across the key themes. As the extremes of foreseeable weather events became increasingly evident, LFRSs CCORP considered flooding and wildfire as two separate areas of focus, whilst recognising that several of the proposed actions LFRS would take, would serve to mitigate elements of both risks in tandem. In delivering against this plan, LFRS continued to aim to: • Reduce the threat posed to citizens of Lancashire. • Improve firefighter safety. • Reduce costs and impact upon our communities, partners and the Service. The CCORP was developed around 6 key principles: • Working in partnership with other agencies and/or private bodies to make our communities safer. • Delivering prevention activities serves to educate and inform and thereby reduce potential risks. • Empowering communities to play their part can increase local resilience and assist planning and response. • Utilising operational debriefing and learning supports continuous improvement in the delivery of our services. • Working to support local, regional, and national policy design through learning and sharing areas of best practice. • Responding effectively when required, with the right vehicles, trained staff, best equipment, and operational tactics. The overarching aim was to strengthen the services plans in relation to risks posed by both Flooding and Wildfires across the key areas of: • Prevention, protection and education • Emergency Planning • Training

- Operational Response
- Personal Protective Equipment
- Welfare

The CCORP 2022/2027 was a comprehensive and ambitious document that demonstrated LFRS's commitment and leadership in adapting to and mitigating effects of climate change both locally and nationally.

LFRS's progress against the CCORP included;

Prevention, protection and education

- Implementation of Public Space Protection Orders (PSPO's) in collaboration with local authorities and Lancashire Constabulary. This restricted the use of barbecues and open fires in high-risk areas, such as moorlands and woodlands, to prevent wildfires. PSPO's were launched with partners on 4 March 2024. Breach of a PSPO was a criminal offence and could result in a fine of up to £1000. PSPO's were a tool that could be used by LFRS and its partners to reduce wildfire risk within Lancashire.
- Established a Lancashire Water Safety Partnership (LWSP) which was officially launched in April 2023 and was chaired by LFRS officers. LWSP had identified high risk locations for the installation of water safety boards including at nearby Cuerden Valley Park and was scoping the potential for use of PSPO's for two high risk water sites in Lancashire.
- Properties within urban interface areas with wildfire risk had been identified and Fire Protection and Community Fire Safety Teams would work together to deliver appropriate advice. LFRS would deliver targeted Home Fire Safety Checks (HFSC) in domestic premises for known wildfire risk areas.

Emergency planning

- Collaborated and shared best practice with other fire and rescue services, local authorities, and partner organisations, through networks, forums, and working groups, such as the National Fire Chiefs Council (NFCC) Climate Change Coordination Committee, the Lancashire Resilience Forum (LRF) Climate Change Group, the Northwest Fire and Rescue Services (NWFRS) Climate Change Network and NW Region Wildfire Group chaired by Group Manager (GM) Caroline Harrison.
- LFRS's National Wildfire Tactical Advisors were signed up to the UK Danger Rating System and receive updates on forecasted impacts to the Service.

Training

- Increased its cohort of level 5 trained Flood Water Incident Managers (FWIM's), from 6 to 8 to provide additional resilience across the Service.
- Trained an additional Level 4 Wildfire Tactical Advisor, enhancing the services capability to respond both within Lancashire and nationally.

Operational response

- Two Hagglund offroad vehicles had been introduced into Service. They had undergone additional modifications for use at both flooding and wildfires.
- Invested in rescue sleds and floatation devices for the Hagglund vehicles. These were successfully used to rescue people stranded in their vehicles during recent flooding in December 2024.
- LFRS had developed and trained staff to provide an additional water rescue pump and swift water rescue team in Morecambe to supplement the existing team at Lancaster. This unit went live in January 2025.
- Contributed towards the NFCC Asset register and maintained the Lancashire Fire Operations Group (LFOG) Asset register.
- Work continued to procure two large and two smaller 4x4 fire engines with off-road capabilities. One of each size would be purchased in the coming year with the other two following in the next business year.

Personal protective equipment (PPE)

- Dedicated Wildfire PPE and protective footwear had been rolled out to all operational staff. In addition, tactical backpacks had been issued to all operational staff to increase welfare provision at incidents.
- LFRS had reviewed national guidance regarding the use of personal flotation devices for evacuees during flooding incidents. This had led to lifejackets being made available on Hagglands for use by members of public during flooding incidents.

Welfare

- Enhanced welfare provisions at incidents, improved quality and met the needs of a diverse workforce with vegan, vegetarian, halal, kosher options amongst others.

The CFO summarised that the Service had delivered extensive progress to date and continued work to deliver against the remaining activities in the plan, which underpinned the ambitions within the Service CRMP and underpinned LFRS aim of making Lancashire safer.

In response to a question from County Councillor J Shedwick in relation to LFRS representatives attending local flood action groups, the CFO confirmed that Station Managers should be available to attend and support the groups.

In response to a question from Councillor M Desai in relation to the use of PSPOs and reporting mechanisms, the CFO confirmed that LFRS would exercise its PSPO powers during periods of increased climatic risk and would use the Lancashire Resilience Forum (LRF) chaired by the Deputy Chief Fire Officer (DCFO) to alert partner agencies. The CFO advised that there was high interest globally with recent wildfires in California and Australia, and although the same devastation was not evident here in the UK and locally in Lancashire, wildfire was identified as one of the

	Service key risks, during analysis conducted under the Strategic Assessment of Risk. In terms of reporting, information could be found on the LFRS website. The CFO added that further to investment made by the Authority, LFRS operational response had improved with the introduction of the Hagglund offroad vehicles which often allowed wildfires to be contained to a much smaller area and managed more effectively with a reduced draw on resources. Councillor M Desai asked a further question in relation to partnership working and the potential for further collaboration with local councils to prevent duplication of approach across the agencies. The CFO confirmed that partnership working was coordinated through Lancashire Fire Operations Group (LFOG) and the Lancashire Resilience Forum (LRF) with all partner agencies very supportive. The DCFO added that the LRF carried out planning around risks within Lancashire and had a Lancashire risk register which fed into a national risk register with information from this passed onto councils and other partner agencies. The DCFO confirmed that he was happy to discuss this further outside of the meeting. The Chair remarked that she was proud of LFRS and the equipment and resources that had been introduced throughout the Service. Resolved: - That the Authority noted the progress delivered as detailed within the report.
78/24	Member Champion Activity Report
	The concept of Member Champions was introduced in December 2007. A review of the areas of focus for Member Champions was considered at the Authority meeting held in June 2017 where new areas of responsibility were agreed. The current Member Champions and their areas of responsibility were: • Community Safety – County Councillor Matthew Salter • Equality, Diversity and Inclusion – Councillor Zamir Khan • Health and Wellbeing – County Councillor Hasina Khan • Road Safety – Councillor Fred Jackson Reports relating to the activity of the Member Champions were provided on a regular basis to the Authority. This report related to activity for the period up to 16 February 2025. During this period all had undertaken their respective role in accordance with the defined terms of reference. County Councillor M Salter remarked that the Community Safety Teams had done some fantastic work with children and young people, including the road safety campaign delivered at Edge Hill University. He further remarked that the partnership work with West Lancashire Borough Council (WLBC) in relation to identifying damp and mould as part of Home Fire Safety Checks (HFSCs) was very important. In response to a question from Councillor D Smith in relation to the possibility of the identification of mould and damp as part of HFSCs being rolled out across the county, the CFO confirmed that this approach was instigated by WLBC and LFRS would evaluate the approach and consider expanding it. Area Manager (AM) Matt

	Hamer added that Community Safety Advisors looked beyond fire risks to educate tenants on reporting concerns and were strengthening relationships with local authorities with a view to adopting similar approaches. Resolved: - That the Authority noted the report and acknowledged the work of the respective Champions.
79/24	Fire Protection Report
	The Deputy Chief Fire Officer (DCFO) presented the report which summarised Lancashire Fire and Rescue Service (LFRS) prosecutions pertaining to fire safety offences under the Regulatory Reform (Fire Safety Order) 2005. On the 24 January 2025, sentencing took place at Preston Crown Court regarding a fatal fire in July 2019 at 284 Burnley Road, Colne where the responsible person, Potensial were sentenced to: • A fine of £135,000.00 • Ordered to pay costs of £18,705.00 to Lancashire Fire and Rescue. The offences to which Potensial pleaded guilty to were: • Failure to take such general fire safety precautions so as to ensure the safety of residents and staff. Article 8(1)(b). • Failure to make a suitable and sufficient fire risk assessment. Article 9(1). The DCFO advised members that this was the first prosecution nationally for an organisation of this type. LFRS had two cases relating to the same premises within the court system. These related to two responsible persons at a care and nursing home. One case was set for sentencing on the 29 January 2025 at the Magistrates Court. The second case had a dismissal hearing on the 24 March 2025 at Crown Court along with a trial date set for the 28 July 2025. One further case was set for trial on the 14 July 2025 relating to student accommodation. LFRS had been engaged with two appeals against the issuing of Enforcement Notices. One appeal had been withdrawn and costs paid to LFRS, with the other appeal withdrawn following the company in question no longer having any level of control over the premises, thus no longer a responsible person. Regulatory activity continued to be in place on the premises to ensure fire safety compliance. Members noted that there had been no arson convictions during the reporting period. There were 14 live cases ongoing through the Criminal Justice System that were continuing to be progressed. Resolved: That the report be noted.
80/24	Operational Incidents of Interest

	The Assistant Chief Fire Officer (ACFO) presented the report which provided Members with information relating to operational incidents of note. As the operational period had been very busy, the report detailed only the larger deployments or more complex incidents. As a result, some incidents that Members had been made aware of locally, may not have formed part of the report. Full details of the following incidents were provided in the report: • Rescue of persons from flood water in Bacup (23/11/24) • Response to persons in flood water in Colne (23/11/24) • Commercial building fire in Preston (23/11/24) • Fire involving hay bales in Chorley (29/11/24) • Road Traffic Collision in Darwen (9/12/24) • Domestic property fire in Chorley (9/12/24) • Domestic property fire in Morecambe (13/12/24) • Rescue of person in Blackburn (21/1/25) • Commercial building fire in Blackburn (23/1/25) • Derelict hotel fire in Blackpool (27/1/25) County Councillor M Pattison thanked officers for their quick response and attendance at a recent fire at student accommodation in Lancaster on 8 February 2025. The Chair expressed her thanks to officers for their response to the flooding in Ormskirk on New Years Day. 11 residents were rescued and appliances attended from Leyland and Wesham. The Chair remarked that Station Manager (SM) Scott Nickson was very supportive and officers carried out a great operation. In response to a question from County Councillor M Clifford in relation to a recent fire in Whittle-Le-Woods and the Services knowledge of contaminated sites, the DCFO confirmed that the Lancashire Resilience Forum (LRF) allowed partners to share knowledge and understand risks. Any identified risks would then inform LFRS response and emergency planning. The DCFO encouraged members to feed back any information they had to continue to identify risks and inform emergency planning. County Councillor D O'Toole remarked that the report showed the variety of jobs that LFRS attended, where officers looked after residents and saved lives. County Councillor D O'Toole then welcomed the ACFO to the Service on behalf of the Conservative party. The ACFO thanked members for their welcome and commented that the incidents contained within the report were varied and the response provided with LFRS assets highlighted the importance of continued investment. She further stated that wildfire events that would previously have happened once every 10 years were now happening much more frequently and in consecutive years. Resolved: That the Authority noted the report.
81/24	Member Complaints

	The Monitoring Officer confirmed that there had been no complaints since the last meeting. Resolved: - That the current position be noted.
82/24	Date of Next Meeting
	The next meeting of the Authority would be held on Monday 28 April 2025 at 10:30am at the Leadership and Development Centre, Euxton. Councillor D Smith left the meeting at 11:45.
83/24	Exclusion of Press and Public
	Resolved: That the press and members of the public be excluded from the meeting during consideration of the following items of business on the grounds that there would be a likely disclosure of exempt information as defined in the appropriate paragraph of Part 1 of Schedule 12A to the Local Government Act 1972, indicated under the heading to the item.
84/24	Urgent Business - Pensions Update
	(Paragraphs 4 and 5) Councillor D Smith rejoined the meeting at 11:47 The Director of People and Development (DoPD) provided a verbal report to members on an issue which had arisen in respect of changes to the pension schemes applying to uniformed members of the fire service. Resolved: - That the verbal report be noted with a more detailed update to be prepared for the next Resources Committee.

M Nolan
Clerk to CFA

LFRS HQ
Fulwood