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Agenda item: 08

Calendar of Meetings 2025/26 Amendment

Full Authority

Date: 26 February 2026

Submitted by: Director of Corporate Services

Purpose: To consider an amendment to the approved calendar of meetings for 2025/26

Recommendations: That the revised calendar of meetings 2025/26 be approved as detailed in Annex A to this report

Summary: The annual calendar of meetings was agreed at the February meeting of the Full Authority. It is now proposed to amend the date of the AGM due to diary clashes

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson
Committee Services and Governance Officer
Jik.townson@westyorkshire.gov.uk

Background papers open to inspection: None

Annexes: Proposed Calendar of Meetings 2025/26

1. Introduction

- 1.1 The programme of meetings for the 2025/26 municipal year was originally approved at the February 2025 meeting of the Full Authority

2. Information

- 2.1 Consideration has been given to the date of an upcoming National event being hosted by WYFRS and it is proposed to move the date of the AGM to 19 June 2026 to accommodate this.

3. Financial Implications

- 3.1 There are no direct financial implications arising from this report

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. Human Resource and Diversity Implications

- 5.1 There are no direct human resource or diversity implications arising from this report.

6. Equality Impact Assessment

- 6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

- 7.1 There are no direct health safety and wellbeing implications arising from this report.

8. Environmental Implications

- 8.1 There are no direct environmental implications arising from this report

9. Risk Management Implications

- 9.1 There are no Risk Management Implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

- 10.1 There are no duties to collaborate identified in this report

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below:

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Collaborate with partners to improve all of our services.
- Work in a sustainable and environmentally friendly way.

12. Conclusions

12.1 It is recommended that members approve the amendment to the Committee Calendar 2025/26

West Yorkshire Fire And Rescue Authority

Programme of Meetings 2025 / 2026

Friday 10.30AM Audit Committee	Friday 10.30AM Community Safety Committee	Friday 10.30AM Finance and Resources Committee	Friday 10.30AM People and Culture Committee	Friday 12:00 Local Pension Board (Upon Rising Of P&C)	Friday 10.30AM Authority
25 July 2025	11 July 2025	18 July 2025	4 July 2025	4 July 2025	Friday 26 September 2025
24 October 2025	10 October 2025	17 October 2025	3 October 2025		Friday 12 December 2025
13 February 2026	6 February 2026	30 January 2026	23 January 2026	23 January 2026	Thursday 26 February 2026
24 April 2026	10 April 2026	17 April 2026	27 March 2026		Friday 19 June 2026 (AGM)

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Agenda item: 09

Calendar of Meetings 2026/27

Full Authority

Date: 26 February 2026

Submitted by: Director of Corporate Services

Purpose: To agree the programme of authority and Committee meetings for the 2026/27 municipal year

Recommendations: That the programme of meetings for 2025/26 be approved as detailed in the appendix to this report.

Summary: The programme of meetings for the forthcoming municipal year has to be agreed by the Full Authority prior to it becoming effective following the Annual General Meeting in June and any amendments require the approval of the Full Authority.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Jik Townson, Committee Services and Governance Officer
Jik.townson@westyorkfire.gov.uk

Background papers open to inspection: None

Annexes: Draft Calendar of Meetings 2026/27

1. Introduction

- 1.1 It is necessary to give consideration to the programme of meetings for the next municipal year based on a quarterly cycle. In advance of the commencement of the programme the Authority will hold its Annual General Meeting on Friday 19 June 2026.
- 1.2 In accordance with the agreed Terms of Reference the Loal Pension Board will meet on a 6 monthly basis, in July and January.

2. Information

- 2.1 The AGM marks the start of the programme of meetings. The programme for 2026/27 as attached at annex A is recommended for approval by the Full Authority.

3. Financial Implications

- 3.1 There are no direct financial implications arising from this report. Members are entitled to claim mileage / out of pocket expenses for meetings they attend in accordance with the Authority's approved Constitution

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. Human Resource and Diversity Implications

- 5.1 There are no direct Human Resource and Diversity Implications arising from this report

6. Equality Impact Assessment

- 6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

- 7.1 There are no direct Health, Safety and Wellbeing Implications arising from this report

8. Environmental Implications

- 8.1 There are no direct Environmental Implications arising from this report

9. Risk Management Implications

9.1 There are no Risk Management Implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 There are no duties to collaborate identified in this report

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Prioritise a people first mindset through ethical and professional leadership and management
- Use resources in an innovative, sustainable, and efficient manner to maximise value for money.
- Further develop a culture of excellence, equality, learning, and inclusion.

West Yorkshire Fire And Rescue Authority

Programme of Meetings 2026 / 2027

Friday 10.30AM Audit Committee	Friday 10.30AM Community Safety Committee	Friday 10.30AM Finance and Resources Committee	Friday 10.30AM People and Culture Committee	Friday 12:00 Local Pension Board (Upon Rising Of P&C)	Friday 10.30AM Authority
31 July 2026	17 July 2026	24 July 2026	3 July 2026	3 July 2026	Friday 25 September 2026
27 November 2026	9 October 2026	16 October 2026	2 October 2026		Friday 11 December 2026
12 February 2027	22 January 2027	29 January 2027	5 February 2027	5 February 2027	Thursday 25 February 2027
23 April 2027	9 April 2027	16 April 2027	2 April 2027		Friday 18 June 2027 (AGM)

Bank hols Mon 31 Aug 2026, Xmas Fri 25 Dec 2026, Mon 28 Dec 2026, Fri 1 Jan 2026, Eid al Fitr Tues/Wed 9/10 Mar 2027, Good Fri 26 Mar 2027, Easter Mon 29 Mar 2027, Mon 3 May 2027, Mon 31 May 2027, Eid al-Adha Mon-Thur 17-20 May 2027, Mon 30 Aug 2027

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Agenda item: 10

Constitution Review

Full Authority

Date:	26 February 2026
Submitted by:	Director of Corporate Services
Purpose:	To report on the amendments required to the Authority Constitution
Recommendations:	That Members approve the amendments detailed at paragraph 2.
Summary:	This report contains proposals for amendments to the Authority Constitution which require Member approval

Local Government (Access to information) Act 1972

Exemption Category:	None
Contact Officer:	Jik Townson, Committee Services and Governance Officer Jik.Townson@Westyorkshire.gov.uk 01274 682311
Background papers open to inspection:	None
Annexes:	List of amendments

1. Introduction

- 1.1 The Authority has a formal Constitution. Article 14 of the Constitution requires the Monitoring Officer to monitor and review the operation of the Constitution and make recommendations for changes as necessary to maintain its relevance and effectiveness.

2. Information

- 2.1 The Member allowances schedule has been updated
- 2.2 There have been changes made to the Contract Procedure Rules (CPR)
- 2.3 There has been an additional clause added to the Whistleblowing Policy

3. Financial Implications

- 3.1 There are no financial implications arising from this report.

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. Human Resource and Diversity Implications

- 5.1 There are no Human Resource or Diversity implications arising from this report.

6. Equality Impact Assessment

- 6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

[\(EIA template and guidance\)](#)

7. Health, Safety and Wellbeing Implications

- 7.1 There are no Health Safety or Wellbeing implications arising from this report.

8. Environmental Implications

- 8.1 There are no environmental implications arising from this report.

9. Risk Management Implications

- 9.1 There are no Risk Management Implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 There are no duties to collaborate identified in this report

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Prioritise a people first mindset through ethical and professional leadership and management
- Use resources in an innovative, sustainable, and efficient manner to maximise value for money.
- Further develop a culture of excellence, equality, learning, and inclusion.

12. Conclusions

12.1 Members are requested to approve the amendments to the Constitution.

Constitution amends (Feb 2026)

Page/Para	Original	Updated to	Reason
151/Part 6 Schedule 1	Member allowances Schedule 23/24	Member allowances Schedule 24/25	Updated following pay settlement
66-89/Part 4	Contract Procedure Rules	Contract Procedure Rules	Changes made in accordance with the new thresholds
174/Part 9 2.2		relates to fraud/theft/cor ruption/bribery	Additional clause added to the list of concerns within the Aim and Scope of This Policy

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Agenda item: 11

Appointment of Scheme Member Representative to the Local Pension Board

Full Authority

Date:	26 February 2026
Submitted by:	Director of Corporate Services
Purpose:	To appoint a Scheme Member Representative to the Local Pension Board in accordance with the Terms of Reference.
Recommendations:	That approval is given for the retrospective appointment of Michael Ferries to the position of Scheme Member Representative of the Local Pension Board.
Summary:	The position of Scheme Member Representative on the Local Pension Board has been vacant since May 2024. This report advises of the revised membership for 2025/26.

Local Government (Access to information) Act 1972

Exemption Category:	None
Contact Officer:	Jik Townson, Committee Services and Governance Officer Jik.Townson@westyorkfire.gov.uk
Background papers open to inspection:	None
Annexes:	None

1. Introduction

- 1.1 This report advises of a change of membership of the Local Pension Board for 2025/26

2. Information

- 2.1 The Local Pension Board has six members with equal representation (3) from both Scheme Members and Scheme Managers.

- 2.2 The Board has carried a Scheme Member vacancy since the resignation of Ian Dunkley in May 2024.

- 2.3 At the meeting of the Board in July 2025 the following were appointed as Scheme Member representatives on the Local Pension Board for 2025/26;

Vacancy

Mr Ryan Binks

Mr Jim Davies.

- 2.4 And the following were appointed as Scheme Manager Representatives:

Councillor Mike Pollard

Councillor Fozia Shaheen

Chief Fire Officer John Roberts

- 2.5 Following advertisement of the role of Scheme Member Representative via Burning Issues, FireHub and email to all current and retired members of the West Yorkshire Pension Fund, Mr Michael Ferries expressed an interest in the position and it is recommended he is appointed to the role.

3. Financial Implications

- 3.1 There are no financial implications arising from this report

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. People and Diversity Implications

- 5.1 There are no people and diversity implications arising from this report

6. Equality Impact Assessment

- 6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising from this report

8. Environmental Implications

- 8.1 There are no environmental implications arising from this report.

9. Risk Management Implications

- 9.1 There are no environmental implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

- 10.1 There are no duties to collaborate arising from this report

11. Your Fire and Rescue Service Priorities

- 11.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Prioritise a people first mindset through ethical and professional leadership and management
- Use resources in an innovative, sustainable, and efficient manner to maximise value for money.
- Further develop a culture of excellence, equality, learning, and inclusion.

12. Conclusions

- 12.1 It is recommended that Members approve the appointment of Mr Michael Ferries to the position of Scheme Member Representative of the Local Pension Board.

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Agenda item: 12

Pay Policy Statement

Full Authority

Date: 26 February 2026

Submitted by: Director of People and Culture

Purpose: To request approval of the Pay Policy Statement under the Localism Act 2011

Recommendations: That Members approve the Pay Policy Statement.

Summary: The report sets out the Authority's Pay Policy Statement, which requires the approval of Members

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Sonia Pawson, Director of People and Culture
Sonia.Pawson@westyorkshire.gov.uk

Background papers open to inspection: None

Annexes: Pay Policy Statement 2026/27

1. Introduction

- 1.1 Under Section 38 (1) of the Localism Act 2011, relevant Authorities, (which include Fire and Rescue Authorities) are required to prepare a pay policy statement. These statements must articulate an Authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'Chief Officers') and its lowest paid employees.
- 1.2 Pay policy statements must be prepared each financial year. They must be approved by 'Full Council', or a meeting of members in the case of a Fire and Rescue Authority and published. The statement must be approved by March 31st each year.
- 1.3 Each local Authority / Fire Authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. The provisions of the Act do not seek to change this or determine what decisions on pay should be taken or what policies individual employing Authorities should have in place. They require that Authorities are open about their own local policies and how their local decisions are made.

2. Information

- 2.1 The guidance, to which Authorities must have regard when exercising their functions under pay accountability provisions, sets out what the pay policy statements should include and these are:
 - The level and elements of remuneration for each Chief Officer
 - Remuneration of Chief Officers on recruitment
 - Increases and additions to remuneration of each Chief Officer
 - The use of performance related pay for Chief Officers
 - The approach to the payment of Chief Officers on their ceasing to hold office under, or being employed by, the Authority and
 - The publication of and access to information relating to remuneration of Chief Officers
- 2.2 The guidance also sets out what 'remuneration' for these purposes covers.
 - The Chief Officer's salary or, in the case of a Chief Officer engaged by the Authority under a contract for services, payments made by the Authority to the Chief Officer for those services
 - Any bonuses payable by the authority to the Chief Officer
 - Any charges, fees or allowances payable by the Authority to the Chief Officer
 - Any benefits in kind to which the Chief Officer is entitled as a result of the Chief Officer's office or employment
 - Any increase or enhancement of the chief officer's pension entitlement when the increase or enhancement is as a result of a resolution of the authority, and

- Any amounts payable by the authority to the Chief Officer on the Chief Officer ceasing to hold office, under or be employed by the authority other than the amounts that may be payable by virtue of any enactment.

2.3 For the purposes of clarity, Chief Officers in this context will be those officers in this Authority on either gold or blue book conditions i.e. members of the Management Board. The attached pay policy statement addresses all the points and guidance set out above.

2.4 The draft Pay Policy statement for 2026-27 is attached for approval as Annex A

3. Financial Implications

3.1 There are no financial implications arising from this report.

4. Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. Human Resource and Diversity Implications

5.1 Demonstrating that the Authority has had due regard to advance equality of opportunity (particularly equal pay for employees with protected characteristics) would provide evidence of compliance with the Public Sector Equality Duty. The job evaluation scheme to which the Authority subscribes aims to deliver this

6. Equality Impact Assessment

6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

7.1 There are no health and safety implications arising from this report.

8. Environmental Implications

8.1 There are no environmental implications arising from this report

9. Risk Management Implications

9.1 There are no risk management implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 There are no duty to collaborate implications arising from this report

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2022-25 strategic priorities below:

- Encourage a learning environment in which we support, develop, and enable all our people to be at their best.
- Provide ethical governance and value for money.
- Work in a sustainable and environmentally friendly way.
- Achieve a more inclusive workforce, which reflects the diverse communities we serve.

12. Conclusions

12.1 The attached Pay Policy Statement meets the requirements of Section 38 (1) of the Localism Act 2011. The statement will be published on the West Yorkshire Fire and Rescue Authority website.

WEST YORKSHIRE FIRE AND RESCUE AUTHORITY PAY POLICY STATEMENT

1 April 2026 - 31 March 2027

Introduction and purpose

This Pay Policy Statement (the 'statement') sets out West Yorkshire Fire and Rescue Authority's (WYFRA) approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency about WYFRA's approach to setting the pay of its employees by identifying:

- The methods by which salaries of all employees are determined.
- The detail and level of remuneration of its most senior staff i.e. Chief Officers/Directors, as defined by the relevant legislation.
- The Committees/Departments responsible for ensuring the provisions set out in this statement are applied consistently throughout WYFRA and recommending any pay policy amendments to the Fire Authority.

This policy statement has been approved by the Fire Authority and is effective from 1 April 2026. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective.

Accountability and decision making

The WYFRA Constitution outlines the responsibilities for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of WYFRA.

Responsibility and scale

WYFRA is directly responsible for a budget of circa £117 million and for the employment of 1,364 employees within 1,473 posts. 109 of our current employees hold multiple roles within WYFRA.

Pay strategy and design

In determining the pay and remuneration of its employees, WYFRA complies with all relevant UK employment, equality and public sector legislation. This includes, but is not limited to, the Equality Act 2010 (including the Public Sector Equality Duty and equal pay provisions), the Employment Rights Act 1996, the National Minimum Wage Act 1998, the Part-time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Fixed-term Employees (Prevention of Less Favourable Treatment) Regulations 2002, the Agency Workers Regulations 2010, the Transfer of Undertakings (Protection of Employment) Regulations 2006, and the Localism Act 2011. WYFRA takes the following approach to assessing individual and overall pay levels.

- Salaries of 'Green Book' employees in the Service are set using locally determined pay scales within the nationally determined pay spine and the nationally agreed Job Evaluation Scheme, with the Hay Job Evaluation Scheme being used for posts at Grade EO1 and above.
- Salaries of 'Grey Book' employees in the Service are set using nationally agreed pay levels.
- Where applicable, annual awards are normally made in April for Green Book employees, July for Grey Book employees and January for Chief Officers.
- WYFRA does not use performance related pay for its Chief Officers.
- WYFRA does not award bonuses to Chief Officers.

Pay structure

To encourage Green Book employees to develop in their role and to improve their performance, WYFRA has arranged salaries within 13 pay grades. There are also pay increments within each grade. Progression through the pay grade is based on:

- Meeting identified performance goals
- Length of service
- Promotion and development

New employees will usually be appointed to the minimum pay level for the relevant grade unless relevant supporting experience of existing pay can be identified.

Managers have the discretion to recommend an employee for acceleration of increments within the grade when/where they have demonstrated exceptional performance.

Grey Book employees can increase in rank through successfully completing the promotion assessment process. Within role, individuals will either be paid at a competent or development rate. This will be dependent upon them completing the requirements of development for that role.

From time to time, it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract and/or outside of their employment contract, where specific circumstances require this and where it can be justified, with a supporting business case in accordance with WYFRA policies.

Other employment-related arrangements

Subject to meeting the qualifying conditions, employees are automatically opted in to a pension scheme. The pension schemes WYFRA employees are currently members of include:

- The Local Government Pension Scheme (LGPS): employee contribution rates, which are defined by statute, currently range between 5.5% and 12.5 % of pensionable pay.
- Firefighters Pension Scheme 2015: employee contribution rates currently range between 11.09% and 17.09% of pensionable pay.

Under the LGPS, the Authority has the discretion to award additional pension up to the maximum allowed by the scheme rules or waive actuarial reductions where an individual retires early.

Pay arrangements for Chief Officers

West Yorkshire Fire and Rescue Authority Chief Officers' pay is determined by the conditions of service to which officers are subject.

In this case, they are the National Joint Council for Brigade Managers of Fire and Rescue Services (Gold Book) and the Joint Negotiating Committee for Chief Officers of Local Authorities (Blue Book).

The information detailed below is approved by the Full Authority of elected members and the statement is available on the West Yorkshire Fire and Rescue Authority website, www.westyorksfire.gov.uk.

Director salaries are determined as a percentage of the Chief Fire Officer salary. The relationship between the salary of the Chief Fire Officer and Deputy Chief Fire Officer is 85%.

	Salary Point One	Salary Point Two	Salary Point Three	Lease Car Contribution
Chief Fire Officer Nominal Pay	£199,437	£204,552	£209,668	£9,368
Deputy Chief Fire Officer	£169,307	£173,762	£178,218	£8,214
Assistant Chief Fire Officer	£149,388	£153,320	£157,251	£8,214
Director of Finance and Procurement	£124,490	£127,766	£131,043	£5,865
Director of People and Culture	£124,490	£127,766	£131,043	£5,865
Director of Corporate Services	£0	£0	£94,351	£5,865

The above is based on Full Time Equivalents.

- The Chief Fire Officer is currently paid at salary point 3
- The Deputy Chief Fire Officer is currently paid at salary point 3
- The Assistant Chief Officer is currently paid at salary point 3
- The Director of Finance and Procurement is paid at salary point 3
- The Director of People and Culture is paid at salary point 2 (this will move to point 3 on 1 July 2026)
- The Director of Corporate Services is paid at salary point 3

Chief Officers also receive reimbursement for internet and telephone charges and for professional subscriptions.

Lowest paid employees

The lowest paid persons employed under a contract of employment with WYFRA are employed on full time 37 hours equivalent salaries in accordance with the salary scale currently in use within WYFRA.

As of 1 April 2025, the lowest scale is point 4 within Grade 1 of the Authority's pay scale and has a salary of £25,185 (£13.05 per hour). The National Living Wage (for those aged 21 and over) currently stands at £12.21 per hour which equates to a salary of £23,809 per annum. This will rise to £12.71 per hour on 1 April 2026. The Authority is committed to paying the Real Living Wage. This currently stands at £13.45 per hour outside London. The Real Living Wage rates increase in November each year and the Authority has 6 months to implement any increase (the increase will be implemented on 1 April 2026). It should be noted that the national pay award, effective from 1 April 2026, is still to be determined. It is likely that any award will ensure the Authority's lowest paid employees remain above the living wage. If this is not the case, then a salary supplement will be paid in accordance with Authority policy.

The term 'lowest paid employees' is defined as a full-time equivalent employee on the bottom scale column point of the Authority's pay scale or the lowest paid role/rank for Grey Book employees.

The Authority adopts this definition because pay arrangements for employees' who are not Chief Officers, are based upon nationally negotiated pay scales from the National Joint Council for Local Authority Fire and Rescue Services ('Grey Book') and the National Joint Council for Local Government Services ('Green Book').

The relationship between Chief Officers' pay and other Authority employees is represented by the pay multiple between the two categories:

- The pay multiple between the highest and lowest paid salaries is 8.33 (7.82 in 2025-26, 8.01 in 2024-25, 8.12 in 2023-24 and 9.09 in 2022-23).
- The pay multiple between the highest paid salary and the median salary of the whole of the Authority's workforce is 5.24 (5.07 in 2025-26, 5.11 in 2024-25, 5.33 in 2023-24, 5.19 in 2022-23). The current Median salary is £39,983.16.

Chief Officers' salaries are determined by reference to appropriate National Joint Council conditions of service, comparison of salaries in similar authorities and occasionally by reference to employment consultants. The last external review was completed in 2022, data has been shared for 2023, 2024 and 2025.

All the information relating to the remuneration of Chief Officers is available in West Yorkshire Fire and Rescue Service's Statement of Accounts published on the website and is also available under 'Transparency' in the Finance section on the Authority website.

In addition, the pay scales of all other senior staff within the Authority are available under 'Transparency' in the Finance section on the Authority website.

Payment on termination of employment

Those Chief Officers who are contracted to the National Joint Council for Brigade Managers of Fire and Rescue Services are members of the Firefighters Pension Scheme (FPS). Those within the FPS pay contributions between 15.59% and 17.09%. Any payments made to them on retirement are subject to the rules and regulations of this pension scheme.

Similarly, those Chief Officers contracted to the Joint Committee for Chief Officers of Local Authorities are members of the Local Government Pension Scheme (LGPS) and are subject to the rules and regulations of that pension scheme. Those within the LGPS pay pension contributions of between 9.9% and 10.5%. In addition, there is provision at a local level for them to request flexible retirement via the Flexible Retirement Policy which is available on the Authority website.

Under the LGPS, the Authority also has the discretion to augment membership of the scheme up to a maximum of ten extra years, or to enable early access to the scheme.

In cases where an employee's contract is terminated on the grounds of redundancy or on grounds of efficiency there is discretion to pay a lump sum of up to 104 weeks' pay. Further details of these payments can be found within the Authority's 'Early Termination Policy' sited within the Human Resources section of the Authority website. This will be reviewed once the Government plans to cap public sector exit payments are enacted to ensure full compliance.

Those Chief Officers who are members of the Firefighters Pension Scheme do not receive any enhancements to redundancy payments.

Publication of pay policy statement

Upon approval by the Fire Authority, this statement will be published on the West Yorkshire Fire and Rescue Authority website; www.westyorksfire.gov.uk. In addition, for posts where the full-time equivalent salary is at least £50,000, the Authority's annual statement of accounts will include a note setting out the total amount of:

- Salary, fees or allowances paid to or receivable by the person in the current and previous year
- Any bonuses so paid or receivable by the person in the current and previous year

- Any sums payable by way of expenses allowance that are chargeable to UK income tax
- Any compensation for loss of employment and any other payments connected with termination
- Any benefits received that do not fall within the above.

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Agenda item: 13

Treasury Management Strategy 2026/27

Full Authority

Date: 26th February 2026

Submitted by: Director of Finance and Procurement

Purpose: To present the Treasury Management Strategy 2026/27

Recommendations: That members approve:

- a) Treasury Management Practices
- b) The Capital Strategy outlined from 2.1
- c) The Borrowing Strategy outlined from 2.14
- d) The Investment Strategy outlined from 2.19 and Appendix B
- e) The policy for the provision of the repayment of debt outlined in Appendix D
- f) The Treasury Management Prudential Indicators in Appendix E
- g) The Capital Plan 2026/27 to 2030/31 in Appendix F

Summary: The Treasury Management Strategy Statement is an annual statement that sets out the expected treasury activities for the forthcoming year 2026/27. These activities include the Authority's expected borrowing and investments, cashflows and banking.

The Authority has adopted the CIPFA Code of Practice on Treasury Management and is thereby required to consider a Treasury Management Strategy before the start of the next financial year. In addition, the Department for Communities and Local Government (DCLG) issued guidance on Local Authority investments in March 2010 which requires the Authority to approve and investment strategy before the start of each financial year.

Local Government (Access to information) Act 1972

Exemption Category:	Nil
Contact Officer:	Alison Wood, Director of Finance and Procurement, alison.wood@westyorksfire.gov.uk 07500 075362
Background papers open to inspection:	The Prudential Code for Capital Finance in Local Authorities
Annexes:	Appendix A - Treasury Management Practices Appendix B – Investment Strategy Appendix C – Credit Rating Scores Appendix D – Provision for the Repayment of Debt Appendix E – Treasury Management Indicators Appendix F – Capital Plan 2026/27 to 2030/31

1. Introduction

- 1.1 Treasury management is defined by the Chartered Institute of Public Finance and Accountancy's (CIPFA) Treasury Management Code of Practice as:

“The management of the Authority’s borrowings, investments and cash flows, its banking, money market and capital market transactions; the effective control of risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

The Authority is required to operate a balanced revenue budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties, providing adequate liquidity initially before considering investment return.

The second main function of the treasury management service is the funding of the Authority’s capital plans. These capital plans provide a guide to the borrowing need of the Authority, essentially the longer-term cash flow planning, to ensure that it can meet its capital spending obligations. This management of longer-term cash may involve arranging long or short-term loans or using longer-term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet risk or cost objectives.

- 1.2 The contribution the treasury management function makes to the Authority is critical, as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day-to-day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.
- 1.3 The CIPFA Code of Practice on Treasury Management (TM) and the CIPFA Prudential Code require local authorities to determine and set the Authority’s Treasury Management Strategy, its Strategy relating to investment activity, and Prudential Indicators on an annual basis. The Authority currently has cash backed reserves and balances of circa £24m, so it is important that robust and appropriate processes are in place to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund.
- 1.4 Treasury Management activity is governed and managed by using a set of standards which are called Treasury Management Practices. These set out the manner in which the Authority aims to achieve its treasury management policies and objectives and

how it will manage and control those activities. It is good practice that these are presented to members for information. These are attached in Appendix A

Guidance and Governance

- 1.5 This Strategy complies with the CIPFA Treasury Management in Public Services Code of Practice and Cross-Sectoral Guidance Notes (“the TM Code”), and Guidance on Local Government Investments issued by the Secretary of State for Communities and Local Government under section 15(1)(a) of the Local Government Act 2003 (“the Guidance”). Specific decisions on the timing and amount of any borrowing will be made by the Authority’s Director of Finance and Procurement in line with the agreed Strategy.

The updated CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a Capital Strategy report which will provide the following: -

- a high-level long-term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services.
- an overview of how the associated risk is managed.
- the implications for future financial sustainability

The aim of the strategy is to ensure that all the Authority’s elected members fully understand the overall long-term policy objectives and resulting Capital Strategy requirements, governance procedures, and risk appetite.

Treasury Management Reporting

- 1.6 The Authority is required to receive and approve, as a minimum, three main treasury reports each year, which incorporate a variety of policies, estimates and actuals.
- a. **Prudential and treasury indicators and treasury strategy** (this report) - The first, and most important report is forward looking and covers: -
 - the capital plans, (including prudential indicators)
 - a minimum revenue provision (MRP) policy, (how residual capital expenditure is charged to revenue over time)
 - the Treasury Management Strategy, (how the investments and borrowings are to be organised), including treasury indicators; and
 - an Annual Investment Strategy, (the parameters on how investments are to be managed)
 - b. **A mid-year treasury management report** – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision, this is presented to Finance and Resources Committee annually in January. In addition, the Finance and Resources Committee receive quarterly updates on

treasury management activity which are included in the Quarterly Financial Review Report.

- c. **An annual treasury report** – This is a backward-looking review report and provides details of treasury management activity in the prior financial year and details of the actual prudential and treasury indicators compared to the estimates within the strategy. This is presented to Finance and Resources Committee in July.

Treasury Management Strategy for 2026/27

1.7 The strategy for 2026/27 covers two main areas:

Capital

- the capital expenditure plans and the associated prudential indicators
- the minimum revenue provision (MRP) policy

Treasury Management

- the current treasury position
- treasury indicators which limit the treasury risk and activities of the Authority
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements satisfy the requirements of the Local Government Act 2003, MHCLG Investment Guidance, MHCLG MRP Guidance, the CIPFA Prudential Code and the CIPFA Treasury Management Code.

External Support

1.8 The Authority uses MUFG Corporate Markets , previously known as Link Group as its external treasury management advisors. The Authority recognises that the responsibility for treasury management decisions remains with itself and will ensure that undue reliance is not placed upon the external advisor. The Authority recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. The Authority appointed MUFG Corporate Markets in July 2021 when the responsibility for Treasury

Management was transferred to the Authority from Kirklees Council, where it was previously provided as a Service Level Agreement.

The Director of Finance and Procurement, the Head of Finance and the Senior Finance Manager who manages treasury on a daily basis receive daily, weekly, and monthly reports on treasury management activity within the UK, Europe and Worldwide.

Training

- 1.9 The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. An annual training session is delivered by MUFG Corporate Markets in October which is attended by both members and officers. The training needs of treasury management officers is ongoing to ensure that knowledge is kept up to date.

2. Information

Capital Strategy

- 2.1 The purpose of the Capital Strategy is to demonstrate that the Authority takes capital expenditure and investment decisions in line with corporate and service objectives and properly takes account of stewardship, value for money, prudence, sustainability, and affordability. It sets out the long-term context in which capital expenditure and investment decisions are made and gives consideration to both risk and reward and impact on the achievement of priority outcomes.

Fundamentally, the objective of the code is that the total of an Authority's capital investment remains within sustainable limits, following consideration of the impact on the bottom-line Council Tax.

- 2.2 Each financial year the Authority produces a rolling five-year capital programme, and owing to the nature of capital expenditure, a large number of schemes slip between financial years. The detailed capital plan and associated prudential indicators are included in the Budget Report.

- 2.3 The Capital Strategy comprises a number of distinct, but inter-related, elements as follows:

- **Capital Expenditure**

This section includes an overview of the governance process for approval and monitoring of capital expenditure, including the Authority's policies on capitalisation, and an overview of its capital expenditure and financing plans.

- **Capital Financing and Borrowing**

This section provides a projection of the Authority's capital financing requirement, how this is impacted by capital expenditure decisions and how it

will be funded and repaid. It therefore sets out the Authority's borrowing strategy and explains how it will discharge its duty to make prudent revenue provision for the repayment of debt.

- **Director of Finance and Procurement statement**

This section contains the Director of Finance and Procurement views on the deliverability, affordability and risk associated with the capital strategy.

Capital Expenditure

Capitalisation Policy

2.4 Expenditure is classified as capital expenditure when it results in the acquisition or construction of an asset (e.g. land, buildings, vehicles, plant, and equipment etc.) that:

- Will be held for use in the delivery of services, for rental to others, investment or for administrative purposes; and
- Are of continuing benefit to the Authority for a period extending beyond one financial year.

Subsequent expenditure on existing assets is also classified as capital expenditure if these two criteria are met. There may be instances where expenditure does not meet this definition but would be treated as capital expenditure, including:

- Where the Authority has no direct future control or benefit from the resulting assets but would treat the expenditure as capital if it did control or benefit from the resulting assets. For example, where a grant is provided by the Authority to an external body in order that the body can purchase an asset for its own use. The provision of the grant would be treated as capital expenditure in the accounts of the Authority.
- Where statutory regulations require the Authority to capitalise expenditure that would not otherwise have expenditure implications according to accounting rules. For example, where the Government permits authorities, in special circumstances, to treat redundancy costs as capital costs therefore increasing flexibility as such costs can then be met using their existing borrowing powers or capital receipts.

2.5 The Authority operates a de-minimis limit for capital scheme expenditure of £10,000. This means that items below these limits are charged to revenue rather than capital. The capital schemes that tend to be charged to revenue are for the purchase of small items of operational equipment, for example, gas tight suits and water rescue equipment. Based on the 2026/27 capital plan, the annual financial impact in the revenue budget is a maximum of £10,000.

Leases

- 2.6 The adoption of International Financial Reporting Standard 16 has introduced a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is low value. When such lease contracts and the related assets and liabilities are brought onto the balance sheet, a local authority will increase its long-term liabilities and as a result this will increase the debt liability. The cost of leases categorised under IFRS16 is included in the capital plan as a separate scheme and an associated capital financing charge is charged to the revenue account. The net effect on the Authority's cash position is unchanged following this change in the accounting standard.

Governance

- 2.7 Capital expenditure is a necessary element in the development of the Authority's services since it generates investment in new and improved assets. Capital expenditure is managed through the five-year Capital Programme which is reviewed annually as part of the budget setting process and reviewed in year as part of financial monitoring arrangements.

The Authority's Financial Procedure Rules provide a framework for the preparation and appraisal of schemes proposed for inclusion in the Capital Plan, these include appropriate authorisations for individual schemes to proceed and facilitate the overall management of the Capital Programme within defined resource parameters.

- 2.8 The Director of Finance and Procurement shall determine the format of the Capital Programme and the timing of reports relating to it. The approved Capital Programme will comprise a number of individual schemes each of which will be quantified on an annualised basis. Each directorate will submit capital bids to the finance department which are then collated and presented to the Executive Leadership Team Star Chamber for scrutiny and approval for inclusion on the proposed capital plan. The bids are then collated for submission to the Full Authority meeting in February.

The capital plan is monitored on a monthly basis with the provision of detailed budget monitoring reports to managers and is reported quarterly to the Finance and Resources Committee.

The Budget Management Monitoring Group meet bi-monthly where the capital plan is scrutinised, and managers are required to report on the progress of each capital scheme for which they are responsible. This is chaired by the Director of Finance and Procurement.

Capital Financing and Borrowing

- 2.9 The Authority's capital expenditure plans as per the Capital Programme are set out in Appendix F and will be presented in the Budget Report for approval.

When expenditure is classified as capital expenditure for capital financing purposes, this means that the Authority is able to finance that expenditure from any of the following sources:

- **Capital grants and contributions** – amounts awarded to the Authority in return for past or future compliance with certain conditions attached to them.
- **Capital receipts** – amounts generated from the sale of assets and from the repayment of capital loans, grants, or other financial assistance.
- **Revenue contributions** – amounts set aside from the revenue budget and the earmarked capital financing reserve.
- **Borrowing** – amounts that the Authority does not need to fund immediately from cash resources but instead charges to the revenue budget over a number of years into the future.

Director of Finance and Procurement Statement

2.10 The Prudential Code requires the Chief Financial Officer to report explicitly on the affordability and risk associated with the Capital Strategy. The following are specific responsibilities of the Chief Finance Officer which are used to mitigate the risk and ensure affordability of the capital plan :

- recommending clauses, treasury management policy/practices for approval, reviewing regularly, and monitoring compliance.
- submitting quarterly treasury management reports.
- submitting quarterly capital budget reports.
- reviewing the performance of the treasury management function.
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function.
- ensuring the adequacy of internal audit and liaising with external audit.
- recommending the appointment of external service providers.
- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments, and treasury management.
- ensuring that the capital strategy is prudent, sustainable, affordable, and prudent in the long term and provides value for money.
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the Authority.
- ensure that the Authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing.
- ensuring the proportionality of all investments so that the Authority does not undertake a level of investing which exposes the Authority to an excessive level of risk compared to its financial resources.
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long-term liabilities.

Statement of Policy on the Minimum Revenue Provision (MRP)

2.11 Under Regulation 27 of the Local Authorities (Capital Finance and Accounting) (England) Regulations 2003, where the Authority has financed capital expenditure by

borrowing it is required to make a provision each year through a revenue charge (MRP). The 2003 Regulations have been further amended with full effect from April 2025 to expressly provide that in determining a prudent provision local authorities cannot exclude any amount of Capital Financing Requirement (CFR) from its calculation, unless by an exception set out in statute.

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2008, which came into effect on 31 March 2008, replaced the former statutory rules for calculating MRP with a requirement for each local authority to determine a “prudent” provision. This ensures that the outstanding debt liability is repaid over a period that is reasonably commensurate with that over which the capital expenditure provides benefits. The regulations require authorities to draw up a statement of their policy on the calculation of MRP which requires approval by Full Authority in advance of the year to which it applies.

The recommended policy statement is detailed at Appendix D.

Capital Financing Requirement

2.12 The Capital Financing Requirement (CFR) represents the Authority’s underlying need to finance capital expenditure by borrowing or other long-term liability arrangements.

The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is a measure of the Authority’s indebtedness and so its underlying borrowing need. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset’s life and so charges the economic consumption of capital assets as they are used.

An Authority can choose to borrow externally to fund its CFR. If it does this, it is likely that it would be investing externally an amount equivalent to its total reserves, balances, and net creditors. Alternatively, an Authority can choose not to invest externally but instead use these balances to effectively borrow internally and minimise external borrowing. In between these two extremes, an Authority may have a mixture of external and internal investments/external and internal borrowing.

Forecasts for CFR as at the 31 March 2026 are as follows:

	Estimate 2026/27 £000's	Estimate 2027/28 £000's	Estimate 2028/29 £000's	Estimate 2029/30 £000's
CFR	71,928	83,205	91,090	99,878

The movement in the CFR can be further explained via the table below:

	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30
CFR b/fwd	70,935	71,928	83,205	91,090
Capital Expt	13,825	19,474	15,863	14,730
Capital Receipts	-1,500	-250	0	0
Earmarked Reserve	-7,000	-3,187	-2,858	-500
Revenue Contribution	-560	-560	-560	-560
MRP	-3,772	-4,200	-4,560	-4,882
Closing CFR	71,928	83,205	91,090	99,878

2.13 Over the past few years, the Authority has chosen to finance its capital expenditure by 'borrowing' internally. This has principally been because of the relatively low rates of interest receivable on investments prior to the beginning of 2022, particularly when compared to the cost of borrowing of longer term loans from the PWLB. Interest received on investments has continued to be at a high level over the past year with the average rate been at 4.61%. However, there has been a corresponding increase in PWLB borrowing rates, which is still at a higher rate than that earned on investments, thus making it more advantageous to borrow internally.

Borrowing Strategy

Borrowing Arrangements

2.14 The Authority has been using its cash balances by deferring long term borrowing, no new long-term borrowing has been taken out since December 2011, the total estimated savings on interest payments chargeable to the revenue budget is £14.3m. Accountants engaged in treasury management monitor interest rates and receive advice from the Authority's Treasury Management Advisor on changes to market conditions, so that borrowing and investing activity can be undertaken at the most advantageous time. At the time of writing this report, it is not anticipated that the Authority will take out any new external borrowing until Summer 2026, which is dependent on the delivery of the capital plan.

When taking new borrowing, due attention will be paid to the Authority's debt maturity profile. It is good practice to have a maturity profile for long-term debt which does not expose the Authority to a substantial borrowing requirement in years when interest rates

may be at a relatively high level. In accordance with the requirements of the Code, the Authority sets out limits with respect to the maturity structure of its borrowing later in this report.

2.15 It is predicted that as at the 31 March 2026, the Authority will have total external borrowing and other long-term liabilities of £40.15 million.

This is analysed as follows:

	Loans at 31 March 2026	
	£m	%
PWLB Loans	38.15	95.0%
LOBO	2.00	5.0%
TOTAL	40.15	100%

Historically, the biggest source of borrowing for local authorities has been PWLB loans. These Government loans have offered value for money and also flexibilities to restructure and make possible savings. Although, the Government decided to raise rates for new PWLB loans in October 2010 by around 0.90%, it has since introduced a discounted rate for local authorities joining the new “certainty rate” scheme. The Authority has joined the scheme and will have access to loans discounted by 0.20% in 2026/27.

The Authority also has a LOBO (Lender’s Option, Borrower’s Option) loan which was taken out in May 2006. The way this loan works is that the Authority pays interest at a fixed rate (4.63%) for an initial period and then the lender has the option in the secondary period to increase the rate. If the option is exercised, the Authority can either accept the new rate or repay the loan. The Authority’s loan is in its secondary period with intervals of 5 years between options. The next option date is May 2026. There have been moves by some lenders to amend the terms of their LOBO loans to convert them to ‘vanilla’ fixed rate loans. No approach has yet been made by Dexia Credit Local, the lender to the Authority to amend any of the conditions of the loan.

2.16 In terms of meeting the Authority’s borrowing requirement over the next five years, it is proposed to take out short term temporary borrowing until the long term PWLB rate reduces to previous levels which is forecast to be September 2027.

The table below shows the forecast for PWLB bank rates to September 2028.

PWLB	Mar-26	Sep-26	Mar-27	Sep-27	Mar-28	Sep-28
	%	%	%	%	%	%
5 year	4.60%	4.30%	4.10%	4.10%	4.10%	4.10%
10 year	5.20%	4.90%	4.80%	4.70%	4.70%	4.60%
25 year	5.80%	5.60%	5.50%	5.30%	5.30%	5.20%
50 year	5.60%	5.40%	5.30%	5.10%	5.10%	5.10%

The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. The Authority may take advantage of this and replace some of the higher rate loans with new loans at lower interest rates where this will lead to an overall saving or reduce risk. A review is undertaken annually to assess if this is financially advantageous for the authority, all reviews have concluded that it is not viable to repay existing loans.

Borrowing in Advance of Need

- 2.17 The Authority will not borrow in advance of its needs in order to profit from any short-term interest rate advantage. Any decision to borrow in advance will be within the approved Capital Financing Requirement estimates and will be considered carefully to ensure that value for money can be demonstrated and that the Authority can ensure the security of such funds. The risks associated with any borrowing in advance of activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual treasury reports.

Debt Rescheduling

- 2.18 When short term interest rates are considerably cheaper than longer term fixed interest rates, there may be potential opportunities to generate savings by switching from long term debt to short term debt. However, these savings will need to be considered in the light of the current treasury position and the size of the cost of the debt repayment (premiums incurred). The reasons for rescheduling may include the generation of cash savings in annual interest payments or to amend the maturity profile of the portfolio. The premium charged by the PWLB generally makes restructuring debt for interest rate reasons unattractive. Consideration would be given to debt restructuring if there was a significant change in the PWLB's policy. Any debt rescheduling will be reported to the Authority at the earliest opportunity following the rescheduling.

Borrowing policy and performance will be continuously monitored throughout the year and will be reported to Members.

Investment Strategy

Overview

- 2.19 Investment guidance issued by the Department for Levelling Up Housing and Communities (DLUHC), now Ministry of Housing, Communities and Local

Government (MHCLG), requires that an investment strategy, outlining the Authority's policies for managing investments in terms of risk, liquidity and yield, should be approved by full Authority or at an equivalent level, before the start of the financial year. This strategy can then only be varied during the year by the same executive body.

MHCLG and CIPFA have extended the meaning of 'investments' to include both financial and non-financial investments, the Authority has no non-financial investments.

The Authority's Investment Strategy has regard to:

- MHCLG's guidance on Local Government investments ("the Guidance")
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 ("the Code")
- CIPFA Treasury Management Guidance Notes 2021.

2.20 The Investment Strategy has two main objectives: the first is security, in order to ensure that the capital sum is protected from loss; and the second is portfolio liquidity, in order to ensure that cash is available when needed. Only when the proper levels of security and portfolio liquidity have been determined can the Authority then consider the yield that can be obtained within these parameters.

The Authority will ensure that robust due diligence procedures cover all external investments.

The Treasury Management Code of Practice details that the term "investments" used in the definition of treasury management activities also covers other non-financial assets which an organisation holds primarily for financial returns, such as investment property portfolios. The Authority does not hold non-financial assets primarily for financial returns, nor does it propose to do so.

2.21 The guidance from MHCLG and CIPFA places a high priority on the management of risk. This Authority has adopted a prudent approach to managing risk and defines its risk appetite by the following means:

- Minimum acceptable credit criteria are applied in order to generate a list of highly creditworthy counterparties.
- Ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Authority will engage with its advisors to maintain a monitor

on market pricing such as “credit default swaps” and overlay that information on top of the credit ratings.

- Other information sources used will include the financial press, share price, and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.

As at the 31 March 2026, the Authority is expected to have around £15.0 million invested externally with local authorities, Money Market Funds (MMFs) or the Government’s Debt Management Account Deposit Facility (DMADF). This will also ensure compliance with The Markets in Financial Instruments Directive II, whereby those maintaining a professional status must keep a minimum of £10 million invested at any point in time.

Guidance

2.22 The guidance splits investments into two types – specified and non-specified.

- Specified investments are those offering high security and liquidity. All such investments should be in sterling with a maturity of no more than a year. Investments made with the Government’s Debt Management Account Deposit Facility (DMADF) and a local authority automatically count as specified investments.
- Non-specified investments are those with less high credit quality, may be for periods in excess of one year and as such have greater potential risk,

It is estimated that the Authority could have up to £43million to invest at times during the year which is a combination of cash received in advance, reserves, and creditors.

Strategy

2.23 It is proposed to continue with a low-risk strategy in line with previous years and where possible to borrow internally. This will help in reducing the amount of money the Authority has invested at any one time and minimise the cost of borrowing.

Investments will be made with reference to the core balance and cashflow requirements and the outlook for short-term interest rates (i.e., rates for investments up to 12 months).

Key features of the strategy are as follows:

Specified Investments

- The Authority is able to invest up to £6 million on an instant access basis with foreign based banks with a “high to upper medium grade” credit rating.

- The Authority can invest up to £6 million in individual MMFs (instant access or two-day notice). MMFs are pooled investment vehicles, having the advantage of providing wide diversification of risk, coupled with the services of a professional fund manager.
- The Authority can invest in the Governments DMADF for up to 6 months.
- The Authority can invest in local authorities for up to 364 days.

Non-Specified Investments

- The Authority is able to invest up to £1 million and up to two months with individual UK banks and building societies with a “medium grade” credit rating.
- The Authority adopts an overall limit for non-specified investments of £2 million.

A maximum limit of £6 million applies to any one counterparty and this applies to a banking group rather than each individual bank within a group.

For illustrative purposes, Appendix B lists which banks and building societies the Authority could invest with based on credit ratings as at the end of December 2025.

Credit Worthiness Policy

2.24 The Authority applies the creditworthiness service provided by the MUFG Corporate Markets. This service employs a sophisticated modelling approach utilising credit ratings from the three main credit rating agencies - Fitch, Moody’s, and Standard & Poor’s. This is detailed in Appendix C. The lowest credit rating of an organisation will be used to determine credit quality. Long term ratings are expressed on a scale from AAA (the highest quality) through to D (indicating default). Ratings of BBB- and above are described as investment grade, while ratings of BB+ and below are described as speculative grade.

Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria the following will apply:

- No new investments will be made.
- Any existing investments that can be recalled at no cost will be recalled.
- Full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

Where a credit rating agency announces that a rating is on review for possible downgrade (“rating watch negative or credit watch negative”) so that it is likely to fall below the required criteria, then no further investments will be made in that organisation until the outcome is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Full regard will be given to other available information on the credit quality of banks and building societies, including credit default swap prices, financial statements, and rating agency reports. No investments will be made with an organisation if there are

substantive doubts about its credit quality, even though it may meet the approved criteria.

2.25 Investments may be made using the following instruments:

- Interest paying bank accounts.
- Fixed term deposits.
- Call or notice deposits.
- Callable deposits.
- Shares in money market funds.
- Reverse re-purchase agreements.

Investment of money borrowed in advance of need.

2.26 The Authority may, from time to time, borrow in advance of need, where this is expected to provide the best long-term value for money. However, as this would involve externally investing such sums until required and thus increasing exposures to both interest rate and principal risks, it is not believed appropriate to undertake such a policy at this time.

Monitoring

2.27 Annual cash flow forecasts are prepared which are continuously updated. This helps determine the maximum period for which funds may be prudently committed. Investment policy and performance will be monitored continuously and will be reported to Members during the year and as part of the annual report on Treasury Management.

Prudential Indicators

2.28 The Authority is asked to approve certain treasury management indicators, the purpose of which is to contain the activity of the treasury function within certain limits, thereby reducing the risk or likelihood of an adverse movement in interest rates or borrowing decision impacting negatively on the Authority's overall financial position. However, if these are set to be too restrictive, they will impair the opportunities to reduce costs. The proposed indicators are set out in Appendix E.

3. Financial Implications

3.1 The financial implications are included within the main body of the report.

4. Legal Implications

4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. People and Diversity Implications

5.1 There are no People and Diversity implications associated with this report.

6. Equality Impact Assessment

6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

7.1 There are no Health, Safety and Wellbeing implications associated with this report.

8. Environmental Implications

8.1 There are no environmental implications associated with this report.

9. Risk Management Implications

9.1 There are no risk management implications associated with this report.

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 There are no duty to collaborate implications associated with this report.

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Use resources in an innovative, sustainable, and efficient manner to maximise value for money.

12. Conclusions

12.1 The treasury management strategy determines the framework upon which the Authority manages its borrowing and investments during the year. This is essential for sound financial governance.

TREASURY MANAGEMENT PRACTICES

The following Treasury Management Practices (TMPs) set out the manner in which the Authority aims to achieve its treasury management policies and objectives, and how it will manage and control those activities.

1. **TMP 1 Risk management**

The Director of Finance and Procurement will design, implement and monitor all arrangements for the identification, management and control of treasury management risk, will report at least annually on the adequacy/suitability thereof, and will report, as a matter of urgency, the circumstances of any actual or likely difficulty in achieving the organisation's objectives in this respect, all in accordance with the procedures set out in TMP6 Reporting requirements and management information arrangements. In respect of each of the following risks, the arrangements which seek to ensure compliance with these objectives are set out in the schedule to this document.

Credit and counterparty risk management.

The Authority regards a prime objective of its treasury management activities to be the security of the principal sums it invests. Accordingly, it will ensure that its counterparty lists and limits reflect a prudent attitude towards organisations with which funds may be deposited, and will limit its investment activities to the instruments, methods and techniques referred to in TMP4 Approved Instruments, methods and techniques and listed in the schedule to this document. It also recognises the need to have, and will therefore maintain, a formal counterparty policy in respect of those organisations from which it may borrow, or with whom it may enter into other financing arrangements.

Liquidity risk management

The Authority will ensure it has adequate though not excessive cash resources, borrowing arrangements, overdraft, or standby facilities to enable it at all times to have the level of funds available to which are necessary for the achievement of its business/service objectives. The Authority will not borrow in advance of need.

Interest rate risk management

The Authority will manage its exposure to fluctuations in interest rates with a view to containing its net interest costs, or securing its interest revenues, in accordance with the amounts provided in its budgetary arrangements.

It will achieve these objectives by the prudent use of its approved financing and investment instruments, methods, and techniques, primarily to create stability and certainty of costs and revenues, but at the same time retaining a sufficient degree of flexibility to take advantage of unexpected, potentially advantageous changes in the

level or structure of interest rates. The above are subject at all times to the consideration and, if required, approval of any policy or budgetary implications.

Exchange rate risk management

The Authority will manage its exposure to fluctuations in exchange rates so as to minimise any detrimental impact on its budgeted income/expenditure levels.

Refinancing risk management

The Authority will ensure that its borrowing is negotiated, structured and documented, and the maturity profile of the monies raised are managed, with a view to obtaining offer terms for renewal or refinancing, if required, which are competitive and as favourable to the Authority as can reasonably be achieved in the light of market conditions prevailing at the time.

It will actively manage its relationships with its counterparties in these transactions in such a manner as to secure this objective and will avoid over-reliance on any one source of funding if this might jeopardise achievement of the above.

Legal and regulatory risk management

The Authority will ensure that all of its treasury management activities comply with its statutory powers and regulatory requirements. It will demonstrate such compliance, if required to do so, to all parties with whom it deals in such activities. In framing its credit and counterparty policy under TMP1(i), it will ensure that there is evidence of counterparties' powers, authority, and compliance in respect of the transactions they may affect with the Authority.

The Authority recognises that future legislative or regulatory changes may impact on its treasury management activities and, as far as it is reasonably able to do so, will seek to minimise the risk of these impacting adversely on the organisation.

Fraud, error and corruption, and contingency management

The Authority will ensure that it has identified the circumstances which may expose it to the risk of loss through fraud, error, corruption, or other eventualities in its treasury management dealings. Accordingly, it will employ suitable systems and procedures, and will maintain effective contingency management arrangements, to these ends.

Market risk management

The Authority will seek to ensure that its stated treasury management policies and objectives will not be compromised by adverse market fluctuations in the value of the principal sums it invests and will accordingly seek to protect itself from the effects of such fluctuations.

Environmental, Social & Governance Considerations

The Authority's credit and counterparty policies set out the policies and practices relating to environmental, social and governance investment considerations. The

credit rating agencies that the Authority uses, incorporate ESG risks alongside more traditional financial risk metrics when assessing counterparty ratings.

2. TMP2 Performance measurement

The Authority is committed to the pursuit of value for money in its treasury management activities, and to the use of performance methodology in support of that aim, within the framework set out in its Treasury Management Strategy Statement.

Accordingly, the treasury management function will be the subject of ongoing analysis of the value it adds in support of the Authority's stated business or service objectives. It will be the subject of regular examination of alternative methods of service delivery and of other potential improvements. The performance of the treasury management function will be measured using the criteria set out in the prudential indicators included within the treasury management strategy.

3 TMP3 Decision-making and analysis

The Authority will maintain full records of its treasury management decisions, and of the processes and practices applied in reaching those decisions, both for the purposes of learning from the past, and for demonstrating that reasonable steps were taken to ensure that all issues relevant to those decisions were taken into account at the time.

4 TMP4 Approved instruments, methods, and techniques.

The Authority will undertake its treasury management activities by employing only those instruments, methods and techniques detailed in the schedule to this document, and within the limits and parameters defined in TMP1 Risk management.

Where the Authority intends to use derivative instruments for the management of risks, these will be limited to those set out in its annual treasury strategy. The Authority will seek proper advice when entering into arrangements to use such products.

5 TMP5 Organisation, clarity, and segregation of responsibilities, and dealing arrangements.

The Authority considers it essential, for the purposes of the effective control and monitoring of its treasury management activities, and for the reduction of the risk of fraud or error, and for the pursuit of optimum performance, that these activities are structured and managed in a fully integrated manner, and that there is at all times a clarity of treasury management responsibilities.

The principles on which this will be based is a clear distinction between those charged with setting treasury management policies and those charged with implementing and controlling these policies, particularly with regard to the execution and transmission of funds, the recording and administering of treasury management decisions, and the audit and review of the treasury management function.

If and when the Authority intends, as a result of lack of resources or other circumstances, to depart from these principles, the Director of Finance and Procurement will ensure that the reasons are properly reported in accordance with TMP6 Reporting requirements and management information arrangements, and the implications carefully considered and evaluated.

The Director of Finance and Procurement will ensure that there are clear written statements of the responsibilities for each post engaged in treasury management, and the arrangement for absence cover. The present arrangements are detailed in the schedule to this document.

The Director of Finance and Procurement will ensure there is proper documentation for all deals and transactions, and that procedures exist for the effective transmission of funds. The present arrangements are detailed in the schedule to this document.

The delegation to the Director of Finance and Procurement in respect of treasury management is set out in the schedule to this document. The Director of Finance and Procurement will fulfil all such responsibilities in accordance with the Authority's policy statement and TMPs and, as a CIPFA member, the Standard of Professional Practice on Treasury Management.

6. **TMP6 Reporting requirements and management information arrangements**

The Authority will ensure that regular reports are prepared and considered on the implementation of its treasury management policies; on the effects of decisions taken and the transactions executed in pursuit of those policies; on the implications of changes, particularly budgetary, resulting from regulatory, economic, market or other factors affecting its treasury management activities; and on the performance of the treasury management function.

As a minimum, the Authority and Finance & Resources Committee will receive:

- an annual report on the strategy and plan to be pursued in the coming year.
- a mid-year review.
- an annual report on the performance of the treasury management function, on the effects of the decisions taken and the transactions executed in the past year, and on any circumstances of non-compliance with the organisation's Treasury Management Policy Statement and TMPs.

The present arrangements and the form of these reports are detailed in the treasury management strategy.

7. **TMP7 Budgeting, accounting, and audit arrangements**

The Director of Finance and Procurement will prepare, and the Authority will approve and, if necessary, from time to time amend the annual budget for treasury management, which will bring together all the costs involved in running the treasury management function, together with associated income. The matters to be included

in the budget will at a minimum be those required by statute or regulation, together with such information as will demonstrate compliance with the TMPs. Budgeting procedures are set out in the capital strategy included in section 2.1 of this report. The Director of Finance and Procurement will exercise effective controls over this budget and will report any major variations.

The Authority will account for its treasury management activities, for decisions made and transactions executed, in accordance with appropriate accounting practices and standards, and with statutory and regulatory requirements in force for the time being. The present form of this function's accounts is set out in section 2.1 of this document.

The Authority will ensure that its auditors, and those charged with regulatory review, have access to all information and papers supporting the activities of the treasury management function as are necessary for the proper fulfilment of their roles, and that such information and papers demonstrate compliance with external and internal policies and approved practices.

8. **TMP8 Cash and cash flow management**

Unless statutory or regulatory requirements demand otherwise, all monies in the hands of the Authority will be under the control of the Director of Finance and Procurement and will be aggregated for cash flow purposes. Cash flow projections will be prepared on a regular and timely basis, and the Director of Finance and Procurement will ensure that these are adequate for the purposes of monitoring compliance with TMP1(i) Liquidity risk management.

9. **TMP9 Money laundering**

The Authority is alert to the possibility that it may become the subject of an attempt to involve it in a transaction involving the laundering of money. Accordingly, it will ensure that staff involved in treasury management activities are fully aware of their responsibilities with regards this. The present safeguards, including the name of the officer to whom any suspicions should be reported, are detailed in the Authority's constitution.

10. **TMP10 Training and qualifications**

The Authority recognizes the importance of ensuring that all staff involved in the treasury management function are fully equipped to undertake the duties and responsibilities allocated to them. It will therefore seek to appoint individuals who are both capable and experienced and will provide training for staff to enable them to acquire and maintain an appropriate level of expertise, knowledge, and skills.

The Director of Finance and Procurement will ensure that Members of the committee providing a scrutiny function have access to regular training relevant to their responsibilities.

11 **TMP11 Use of external service providers**

The Authority recognises that responsibility for treasury management decisions always remains with the organisation. However, it also recognises the potential value of employing external providers of treasury management services, in order to acquire access to specialist skills and resources. When it employs such service providers, it will ensure it does so for reasons which will have been submitted to full evaluation of the costs and benefits. It will also ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review. It will also ensure, where feasible and necessary, that a spread of service providers is used, to avoid over-reliance on one or a small number of companies. Where services are subject to formal tender or re-tender arrangements, legislative requirements and the Authority's Contract Procedure Rules will always be observed.

12. **TMP12 Corporate governance**

The Authority is committed to the pursuit of proper corporate governance throughout its businesses and services, and to establishing the principles and practices by which this can be achieved. Accordingly, the treasury management function and its activities will be undertaken with openness and transparency, honesty, integrity, and accountability.

The Authority has adopted and has implemented the key principles of the Code. This, together with the other arrangements detailed in the schedule to this document, are considered vital to the achievement of proper corporate governance in treasury management, and the Director of Finance and Procurement will monitor and, if necessary, report upon the effectiveness of these arrangements.

Appendix B

Specified

	Short-term Credit Ratings / Long-Term Credit Ratings			Investment Limits per Counterparty		Counterparties falling into category as at December 2025
	Fitch	Moody's	S & P	£m	Period (1)	
Banks / Building Societies (Reverse Repurchase Agreements)	F1 AAA,AA+ ,AA, AA- ,A+,A,A-	P-1 Aaa,Aa1, Aa2, Aa3,A1,A 2,A3	A-1 AAA,AA+ ,AA, AA- ,A+,A,A-	10	Up to 364 days	
Banks / Building Societies (Deposit Accounts, fixed term deposits)	F1 AAA,AA+ ,AA, AA- ,A+,A,A-	P-1 Aaa,Aa1, Aa2, Aa3,A1,A 2,A3	A-1 AAA,AA+ ,AA, AA- ,A+,A,A-	6	<100 days	
MMF (4)	-	-	-	6	Instant access/ up to 2 day notice	Aberdeen Standard, Aviva, Goldman Sachs, Royal London Asset Manager
UK Government (Fixed Term Deposits)	-	-	-	Unlimited	<6mth	
UK local authorities (Fixed Term Deposits)	-	-	-	Unlimited	Up to 364 days	The Highland Council - Inverness, Central Bedfordshire Council, Ashford Borough Council

Non-Specified (4)

	Short-term Credit Ratings / Long-Term Credit Ratings			Investment Limits per Counterparty		Counterparties falling into category as at December 2025
	Fitch	Moody's	S & P	£m	Period (1)	
	UK Banks / Building Societies (Fixed Term deposits)	F1,F2 Higher than BBB	P-1,P-2 Higher than Baa2	A-1,A-2 Higher than BBB	6	

Investment Strategy

- (1) The investment period begins from the date on which funds are paid over.
- (2) These investments are secured on the bank's assets, which limits the potential losses in the unlikely event of insolvency and means that they are exempt from bail-in. Where there is no investment specific credit rating but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used to determine cash and time limits. The combined secured and unsecured investments in any one bank will not exceed the cash limit for secured investments.
- (3) Overall limit for investments in MMFs of £24 million.
- (4) Overall limit of £24 million.

Credit ratings

Moody's		S&P		Fitch					
Long-term	Short-term	Long-term	Short-term	Long-term	Short-term				
Aaa	P-1	AAA	A-1+	AAA	F1+	Prime			
Aa1		AA+		AA+		High grade			
Aa2		AA		AA					
Aa3		AA-		AA-					
A1	P-2	A+	A-1	A+	F1	Upper mediumgrade			
A2		A		A					
A3		A-		A-					
Baa1	P-3	BBB+	A-2	BBB+	F2	Lower mediumgrade			
Baa2		BBB		BBB					
Baa3	Not prime	BBB-	A-3	BBB-	F3				
Ba1		BB+		B			BB+	B	Non-investment grade speculative
Ba2		BB					BB		
Ba3		BB-	BB-						
B1		B+	B+		Highly speculative				
B2		B	B						
B3		B-	B-						
Caa1	C	CCC+	C		CCC	C	Substantial risks		
Caa2		CCC		Extremely speculative					
Caa3		CCC-							

Ca		CC				In default with little prospect for recovery
		C				
C		D	/	DDD	/	In default
/				DD		
/						

Appendix D

STATEMENT OF POLICY ON THE MINIMUM REVENUE PROVISION (REPAYMENT OF DEBT)

1.1 Background

The Local Authorities (Capital Finance and Accounting) (England) Regulations 2008 which came into force on 31 March 2008, replaced the detailed statutory rules for calculating Minimum Revenue Provision (MRP) with a requirement to make an amount of MRP which the authority considers “prudent”.

1.2 Prudent Provision

The regulation does not itself define “prudent provision.” However, guidance issued alongside the regulations makes recommendations on the interpretation of that term. The guidance provides two basic criteria for prudent provision: -

- Borrowing not supported by government grant (prudential borrowing) – the provision for repayment of debt should be linked to the life of the asset.
- Borrowing previously supported by revenue support grant (supported borrowing) – the provision should be in line with the period implicit within the grant determination (4% reducing balance).

1.3 MRP Overpayments

As defined in the Code the Authority has always set aside additional funding, on top of the regulated MRP, to repay the borrowing of money to fund capital. This additional funding that is set aside is called a Voluntary Revenue Provision (VRP). A change introduced by the revised DLUHC, now MHCLG, MRP Guidance, allows for any charges made over the statutory minimum revenue provision (MRP), to be reclaimed, if required, for use in the budget. These revised guidelines came into effect from the 1st of April 2019. Up until the 31 March 2025 the total VRP overpayments were £7.4m. These overpayments have allowed for prudent voluntary repayments to reduce the indebtedness of the Authority within a shorter timescale providing greater financial stability in the long term.

1.4 Proposed policy for 2026/27

The Authority has always been prudent when making provision for the repayment of debt. In addition to the minimum revenue provision of 4% of debt outstanding previously required, the Authority had regularly made additional voluntary contributions. These voluntary contributions have been calculated to reflect asset life. Thus, for example, debt used to finance vehicles, and many types of operational equipment has been fully provided for over a 10 to 15-year period and all new buildings over 40. These additional voluntary contributions covered all debt, not just unsupported, and up to 2025/26 were calculated using a sinking fund method with reference to asset lives.

Following the external audit of the 2023/24 financial accounts, the calculation of the

voluntary contribution is now calculated on a straight line method based on the asset life from 2026/27.

It is proposed that if any MRP/Interest budget becomes available due to for example, capital schemes being re phased, a reduction in the capital plan and/or additional capital receipts, the Authority may choose to make additional MRP payments providing the financial position remains in line with the approved financial plan. In addition, any revenue budget savings identified during the year may also be used to make one off MRP payments or be transferred to the earmarked capital finance reserve.

It is recommended that this policy is adopted for 2026/27. The features of the policy can be summarised as follows:

- Provision to be made over the estimated life of the asset for which borrowing is undertaken (maximum asset life of 40 years / 50 years for Land)
- To be applied to supported and unsupported borrowing
- Provision be calculated on a straight line method based on asset life.
- Provision will commence in the financial year following the one in which the expenditure is incurred.

The proposed medium term financial plan includes budget provision to meet the MRP and interest payments based on historic and planned future capital spend. The Authority in the past has determined it can afford and sustain prudential borrowing in order to allow the required level of investment in the infrastructure and assets of the Authority to deliver a modern well-equipped fire and rescue service.

TREASURY MANAGEMENT INDICATORS

Gross Debt and the Capital Financing Requirement (CFR)

The Code requires that where gross debt is greater than the CFR, thereasons for this should be clearly stated in the annual strategy. This does not apply to this Authority as its gross debt will not exceed the CFR.

Interest Rate Exposures

While fixed rate borrowing can contribute significantly to reducing the uncertainty surrounding future interest rate scenarios, the pursuit of optimum performance justifies retaining a degree of flexibility through the use of variable interest rates on at least part of the treasury management portfolio. The Code requires the setting of upper limits for both variable rate and fixed interest rate exposure.

It is recommended that the Authority sets an upper limit on its fixed interest rate exposures for 2026/27, 2027/28 and 2028/29 of 100% of net interest payments. It is further recommended that the Authority sets an upper limit on its variable interest rate exposures for 2026/27, 2027/28 and 2028/29 of 40% of its net interest payments.

	Limit 2026/27	Forecast 2026/27
Interest at fixed rates as a percentage of net interest payments	60%-100%	100%
Interest at variable rates as a percentage of net interest payments	0% - 40%	0%

This means that fixed interest rate exposures will be managed within the range 60% to 100%, and variable interest rate exposures within the range 0% to 40%.

Maturity Structure of Borrowing

This indicator is designed to prevent the Authority having large concentrations of fixed rate debt* needing to be replaced at times of uncertainty over interest rates. It is recommended that the Authority sets upper and lower limits for the maturity structure of its borrowings as follows:

Amount of projected borrowing that is fixed rate maturing in each period as a percentage of total projected borrowing that is fixed rate.	Limit Set 2026/27	Forecast Actual 2026/27
Under 12 months	0% -20%	6.8%
12 months to 2 years	0% -20%	2.5%
2 years to 5 years	0% -60%	5.0%
5 years to 10 years	0% -80%	5.3%
More than 10 years	20% -100%	80.4%

*LOBOs are classed as fixed rate debt unless it is considered that the loan option will be exercised.

Total principal sums invested for periods longer than 364 days.

The Authority is not intending to invest sums for periods longer than 364 days.

Liability Benchmark

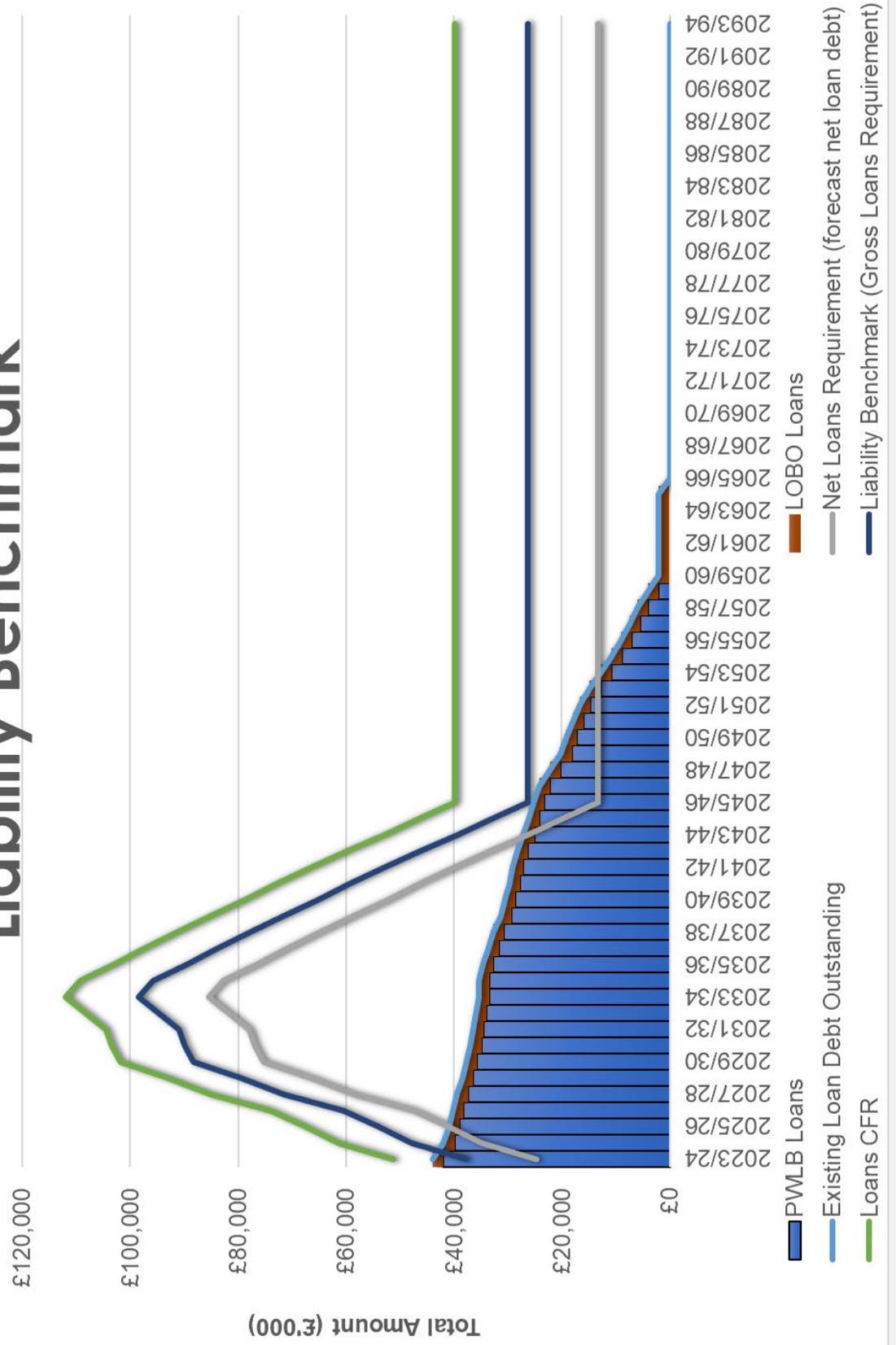
The liability benchmark is a projection of the amount of loan debt outstanding that the authority needs each year into the future to fund its existing debt liabilities, planned prudential borrowing and other cash flows. It is a long-term forecast of the authority's gross loan debt (or 'gross loans requirement') based on its current capital programme and other forecast cash flow movements.

This is shown by the gap between the authority's existing loans that are still outstanding at a given future date and the authority's future need for borrowing (as shown by the liability benchmark).

It therefore shows how closely the existing loans book fits the future needs of the authority based only on its current plans. Any shortfall will need to be met by future borrowing; any excess will have to be invested (unless existing borrowing is prematurely repaid). Refinancing risk, interest rate risk, and credit risk can be minimised or reduced by ensuring that the existing loans portfolio shows a profile close to the liability benchmark.

In particular, the liability benchmark identifies the maturities needed for new borrowing in order to match future liabilities. It therefore avoids borrowing for too long or too short.

Liability Benchmark



Appendix F

Department	Forecast Outturn 2025/26	Slippage to 2026/27	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Property	3,727,391	3,733,909	4,295,000	3,500,000	3,800,000	2,700,000	3,700,000	21,728,909
Property Rebuild		3,480,468	4,950,000	11,000,000	10,000,000	10,000,000	2,000,000	41,430,468
Digital Data and Technology (D	1,161,495	648,437	1,251,700	1,490,000	271,293	245,000	250,000	4,156,430
Transport	2,754,494	532,564	816,000	1,689,000	60,750	30,000	30,000	3,158,314
Logistics		277,945	50,000	0	0	0	0	327,945
Operational Equipment	1,412,206	2,431,357	1,156,500	568,800	531,450	555,000	518,800	5,761,907
Training Centre	59,247		59,841	0	0	0	0	59,841
Occupational Health and Safety	14,970		20,000	0	0	0	0	20,000
Finance	760,000		800,000	800,000	800,000	800,000	800,000	4,000,000
Fire Prevention	260,100		426,534	426,534	400,000	400,000	400,000	2,053,068
Total	£10,149,902	£11,104,680	£13,825,575	£19,474,334	£15,863,493	£14,730,000	£7,698,800	£82,696,882
Financing								
Borrowing	£9,389,902	£11,104,680	£4,765,575	£15,477,001	£12,445,463	£13,670,000	£6,638,800	64,101,519
Reserves	£200,000		£7,000,000	£3,187,333	£2,858,030	£500,000	£500,000	14,045,363
Capital Receipts			£1,500,000	£250,000				1,750,000
Revenue Contributions	£560,000		£560,000	£560,000	£560,000	£560,000	£560,000	2,800,000
	£10,149,902	£11,104,680	£13,825,575	£19,474,334	£15,863,493	£14,730,000	£7,698,800	£82,696,882

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Agenda item: 14

Capital Investment Plan, Revenue Budget and Medium-Term Financial Plan

Full Authority

Date: 26th February 2026

Submitted by: Director of Finance and Procurement

Purpose: To present the capital investment plan, revenue budget and the medium -term financial plan and to set a precept for 2026/27

Recommendations: That the resolution detailed in section 12 of this report is approved

Summary: This report presents details of the revenue budget for 2026/27 along with the three-year Medium-Term Financial Plan and Capital Programme. Included within the report are details of the multiyear Local Government Finance Settlement 2026/27 to 2028/29, a standstill budget, and the planned use of reserves.

Local Government (Access to information) Act 1972

Exemption Category: Nil

Contact Officer: Alison Wood, Director of Finance and Procurement,
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07500 075362

Background papers open to inspection: None

Annexes:

- Appendix A – Capital Bids 2026/27 to 2030/31
- Appendix B – Standstill Budget 2026/27
- Appendix C – Revenue Bids 2026/27
- Appendix D - Revenue Budget 2026/27
- Appendix E – Directorate Budgets 2026/27

1. Introduction

This is a consolidated report which presents the Executive Leadership Team's proposals for: -

- (i) A Capital Investment Plan for the five years to 2030/2031.
- (ii) The Prudential Indicators to support the financing of the Capital Plan.
- (iii) A Revenue Budget and Medium-Term Financial Plan for the same period.

2. Information

Proposed Capital Investment

2.1 The Local Government Act 2003 sets out a framework for the financing of capital investments in local authorities which came into operation from April 2004, CIPFA developed the Prudential Code to support authorities' decision making in the areas of capital investment and financing. In December 2017, CIPFA updated the prudential code, whilst the majority of the code remains unchanged, there is now a requirement to produce a capital strategy in order to demonstrate that it takes capital expenditure decisions in line with service objectives and properly takes account of stewardship, value for money, prudence, sustainability, and affordability. This is detailed in the Treasury Management Strategy which is subject to a separate report on this agenda.

Capital is considered first in the report so members can clearly consider the revenue impacts of capital investment and borrowing decisions as part of the revenue budget and council tax considerations.

Capital Plan

2.2 The Executive Leadership Team are proposing a five-year capital investment plan of £82.697m which includes expenditure of £13.826m in 2026/2027. This is analysed by department in the table overleaf. This includes £11.105m of slippage carried forward into 2026/27.

The largest capital schemes in 2026/27 are the commencement of the major redevelopment of Huddersfield Fire Station, completion of the refurbishments of Leeds, Hunslet and Fairweather Green fire stations and the replacement of flood response vehicles.

The 2026/27 capital plan also includes:

- Solar panel installations
- Boiler upgrades
- LED lighting upgrades
- Storage of PPE on stations
- Replacement command unit
- PC refresh
- Morley Station upgrade of welfare facilities

The table below shows the capital plan including financing to 2030/31.

Department	Forecast Outturn 2025/26	Slippage to 2026/27	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Property	3,727,391	3,733,909	4,295,000	3,500,000	3,800,000	2,700,000	3,700,000	21,728,909
Property Rebuild		3,480,468	4,950,000	11,000,000	10,000,000	10,000,000	2,000,000	41,430,468
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Training Centre	59,247		59,841	0	0	0	0	59,841
Occupational Health and Safety	14,970		20,000	0	0	0	0	20,000
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Fire Prevention	260,100		426,534	426,534	400,000	400,000	400,000	2,053,068
Total	£10,149,902	£11,104,680	£13,825,575	£19,474,334	£15,863,493	£14,730,000	£7,698,800	£82,696,882
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Revenue Contributions	£560,000		£560,000	£560,000	£560,000	£560,000	£560,000	2,800,000
	£10,149,902	£11,104,680	£13,825,575	£19,474,334	£15,863,493	£14,730,000	£7,698,800	£82,696,882

Details of the individual schemes included in the capital plan is included in Appendix A to this report.

Capital Financing

- 2.3 All capital expenditure must be financed, there are four main sources of capital finance available; capital grants, capital receipts, internal and external borrowing, and the use of reserves, all of which are explained below.

Capital Grants

- 2.4 The Authority does not anticipate the receipt of any capital grants in 2026/27.

Capital Receipts

- 2.5 Capital receipts are used to either purchase new capital assets or repay outstanding loans. It is expected that the remaining twenty nine fire appliances which were replaced in the recent fleet replacement programme will be sold at auction during 2026/27. In addition, once the Service Delivery Centre has been decommissioned, it will be placed on the market for sale. The estimated capital receipts in 2026/27 are £1.5m.

Borrowing

- 2.6 The balance of the expenditure will be funded by borrowing and the use of internal reserves, the table shows a total borrowing requirement of £64.102m over the period. The government provides no additional grant to assist the Authority with financing the capital plan.

Over recent years the Authority has been borrowing internally to fund capital expenditure using its revenue balances and reserves, no new external long-term borrowing has been taken out since December 2011.

Although capital expenditure is not charged directly to the revenue budget, interest payable on loans and Minimum Revenue Provision (MRP, or debt repayments) are

charged to revenue, offset by interest receivable. The net annual charges are known as capital financing costs.

Due to the size of the capital plan over the next four years it is likely that the Authority will be required to take out external borrowing in Summer 2026, the costs of current and future debt servicing costs have been built into the Medium-Term Financial Plan. The Authority does not distinguish between capital and revenue cash flows.

Reserves

- 2.7 The Authority has an earmarked reserve which is specifically for the funding of capital projects, this is called the capital finance reserve. Due to the nature of capital financing charges in the form of Minimum Revenue Provision (MRP) it is proposed that the purchase of long-life assets is funded from the capital finance earmarked reserve. This means that taxpayers of West Yorkshire will not be subject to MRP charges and external loan interest repayments over the next forty years (i.e.) the life of the asset. For example, an asset costing £1m with an estimated life of 40 years the average annual charge of MRP and interest in revenue would be £67k per annum, this saving means that the Authority can spend this money on other areas. To put this into financial context, if the Authority had to borrow in full the cost of the FSHQ development of £31m, the annual cost to revenue would be £2.077m. over the life of the asset which is 40 years this would amount to £83m.

In addition, revenue underspends are either used to make additional voluntary minimum revenue provision charges or transferred to earmarked reserves to support future expenditure plans.

The capital finance reserve, which has a balance of £13.058m as of the 1st of April 2025, will be used to fund the major redevelopment of Huddersfield Fire Station. If the Authority underspends the revenue budget in 2025/26, this will be transferred to the capital finance reserve.

3. Prudential Indicators

- 3.1 The CIPFA Prudential Code requires that local authorities produce a number of prudential indicators before the beginning of each financial year and have them approved by the same executive body that approves the budget. The purpose of the indicators is to provide a framework for capital expenditure decision making, highlighting the level of capital expenditure, the impact on borrowing levels, and the overall controls in place to ensure the activity remains affordable, prudent, and sustainable. Fundamentally, the objective of the Code is that the total of an Authority's capital investment remains within sustainable limits, following consideration of the impact on the "bottom line" Council Tax.

Some of the indicators are specific to the Authority's treasury management activity and are set out in the Treasury Management Strategy Report. The rest of the indicators are linked to affordability and are set out below.

Capital Expenditure, Capital Financing Requirement and External Debt

- 3.2 The Authority's capital expenditure plans, from para 2.2, impacts directly on the Capital Financing Requirement (CFR) and the Authority's debt position. The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is a measure of the Authority's indebtedness and so its underlying borrowing need. Any capital expenditure which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

When external borrowing is below the CFR, this reveals that the Authority is using some internal balances, such as reserves/creditors, to temporarily finance capital expenditure as is currently the case.

	Estimate 2026/27 £000's	Estimate 2027/28 £000's	Estimate 2028/29 £000's	Estimate 2029/30 £000's
CFR	71,928	83,205	91,090	99,878

The table shows an estimated borrowing requirement of £99.878m by 2029/30 which reflects the size of the capital plan and the need to take out external borrowing in 2026/27.

Limits to Borrowing Activity

- 3.3 The first key control over the Authority's borrowing activity is a Prudential Indicator to ensure that, over the medium term, net borrowing will only be for a capital purpose. Net external borrowing should not, except in the short-term, exceed the total Capital Financing Requirement in the preceding year, plus the estimates of any additional capital financing requirement for 2025/26 and the next two financial years. This allows some flexibility for limited early borrowing for future years.

The Authority comfortably complied with the requirement to keep net borrowing below the relevant Capital Financing Requirement in 2025/26, and no difficulties are envisaged for the current or future years.

- 3.4 A further two Prudential Indicators control the overall level of borrowing. These are the Authorised Limit and the Operational Boundary.

The Authorised Limit represents the limit beyond which borrowing is prohibited, it is based on the Authority's plans for capital expenditure and financing and is consistent with its Treasury Management Policy. It allows for sufficient headroom to switch

financing for capital projects from reserves, capital receipts, and revenue contributions to external borrowing.

The Operational Boundary is based on the probable external debt during the course of the year. It is not a limit, and actual borrowing could vary around this boundary for short times during this year.

- 3.5 The Authority is asked to approve the following limits for its total external debt, gross of any investments. These limits separately identify borrowing from other long-term liabilities such as finance leases.

	2026/27 £000's	2027/28 £000's	2028/29 £000's	2029/30 £000's
Authorised Limit for External Debt	55	70	83	96
Operational Boundary for External Debt	50	65	78	91

Affordability Prudential Indicators

- 3.6 The previous sections cover the overall capital and control of borrowing prudential indicators but within this framework prudential indicators are required to assess the affordability of the capital investment plans. The following indicator provides an indication of the capital investment plans on the overall finances of the Authority:

Ratio of financing costs to net revenue stream.

This indicator identifies the trend in the cost of capital against the net revenue stream (amounts met from government grants, local taxpayers, and balances):

	Estimate 2025/26	Estimate 2026/27	Estimate 2027/28	Estimate 2028/29	Estimate 2029/30
Ratio of Financing costs to net revenue stream	5.76%	6.26%	6.10%	6.17%	6.63%

It is accepted practice that this should not exceed 10%, this is due to the inability to influence capital financing charges once the capital investment has been committed. Other expenditure in the revenue budget can be reduced in the short to medium term if required, there is little flexibility to do the same with capital financing charges.

4. Revenue Budget and Medium-Term Financial Plan

- 4.1 Whilst the Authority will only be required to approve the budget and precept for 2026/27 it is important that the Authority consider the medium-term impact of the decision.

This section is split into five key areas: -

- 1 Review of the economy, cost pressures, and the current year's budget position
- 2 The cost of a standstill budget for 2026/27
- 3 The Local Government Finance Settlement
- 4 Medium-Term Financial Plan
- 5 Reserves

Economic Overview

- 4.2. The country is continuing to face difficult economic times, with the cost of living crisis, continuing high interest rates and higher than expected inflation. Although inflation has fallen from its peak of 11.1% in October 2022, it is still at a relatively high level compared to the years pre Covid. The cost of goods and services remains at high level and the delivery of capital schemes has become more expensive.

In terms of the overall economic position, the Consumer Price Inflation (CPI) has remained steady during the year, from a rate of 3.5% in April 2025 to 3.4% in December. Economic forecasts indicate that inflation will fall gradually to 2% by the end of 2026. It must be noted that inflation forecasts are subject to change and are dependent on the world economy.

The Bank of England's monetary policy committee at its meeting on the 18th of December voted to cut interest rates by 0.25% to 3.75%. Our treasury management consultants, MUFG Group, forecast that the bank rate will reduce during 2026, but will be dependent on a corresponding fall in inflation.

The increase in interest rates is having a favourable effect on the Authority's investment income, it is forecast that in 2025/26, £1.200m will be earned in investment income.

- 4.3 It must be recognised that the Authority has depleted its cash reserves to pay for the development of FSHQ and as such the amount earned in investment interest will be reduced in 2026/27.

Spring 2025 Spending Review

- 4.4 On 11 June 2025, the Chancellor of the Exchequer, Rachel Reeves MP, announced the outcome of the Spending Review 2025. The Spending Review set out revenue

funding allocations for each Government department over the next three years (2026-27 to 2028-29) with an additional fourth year for capital allocations.

At the same time, consultation on the government's proposed approach to local authority funding reform through the Local Government Finance Settlement from 2026/27 was released, this is called the Fair Funding Review 2.0. This review has resulted in a new funding allocation methodology to take account of the different needs and costs faced by local authorities in urban and rural areas, and the ability of individual local authorities to raise Council Tax. This proposed methodology will determine the allocation to local authorities and fire of the total amount allocated to the MHCLG in the local government finance settlement.

- 4.5 The proposal in the Fair Funding Review 2.0 is that funding is to be allocated to local authorities and fire using control totals which is a formula based on previous year's spending. Due to the demands of delivering Adult and Social Care and Children's services over recent years, it means that local authorities will receive increased funding than in previous settlements. To put this into context, the total amount of the control total weighting for these two areas is 60% of the total MHCLG budget.

For the fire sector, where spending has remained stable over the past years, the amount of funding allocated to fire has reduced from 4.9% in 2025/26 to 4.4% of the overall control total in 2026/27.

- 4.6 The government's view is that there is a strong rationale for retaining a bespoke formula for Fire and Rescue Services and as such fire would be out of scope of this review. The government has updated the existing fire and rescue services Relative Needs Formula which was last updated over a decade ago and has used data based on the 2021 census and up to date population figures. The current formula includes a basic allocation of funding per resident, with adjustments for coastline, population density and sparsity, deprivation, fire risk areas, and community fire safety.
- 4.7 An estates survey coordinated by the NFCC was conducted amongst UK fire and rescue services to identify the condition of buildings and the amount of capital investment that would be needed to bring them up to the standard expected of a modern fire and rescue service. This survey results showed that nationally 93% of fire stations have a significant maintenance backlog, 53% lack facilities that ensure dignity, privacy, and wellbeing for staff and 78% require investment to manage contaminant risks. The survey was sent to MHCLG to support capital funding for the fire sector for which there has been no allocation since 2014/15.

Local Government Finance Policy Statement 2026/27 to 2028/29

- 4.8 The Local Government Finance Policy statement was published on the 20th November which sets out the government's proposals for the 2026/27 to 2028/29 multiyear Local Government Finance Settlement. It includes details on the government's response to the Fair Funding Review 2.0 and other measures which will be delivered through the 2026/27 provisional Local Government Finance Settlement. At the same time the

government published a policy statement on the resetting of the business rates retention system from 2026/27.

The Policy Statement confirmed that there will be a consolidation of grants which will be rolled into core funding, with the outcome to make funding simpler for the local government sector. Grants received separately by fire in the 2025/26 settlement for National Insurance and under indexation of local business rates will be rolled into core funding in the settlement. It has been confirmed that the pensions grant will not be rolled in and the authority will continue to receive it as a separate grant.

It was confirmed that the fair funding allocation would comprise of eight new needs formulas of which fire is one and a new area cost adjustment. Funding would then be allocated across these eight areas by the use of control totals of which fire's share is 4.4% of total funding.

4.9 The key announcements relating to the fire sector are:

- Multiyear settlement for the next three years
- Referendum principle of £5 over the spending review period
- Commitment to review the Fire Funding Formula
- £2.1m transitional support for fire and rescue transferring functions to Mayoral Strategic Authorities

Financial Overview of West Yorkshire Fire and Rescue

4.10 Unlike other public services, which are demand led, the Authority needs to have enough resources available to provide an emergency response in times of exceptional demand. This includes the ability to deal with large scale emergencies, a range of smaller incidents that may happen together and/or incidents that are of an extended duration. During the peak period (17.00 to 21.00), the service responds to five new incidents every hour, often requiring more than one fire engine to each incident. On top of this business-as-usual demand, the service has responded to thirty emergencies requiring eight or more fire engines. The occurrence of wildfires and flooding and the associated financial pressures it brings has increased over the past few years, however, government funding has not increased to reflect this financial burden.

The Authority considered its revenue budget and precept strategy on the 27th of February 2025 and approved a precept increase of £5 resulting in a Band D property precept of £84.49. West Yorkshire Fire and Rescue still remains the fourth lowest precepting Fire Authority in England and Wales.

There are a number of financial pressures that continue to impact the Authority's budget:

Pay Awards

- 4.11 Because employee costs constitute 77% of our expenditure, the impact of pay awards can have a significant impact on the revenue budget. Fortunately, the Authority approved a pay award provision of 4% in 2025/26 which was 0.8% over the agreed pay award of 3.2%. This saving enabled the service to run a mini budget review in June 2025 which saw new bids amounting to £0.524m being approved. For 2026/27, every 1% increase in the pay award over and above budget provision costs an additional £0.733m for all staff groups.
- 4.12 The Fire Brigades Union will likely submit a request for a pay rise which is in excess of inflation and in line with those already approved for the public sector in 2025; teachers, NHS workers and Police all received pay awards between 4% and 5.4% which was significantly higher than the firefighters and green book pay uplift of 3.2% in 2025. Unison has already submitted its 2026/27 pay claim of a £3,000 uprise or 10% whichever is greater, which if approved, is in excess of the budget provision.
- 4.13 Increases to the National Living Wage will impact the support staff budget. Although the Authority's lowest grade pays higher than the National Living Wage (NLW), the margin is becoming reduced. In April 2026, the NLW is to increase to £12.71 an hour an increase of 4%, the lowest grade employee at West Yorkshire receives an hourly rate of £13.88. This increase needs consideration in the Medium Term Financial Plan.

Industrial Action

- 4.14 In October 2022, the Finance and Resources Committee approved the creation of a new earmarked reserve for industrial action by the transfer of £1.00m from the pension ill health reserve. There is currently a balance of £0.610m in the reserve. In addition the Authority has continued to train and employ contingency crews albeit on a much-reduced level. The threat of industrial action has not gone away, as mentioned in section 4.12 the FBU have yet to submit a pay request which if unaffordable by fire and rescue services could result in industrial action.

The Authority needs to ensure that it has the funding to manage the costs associated with Industrial Action should it occur. If such costs from industrial action could not be met from existing budgets the Authority would need to call upon its reserves. If the reserve were fully spent, funding from existing revenue budgets would be required. More detail on reserves is provided in section 9 of this report.

Pensions

- 4.15 The impact of pensions is two-fold, firstly there is the administrative burden of software and admin costs that has fallen on the Authority to implement the McCloud/Sargeant remedy and secondly, the increase in employers pension contribution rates to 37.6% from the 1st of April 2024. This increased employer contributions by £3.590m which is included in base budgets.

Unfortunately, this increase in pension contributions is not fully funded by MHCLG, the amount of grant received in 2025/26 totalling £2.977m, amounted to a shortfall of £0.769m equating to 79% being funded by grant. This grant has not been increased

by the corresponding pay award of 4% and will be paid cash flat in 2026/27. However, because the grant is not included in our core funding, there is always uncertainty regarding the continuation of the grant, as this is subject to MHCLG submitting a bid to the Treasury each year to secure the funding.

The Director of Finance and Procurement has provided data to MHCLG to support an increase in pension grant for West Yorkshire.

- 4.16 In addition, there are the financial burdens from the O'Brien/Matthews case which effects our on-call firefighters. The Matthews case has introduced a second options exercise for on-call firefighters to join the Firefighters Pension Scheme 2006 from the start date of their employment. This has posed an administrative burden on the Authority and changes to employers' contribution rates will be included in the 2024 Government Actuary Department (GAD) actuarial valuation. These increases will take effect from April 2027 and will need to be factored into the Medium Term Financial Plan.

National Insurance Funding

- 4.17 The Government increased Employers National Insurance Contributions by 1.2% to 15% from April 2025 and reduced the per-employee threshold at which employers become liable to pay National Insurance from £9,100 to £5,000. This change has increased annual employee budgets by £2.095m. Due to how the grant was initially allocated by the use of control totals (i.e.) what each local authority had spent in total in the previous financial year, the amount of grant resulted in a shortfall of £1.3m in 2025/26. The NI grant has now been rolled into core funding from 2026/27 so any increased NI funding will now not be realised.

New Burdens

- 4.18 The Authority has received one off grants in 2025/26, to fund the financial pressures of the implementation of the Building Safety Bill, totalling £0.310m. Although this funding is welcomed, it is not built into the Authority's base budget and any spending commitments that extend beyond the grants will have to be funded from existing budgets. This means that long term spending plans cannot be based on one-year grants without no certainty of receiving the grants going forward.

The introduction of more thorough DBS checks for employees and the need to comply with the new Driver Training Fire Standard has resulted in additional financial burden for the Authority, amounting to £0.250m per annum. The Authority has received no additional funding to meet these new burdens.

- 4.19 The Authority received notification from the Home Office in June 2022 that the Fire Link Grant was to be reduced by 20% each year over the next five years. This grant was removed completely in 2025/26 and the Authority no longer receives this grant.
- 4.20 The introduction of the Building Safety Regulator could pose further funding challenges for the sector. The Hackitt Review stated that the new regulatory regime should be cost

neutral. However, the recharging mechanism is still in its infancy and combined with concerns with the secondary legislation underpinning the Building Safety Act (which has established that commercial parts of mixed-use buildings are no longer within scope), the NFCC is not convinced that all new burdens will be rechargeable. This would be at a cost to the Authority.

Inflationary pressures

- 4.21 Although inflation is reducing, the impact of inflation is continuing to have an impact on the Authority, there has been no reduction in the cost of goods and services during the current financial year.

There have been large increases in the cost of capital schemes over the past two years, with both the re-development of the FSHQ site and the rebuild of Keighley Fire Station realising a 40% increase in cost against estimates. Initial estimates for the major redevelopment of Huddersfield fire station, is showing a 300% increase in cost from similar rebuilds completed pre covid.

The capital plan also includes provision to rebuild Halifax fire station over the next three years which may also experience even higher price increases. In addition, unless the capital finance reserve is “topped up,” the Authority will have to borrow to pay for the rebuilds. This increases the capital financing charges which are charged to the revenue budget.

Data and Digital Strategy

- 4.22 The implementation of the data and digital strategy and the introduction of new technology is creating an increasing cost pressure on the revenue budget. This is because the purchase of software licences and ICT development is chargeable to revenue and cannot be capitalised. Previously, the Authority would purchase the system and host it on Authority owned servers which is a capital cost but now most systems are accessed via the cloud and as such the Authority does not own the system. If the Authority is to continue in its ICT transformation, there will need to be ongoing increases in the revenue budget in the Medium-Term Financial Plan to facilitate this.

Commitment to Net Zero

- 4.23 The Environmental Sustainability Strategy 2025-28 sets out how the Authority will reduce its impact on the environment. The authority is committed to managing carbon emissions and improve the energy efficiency of all buildings through more efficient heating/cooling and environmental improvements and LED lighting schemes across the estate. Although these initiatives will reduce the cost of energy over time, systems require detailed management and maintenance which is an increase in revenue costs. In addition, because the improvements are capital investments this increases the annual capital financing charges which have to be included in the revenue budget.

Financial Position 2025/26

4.24 In terms of the financial outturn, the Authority is forecast to under-spend the revenue budget by a forecast £0.172m for the current financial year. Any budget underspends will be used to make additional voluntary minimum revenue provision charges or make additional contributions to the capital financing reserve, which will reduce the Authority’s capital financing requirement and reduce the revenue cost of the capital plan over the long term.

Background on West Yorkshire Central Government Funding

4.25 From 2010/11 to the end of the spending review period in 2019/20, the Authority had a total reduction of £26.1m in central government funding. This meant the Authority had to implement a station rationalisation programme and a fundamental review of support services to meet this funding gap. Unlike some Fire Authorities, West Yorkshire reacted immediately to the reduction in core funding and suspended the recruitment of wholetime fire fighters in September 2009, recognising the impact on grant cuts would have on the ability to provide a service to the community.

To put the grant reductions into context, the table below shows the reduction in firefighter numbers and assets employed by the Authority from 2010 to date:

	2010	2022	Reduction
Firefighters (Wholetime)	1,490	937	-553
Control Staff	56	48	-8
Support Staff	383	312	-71
Fire Stations	48	40	-8
Fire Appliances	62	46	-16

The one-year settlements over the past six years have included no real terms growth in funding as central government grants were only inflated by CPI.

A Standstill Budget for 2026/27 – Maintaining the current level of service.

4.26 A standstill budget has been prepared for 2026/27, for the purpose of providing a baseline from which to measure changes in the proposed budget. This is calculated by updating the 2025/26 budget for increases in pay and prices, new capital financing charges, and other budget calculation adjustments. A standstill budget for 2026/27 would amount to £121.028m.

The changes from the 2025/26 budget are detailed in the table below.

	£m
2025/26 approved revenue budget	117.196
<u>Pay and price increase 2026/27</u>	
Employee Inflation	3.639
Non Employee Inflation	0.533
Budget Adjustments (net)	-0.021
Revenue Bids (one off)	-0.319
2025/26 Standstill Budget	121.028

The above table shows standstill budgets and do not include areas for growth and savings which are identified separately in the Medium-Term Financial Plan.

4.27 The main changes to the 2025/26 budget are explained below:

- a) **Pay and Price Increases** These represent the full year effect of the 2025/26 pay awards for operational staff and a provision for a 5% pay award for all staff in 2026/27. It also includes price increases that have been built into the base budget for 2026/27.
- b) **Budget Adjustments** The revenue budget is calculated on a zero-based budget basis, so the budget adjustments represent the changes between the budget calculations in 2025/26 and 2026/27.
For example, the changes could be one off costs, reductions in costs due to contract renewals, demand changes etc.
- c) **One off Revenue Bids** In the budget setting process managers are asked to submit revenue bids for expenditure that is not included within the base budget. Some of these bids may be for one off purchases and as such do not need budget provision in the following year. For example, the purchase of equipment, employment of temporary staff and attendance on training courses would fall into this category.

A subjective analysis of the Standstill budget for 2026/27 is shown in Appendix B.

Revenue Balances

4.28 The Authority maintains both earmarked reserves and a general fund reserve, earmarked reserves are amounts set aside for a specific purpose and the general fund reserve is used to manage fluctuations in revenue budgets. The Authority's reserves strategy was approved at F&R in October 2025 and is published on the Authority's website.

The strategy for the use of reserves to support the Medium-Term Financial Plan is detailed in section 9 of this report.

Minimum Revenue Balance

4.29 The Authority needs to maintain a level of general fund reserve as a safety net to meet any unforeseen and/or unplanned expenditure. This would include changes in interest rates, greater than budgeted pay awards, legal challenges and increases in activity.

As of the 1st of April 2025, the Authority had £5.700m of general fund reserves and £24.674m in earmarked reserves.

4.30 The minimum level of balances required is calculated using the Authority's corporate risk register. This document identifies all the major risks to business continuity the Authority may face, evaluates the potential cost, and looks at measures to control or limit the risk. The risk register is maintained by the Risk Management Strategy Group, which is chaired by the Deputy Chief Fire Officer and reports quarterly to the Audit Committee.

The General Fund reserve balance of £5.700m represents 4.63% of the revenue budget, which is in line with the National Framework guidance on balances.

5. Local Government Finance Settlement

5.1 The Local Government Finance Settlement ('the Settlement') is the annual process through which central government allocates funding to local government for the provision of local services in England.

The amount of funding allocated is called the Fair Funding Allocation (FFA), previously known as the Settlement Funding Assessment. The FFA is comprised of Revenue Support Grant (RSG) and Baseline Funding levels which is the Business Rates Top Up which is the governments projection of the Authority's 1% share of the business rates income raised in West Yorkshire. The Authority also receives specific grants to fund pensions and fire protection.

The 2026/27 Settlement will be the first multi-year Settlement in nearly a decade, running from 2026/27 to 2028/29.

The Settlement

5.2 The multiyear Local Government Settlement was received on the 9th of February 2026, the methodology for the basis of the settlement was set out in the policy statement published on the 20th November 2025 which is outlined in section 4.8 of this report. In the final settlement, MHCLG has allocated a total budget to local government and fire of £78.0billion in 2026/27, £81.4billion in 2027/28 and £84.9billion in 2028/29.

The grant allocations for West Yorkshire Fire for 2026/27 to 2028/29 are shown in the table below.

	2025/26	2026/27	2027/28	2028/29
	£m	£m	£m	£m
Revenue Support Grant	21.137	30.405	30.885	31.212
Base Line Funding :	27.067	27.277	27.902	28.465
Top Up Grant (Central Pool)	18.703	16.068		
Top Up (Local)	8.364	11.209		
Fair Funding Assessment	48.204	57.682	58.787	59.677

5.3 The final settlement has seen an additional £15.2 million being allocated to the fire sector over the three year multi settlement from that which was allocated in the provisional settlement. This extra funding has been given to those fire services that has a core spending power increase from 2025/26 below 3.8%. Five fire and rescue services will receive additional funding over the three year settlement period and seven will receive additional funding in 2026/27 only.

West Yorkshire has an increase in core spending power from 2025/26 of 5.26%, so it did not meet the criteria to receive additional funding from the final settlement.

5.4 In order to make funding simpler for local government, seventeen separate funding streams have been rolled into the revenue support grant. For West Yorkshire Fire, these are the under indexation grant and the National Insurance grant for which the authority received £4.45m in 2025/26.

Previously, central government funding was increased annually by September CPI for the following years settlement. Under the new multi-year settlement, a GDP deflator has been used to uplift funding in 2027/28 and 2028/29 rather than by an estimated CPI figure. The reason a GDP deflator is used for funding increases is that it is a broader measure of inflation which includes all new, domestically produced final goods and services in an economy. As a result, the GDP inflator tends to be lower than CPI.

5.5 Although the settlement has resulted in multiyear funding allocations, the local government statutorily still remains an annual process.

The fair funding assessment has been provided for the next three years but the estimation of the amount to be received in business rates top up grant has only been provided for 2026/27.

Core Spending Power

5.6 The core spending power is a measure of the estimated resources available to local authorities to fund service delivery. It sets out the money that has been made available to local authorities through the 2026/27 multi-year Local Government Finance Settlement.

The core spending power for West Yorkshire has increased from £114.509m in 2025/26 to £120.642m in 2026/27, an increase of 5.36%. The core spending power increase comprises the fair funding assessment, a five-year geometric mean of the five local authorities tax base growth and a precept increase of £5 for a Band D property.

Fire Funding Formula

- 5.7 As explained in section 4.6 of the report, MHCLG has updated the formula to allocate funding across local government, the revised methodology was subject to consultation during the summer. It was agreed that fire funding would **not** be included in the revised methodology of distribution but would retain its own bespoke formula.

The amount allocated to the fire sector as a whole is based on control total weightings which sees 4.40% of local government funding allocated to standalone fire authorities, a reduction of 0.5% from that allocated in 2025/26.

The fire formula includes a basic capita amount for each service and a proportion of seven separate top ups which have been included in the formula since 2013/14 which are: coastline, density, sparsity, deprivation, high risk, property and societal risk and community fire safety. Each top up is given its own weighting which is then used to generate the share of the funding allocated to each fire service based on their specific need. This is then multiplied by the population of each service and an area cost adjustment is applied which recognises the differences in providing the service in each area.

Although the methodology of the formula has not been amended, the data underpinning each top up has been updated using the 2021 census data, recent incident data and updated mid-2023 population figures.

The government has committed to review the fire funding formula in 2026/27.

Business Rates Reset

- 5.8 All business rates used to be paid directly from central government. In order to devolve responsibility locally, from 2013/14 local councils maintain 50% of business income, with the other 50% being redistributed by government via a business rates pool. Fire authorities receive 1% of the business rates collected by the district councils.
- 5.9 For 2026/27, Business Rates Baselines (BRB) have been calculated for all local authorities as part of the business rates retention reset. In summary, BRB's were formed using the Valuation Office Agency (VOA) rating list to determine rateable values across each billing authority, national multipliers were then assigned to each property to give a gross rates payable position for each billing authority. Deductions are then made for accounting adjustments and deductibles to reach the BRB for each authority. The effects of the revaluation are revenue neutral as the top up or tariff receivable or payable to government by the local authority will change in line with the revaluation. However, the valuation, may result in businesses locally paying more or

less in business rates, the overall effects of the revaluation are currently unknown. Local authorities will continue to be compensated for any mandatory reliefs awarded that reduce the gross rates through section 31 grant.

Major preceptors are then apportioned 1% of this amount.

- 5.10 The settlement shows that the Authority will receive a total of £27.277m in business rate income with £16.068m paid directly from central government in the form of top up grant and the balance of £11.209m being paid by the five district councils which equates to 1% of the income they collect. Following the receipt of the NNDR1's, which is a return that district councils have to submit to MHCLG which estimates the amount of business rates they will collect in 2026/27, the amount fire will receive direct from the districts is a net £11.211m.

Collection Fund

- 5.11 The district councils collect West Yorkshire Fire's share of council tax on our behalf and manages this through a collection fund, if the collection rate is higher than expected this generates a collection fund surplus. Conversely, if the collection rate is set higher than actual receipts this will cause a collection fund deficit. The Authority has in previous years (excluding 2020/21) benefited from a collection fund surplus, which is used to support the revenue budget.
- 5.12 Returns from the five district councils have declared a collection fund deficit of £0.341m, this is lower than that forecast in the 2025/26 Medium-Term Financial Plan of £0.428m. The business rates deficit for 2026/27 has been confirmed at £0.107m, £0.038m in 2025/26.

For prudence, an estimated surplus is not factored into the Medium-Term Financial Plan due to the potential volatility caused by the fact that the collection rate and policy is beyond our control.

Tax Base

- 5.13 The tax base is the overall number of weighted equivalent Band D properties that each of the five local councils can collect council tax from, a change in the tax base is usually the result of:
- The building and completion of new housing
 - Changes in council tax banding due to adjustment and appeals.
 - Discounts, exemptions, and reliefs, for example, changes in the council tax support scheme
 - Ending of the discount period on empty properties or their reoccupation.

Both central government and local authority finance directors assume that the tax base will increase each year, which is primarily due to the increase in house building.

5.14 The five district councils have declared an average tax base increase of 1.13% in 2026/27 which is in line with the forecast increase included in the 2026/27 Medium-Term Financial Plan. The lowest increase was Bradford at 0.5% and the highest been Leeds at 2.24%.

Referendum Principles

5.15 The Local Government Finance Settlement has set the basic referendum limit for Fire Authorities at £5 in 2026/27 and 2.99% for local authorities.

For information, local authorities are able to increase the precept by an additional 2.0% for adult social care, and shire district councils in two-tier areas will be allowed increases of up to 2.99% or up to and including £5 whichever is higher.

The referendum threshold for the Police and Crime Commissioners has been set at £15 (£14 in 2025/26).

There are no council tax referendum principles for Mayoral Combined Authorities or parish and town councils.

Precept Income

5.16 As Members are aware, the Authority is dependent upon precept income from the five districts which will provide £58.584m of its income in 2025/26, which equates to 50% of total funding. This income is dependent upon two factors, namely the size of the tax base and the precept set by the Authority.

A precept increase of £5 in 2026/27, which is a 5.92% increase, would generate an additional £4.264m of precept income from that generated in 2025/26. A precept increase of 2.99% would generate £2.527m of additional precept income.

5.17 The table below shows the effect on the precept to a Band A to a Band D council taxpayer based on a £5 and a 2.99% precept increase:

Precept Increase £5				
	Annual	Per month	Per Week	Increase from 25/26
Band A	£59.66	£4.97	£1.15	£3.34
Band B	£69.60	£5.80	£1.34	£3.89
Band C	£79.55	£6.63	£1.53	£4.44
Band D	£89.49	£7.46	£1.72	£5.00

Precept Increase 2.99%				
	Annual	Per month	Per Week	Increase from 24/25
Band A	£54.58	£4.42	£1.02	£1.68
Band B	£63.67	£5.15	£1.19	£1.96
Band C	£72.77	£5.89	£1.36	£2.25
Band D	£81.87	£6.62	£1.53	£2.53

Over 67% of households in West Yorkshire are in bands A to C, so the annual financial impact of a £5 precept increase is actually less than £5 for these council taxpayers.

6. Positive Assurance Statement

6.1 Under Section 25 of the Local Government Act (2003) the statutory Chief Financial Officer is required to give positive assurance statements in the robustness of budget estimates and the adequacy of reserves and balances.

If Members approve the recommendations in this report on the level of specific reserves and the strategy for use of balances, I can give the Authority positive assurance on the adequacy of reserves and balances. This assurance is given having considered the following matters: -

- a) This Authority has robust risk management arrangements, and the Director of Finance and Procurement uses a Risk Management Matrix to calculate the minimum level of balances.
- b) The Authority is single purpose and does not face a full a range of risks to manage as a multi-purpose authority.
- c) The Authority's revenue reserves have not been consumed during the year by overspendings but have been maintained throughout the year.

6.2 I can also give you positive assurance on the accuracy and robustness of all the forecasts and estimates in the budget proposals.

In giving these assurances, I have considered the following matters: -

- a) The internal control environment and, in particular, the checks and balances within our budget process and our arrangements for budgetary control. In addition, I am satisfied that the Authority's financial systems provide a sound basis for accurate financial information.
- b) The long-term tradition and record of the Authority in managing its overall budget Financial Implications

7. Revenue Budget 2026/27

7.1 The table below shows the revenue budget and estimated funding for 2026/27 and shows the impact of a precept increase of £5 and an increase in precept of 2.99%. Based on confirmed funding, if members decide to increase the precept by £5 or 2.99%, the Authority either deliver a balanced budget or require the use of reserves of £1.737m, respectively.

	£5	2.99%
Revenue Budget	£m	£m
Calculated Budget	121.241	121.241
Revenue Bids	1.559	1.559
Cost pressures	0.368	0.368
Budget 2026/27	123.168	123.168
Funding		
Revenue Support Grant	30.405	30.405
Business Rates - Top Up	16.068	16.068
Business Rates - Local Share	11.318	11.318
Business Rates Deficit (net)	-0.107	-0.107
Collection Fund Deficit	-0.341	-0.341
Pension Grant	2.977	2.977
Precept income	62.848	61.111
Funding 2025/26	123.168	121.431
Budget Deficit	0.000	-1.737

Budget Calculations

7.2. The Authority had a balanced budget in 2025/26 meaning that expenditure was matched by income.

A more detailed budget monitoring system was introduced in 2018/19 which is based on a RAG rating method of reporting. The intention being to make budget holders and managers more accountable for their budgets. Explanations for the variances on the RAG ratings have to be reported to the Director of Finance and Procurement accompanied with an action plan for correction or re-alignment.

7.3 Permanent transfer of budgets to contingencies that were approved at Finance and Resources in July and October 2025 and increases to employee budgets approved at the Executive Committee in September 2025 have been incorporated into the base budget for 2026/27.

7.4 The budget is calculated ensuring that each area of expense, whether it be revenue or capital, meets one or more of the Authorities' CRMP priorities:

- a) Provide a safe, effective, and resilient response to local and national emergencies
- b) Focus our activities on reducing risk and vulnerability.
- c) Enhance the health, safety, and well-being of our people.
- d) Prioritise a people first mindset through ethical and professional leadership and management.
- e) Work with partners and communities to deliver our services.

- f) Use resources in an innovative, sustainable, and efficient manner to maximise value for money.
- g) Further develop a culture of excellence, equality, learning, and inclusion.

7.5 Budget holders are actively involved directly in the budget setting process and a system of capital and revenue bids are used to identify areas of growth and savings. This is a thorough process which commences in October and is finalised in January when the Executive Leadership Team meet at a special meeting called the Star Chamber and agree the budget to present to members for approval. Each capital and revenue bid are scrutinised by the Executive Leadership Team to ensure that it meets the service priorities.

The following savings totalling £1.772m were identified during the calculation of the 2026/27 budget:

- a) Reduction in the cost of electricity by £0.701m due a reduction in the unit cost of electricity.
- b) Reduction in the annual charge for the emergency services radio network, Airwaves, by £0.503m following the Competition and Marketing Authority ruling that Motorola were over charging emergency services for the airwaves network.
- c) Reduction in green book employer pension contributions by £0.483m following a reduction in the pension rate by West Yorkshire Pension Fund from 18% to 14.4%.
- d) Reduction in the annual insurance renewal by £0.085m.

These reductions have been built into base budgets.

Recruitment and Retirements

7.6 There are twenty-eight confirmed retirements during the course of 2026/27, and a recruit course will commence in March with twenty recruits and a further course in August with ten recruits, other courses may be planned during the year dependent upon the number of retirees. The authority also employs firefighters on temporary re-engagement contracts to ensure that the authority is operating on or above establishment. The operational employee budget is calculated using the workforce plan which underpins the Community Risk Management Plan (CRMP). The workforce plan manages the recruitment process so that employee strength is aligned to the establishment, which is currently 940 whole-time employees.

Capital Finance Reserve

7.7 The Authority has included provision in the capital plan to undertake a major redevelopment of Huddersfield and a rebuild of Halifax fire stations within the next four years, and due to inflation, it is likely that these estimates will increase; the cost of both FSHQ and Keighley Fire Station rebuild increased by 40% from estimates. If the Authority does not use reserves for the replacement of long-life assets, it means that

MRP charges will need to be applied to the rebuilds, which will be charged over the life of the asset (40 years).

It is thus important that the capital finance reserve is topped up, so that it can fund future station rebuilds. It is recommended that if there is surplus funding once the final settlement is determined it is transferred to the reserve in 2026/27.

Budget Growth, Savings and Cost Pressures 2026/27

7.8 In addition to the budget adjustments approved at committee during 2025/26 there are a number of areas of growth, savings and cost pressures that have been identified as part of the budget planning process. Revenue bids totalling £1.559m were submitted which are explained below and are individually detailed in Appendix C.

i. Employee Budgets

- a) Transition to seven day working for the training centre at a cost of £0.318m in 2026/27 rising to £0.530m in a full year. Transitioning to a seven day model will enable more training to be carried out which will address capacity constraints and reduce backlogs. It will also facilitate greater flexibility in scheduling enabling the training centre to better align training with learner availability especially at weekends when operational demand is typically lower. This will require extensive planning and implementation so it is not expected that the financial costs will be borne until Autumn.
- b) Extension of two trainee instructor secondments for the next two years at a cost of £0.119m, this allows the continuity of trained, experienced instructor capacity over the next planned recruits training courses.
- c) A bid totalling £0.044m has been submitted for two green book posts; £0.029m to employ an admin post in the Occupational Health Unit who will free up the time of clinical staff who currently undertake admin duties and £0.015m for an increase from part time to full time hours for a post holder in the stores department.

ii. Non-Employee Budgets

- d) There are two bids for employee training totalling £0.031m which are for Institute of Fire examinations and registration for the skills for justice qualifications centre in preparation for firefighter apprentice recruitment.
- e) There are three bids for employee wellbeing totalling £0.076m which are for an increase in clinical medical fees, a new reasonable adjustment budget, expansion of the wellbeing fund, OHU promotional materials and the purchase of hearing aids for the incident ground.

- f) A bid of £0.027m has been approved for the outsourcing of fire risk assessments, this is more cost effective than employing a dedicated fire risk assessment manager.
- g) There are a number of bids for service and maintenance contracts totalling £0.101m these are for; station end equipment, BA repairs, water rescue equipment, and electrical repairs.
- h) A bid totalling £0.050m has been approved for the preparation of the authority being an International Search and Rescue (ISAR) responder which is for a consultant to assist with the recruitment and for the purchase of PPE and equipment.
- i) There have been four bids submitted by the property department which are for an increase in the cost of rates for the HQ site following the redevelopment, redecorating on fire stations, tree surveys, increase in the admin fee for electric vehicle chargers and the cost of a feasibility study for the replacement of the Multi-Purpose Training Centre (MPTC). These amount to £0.320m.
- j) There are two bids from DDaT totalling £0.062m which are for the extension and further roll out of the use of CoPilot.
- k) There are a number of small bids for drone streaming and risk register subscriptions, increases in the window cleaning contract, purchase of equipment for the multipurpose training rig, purchase of a lightweight boat trailer, EV service charge increase, the purchase of additional ABEK filters and BA instructors communications equipment totalling £0.062m.
- l) A bid has been approved totalling £0.171m for the upgrading of all firefighter Microsoft 365 licences from F3 to E3 which will streamline operations, improve accessibility, and support the digital transformation goals. In addition the bid includes added security to enhance the organisations cyber security posture.
- m) A bid of £0.018m has been approved for the purchase of AI Call Handling Training Tool; the tool allows existing competent operators to hone their skills and take part in frequent exercising of complex call types, that perhaps are not received on a frequent basis ensuring skills and knowledge are maintained and call takers are confident when those rare occurrences happen for real.
- n) A bid of £0.020m has been approved to purchase a piece of software which will allow effective strategic workforce planning for stations with on-call firefighters. The system is used to quantify the impact of firefighter changes, in terms of skills, availability and personnel. It also supports decisions around recruitment and diversity.

- o) Revenue costs associated with schemes in the capital plan amount to £0.140m have been approved which need to be included in the revenue budget, these costs are for licences, maintenance, and support.

Cost Pressures

A cost pressure is a known cost, but the timing and the actual cost are subject to variation.

- p) The overtime and detached duty budget have historically overspent in the past few financial years, this is due to increase in sickness, attendance on training courses and staff vacancies. For prudence, a provision of £0.100m has been included to support the employee budgets if overtime and detached duties remains at a high level in 2026/27.
- q) £0.100m has been included for retained recruitment in order to increase retained availability.
- r) A provision of £0.168m has been included in employer pension contributions to fund the cost of those employees who have opted out of a pension scheme, re-joining. This provision assumes that 25% may decide to opt back in.

Budget Calculation Assumptions

7.9 The main financial assumptions underpinning both spending and funding forecasts in the MTFP are:

- A precept increase of £5 for the next three years 2026/27 to 2028/29, and a 2.99% increase thereafter.
- Tax base increases in 2026/27 of 1.13% and 1.0% increase each year thereafter.
- Pay increases for all staff groups of 5% in 2026/27, 4% in 2027/28 and 2% each year thereafter.
- General price inflation of 2.5% in 2026/27, and 2% each year thereafter
- Employees retire as per their budgeted projected retirement date and the Authority continues to recruit in order to maintain establishment at 940 whole time employees.
- The Authority will fully recover the costs associated with the Building Safety Regulator.

As with any assumptions, those built into the MTFP will be at risk from factors beyond the Authority's control, these can have the effect of increasing or decreasing the projected financial position.

8. Medium Term Financial Planning (MTFP)

8.1 The MTFP sets out the framework for understanding the financial challenges faced by the Authority over the medium term. Although the MTFP is a four-year plan it is updated at least annually to consider financial forecasts and factors external to the organisation.

As mentioned in the introduction to the report, the Authority will be asked to approve a four-year MTFP, including the revenue budget for 2026/27. The MTFP will address the key issues of central government funding, precept strategy, cost pressures, revenue bids and the use of balances.

Financial Planning April 2027 Onwards

- 8.2 Although members will be asked to approve the budget for 2026/27, the longer-term impact on the MTFP also needs to be considered.

The table below shows the MTFP from 2027/28 to 2029/30, based on a precept increase of £5 over the spending review period to 2028/29, then 2.99% each year after. The table also includes the scenario of a 2.99% precept increase over the three year period, 2027/28 to 2029/30. Although the Authority has been given the flexibility to increase the precept over the three year spending review period, it cannot be assumed that members will approve this.

The MTFP has been prepared considering the assumptions outlined in 7.9.

It has been assumed that grants not rolled into the Fair Funding Assessment, (i.e. pension and fire protection grants) will continue to be paid at the same level.

- 8.3 Based on the information that is currently available, a £5 precept increase over the spending review period will allow the Authority to put some growth into the service and to commit to longer term projects that it has not previously been able to do so due to the restrictions of having one year settlements over the past 6 years.

The table below shows that from 2027/28 onwards there will be £0.603m, £1.339m and £2.053m available for growth over the next three years.

Conversely the table also includes the scenario of a 2.99% precept increase from 2027/28 which shows that the Authority would not be able to put growth into the service but would need to find efficiencies amounting to £1.045m in 2027/28, £1.933m in 2028/29 and £1.355m in 2029/30.

	2027/28	2028/29	2029/30
	£000's	£000's	£000's
Employees	102,839	106,052	108,141
Non Employee expenditure	17,990	18,331	18,679
Capital Financing Charges	7,814	8,187	9,026
Income	-2,918	-2,955	-2,974
Revenue Budget	125,725	129,615	132,872
Cost Pressures	797	1,492	1,673
Revenue Growth			
Revenue Bids	1,498	1,383	1,414
Use of Reserves			
Net Budget Requirement	128,020	132,490	135,959
Funded by:			
Council Tax Precept	67,023	71,275	74,214
Collection Fund Deficits	-165	-100	-50
Revenue Support Grant	30,885	31,212	31,836
Baseline Funding	27,903	28,465	29,035
Pension Grant	2,977	2,977	2,977
Total Funding	128,623	133,829	138,012
Growth Opportunity - £5 precept	603	1,339	2,053
Savings Required - 2.99% precept	-1,045	-1,933	-1,355

The Executive Leadership Team will work on areas for growth in conjunction with the Senior Leadership Team and will bring back proposals for growth for 2027/28 later in the financial year.

Funding Projections

- 8.4 It has been assumed that there will be no changes to the three year settlement and that grants that are outside of the settlement will continue to be paid. There has been no guarantee that the Authority will continue to receive the annual grants to cover the costs falling out of Grenfell and the Building Safety Bill for which the Authority received £0.310m in 2025/26, if these grants were ceased the Authority would have to meet these costs from existing budgets or stop the work on these projects.
- 8.5 As mentioned in section 4.6 of the report, the government is committed to review the fire funding formula in the next financial year, although the formula has been updated to reflect latest census and population data the actual mechanism of the formula

remains unchanged. Any changes to how the formula is calculated and funding is thus allocated could have a positive or negative effect on funding levels.

- 8.6 It has been assumed in the Medium Term Financial Plan that members will approve a £5 precept increase over the three year settlement period. This cannot be guaranteed so members should be aware of the consequences on the overall budget position if the maximum precept was not taken. This scenario is laid out in the table on page 29.
- 8.7 It has been assumed that the Authority will receive an estimated £2.977m of pension grant in 2026/27 and it will remain at the same level in future settlements. Because this is not built into the base budget, continuation at the same level cannot be guaranteed. Moreover, the April 2024 firefighters' employers pension valuation will take effect from April 2027 which could result in an increase in employer pension contributions. In April 2024, the last valuation saw an increase of 8.8% in the employers' pension contribution rate, unfortunately the grant paid by government did not meet the full cost of this increase, leaving a £0.769m annual shortfall. If we assume that employers pension contribution rates are increased by 4% from the 1st April 2027 and that funding will be at the same proportion to that currently received at 85%, this will leave a shortfall of approximately £0.280m per annum.
- 8.8 The effect on the cost of goods and services from inflation and ongoing supply issues due to the world economy may add further pressure to the revenue budget.
- 8.9 As detailed in section 4.11 of this report the Authority is facing a number of financial pressures particularly around pay which constitutes 77% of total expenditure. These are the pressures on pay awards, and the increase in fire fighter employer contributions from the actuarial valuation of pensions. A one percent increase in the pay award from that budgeted would increase ongoing employee costs by £0.733m per annum.
- 8.10 As Director of Finance and Procurement Officer and as Section 73 officer there is a statutory duty to present a balanced budget as the use of reserves cannot be sustained over the longer term.
- 8.11 An assessment against the Financial Resilience Index has been conducted to assess the financial risk facing the Authority. The Financial Resilience Index is a tool developed by CIPFA which is made up of a set of indicators which take publicly available data and compare similar authorities across a range of factors. There is no single overall indicator of financial risk, so the index instead highlights areas where additional scrutiny should take place in order to provide additional assurance.

There is a mandatory requirement for a local authority to undertake an assessment of their financial resilience, however this is not compulsory for Fire and Rescue Authorities. CIPFA have devised a model to facilitate the financial resilience. An assessment of the Authority's financial reliance was undertaken prior to the setting of the 2026/27 budget which included an assessment against the three indicators in the CIPFA model.

These indicators are usable reserve levels, social care ratio, and gross external debt. Based on these indicators, the Director of Finance and Procurement has assessed that the Authority has strong financial resilience, in that, usable reserves amount to 24% of the 2026/27 annual revenue budget, there is no social care requirement, and the Authority has a low level of debt.

9. Reserves

9.1 Finance and Resources Committee approved the Reserves Strategy in October 2025.

There are two types of reserves: general fund and earmarked reserves.

- General Fund – this reserve is necessary to fund any day-to-day cash flow requirements and also to provide a contingency in the event of any unexpected events or emergencies; and
- Earmarked Reserves – these have been created for specific purposes and involve funds being set aside to meet known or predicted future liabilities. By establishing such reserves, it will smooth the expenditure profile and avoid liabilities being met from Council Tax in the year that payments are made.

9.2 It is proposed that reserves will be used to support the MTFP over the next four years as summarised in the table below:

Reserve Description	Origin	Opening Balance 01/04/2025	Planned Use 2025/26	Planned Use 2026/27	Planned Use 2027/28	Planned Use 2028/29	Planned Use 2029/30	Closing Balance 31/03/2030
General Fund		-£5,700,000						-£5,700,000
Transparency	Government Grant	-£84,569						£0
Regional Control Funding	Government Grant	£0						-£84,569
Enhanced Logistical Support	Government Grant	-£187,333			£187,333			£0
Decontamination of Body Bags	Government Grant	-£40,000						-£40,000
Council Tax Reform	Government Grant	-£27,000						-£27,000
Business Rate Appeals	Internal & Grant	-£1,301,160						-£1,301,160
Pension Admin Remedy	Government Grant	-£134,413	£30,000	£40,000	£40,000	£24,413		£0
Serious Violence Duty	Government Grant	-£4,592	£4,592					£0
Insurance Claims	Internal	-£395,000		£50,000		£50,000		-£295,000
Service Support Reserve	Internal	-£627,567	£150,000	£150,000	£150,000	£150,000	£27,567	£0
Pension III Health Reserve	Internal	-£3,140,969	£150,000	£200,000	£480,000	£480,000	£480,000	-£1,350,969
Provision for pay and prices	Internal	-£1,069,075						-£1,069,075
Industrial Action	Internal	-£610,302		£500,000				-£110,302
Recruitment Reserve	Internal	-£1,456,596	£188,000	£100,000	£100,000	£100,000	£100,000	-£868,596
Capital Financing Reserve	Internal	-£13,058,030	£200,000	£7,000,000	£3,187,333	£2,670,697		£0
ESMCP	Internal	-£537,560		£300,000	£237,560			£0
Medium Term Funding Impact	Internal	-£2,000,000			£1,648,000	£350,000		-£22,000
Total Earmarked		-£24,674,167	£722,592	£8,340,000	£6,030,226	£3,825,110	£607,567	-£5,148,672
TOTAL USABLE RESERVES		-£30,374,167	£722,592	£8,340,000	£6,030,226	£3,825,110	£607,567	-£10,848,672

It is worth noting that those earmarked reserves highlighted in orange in the table are the result of the receipt of a government grant and as such will have to be spent on the purpose specified in the grant terms and conditions as stipulated in accounting conventions. These reserves cannot be used to fund expenditure in other areas.

It is important to note that reserves can only be used once and cannot be used in the medium to long term to fund ongoing expenditure.

9.3 The earmarked reserves will be used to support the MTFP as follows.

- a) It is recommended that one off costs associated with the continued implementation of the one view system and the data and digital strategy are met from the Service Support Reserve. It is expected that these projects will generate ongoing revenue benefits over the longer term even though they will need initial investment in the first instance.
- b) The pension ill health reserve may be called upon from 2026/27 to fund any increase in cost resulting from the increase in firefighter pension contributions that will not be met by government grant. Although it has been confirmed that the Authority will receive the £2.977m pension grant in 2026/27, this is a one-off grant and could be subject to reductions in future years. In addition, the financial impact of the Matthews exercise on employer pension contributions which is for on-call employees will be included in the firefighters' 2024 pension actuarial valuation. This could once again lead to an increase in employers pension contributions from April 2027, as detailed in section 8.7 of this report.
- c) The pay and prices reserve may be called upon to fund any inflationary increases in contracts that are not included in base budgets or pay awards that are over and above budget provision. To put this into financial context, for each additional 1% pay award costs £0.733m per annum.
- d) As explained in sections 4.12 and 4.14, the Fire Brigades Union have yet to submit a pay claim for 2026/27. If this is higher than the national employers can afford, it could lead to industrial action. For prudence, it is recommended that the industrial action reserve is maintained at its current level.
- e) The capital finance reserve will be used to fund the major redevelopment of Huddersfield Fire Station. Any underspends on the revenue budget will be moved to this reserve. If rebuilds are paid from reserves, it will mean that capital financing charges in the form of statutory Minimum Revenue Provision and interest is not charged to capital investment resulting in revenue savings over many years. This is because Minimum Revenue Provision is chargeable to revenue over the life of the asset, in the case of a new fire station, which is 40 years. It is proposed that the capital finance reserve is maintained and "topped up," it is intended this reserve will be used to fund station rebuilds that are in the capital plan.

The Authority has included provision in the capital plan to commence the rebuild of Halifax Fire Station within the next four years, and due to inflation, it is likely that these estimates will increase; the cost of both FSHQ and Keighley Fire Station rebuild increased by 40% from estimates. If the Authority does not use reserves for the replacement of assets, it means that MRP charges will need to be applied to the rebuilds, which will be charged over the life of the asset (40 years).

- f) The Emergency Services Network (ESN) reserve may be called upon to fund the replacement of control room servers if the funding from the Home Office is less

than the cost. The project has restarted with an implementation date of early 2029, work will commence on the project in April 2026 and will require resources from the service to implement the system. Although it is expected that implementation costs will be reimbursed by government, they will be paid in arrears, resulting in the authority having to fund the costs up front.

- g) If there is a cut in one off grants or the income from local business rates is not at the same level as expected, the Authority will need to call upon its reserves in order to achieve a balanced budget. This will be met from the Medium-Term Funding Impact reserve. In addition, it has been assumed that the Fire Authority will approve a £5 precept increase over the Spending Review period, if members choose to set a 2.99% precept increase, this will result in a loss of £1.648m of precept income which will not be built into base funding.

10. Legal Implications

- 10.1 The Authority is required to set a budget/issue a precept for 2026/27 before 1st March 2026. This decision is reserved to the Authority and cannot be taken by the Committee or delegated to officers, although the Finance & Resources Committee has to recommend a budget to the Authority. Before setting the level of the precept, the Authority must have agreed a balanced budget which is sufficient to meet estimated revenue expenditure, levies, contingencies, any deficit estimated to be brought forward from previous years, and any amounts required to be transferred between funds. The precept itself must be sufficient to cover the difference between the agreed budget less government grants credited to the consolidated revenue account, and any other expenditure which must be met from the Collection Fund, less any surplus (or plus any deficit) brought forward from previous years.
- 10.2 In addition, the Authority's Chief Financial Officer (under s73 Local Government Act 1985) is required to report to the Authority on the robustness of the estimates made for the purposes of the calculations, and the adequacy of the proposed financial reserves. The Authority must have regard to the report when making decisions about the calculations in connection with which it is made. The Chief Financial Officer is also obliged to report to the Authority if in relation to the previous financial year it appears that a controlled reserve is or is likely to be inadequate. A controlled reserve is one where the Secretary of State has, by regulation, defined the appropriate minimum level of reserve. The S73 officer must report the reasons for that situation, and the action, if any, which she considers it would be appropriate to take to prevent such a situation arising in relation to the corresponding reserve for the financial year under consideration. No Regulations defining controlled reserves have been made.
- 10.3 In reaching decisions on these matters, Members are bound by the general principles of administrative law. Lawful discretions must not be abused or fettered, and all relevant considerations must be taken into account. No irrelevant considerations may be taken into account, and any decision made must be one which only a reasonable authority, properly directing itself, could have reached. Members must also balance the interests of service users against those who contribute to the Authority's finances.

The resources available to the Authority must be deployed to their best advantage. Members must also act prudently.

- 10.4 Among the relevant considerations which Members must take into account in reaching their decisions are the views of business ratepayers and the advice of officers. The duty to consult representatives of non-domestic ratepayers on the Authority's expenditure plans is contained in Section 65 of the Local Government Finance Act 1992.
- 10.5 In considering the advice of officers, and the weight to be attached to that advice, Members should have regard to the personal duties placed upon the Director of Finance and Procurement as Chief Financial Officer. The Authority may take decisions which are at variance with her advice, providing there are reasonable grounds to do so. However, Members may expose themselves to risk if they disregard clearly expressed advice, for example as to the level of provision required for contingencies, bad debts, and future liabilities.
- 10.6 The Chief Finance Officer is required by Section 151 of the Local Government Act 1972 and by the Accounts and Audit Regulations 2003 to ensure that the Authority's budgeting, financial management, and accounting practices meet relevant statutory and professional requirements. She is in addition subject to the requirements set out in paragraph 10.2 above.
- 10.7 Members must also have regard to, and be aware of, the wider duties placed upon the Authority by various statutes governing the conduct of its financial affairs. These include the distinction between revenue and capital expenditure, specified in the Local Government and Housing Act 1989. The law in relation to the Authority's borrowing was changed by the Local Government Act 2003. The previous regime of capital controls was abolished, and the Authority is required to set prudential indicators in line with capital investment plans that are prudent, affordable, and sustainable. The prudential indicators include the borrowing limits and Treasury Management Strategy that were formerly set by the Authority as part of the budget process. The implications of this are explained more fully in the body of the report.
- 10.8 In setting the precept for the next financial year and in agreeing the Authority's budgetary requirements, the Authority also needs to take into account the fact that the Government still has power to cap local authority budgets under the Local Government Act 1999. The Government may either set a maximum amount for the budget in the forthcoming year or put an authority on notice to set a maximum budget in the next financial year. If the Government proposes to cap the authority, the Authority will be given a short period to put its case. If the cap is then confirmed in the current year, this could require the authority to revisit its budget decisions and would be likely to require rebilling of precept.
- 10.9 Section 106 of the Local Government Finance Act 1992 makes it a criminal offence for any Member with arrears of council tax which have been outstanding for two months or more to attend any meeting at which a decision affecting the budget is to be made, unless the Member concerned declares at the outset of the meeting that he or she is in arrears and will not be voting on the decision for that reason. The Member

concerned must not vote but may speak. The application of Section 106 of the 1992 Act is very wide and Members should be aware that the responsibility for ensuring that they act within the law at all times rests solely with the individual Member concerned.

11. Recommendations

Members to consider the joint report of the Chief Fire Office/Chief Executive and the Director of Finance and Procurement, which presents an overview of the financial position for the current year together with the revenue budget for 2026/27, the capital plan for 2026/27 to 2030/31, the four-year medium-term financial plan and the precept options.

The detail of the report advises Members of:

- (i) The content of the five-year capital plan £82.697m with a forecast spend by the end of 2026/27 of £13.826m (as set out in Appendix A).
- (ii) Capital Financing Requirement of £71.928m in 2026/27.
- (iii) The Authorised Limit for external debt of £55.0m and an Operational Boundary of £50.0m.
- (iv) Capital finance charges of 6.26% of the revenue budget.
- (v) Forecast general fund balances of £5.7m by 31 March 2026 with a minimum balance to be maintained at £5.7m.
- (vi) A council tax collection fund deficit of £341,704.
- (vii) Details of the Local Government Finance settlement 2026/27.
- (viii) Positive assurance from the Director of Finance and Procurement under section 25 of the Local Government Act 2003 of the adequacy of balances and the robustness of the budget estimates.

Medium Term Financial Strategy 2027/28 – 2029/30 (incorporating revenue budget and capital plan).
- (ix) Set a revenue budget of £123.168m incorporating the budget growth and cost pressures set out in paragraph 7.8.
- (x) Approve a precept increase of £5 for 2026/27.

12. Resolution

12.1 That Members give approval to the Prudential Indicators in respect of:

- a) the Capital Financing Requirement as set out in paragraph 3.2.
- b) the level of External Debt also set out in paragraph 3.2.
- c) the Authorised limit for external debt as set out in paragraph 3.5.

d) the Operational Boundary for external debt also set out in paragraph 3.5.

12.2 Having considered the recommendations of the Chief Fire Officer/Chief Executive and the Director of Finance and Procurement on service delivery and related budget requirements and, having taken account of the views of the consultees and, acting in accordance with the requirements of the Local Government Finance Act 1992 (as amended) (“the Act”) and, having approved a capital expenditure programme for the financial year 2026/27 of £13.826m and, having calculated its basic amount of council tax for the year by dividing its council tax requirement by its council tax bases, which the Authority notes have been determined by the District Councils, the figures are as follows for financial year 2026/27.

Authority	Tax Base 2026/27
Bradford	148,486.00
Calderdale	66,696.06
Kirklees	129,790.04
Leeds	249,430.51
Wakefield	107,890.00
TOTAL	702,292.61

12.3 The Authority calculates its council tax requirements under Sections 40 to 47 of the Act for Financial Year 2026/27 as the aggregate of the following:

12.3.1 The Authority calculates the aggregate of (A) as set out in Appendix B.

- £123,167,600 The expenditure the Authority estimates it will incur in the year in performing its functions and will charge to the revenue account for the year in accordance with proper practices.
- £0 The allowance as the Authority estimates will be appropriate for contingencies in relation to amounts to be charged or credited to the revenue account for the year in accordance with proper practice.
- £0 The financial reserves which the Authority estimates it will be appropriate to raise in year for meeting estimated future expenditure.
- £0 Financial reserves as are sufficient to meet so much of the amount estimated by the Authority to be a revenue account deficit for any earlier financial year as has not been provided for.

12.3.2 The Authority calculates the aggregate of (B) as set out in Appendix B

- £60,319,434 The income which it estimates that will accrue to it in the year and which it will credit to a revenue account for the year in accordance with proper practices other than income which it estimates will accrue to it in respect of any precept issued by it to be.
- £0 The amount of financial reserves which the Authority estimates that it will use in order to provide for the items mentioned.

12.3.3 Council Tax Requirement

- £62,848,166 The aggregate calculated under subsection 42a (2) (aggregate of A) of the Act exceeds the amount calculated under subsection 42a (3) (aggregate of B) which is calculated to be the council tax requirement for the year.

12.3.4 Basic amount of council tax

- £89.49 The Authority calculates its basic amount of council tax by dividing the council tax requirement by the council tax base. The council tax requirement is £62,848,166 and the council tax base is 702,292.61 which is equal to £89.49 at band D. This calculation meets the requirement under S42B of the Act.

12.4 The Authority calculates the Council Tax sums pursuant to Section 47 of the Act as follows:

Band A	£59.66
Band B	£69.60
Band C	£79.55
Band D	£89.49
Band E	£109.38
Band F	£129.26
Band G	£149.15
Band H	£178.98

12.5 The Authority calculates the resultant precept amounts payable by each constituent District Council pursuant to Section 48 of the Act as follows:

District	Precept
Bradford	£13,288,012
Calderdale	£5,968,630
Kirklees	£11,614,911
Leeds	£22,321,537
Wakefield	£9,655,076
TOTAL	£62,848,166

12.6 Resolved that the precept for each constituent District Council, as calculated and set out above, be issued to them pursuant to Section 40 of the Act.

Capital Bids 2026/27										
Directorate	Department	Scheme Name	Total	2026/27	2027/28	2028/29	2029/30	2030/31		
Service Support	Property	2026/27 Boiler Upgrades	400,000	400,000	-	-	-	-	-	-
Service Support	Property	2026/27 EV Charging Points	300,000	300,000	-	-	-	-	-	-
Service Support	Property	2026/27 Appliance Bay Doors	400,000	400,000	-	-	-	-	-	-
Service Support	Property	2026/27 Fairweather Green Refurbishment	600,000	600,000	-	-	-	-	-	-
Service Support	Property	2026/27 Leeds Refurbishment	750,000	750,000	-	-	-	-	-	-
Service Support	Property	2026/27 BEIMS Upgrades	100,000	100,000	-	-	-	-	-	-
Service Support	Property	2026/27 - Wakefield Fuel Tank	30,000	30,000	-	-	-	-	-	-
Service Support	Property	2026/2027 - Solar Installations	250,000	250,000	-	-	-	-	-	-
Service Support	Property	2026/27 Fire Door and Fire Compartmentation Upgrades	325,000	225,000	100,000	-	-	-	-	-
Service Support	Property	2026/27 Hunslet Refurbishment	500,000	500,000	-	-	-	-	-	-
Service Support	Property	2026/27 Morley Fire Station Welfare Upgrades	350,000	350,000	-	-	-	-	-	-
Service Support	Property	2026/27 Transport Workshop Floor Replacement	90,000	90,000	-	-	-	-	-	-
Service Support	Property	2026/27 Property Capital Plan	51,550,000	4,950,000	14,400,000	13,800,000	12,700,000	5,700,000	-	-
Service Support	Property	2026/27 LED Lighting Upgrades	300,000	300,000	-	-	-	-	-	-
Service Support	Training Centre	2026/27 Competency System Integration	11,841	11,841	-	-	-	-	-	-
Service Support	Training Centre	2026/27 BA Dräger Set Washer and Installation	48,000	48,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 MDT Hardware Refresh	140,000	140,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 Community Room AV	125,000	125,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 GPS repeaters on station	80,000	80,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 VoIP Server refresh	200,000	200,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 Multimedia storage	170,000	170,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 MDT Use Expansion	215,000	215,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 PC rolling refresh	1,176,000	218,000	227,000	296,000	245,000	250,000	-	-
Service Support	DDaT	2027/28 Enterprise Storage Refresh	180,000	-	180,000	-	-	-	-	-
Service Support	DDaT	2027/28 Network Switch refresh	650,000	-	650,000	-	-	-	-	-
Service Support	DDaT	2027/28 Station UPS Refresh	280,000	-	280,000	-	-	-	-	-
Service Support	DDaT	2027/28 Prevention Tablet Refresh	40,000	-	40,000	-	-	-	-	-
Service Support	DDaT	2027/28 ITSM Tool (ESM) Replacement	40,000	-	40,000	-	-	-	-	-
Service Support	DDaT	2026/27 HQ Data Centre Improvements	25,000	25,000	-	-	-	-	-	-
Service Support	DDaT	2026/27 apprenticeships and training laptops	15,960	12,160	3,800	-	-	-	-	-
Service Support	DDaT	2025/26 People Digital Programme	171,034	66,540	69,201	35,293	-	-	-	-
Service Support	Transport	2026/27 Logistics Support Tail-lift Vans	170,000	170,000	-	-	-	-	-	-
Service Support	Transport	2026/27 Command Unit	666,250	150,000	516,250	-	-	-	-	-
Service Support	Transport	2026/27 Flood Response Vehicles	205,000	205,000	-	-	-	-	-	-
Service Support	Transport	2026/27 Welfare Trailers	143,500	143,500	-	-	-	-	-	-
Service Support	Transport	2026/27 Ladder Replacements	161,000	41,000	30,000	30,000	30,000	30,000	-	-
Service Support	Transport	2026/27 Transport Vehicle Column Lifts	92,250	30,750	30,750	30,750	-	-	-	-
Service Support	Transport	2026/27 Vehicle mounted tyre inflation system	45,000	45,000	-	-	-	-	-	-
Service Support	Transport	2026/27 Spare Appliance Ladder Gantry	30,750	30,750	-	-	-	-	-	-
Service Support	Logistics	2026/27 Station Washing Machines	50,000	50,000	-	-	-	-	-	-
Service Delivery	Operations Equipment	2026/27 Replacement of Gas Tight Suits	65,550	11,500	13,800	26,450	-	13,800	-	-
Service Delivery	Operations Equipment	2026/27 Hose & Hoses reels	350,000	70,000	70,000	70,000	70,000	70,000	70,000	-
Service Delivery	Operations Equipment	2026/27 Hydrants	2,100,000	400,000	450,000	400,000	450,000	400,000	400,000	-
Service Delivery	Operations Equipment	2026/27 Face Fit Testing Machine	15,000	15,000	-	-	-	-	-	-
Service Delivery	Operations Equipment	2026/27 RADOS Kit	350,000	350,000	-	-	-	-	-	-
Service Delivery	Operations Equipment	2026/27 USAR PPE	25,000	25,000	-	-	-	-	-	-
Service Delivery	Operations Equipment	2026/27 Water Rescue Equipment	75,000	15,000	15,000	15,000	15,000	15,000	15,000	-
Service Delivery	Operations Equipment	2026/27 Branches	100,000	20,000	20,000	20,000	20,000	20,000	20,000	-
Service Delivery	Operations Equipment	2026/27 PPE Station Storage	100,000	100,000	-	-	-	-	-	-
Service Delivery	Operations Equipment	2026/27 Branded Pop-Up Tents	150,000	150,000	-	-	-	-	-	-
Service Delivery	Fire Prevention	2026/27 Branded Pop-Up Tents	53,068	26,534	26,534	-	-	-	-	-
Service Delivery	Fire Protection	Smoke Alarms	2,000,000	400,000	400,000	400,000	400,000	400,000	400,000	-
Service Delivery	Operations Equipment	2023/24 BA Ancillary Equipment	275,000	-	275,000	-	-	-	-	-
Service Delivery	Operations Equipment	2023/24 BA Charging Sets	837,000	-	837,000	-	-	-	-	-
People and Culture	Occupational Health and Safety Unit	2026/27 Development of OPAS G2 Occupational Health Database (Civica)	20,000	20,000	-	-	-	-	-	-
Finance and Procurement	Finance	Vehicle Leases	4,000,000	800,000	800,000	800,000	800,000	800,000	800,000	-
		Total Capital Bids	71,592,203	13,825,575	19,474,335	15,863,493	14,730,000	7,698,800		

2025/26 £m	STANDSTILL REVENUE BUDGET	2026/27 £m
74.413	Firefighters	77.140
17.037	Support Staff	17.516
1.600	Pensions	1.600
2.517	Other Employees	2.504
6.589	Premises	5.933
2.208	Transport	2.286
7.525	Supplies and Services	7.792
0.381	Lead Authority Charges	0.420
7.367	Capital Financing	8.286
0.450	Contingency	0.450
120.086	GROSS EXPENDITURE	123.927
-2.890	Less Income	-2.899
117.196	NET EXPENDITURE	121.028

Appendix C

Department	Case Name	Existing or New	One-off/continuous	Report Ref	Total Funding	Funding 26/27	Funding 27/28	Funding 28/29	Funding 29/30	Funding 30/31
OHSU	Hearing aids for the incident ground	New Budget Request	Continuous	e	15,000	3,000	3,000	3,000	3,000	3,000
OHSU	Increase of clinical medial fees (AMA)	Existing Budget	Continuous	e	165,000	33,000	33,000	33,000	33,000	33,000
OHSU	Wellbeing Fund Expansion	Existing Budget	Continuous	e	30,000	5,000	5,000	5,000	5,000	10,000
OHSU	OHSW promotional materials	New Budget Request	Continuous	e	25,000	5,000	5,000	5,000	5,000	5,000
Property Services	Tree surveys	New Budget Request	Continuous	i	40,000	20,000	0	0	20,000	0
Property Services	Re-Decorating	New Budget Request	Continuous	i	100,000	20,000	20,000	20,000	20,000	20,000
Property Services	Electric Vehicle Chargers PPM Services	New Budget Request	Continuous	k	50,000	10,000	10,000	10,000	10,000	10,000
Property Services	Electrical general repairs	Existing Budget	Continuous	g	150,000	30,000	30,000	30,000	30,000	30,000
Property Services	Window Cleaning Contract	Existing Budget	Continuous	k	30,000	6,000	6,000	6,000	6,000	6,000
Organisational Development	Skills For Justice Qualifications Centre	New Budget Request	Continuous	d	62,500	12,500	14,000	12,000	12,000	12,000
Organisational Development	Institute of Fire Engineer Examinations	New Budget Request	Continuous	d	97,500	18,500	19,000	19,500	20,000	20,500
Training Centre	Technical Rescue Lightweight Boat Trailer	New Budget Request	One-off	k	3,175	3,175	0	0	0	0
Training Centre	Extension of Two Trainee Instructor Secondments (C)	New Budget Request	Two Years	b	243,064	119,149	123,915	0	0	0
Training Centre	Multi-Purpose Training Rig (MPTR) – Furniture, Ventilation and CCTV Installation	Existing Budget	One-off	k	5,290	5,290	0	0	0	0
Training Centre	Overarching Training Bid Uplift	Existing Budget	One-off	-	0	0	0	0	0	0
Training Centre	Replacement of Breathing Apparatus (BA) Instructor	New Budget Request	One-off	k	9,295	9,295	0	0	0	0
OHSU	Outsourcing of Fire Risk Assessments for Authority premises	New Budget Request	Continuous	f	137,500	27,500	27,500	27,500	27,500	27,500
DDaT	CoPilot Continuation	Existing Budget	Continuous	j	168,250	31,000	32,000	33,500	35,000	36,750
DDaT	CoPilot Use Expansion	Existing Budget	Continuous	j	164,100	30,600	31,500	32,500	34,000	35,500
DDaT	Risk Ledger	Existing Budget	Continuous	k	55,000	10,000	10,000	11,000	11,500	12,000
Control	HiSkills Artificial Intelligence Emergency Call Simulation	New Budget Request	Continuous	m	91,650	18,330	18,330	18,330	18,330	18,330
DDaT	MS F3 to E3 Licence uplift	Existing Budget	Continuous	l	479,285	88,535	92,000	95,750	99,500	103,500
DDaT	MS E5 Security	Existing Budget	Continuous	l	449,350	83,000	86,300	89,750	93,300	97,000
Operations HQ	Increase of Revenue amount for Drager Repairs	Existing Budget	Continuous	g	100,000	20,000	20,000	20,000	20,000	20,000
Drone Team	Drone Streaming Subscriptions	Existing Budget	Continuous	k	40,000	8,000	8,000	8,000	8,000	8,000
NRDL	ISAR PPE & Equipment	New Budget Request	One-off	h	25,000	25,000	0	0	0	0
NRDL	ISAR Consultancy	New Budget Request	One-off	h	25,000	25,000	0	0	0	0
Property Services	MPTC Feasibility	New Budget Request	One-off	i	200,000	200,000	0	0	0	0
DDaT	Station End Equipment Service Contract	New Budget Request	Continuous	g	366,341	40,705	81,409	81,409	81,409	81,409
Operations Equipment	BEK Filters	Existing Budget	Continuous	g	40,000	10,000	10,000	10,000	10,000	0
Operations Equipment	Water Rescue Equipment Repairs	Existing Budget	Continuous	g	50,000	10,000	10,000	10,000	10,000	10,000
Corporate Diversity	Reasonable Adjustment budget	New Budget Request	Continuous	e	150,000	30,000	30,000	30,000	30,000	30,000
Operations HQ	OARS (On-call Availability, Recruitment and Skills)	New Budget Request	Continuous	n	60,000	20,000	10,000	10,000	10,000	10,000
OHSU	Admin Post for the Occupational Health Unit	New Budget Request	One-off	c	28,866	28,866	0	0	0	0
Property Services	Rates Increase	Existing Budget	Continuous	i	400,000	80,000	80,000	80,000	80,000	80,000
Training Centre	Training Centre – Transition to 7-Day Delivery	Existing Budget	Continuous	a	2,439,762	318,230	530,383	530,383	530,383	530,383
Stores	Increase postholder working week from 3 to 5 days	New Budget Request	Continuous	c	75,000	15,000	15,000	15,000	15,000	15,000
Property	Wakefield Fuel Tank	New Budget Request	Continuous	o	2,500	500	500	500	500	500
Property	Solar Installations	New Budget Request	Continuous	o	25,000	5,000	5,000	5,000	5,000	5,000
DDaT	GPS repeaters on station	New Budget Request	Continuous	o	20,000	4,000	4,000	4,000	4,000	4,000
DDaT	VoIP Server refresh	New Budget Request	Continuous	o	300,000	60,000	60,000	60,000	60,000	60,000
DDaT	Multimedia storage	New Budget Request	Continuous	o	35,000	7,000	7,000	7,000	7,000	7,000
DDaT	MDT Use Expansion	New Budget Request	Continuous	o	270,000	54,000	54,000	54,000	54,000	54,000
Transport	Logistics Support Tail-lift Vans	New Budget Request	Continuous	o	7,500	1,500	1,500	1,500	1,500	1,500
Transport	Command Unit	New Budget Request	Continuous	o	12,500	2,500	2,500	2,500	2,500	2,500
Transport	Flood Response Vehicles	New Budget Request	Continuous	o	7,500	1,500	1,500	1,500	1,500	1,500
Transport	Station Washing Machines	New Budget Request	One-off	o	2,000	2,000	-	-	-	-
Transport	Transport Vehicle Column Lifts	New Budget Request	Continuous	o	1,000	200	200	200	200	200
Transport	Spare Appliance Ladder Gantry	New Budget Request	One-off	o	1,500	1,500	-	-	-	-
						1,559,375	1,498,037	1,382,822	1,414,122	1,401,072

2025/26 £m	REVENUE BUDGET	2026/27 £m
74.413	Firefighters	78.000
17.037	Support Staff	17.560
1.600	Ill Health Pensions	1.600
2.517	Other Employees	2.584
6.589	Premises	6.106
2.208	Transport	2.452
7.525	Supplies and Services	8.609
0.381	Lead Authority Charges	0.420
7.367	Capital Financing	8.286
0.450	Contingency	0.450
120.086	GROSS EXPENDITURE	126.067
-2.889	Less Income	-2.899
117.197	NET EXPENDITURE	123.168

2025/26 £m	FUNDING	2026/27 £m
18.703	Top Up Grant	16.068
21.137	Revenue Support Grant	30.405
6.883	Section 31 Grants	0.000
2.977	Pension Grant	2.977
0.699	NI Grant	0.000
8.492	Local Business rates	11.318
-0.466	Collection Fund Deficits	-0.448
0.188	Recruitment Reserve	0.000
58.613	GOVERNMENT FUNDING	60.320
58.584	PRECEPT	62.848

2025/26 £m	Service Delivery	2026/27 £m
67.884	Firefighters	71.881
5.833	Support Staff	6.298
0.000	Ill Health Pensions	0.000
0.001	Other Employees	0.001
3.281	Premises	3.100
0.111	Transport	0.114
2.158	Supplies and Services	1.710
0.000	Lead Authority Charges	0.000
1.453	Capital Financing	3.366
0.000	Contingency	0.000
0.000	Contribution to Capital	0.000
80.721	GROSS EXPENDITURE	86.471
-2.212	Less Income	-2.054
78.509	NET EXPENDITURE	84.417

2025/26 £m	Service Support	2026/27 £m
5.161	Firefighters	3.997
6.452	Support Staff	6.140
0.000	Ill Health Pensions	0.000
0.934	Other Employees	1.495
3.221	Premises	2.916
1.805	Transport	2.017
4.102	Supplies and Services	5.437
0.000	Lead Authority Charges	0.000
0.985	Capital Financing	2.913
0.000	Contingency	0.000
0.000	Contribution to Capital	0.000
22.660	GROSS EXPENDITURE	24.915
-0.388	Less Income	-0.469
22.272	NET EXPENDITURE	24.446

2025/26 £m	Corporate Services & Governance	2026/27 £m
0.153	Firefighters	0.927
0.919	Support Staff	1.072
0.000	Ill Health Pensions	0.000
0.000	Other Employees	0.001
0.000	Premises	0.000
0.004	Transport	0.011
0.430	Supplies and Services	0.585
0.000	Lead Authority Charges	0.000
0.000	Capital Financing	0.000
0.000	Contingency	0.000
0.000	Contribution to Capital	0.000
1.505	GROSS EXPENDITURE	2.596
-0.012	Less Income	-0.012
1.493	NET EXPENDITURE	2.583

2025/26 £m	People and Culture	2026/27 £m
0.685	Firefighters	0.456
2.398	Support Staff	2.490
1.600	Ill Health Pensions	1.600
1.416	Other Employees	0.711
0.000	Premises	0.000
0.003	Transport	0.004
0.327	Supplies and Services	0.398
0.079	Lead Authority Charges	0.096
0.009	Capital Financing	0.026
0.000	Contingency	0.000
0.000	Contribution to Capital	0.000
6.518	GROSS EXPENDITURE	5.780
-0.016	Less Income	-0.011
6.501	NET EXPENDITURE	5.769

2025/26 £m	Finance & Procurement	2026/27 £m
0.211	Firefighters	0.414
1.368	Support Staff	1.506
0.000	Ill Health Pensions	0.000
0.165	Other Employees	0.376
0.086	Premises	0.091
0.281	Transport	0.303
0.473	Supplies and Services	0.427
0.301	Lead Authority Charges	0.324
4.921	Capital Financing	1.980
0.450	Contingency	0.450
0.000	Contribution to Capital	0.000
8.258	GROSS EXPENDITURE	5.871
-0.261	Less Income	-0.354
7.997	NET EXPENDITURE	5.517

2025/26 £m	Chief Fire Officer	2026/27 £m
0.318	Firefighters	0.326
0.067	Support Staff	0.054
0.000	Ill Health Pensions	0.000
0.000	Other Employees	0.000
0.000	Premises	0.000
0.003	Transport	0.003
0.036	Supplies and Services	0.052
0.000	Lead Authority Charges	0.000
0.000	Capital Financing	0.000
0.000	Contingency	0.000
0.000	Contribution to Capital	0.000
0.424	GROSS EXPENDITURE	0.435
0.000	Less Income	0.000
0.424	NET EXPENDITURE	0.435

OFFICIAL

Agenda item: 15

Programme of Change Update

Full Authority

Date:	26 February 2026
Submitted by:	Director of Corporate Services
Purpose:	To provide an update on the Programme of Change 2025/26, including progress since the last meeting and the strategic focus for the coming period.
Recommendations:	That Members note the report and endorse the continued focus on high-impact, high-priority projects as identified by Change Management Board.
Summary:	The Programme of Change remains central to delivering strategic priorities.

Local Government (Access to information) Act 1972

Exemption Category:	None
Contact Officer:	Laura Boocock, Strategic Development GM Laura.Boocock01@westyorksfire.gov.uk
Background papers open to inspection:	None
Annexes:	Annex 1 – Project and Programme delivery summary Annex 2 – Projects in Evaluation Stage

1. Introduction

- 1.1 The Programme of Change is a core element of the strategic planning cycle, ensuring that projects and initiatives deliver measurable benefits aligned with organisational priorities.
- 1.2 This report provides an update on progress since the last meeting and outlines the strategic focus for the coming period.
- 1.3 Oversight is provided through the refreshed Change Management Board (CMB), which strengthens governance, improves decision-making, and ensures resources are directed to projects that deliver the greatest value.

2. Information

- 2.1 The Programme of Change continues to progress well, with most projects on track and no projects requiring urgent CMB intervention. Delivery remains aligned to organisational priorities, with governance strengthened through the refreshed CMB structure.
- 2.2 Across the Programme of Change, there are currently 17 active projects and programmes within the portfolio, of which 11 are on track, 1 is behind schedule depending on reporting period, 4 are in the evaluation stage, and 1 has not yet started.
- 2.3 [Annex 1](#) provides a summary of all projects and programmes within the Portfolio of Change, including their status, key milestone dates, and a short update.
- 2.4 No escalations or decisions are required from the Authority at this time, with all change controls and risks being effectively managed within existing CMB governance process

3. Financial Implications

- 3.1 Although there are no financial implications arising from this report each project completed a full business case highlighting any financial implications.

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. Human Resource and Diversity Implications

- 5.1 There are no Human Resources and Diversity implications arising from this report at the time of submission.
- 5.2 All projects are required to assess the HR implications and undertake an Equality Impact Assessment (EIA) in line with the Public Sector Equality Duty.

6. Equality Impact Assessment

6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? Yes

6.2 Each project/programme is required to complete an individual EIA.

6.3 The EIA is available on request from the report author or from t

7. Health, Safety and Wellbeing Implications

7.1 There are no Health and Safety implications arising from this report at the time of submission.

8. Environmental Implications

8.1 There are no Environmental implications arising from this report at the time of submission.

9. Risk Management Implications

9.1 There are no Risk Management implications arising from this report at the time of submission.

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 None.

11. Your Fire and Rescue Service Priorities

11.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Provide a safe, effective and resilient response to local and national emergencies.
- Focus our activities on reducing risk and vulnerability.
- Enhance the health, safety, and well-being of our people.
- Prioritise a people first mindset through ethical and professional leadership and management
- Work with partners and communities to deliver our services.
- Use resources in an innovative, sustainable, and efficient manner to maximise value for money.
- Further develop a culture of excellence, equality, learning, and inclusion.

12. Conclusions

12.1 The Programme of Change continues to progress well overall, with the majority of projects on track and no escalations requiring Authority decision at this time.

12.2 Governance arrangements through the Change Management Board remain effective, ensuring risks, issues, and change controls are managed within the established framework.

12.3 One project is behind schedule although mitigation actions are in place.

12.4 Focus remains on high-priority activity aligned with the CRMP.

13. Annex 1 – Project and Programme Delivery Summary

13.1 Project status information is based on reports submitted to the CMB on 26 January 2026.

Project / Programme	Short Description	Target Completion	Current Status	Update/Notes
Building Risk Database	Development of a new risk-based information platform to support operational planning and inspection readiness	10/07/2026	On Track	The project is progressing to plan; the full system will not be live ahead of the HMICFRS inspection in May 2026. However, key RBIP/SSRIIP functionality will be in place and tested to support the inspection
Control Project	Replacement of mobilising system and ICCS for operational resilience	30/06/2026	On Track	Go-Live was delayed due to the need for extended system readiness testing and stabilisation. A Change Control has been approved to formally extend the overall completion date from 31/12/2025 to 30/06/2026
Cyber Remediation PGM	Programme to strengthen cyber security resilience, addressing identified vulnerabilities and implementing improved protective measures	31/12/2027	On Track	Progressing in line with plan with no risks, issues, or decisions escalated through CMB during this reporting period

Digital and Data Programme	Migration to Power Platform and automation	31/12/2028	On Track	Behind schedule for this reporting period, however, no risks, issues, or decisions have been escalated through CMB, and mitigation activity is in place
Grenfell Programme Phase 2	Implementation of outstanding objectives from Grenfell Programme Phase 1, incorporating recent national-level changes	31/12/2026	On Track	Progressing as planned. Delivery timelines remain dependent on the release of national guidance and regulatory updates, which may create pressure on training capacity if multiple changes converge later in 2026
Huddersfield Fire Station	Fire station redevelopment to support operational resilience and modernised facilities	30/04/2027	Not Started	Project has not yet commenced. No risks, issues or decisions have been escalated through CMB during this reporting period
Keighley Fire Station	Estate modernisation for operational efficiency and firefighter safety	16/01/2026	Behind Schedule	Final works remain outstanding against the January 2026 target date. An Amber financial dispute risk may affect delivery, and benefits realisation is partially delayed until completion of remaining elements
One Data Collection	Development of a unified internal data collection process to streamline reporting and improve data quality	01/04/2026	On Track	Change Control approved (post-CMB) to revise the project completion date and move the end-user format to SharePoint. Updated timeline now reflects an approved completion date of 01/04/2026

OneView	Performance management platform for transparent data sharing	31/12/2026	On Track	Progressing as planned. A data-feed issue with Frequentis narrative logging continues to affect some reporting outputs; supplier fix is awaited. This is being monitored
Supporting Good Attendance	Workforce wellbeing and attendance improvement	31/12/2026	On Track	Progressing but behind schedule. The Power BI sickness dashboard is now live, with electronic staff record alignment and wider stakeholder engagement ongoing. No risks or decisions have been escalated through CMB
Organisational Preparedness Programme	Ensuring WYFRS is ready for change and resilient to risk by aligning resources, strengthening governance, and embedding continuous improvement to maintain service delivery	Tbc	On Track	An amber governance risk has been noted regarding potential need to realign business cases if programme governance is not agreed
Special Projects Implementation	Appliance design and operational improvements	31/03/2026	On Track	Change Control approved to extend the project timeline due to dependencies on training development, documentation updates, and rollout coordination.
People Digital PgM	Modernisation of people-related digital systems and processes to improve efficiency, user experience and organisational insight	20/10/2028	On Track	An Amber risk has been noted relating to a potential 3-year renewal of AccessHR if timelines extend, though mitigation is in place

14. Annex 2 – Projects in Evaluation Stage

14.1 The following projects remain in the Evaluation stage and therefore do not have formal progress updates.

- Command Support
- Culture Project
- FSHQ Programme
- Risk & Capabilities Review (Flood & Swift Water Rescue Response)

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Agenda item: 16

Performance Management Report

Full Authority

Date: 26 February 2026

Submitted by: Director of Corporate Services

Purpose: To inform Members of the Authority's performance against key performance indicators.

Recommendations: That Members note the report.

Summary: This report provides Members with information regarding the performance of West Yorkshire Fire and Rescue Service against targets to enable the Authority to measure, monitor and evaluate performance.

Local Government (Access to information) Act 1972

Exemption Category: None

Contact Officer: Alison Davey – Head of Corporate Services

Email: alison.davey@westyorkshire.gov.uk

Tel: 01274 682311

Background papers open to inspection: None

Annex: Performance Management Report from 1 April 2025 to 15 February 2026.

1. Introduction

- 1.1 The attached Performance Management Report outlines the Authority's performance against key performance indicators thereby enabling the Authority to measure, monitor and evaluate performance.

2. Information

- 2.1 The report shows a summary of the cumulative performance for the period 1 April 2025 to 15 February 2026 against each of the indicators.
- 2.2 The Performance Management Report is monitored at each Full Authority meeting.
- 2.3 An abridged version of the Performance Management Report is presented quarterly to the Audit Committee highlighting where targets are not being achieved.

3. Financial Implications

- 3.1 There are no financial implications arising from this report.

4. Legal Implications

- 4.1 The Monitoring Officer has considered this report and is satisfied it is presented in compliance with the Authority's Constitution.

5. People and Diversity Implications

- 5.1 There are no People and Diversity implications arising from this report.

6. Equality Impact Assessment

- 6.1 Are the recommendations within this report subject to Equality Impact Assessment as outlined in the EIA guidance? No

7. Health, Safety and Wellbeing Implications

- 7.1 There are no health, safety and wellbeing implications arising from this report.

8. Environmental Implications

- 8.1 There are no environmental implications arising from this report.

9. Risk Management Implications

- 9.1 There are no Risk Management Implications arising from this report

10. Duty to Collaborate Implications (Police and Crime Act 2017)

10.1 There are no duties to collaborate identified in this report

11. Your Fire and Rescue Service Priorities

9.1 This report links with the Community Risk Management Plan 2025-28 strategic priorities below:

- Further develop a culture of excellence, equality, learning and inclusion
- Provide a safe, effective and resilient response to local and national emergencies
- Focus our activities on reducing risk and vulnerability
- Enhance the health, safety and wellbeing of our people
- Prioritise a people first mindset through ethical and professional leadership and management
- Work with partners and communities to deliver our services
- Use resources in an innovative, sustainable and efficient manner to maximise value for money

12. Conclusions

12.1 That Members note the report.



West Yorkshire
Fire & Rescue Service

Performance Management Report

Fire Authority



Making West Yorkshire Safer
www.westyorkshire.gov.uk



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Fire Related Injuries
Attacks on Firefighters
Response Times
Safe and Wells
SSRI

This report provides a summary of our progress across the Service based on the date ranges below.

Period Covered:

Financial Year	2025-26	
Date Range	01 April 2025	15 February 2026

IMPORTANT: The data provided is based on incident reports that have been completed and/or checked but will not include data from incident reports which have not been completed. Data may change due to incident reports that have been updated due to amendment. The data is accurate at time of creation of the report.

This report is comparing the date range above against:

Previous Year Comparison Date Range	01 April 2024	15 February 2025
3 Year Average Comparison Period	01 April 2024 01 April 2023 01 April 2022	15 February 2025 15 February 2024 15 February 2023
Colour Key	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="border: 1px solid black; background-color: #cccccc; padding: 2px 5px;">Positive Arrows</div> <div style="border: 1px solid black; background-color: #ff0000; color: white; padding: 2px 5px;">Negative Arrows</div> </div> <div style="display: flex; justify-content: space-around; align-items: center; margin-top: 5px;"> <div style="border: 1px solid black; background-color: #0000ff; color: white; padding: 2px 5px;">Positive Charts</div> <div style="border: 1px solid black; background-color: #ff0000; color: white; padding: 2px 5px;">Negative Charts</div> </div> <p style="font-size: small; margin-top: 10px;">*When doing a comparison the key above is used. In all other cases graphs, charts and visuals are using contrasting colours to support accessibility.</p>	

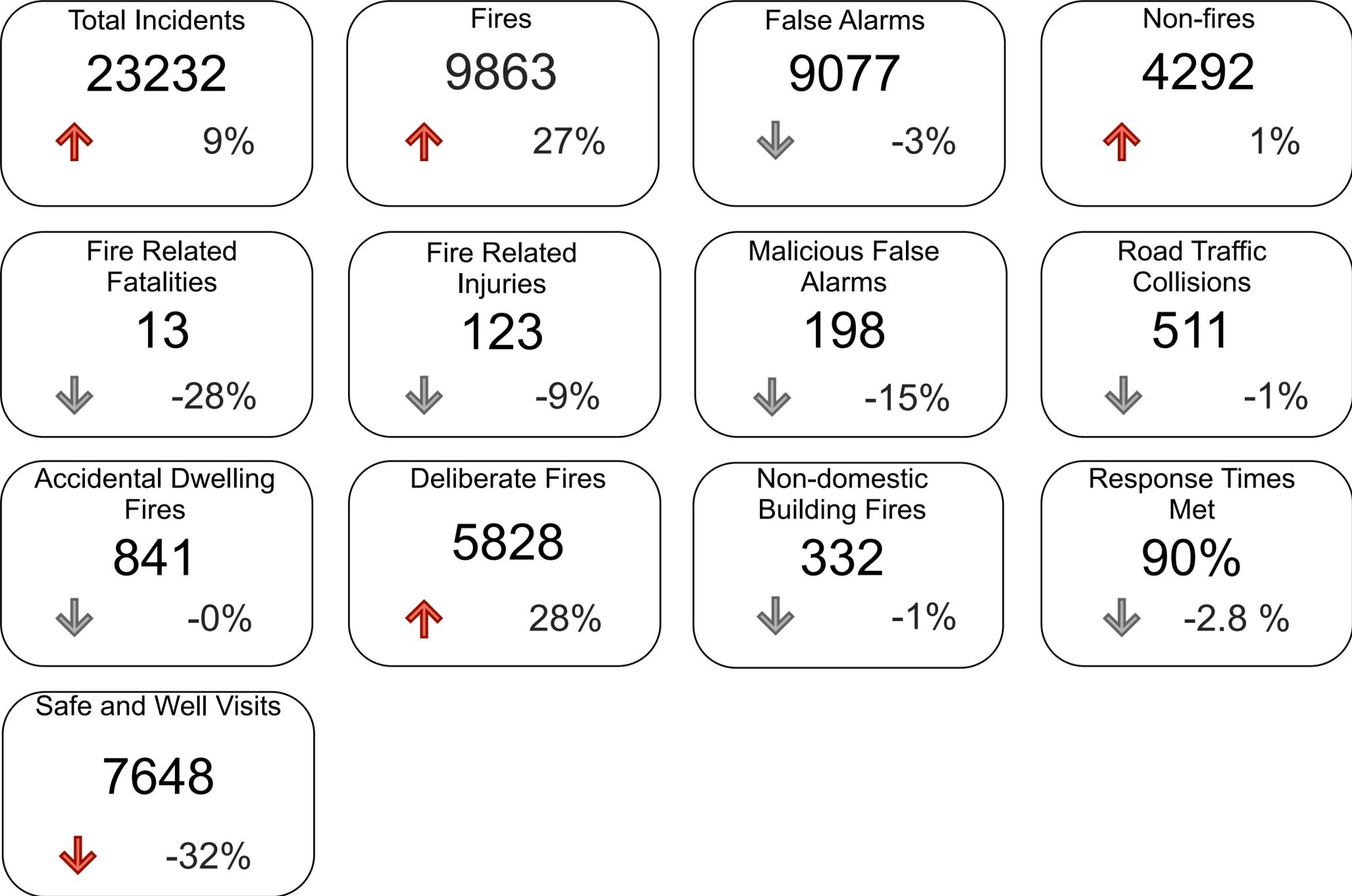
Due to seasonality **Previous Year** and **3 Year Average** comparison are based on selected range and not the whole of the previous year.

Performance Summary

Arrows display percentage(%) increase/decrease on previous year to current financial year.
The comparison range is based on selected date range.

This report is comparing: **01 April 2025**
Against: 01 April 2024

15 February 2026
15 February 2025



Incident Demand by Time of Day

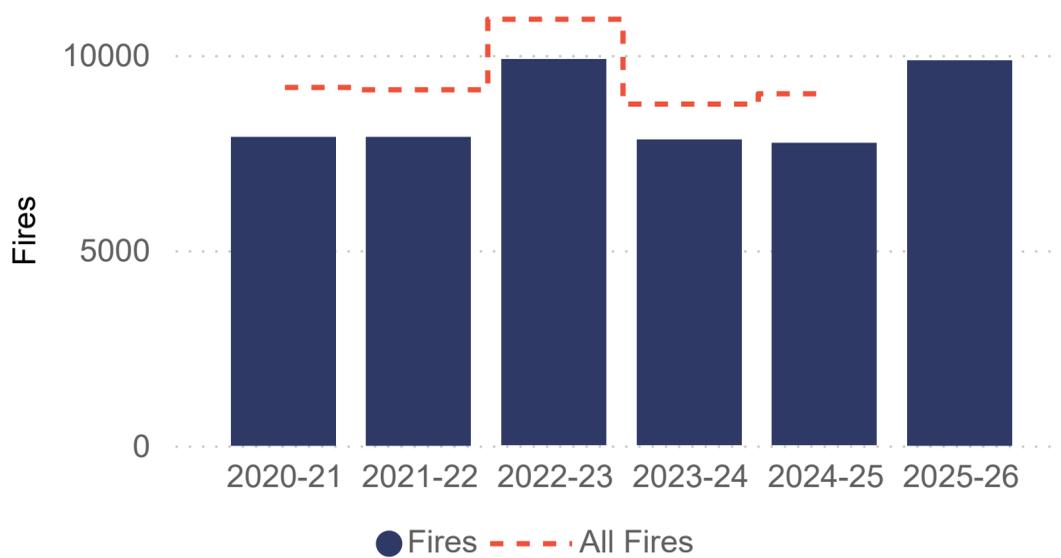
Day	08:00-08:59	09:00-09:59	10:00-10:59	11:00-11:59	12:00-12:59	13:00-13:59	14:00-14:59	15:00-15:59	16:00-16:59	17:00-17:59	18:00-18:59	19:00-19:59	20:00-20:59	21:00-21:59	22:00-22:59	23:00-23:59	00:00-00:59	01:00-01:59	02:00-02:59	03:00-03:59	04:00-04:59	05:00-05:59	06:00-06:59	07:00-07:59
Mon	93	105	120	130	122	140	170	154	218	276	224	250	246	164	151	85	75	68	59	52	46	33	52	57
Tue	78	115	112	126	131	141	166	171	233	230	235	292	227	178	170	124	98	66	68	59	49	44	58	75
Wed	84	92	115	125	151	145	169	198	224	259	256	268	273	200	159	112	87	70	69	44	47	43	40	67
Thu	89	97	117	140	147	148	153	181	221	262	266	269	269	193	147	130	113	77	65	54	53	45	52	67
Fri	103	100	109	135	152	165	162	180	205	223	260	274	254	219	159	145	101	68	67	71	53	36	50	68
Sat	72	118	117	141	151	145	214	194	230	240	228	258	252	225	186	135	93	98	86	79	68	45	51	67
Sun	79	81	112	148	157	167	198	218	241	249	216	233	245	188	152	123	109	92	76	73	68	63	54	50

Fires

01 April 2025

15 February 2026

Fires by Financial Year



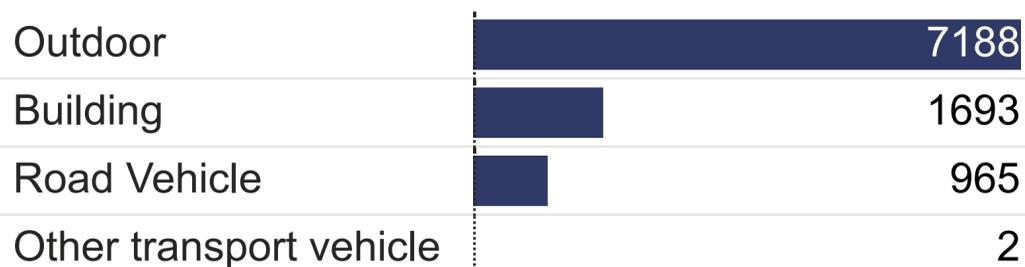
All Fires (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Fires Previous Year To Date Comparison

District	% increase/decrease on previous year	3 Year Average
Bradford	36%	↑
Calderdale	43%	↑
Kirklees	31%	↑
Leeds	21%	↑
Wakefield	14%	↑

3 Year average indicator shows if current number of Fires this financial year is an increase/decrease of fires against the 3 year average. Looking at only the comparison range.

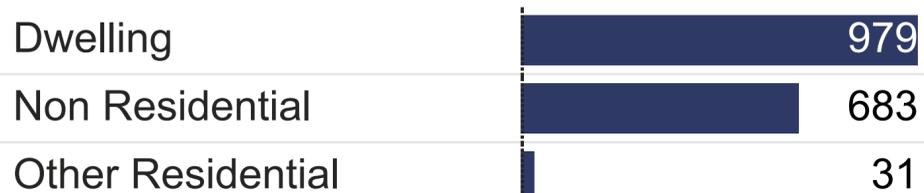
Fires by Property Type



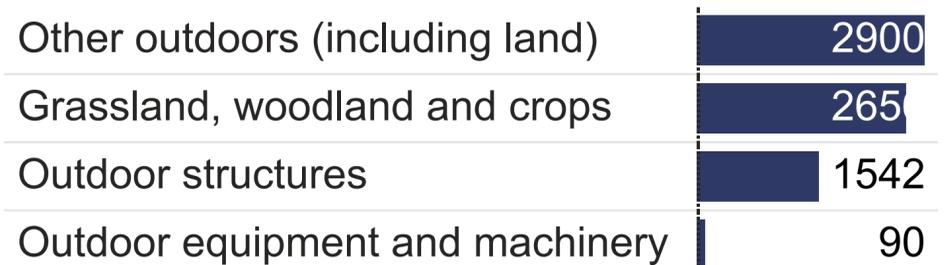
Fires by Category

Fire Classification	Accidental	Deliberate
Chimney Fire	0.37%	
Primary Fire	18.00%	9.61%
Secondary Fire	22.46%	49.57%

Fires by Building Property Type



Fires by Outdoor Property Type

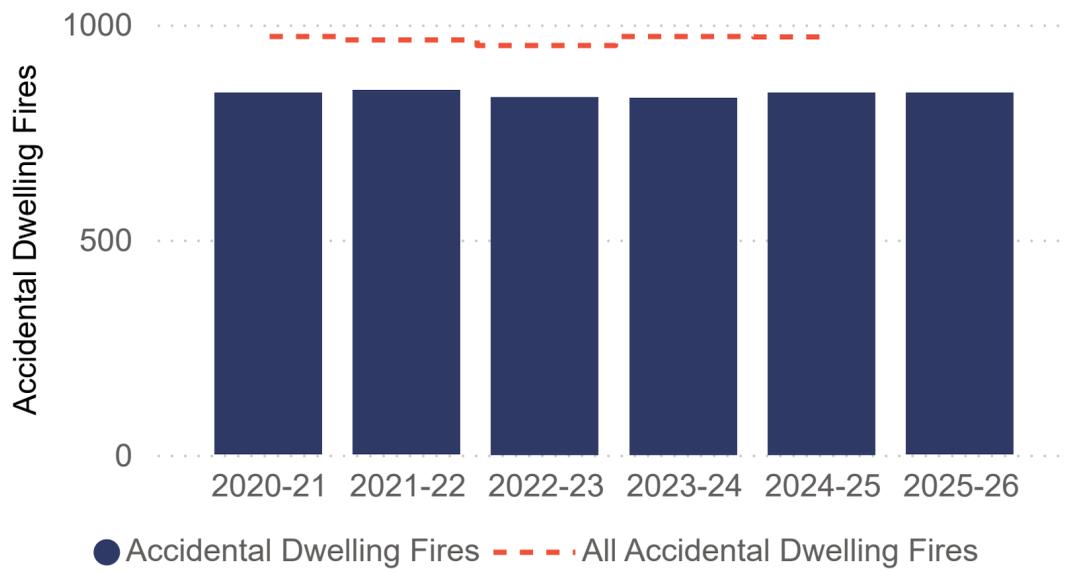


Accidental Dwelling Fires

01 April 2025

15 February 2026

Accidental Dwelling Fires by Financial Year



All ADF (red dotted line) shows the total figure for the financial year.
The bars show the value for selected date range.

Accidental Dwelling Fires Previous Year To Date Comparison

District	% increase/decrease on previous year	3 Year Average
Bradford	12%	↑
Calderdale	-5%	↓
Kirklees	16%	↑
Leeds	-12%	↓
Wakefield	-7%	↓

3 Year average indicator shows if current number of ADF this financial year is an increase/decrease of ADF against the 3 year average. Looking at only the comparison range.

Accidental Dwelling Fires by Property Type

House - single occupancy	530
Purpose Built Flat/Maisonette - multiple occupancy	146
Converted Flat/Maisonette - multiple occupancy	59
Self contained Sheltered Housing	45
Bungalow - single occupancy	42
Licensed HMO	11
Unknown if licensed HMO	4
Other Dwelling	2
caravan/mobile home (permanent dwelling)	1
Houseboat (permanent dwelling)	1

Top Fire Cause

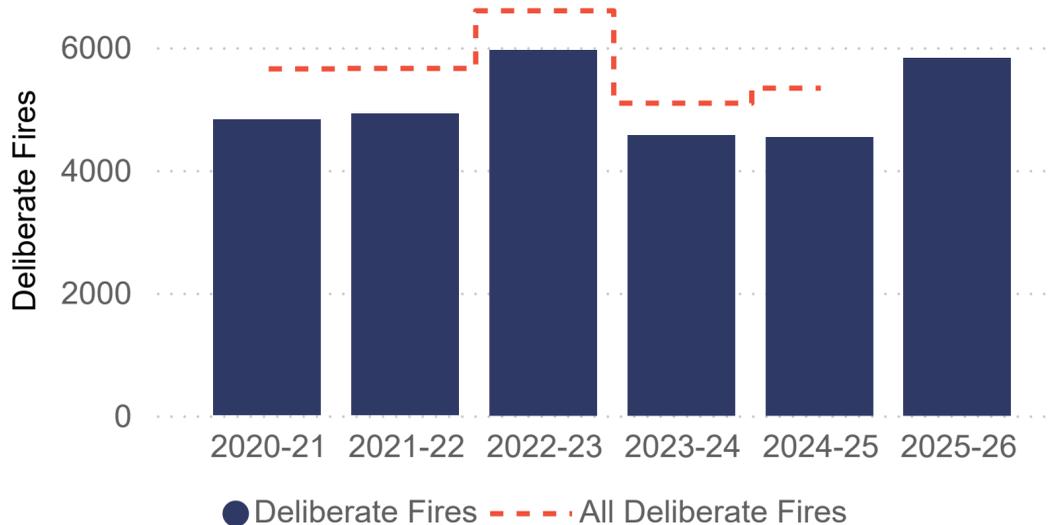
Accidental - Cooking - other cooking

Deliberate Fires

01 April 2025

15 February 2026

Deliberate Fires by Financial Year



All Deliberate Fires (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Deliberate Fires Previous Year To Date Comparison

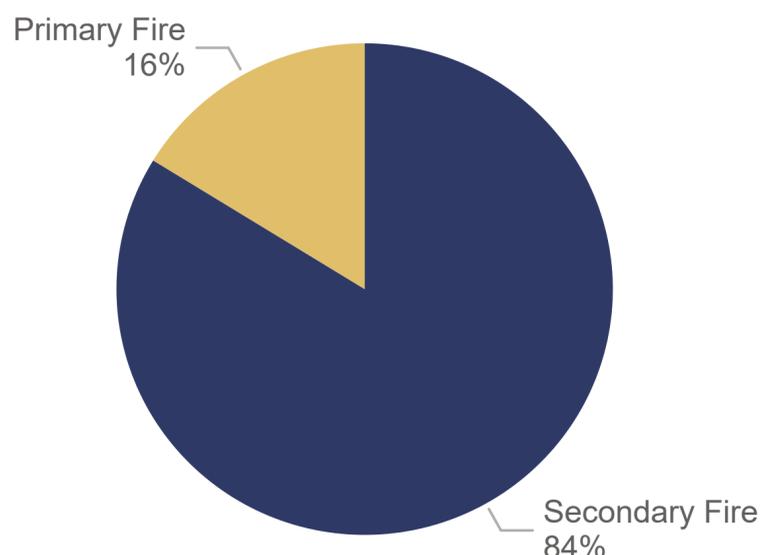
District	% increase/decrease on previous year	3 Year Average
Bradford	35%	↑
Calderdale	41%	↑
Kirklees	32%	↑
Leeds	23%	↑
Wakefield	14%	↓

3 Year average indicator shows if current number of Deliberate Fires this financial year is an increase/decrease of Deliberate Fires against the 3 year average. Looking at only the comparison range.

Top 10 Property Types

Property Type	Deliberate Fires
Other outdoors (including land)	2190
Grassland, woodland and crops	1643
Outdoor structures	993
Car	335
Non Residential	321
Dwelling	138
Van	51
Motorcycle	49
Outdoor equipment and machinery	34
Multiple Vehicles	25

Deliberate Fires by Primary or Secondary



Top 5 Fire Causes

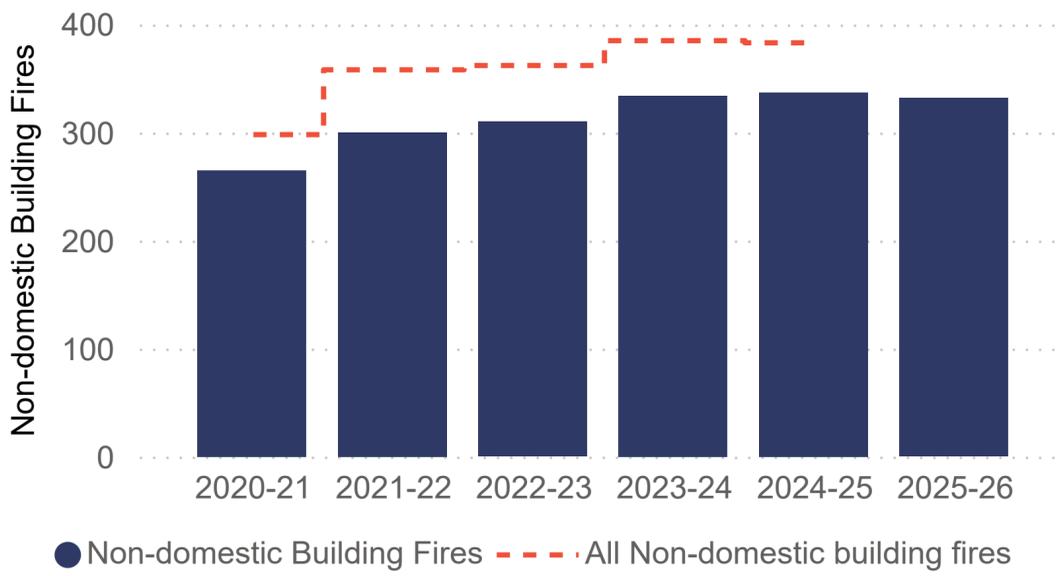
Fire Cause	Deliberate Fires
Deliberate - unknown owner	2544
Deliberate - others property	1772
Deliberate - own property	566
Deliberate - others property - Heat source and combustibles brought together deliberately	524
Deliberate - unknown owner - Heat source and combustibles brought together deliberately	304

Non-domestic Fires

01 April 2025

15 February 2026

Non-domestic Building Fires by Financial Year



All Non-domestic Building Fires (red dotted line) shows the total figure for the financial year.

The bars show the value for selected date range.

Non-domestic Building Fires Previous Year To Date Comparison

District	% increase/decrease on previous year	3 Year Average
Bradford	-6%	↓
Calderdale	0%	↑
Kirklees	54%	↑
Leeds	-10%	↑
Wakefield	2%	↓

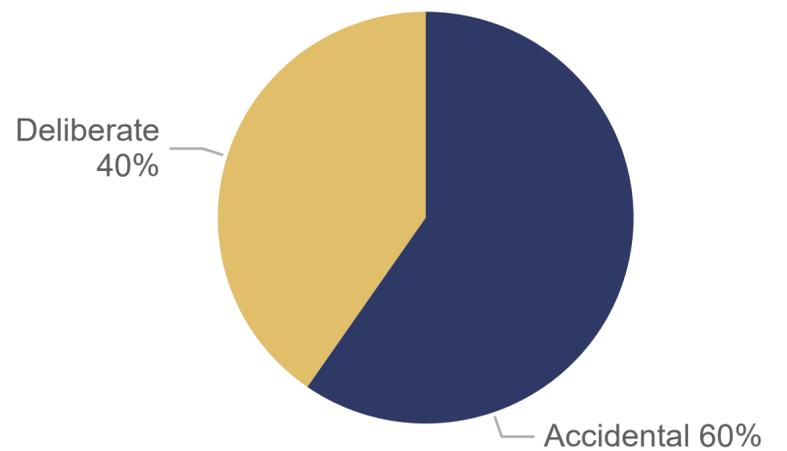
3 Year average indicator shows if current number of Non-domestic Building Fires this financial year is an increase/decrease of Non-domestic Building fires against the 3 year average. Looking at only the comparison range.

Top 5 Property Types

Non-domestic Building Fires

Public admin, security and safety	106
Food and Drink	39
Industrial Manufacturing	39
Retail	27
Education	20

Non-domestic Building Fires by Accidental or Deliberate Fires



Top 5 Fire Causes

Non-domestic Building Fires

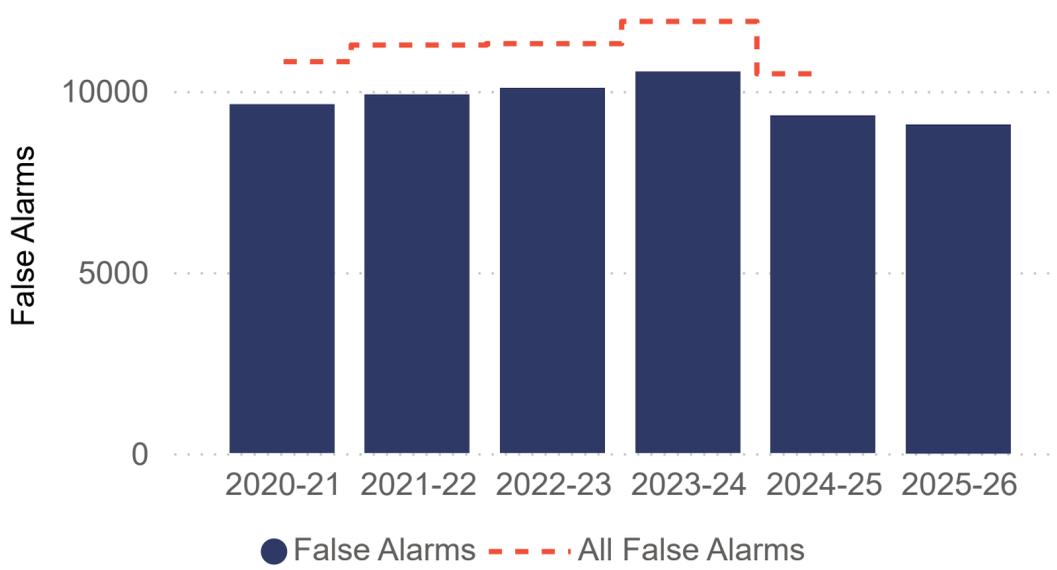
Deliberate - others property - Heat source and combustibles brought together deliberately	65
Deliberate - own property - Heat source and combustibles brought together deliberately	36
Accidental - Fault in equipment or appliance	32
Accidental - Faulty fuel supply - electricity	20
Accidental - Combustible articles too close to heat source (or fire)	11

False Alarms

01 April 2025

15 February 2026

False Alarms by Financial Year



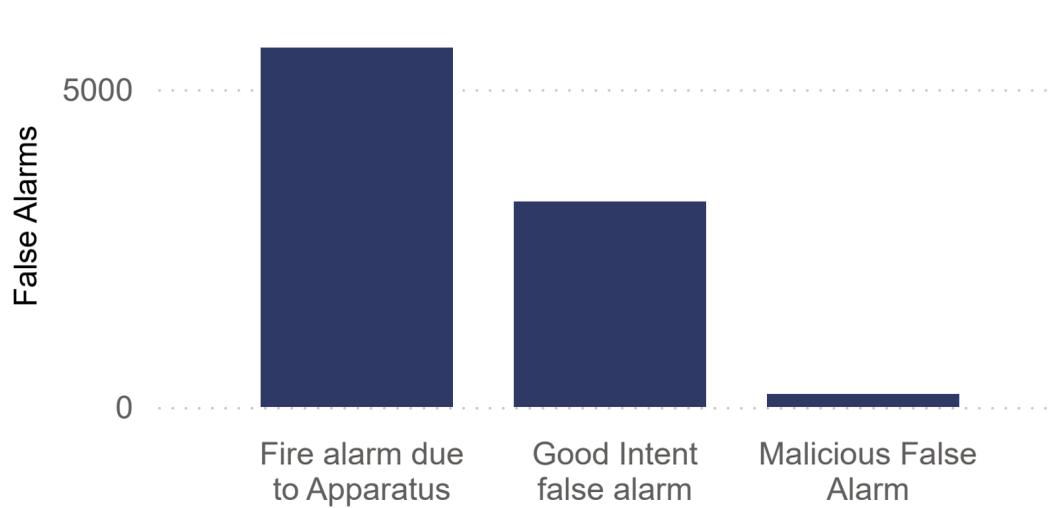
All False Alarms (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

False Alarms Previous Year To Date Comparison

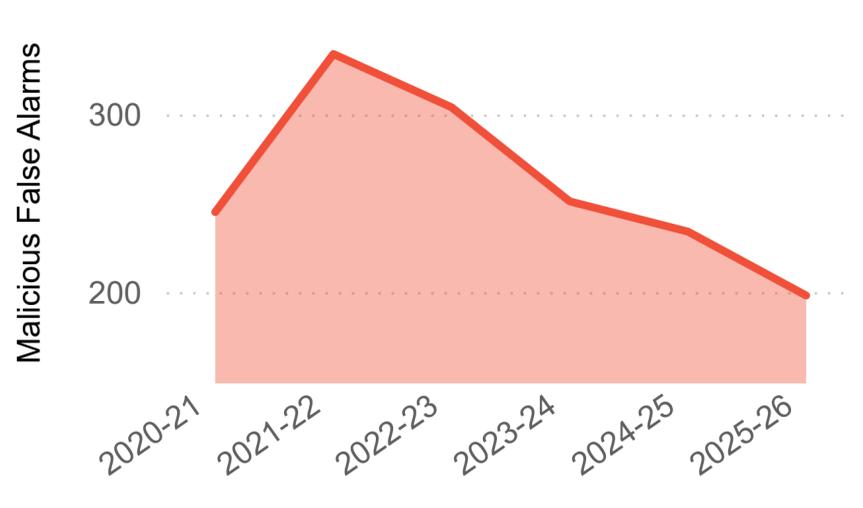
District	% increase/decrease on previous year	3 Year Average
Bradford	-15%	↓
Calderdale	1%	↓
Kirklees	-9%	↓
Leeds	5%	↓
Wakefield	8%	↓

3 year average indicator shows if current number of False Alarms this financial year is an increase/decrease of False Alarms against the 3 year average. Looking at only the comparison range.

False Alarm by Reason



Malicious False Alarms by Financial Year



Top Dwelling Properties

Purpose Built
Flat/Maisonette - multiple occupancy

Top Other Residential Buildings Properties

Residential Home

Top Non-Residential Building

Education

Top Dwelling Reason

Cooking/burnt toast

Top Other Residential Building Reason

Faulty

Top Non-Residential Reason

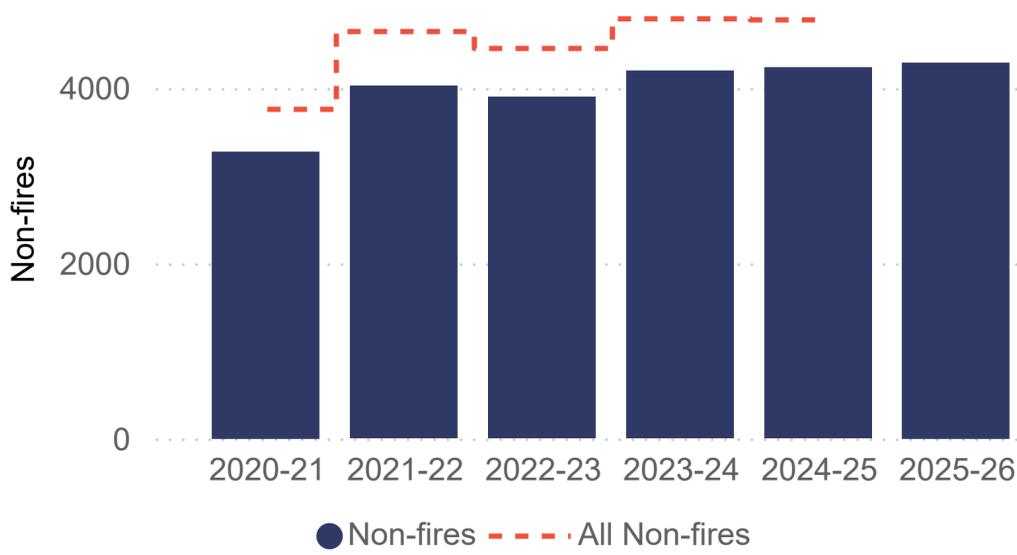
Faulty

Non-fires

01 April 2025

15 February 2026

Non-fires by Financial Year



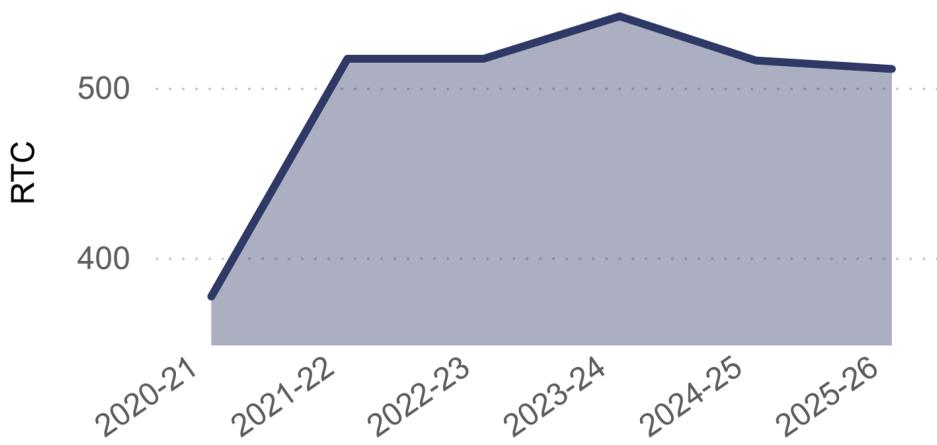
All Non-fires (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Non-fires Previous Year To Date Comparison

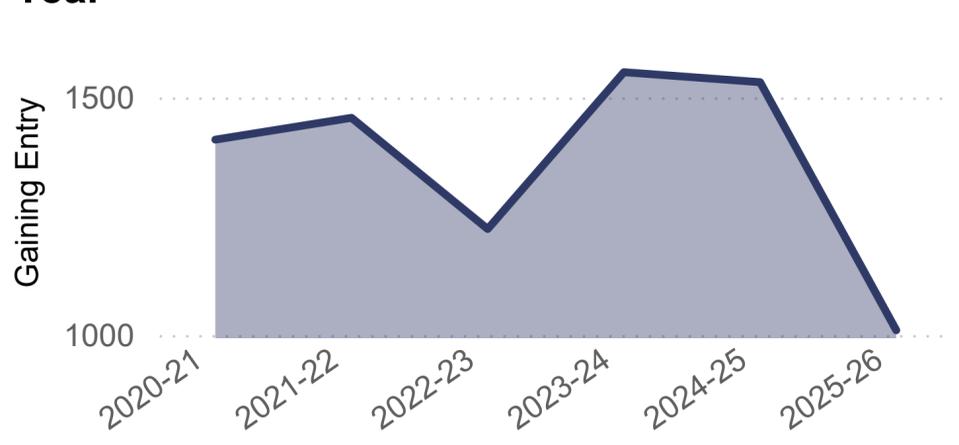
District	% increase/decrease on previous year	3 Year Average
Bradford	1%	↑
Calderdale	-13%	↓
Kirklees	9%	↑
Leeds	6%	↑
Wakefield	-6%	↑

3 Year average indicator shows if current number of Non-fires this financial year is an increase/decrease of Non-fires against the 3 year average. Looking at only the comparison range.

Road Traffic Collisions by Financial Year



Gaining Entry Cause for Concern by Financial Year



Top 5 Non-fire Types

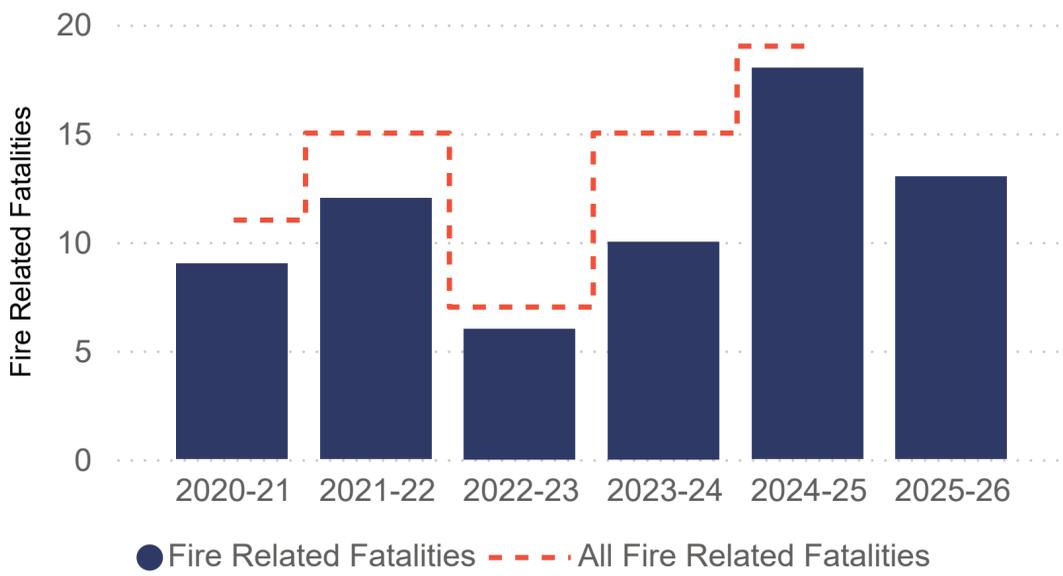
Non-fire Type	Count
Effecting entry/exit	1218
Assist other agencies	578
RTC	518
No action (not false alarm)	435
Lift Release	210

Fire Related Fatalities

01 April 2025

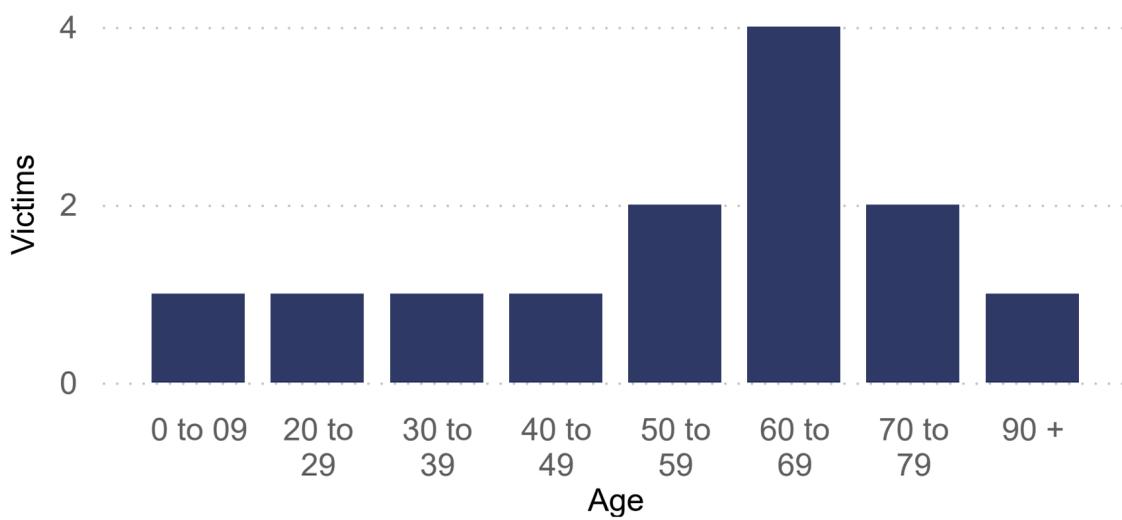
15 February 2026

Fire Related Fatalities by Financial Year

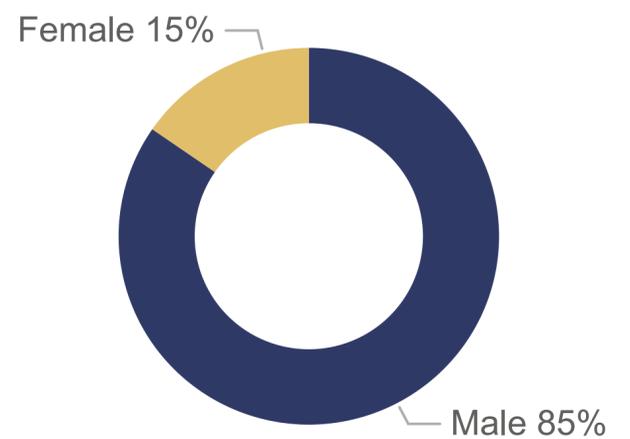


All Fire Related Fatalities (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Fire Related Fatalities by Age



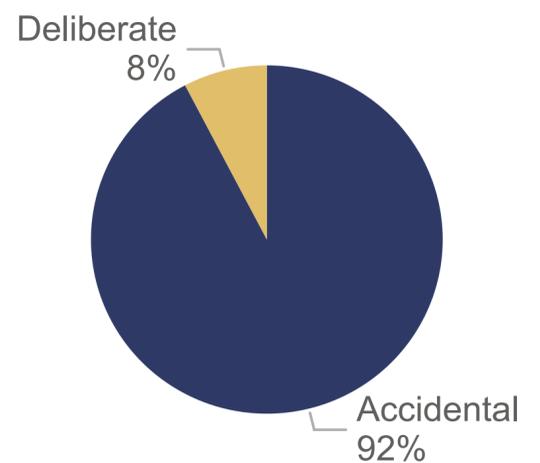
Fire Related Fatalities by Gender



Fire Related Fatalities by Property Type

Property Type	Fire Related Fatalities
House - single occupancy	9
Purpose Built Flat/Maisonette - multiple occupancy	2
Other	1
Industrial Processing	1

Fire Related Fatalities by Accidental or Deliberate Fires

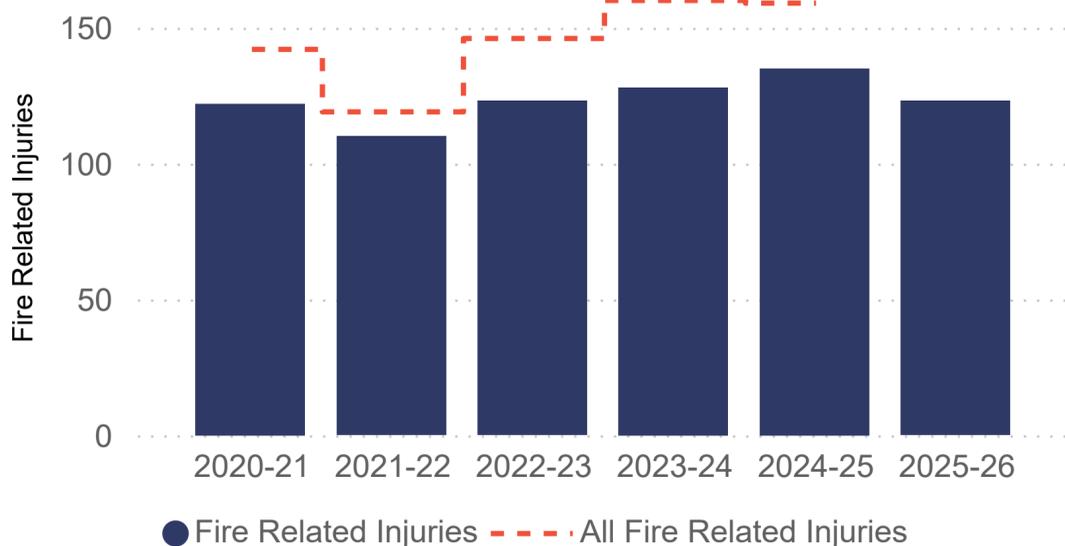


Fire Related Injuries

01 April 2025

15 February 2026

Fire Related Injuries by Financial Year



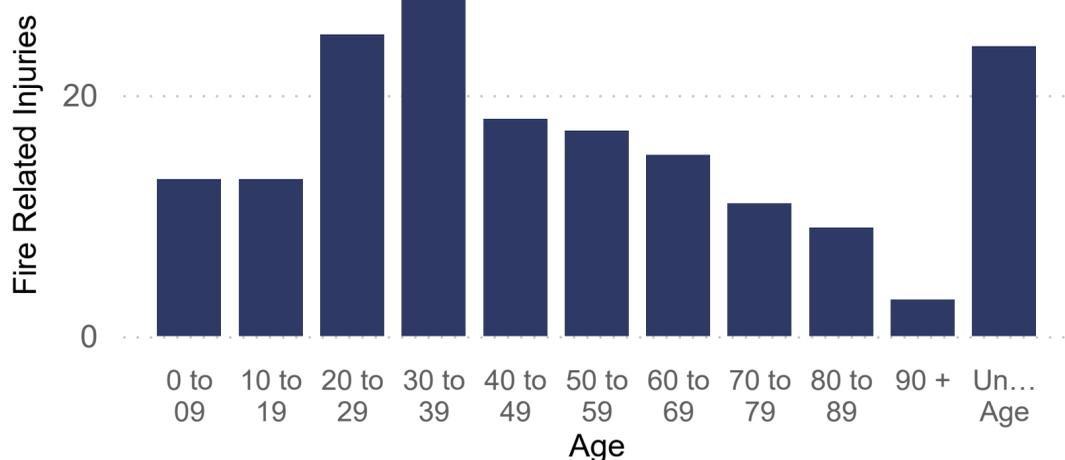
All Fire Related Injuries (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Fire Related Injuries Previous Year To Date Comparison

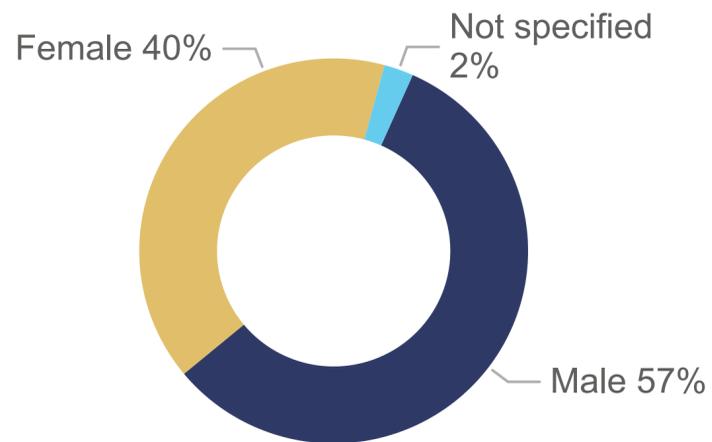
District	% increase/decrease on previous year	3 Year Average
Bradford	9%	↓
Calderdale	-10%	↓
Kirklees	-10%	↑
Leeds	-20%	↓
Wakefield	-10%	↑

3 Year average indicator shows if current number of Fire Related Injuries this financial year is an increase/decrease of Fire Related Injuries against the 3 year average. Looking at only the comparison range.

Fire Related Injuries by Age



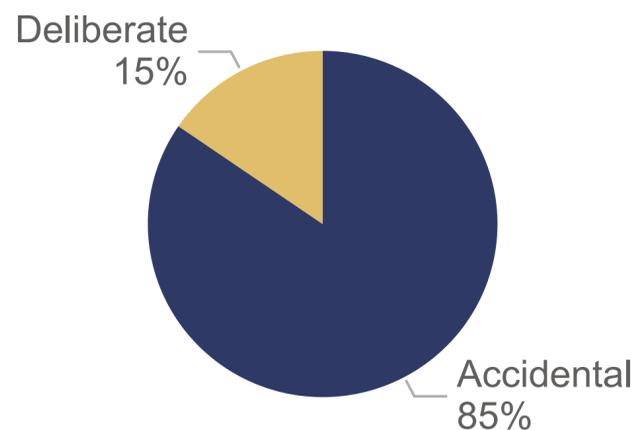
Fire Related Injuries by Gender



Fire Related Injuries by Severity

Severity of Injury	Fire Related Injuries
Victim went to hospital, injuries appear to be Slight	99
Victim went to hospital, injuries appear to be Serious	31
Precautionary check recommended	7
First aid given at scene	2

Fire Related Injuries by Accidental or Deliberate Fires



Top Property Type

House - single occupancy

Top Fire Cause

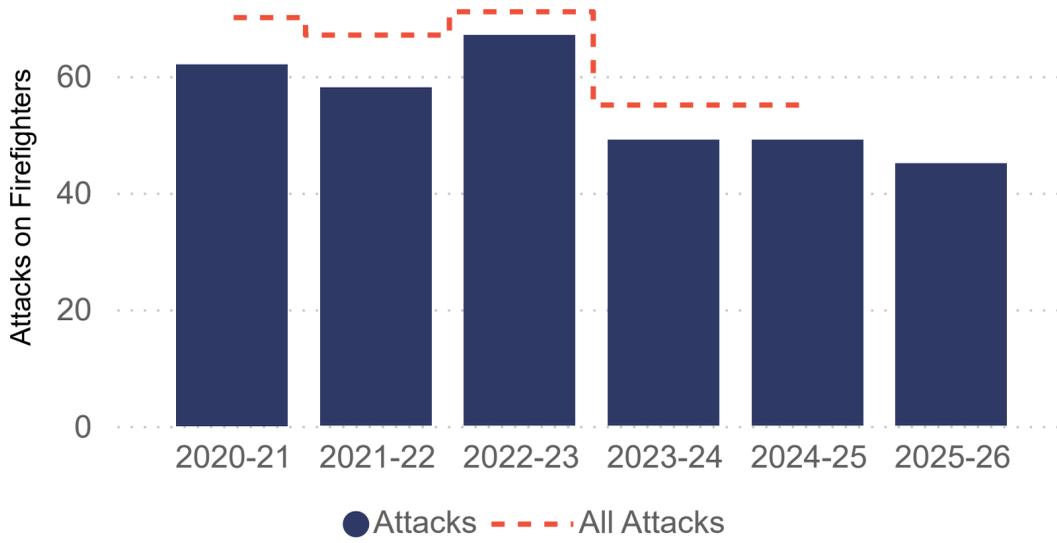
Deliberate - own property - Heat source and combustibles brought together

Attacks on Firefighters

01 April 2025

15 February 2026

Attacks on Firefighters by Financial Year



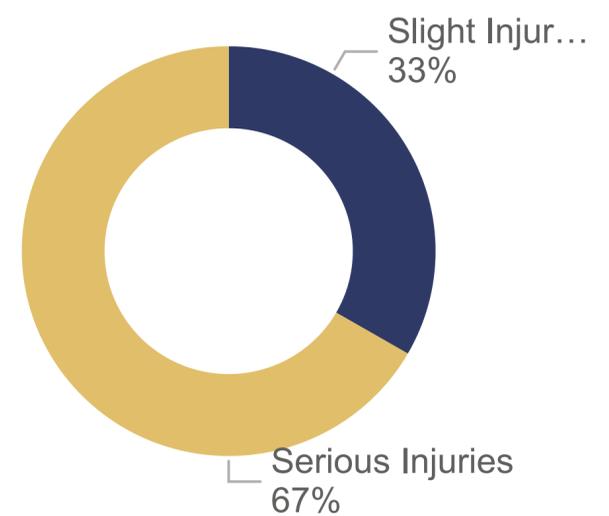
All Attacks on Firefighters (red dotted line) shows the total figure for the financial year. The bars show the value for selected date range.

Attacks on Firefighters Previous Year To Date Comparison

District	Current period	Previous year	% increase/decrease on previous year	3 Year Average
Bradford	18	24	-25%	↓
Calderdale	2	3	-33%	↓
Kirklees	2	7	-71%	↓
Leeds	19	11	73%	↑
Wakefield	4	4	0%	↓

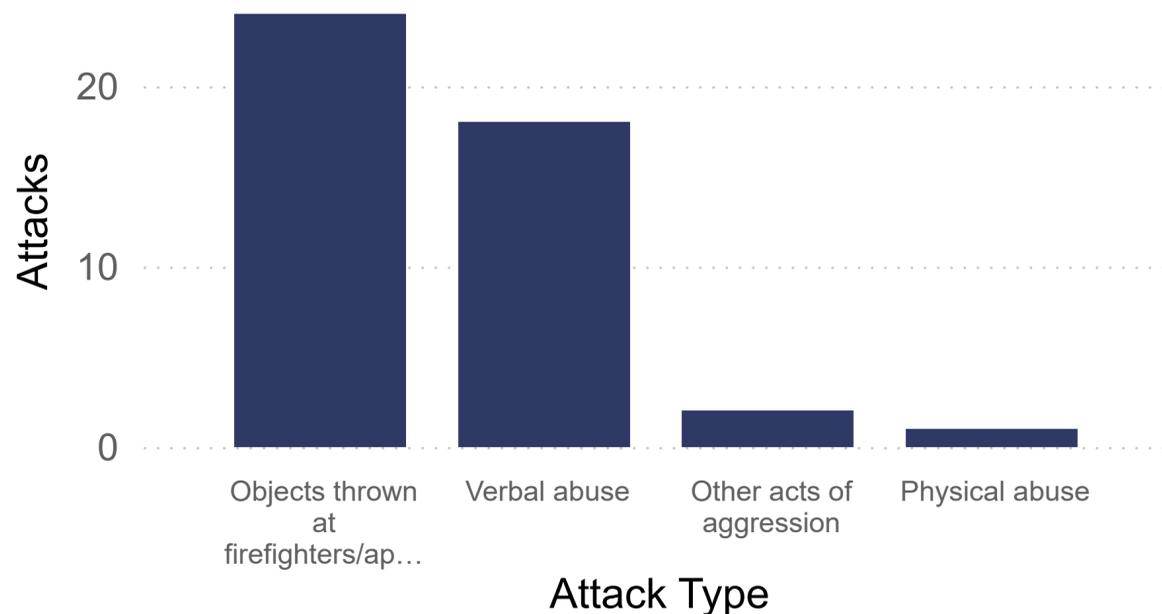
3 Year average indicator shows if current number of Attacks on Firefighters this financial year is an increase/decrease of Attacks on Firefighters against the 3 year average. Looking at only the comparison range.

Attacks on Firefighters by Severity



Visual may be blank if no slight and serious injuries are recorded for the date range.

Attacks on Firefighters by Attack Type



Percentage of incidents with an attack

District	% Attacks at district total incidents
Bradford	0.29%
Leeds	0.22%
Wakefield	0.14%
Calderdale	0.09%
Kirklees	0.06%

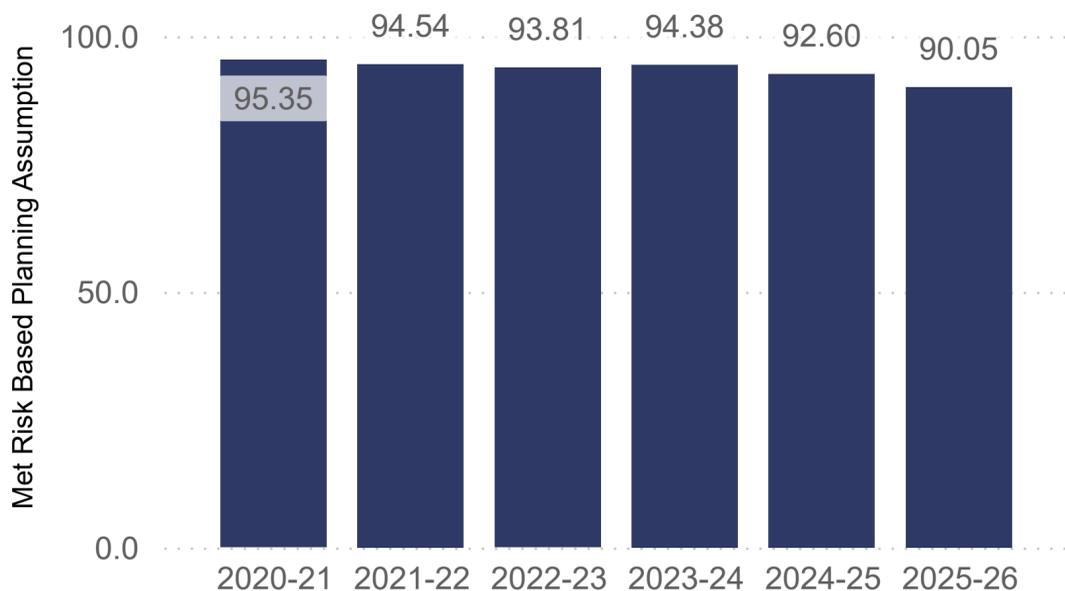
Percentage of attacks based on number of incidents per district.

Response Times

01 April 2025

15 February 2026

Percentage of Met Risk Based Planning Assumption Response Times by Financial Year



Percentage of Met Risk Based Planning Assumption Response Time

District	% Met
Leeds	93.79
Bradford	91.10
Wakefield	86.22
Kirklees	85.93
Calderdale	84.31

Average Response Time by LSOA Risk Score and Severity

Risk Score	Life	Property	Other	Total
Very High	00:05:57	00:07:11	00:07:13	00:07:07
High	00:06:30	00:07:04	00:07:22	00:07:15
Medium	00:06:49	00:08:07	00:07:52	00:07:46
Low	00:07:51	00:08:51	00:08:26	00:08:23
Very Low	00:08:53	00:10:35	00:09:40	00:09:37
Total	00:07:41	00:08:47	00:08:19	00:08:16

Average Response Time Targets

Risk Score	Life	Property	Other
Very High	7.00	9.00	15.00
High	8.00	10.00	15.00
Medium	9.00	11.00	15.00
Low	10.00	12.00	15.00
Very Low	11.00	13.00	15.00

LSOA: Lower Super Output Area.

The Risk Based Planning Assumptions (RBPA) utilised by WYFRS place greatest emphasis on the likelihood of incidents occurring where there is a risk to people. Three different classifications of incidents are utilised, these being:

Life – Potential for incidents to involve rescues, injuries or fatalities including private dwellings, or other sleeping risks.

Property – Incidents occurring in properties other than those included within the Life risk.

Other – All other incidents not included within the descriptors for Life and Property risk including secondary fires, false alarms and non-fire related incidents where there is no risk to human life.

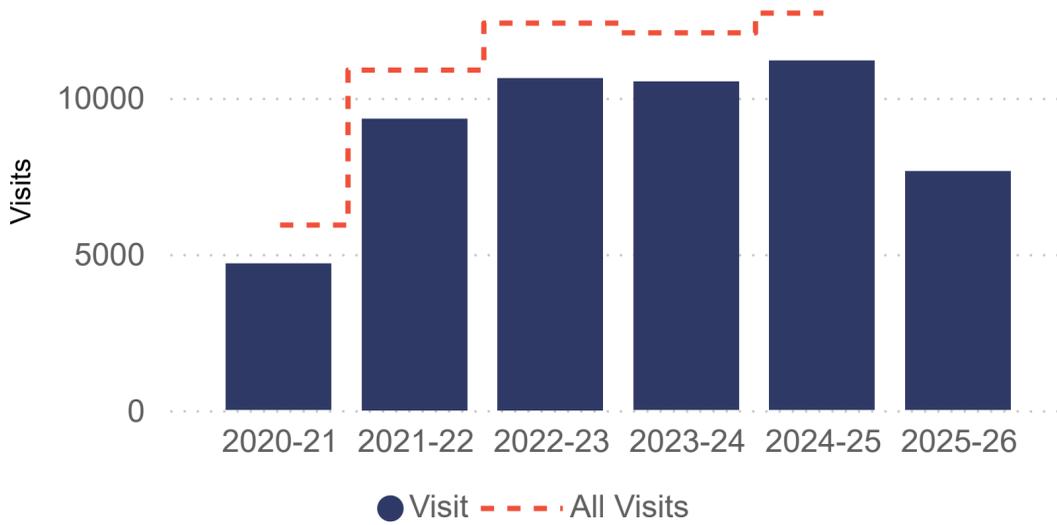
The RBPA's are underpinned by a comprehensive risk assessment for WYFRS.

Safe and Well Visits

01 April 2025

15 February 2026

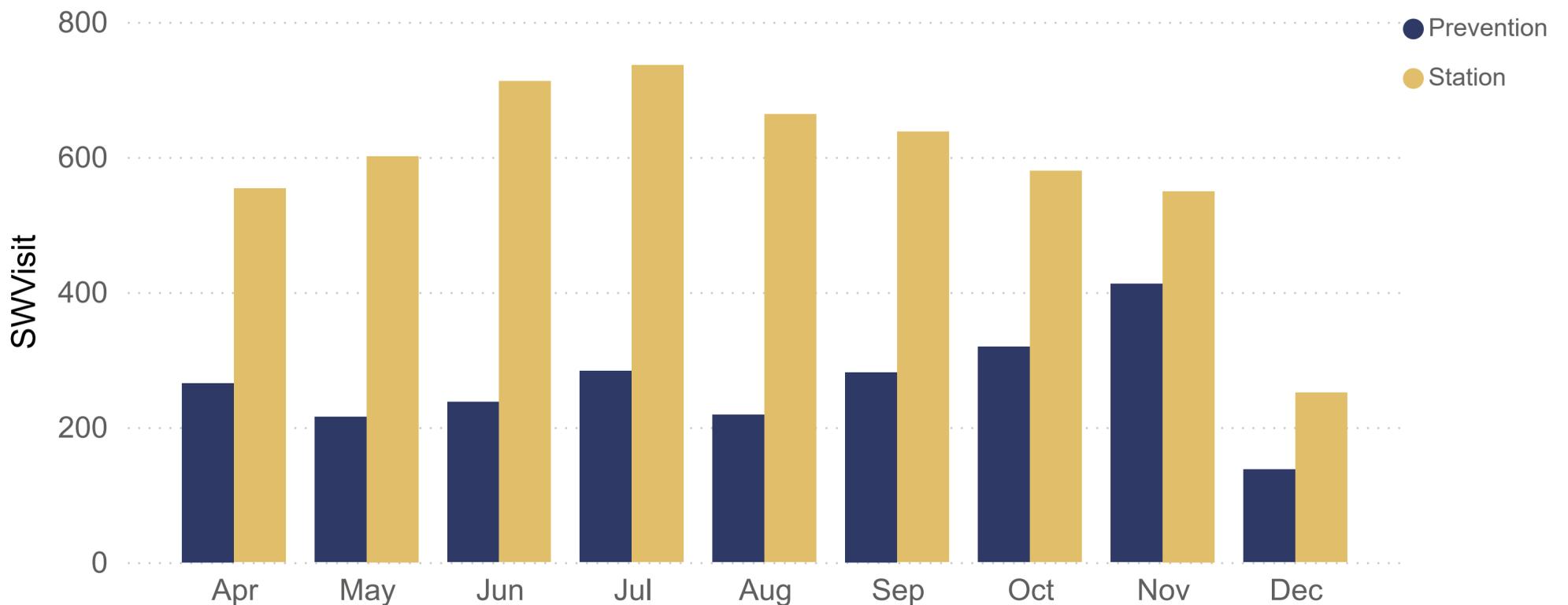
Completed Safe and Well Visits by Financial Year



All Visits (red dotted line) shows the total figure for the financial year.

The bars show the value for selected date range.

Completed Visits by Month



The Safe and Well programme is the flagship prevention activity within WYFRS. We target vulnerability through a simple risk rating process and then visit people in their homes to offer information, advice and safety equipment. The risk rating process is to ensure that we are providing our resources to those who need it most.

People can be referred to WYFRS from partner organisations, self-refer or we can identify the need for a Safe and Well Check during operational incidents.

It also covers a broader assessment of vulnerability against a number of other elements, including:

- Frailty and falls
- Social Isolation
- Winter Cold
- Crime
- Smoking

Site Specific Risk Inspections (SSRI)

01 April 2025

15 February 2026

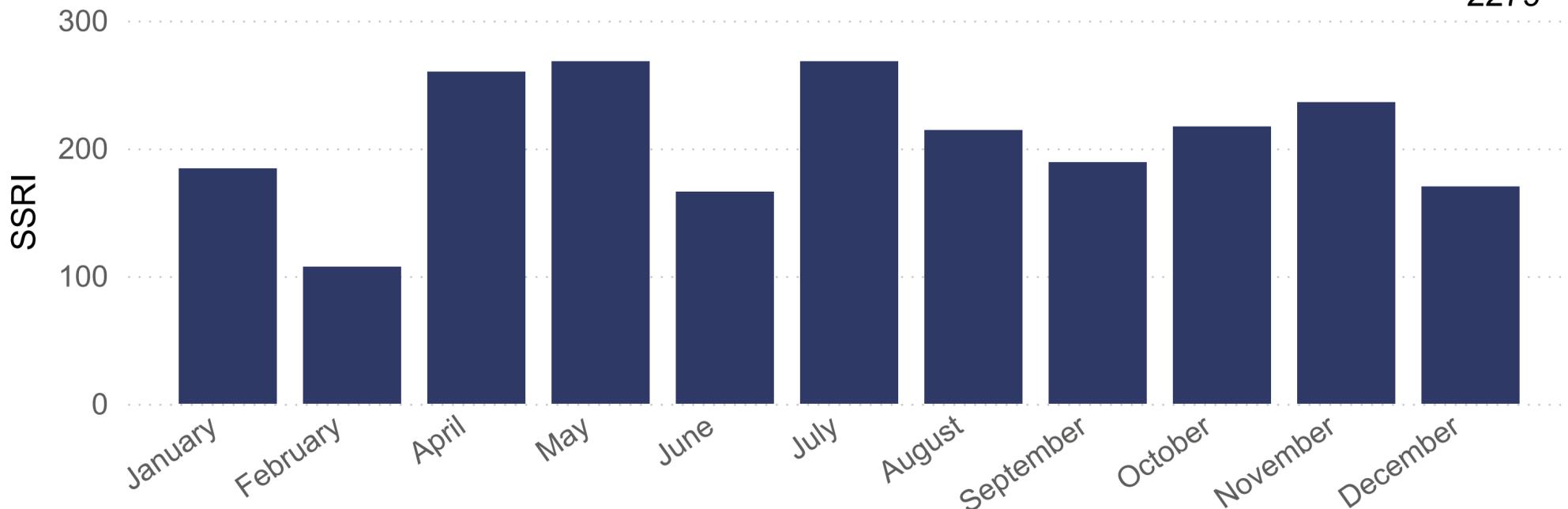
SSRI by Financial Year



All SSRI (red dotted line) shows the total figure for the financial year.

The bars show the value for selected date range.

SSRI by Month



SSRIs are generated from operational liaison referrals, post fire visits and what crews identified as perceived risks within their station area.

SSRIs are allocated to each District which are then allocated to stations/watches.

The Operational Risk Management Team centrally audit 100 percent of all SSRIs. This ensures a standard approach to the recording and understanding of risk which in turn underpins the safety of operational crews when responding to premises considered higher risk.

HMICFRS 2026 Inspection Timeline

