

## Part I

# ROYAL BERKSHIRE FIRE AUTHORITY REPORT



<b>COMMITTEE</b>	<b>MANAGEMENT COMMITTEE</b>
<b>DATE OF MEETING</b>	<b>10 FEBRUARY 2026</b>
<b>SUBJECT</b>	<b>BUDGET 2026/27</b>
<b>LEAD OFFICER</b>	<b>CONOR BYRNE, HEAD OF FINANCE AND PROCUREMENT</b>
<b>LEAD MEMBER</b>	<b>COUNCILLOR JEFF BROOKS</b>
<b>EXEMPT INFORMATION</b>	<b>PART I</b>
<b>ACTION</b>	<b>NOTE AND RECOMMEND</b>

## 1. EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to enable Management Committee to consider the 2026/27 Budget and recommend it to Fire Authority.
- 1.2 The 2026/27 Budget has been built around a Band D precept increase of £5. A public consultation on increasing the precept by £5 was undertaken in January with 78.7% of respondents being in favour of an increase of £5.
- 1.3 The Budget and Efficiency Working Party, chaired by the Lead Member for Finance, met on three occasions to develop the 2026/27 Budget documents which are attached to this paper.
- 1.4 Despite the challenging financial position, the Chair of the Budget and Efficiency Working Party believes that this is a Budget that will further improve upon the already high standards of service delivered to the people of Berkshire. It is underpinned by a comprehensive investment programme in the Service's staff and assets which will transform business processes and deliver future efficiencies.

## 2. RECOMMENDATION

That Management Committee:

- 2.1 **CONSIDER** the responses to the public consultation on the precept for 2026/27 (Appendix A).

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- 2.2 **RECOMMEND** to Fire Authority the Medium-Term Financial Plan in Appendix B.
- 2.3 **RECOMMEND** to Fire Authority the Efficiency and Productivity Plan in Appendix C.
- 2.4 **RECOMMEND** to Fire Authority the Strategic Asset Investment Framework (SAIF) in Appendix D.
- 2.5 **RECOMMEND** to Fire Authority the Prudential Indicators, Treasury Strategy and Investment Strategy in Appendix E.
- 2.6 **RECOMMEND** to Fire Authority the Reserves Policy in Appendix F.
- 2.7 **RECOMMEND** to Fire Authority the TVFCS revenue and capital budgets for 2026/27 as set out in Appendix G, as well as the Authority's 2026/27 contribution of £90,000 to the TVFCS Renewals Fund.
- 2.8 **RECOMMEND** to Fire Authority the fees and charges for 2026/27 as set out in Appendix H.

## **3. REPORT**

- 3.1 The Budget Working Party set itself the objective of building a budget that would not only balance for 2026/27 but also for the subsequent three years that make up the period of the Medium-Term Financial Plan (**Appendix B**). The £5 increase in the precept is key to meeting this objective.
- 3.2 A public consultation took place in January on increasing the Band D council tax precept for 2026/27 by £5. Overall, there were 230 responses to the question with 78.7% of respondents being in favour of an increase of £5. There was similar support for increasing the precept by £5 for 2027/28 and 2028/29. Further detail on the consultation responses can be found in **Appendix A**.
- 3.3 The first task of the Budget Working Party was to consider savings, efficiencies and income generation that could be made from the base budget to offset significant unavoidable pressures. The savings identified for 2026/27 amount to £1,041,000 and are shown in the Medium-Term Financial Plan.
- 3.4 In addition to the efficiencies mentioned above, the Efficiency and Productivity Plan (**Appendix C**) also captures projects that are planned or underway and will deliver future efficiencies and productivity gains for the organisation.
- 3.5 The Authority's ambitious capital expenditure plans are set out in the Strategic Asset Investment Framework (**Appendix D**). The programme covers major

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refurbishments of our wholetime stations, including measures to make the estate more environmentally sustainable as well as provision for our fleet and ICT.

- 3.6 The Treasury Strategy (**Appendix E**) sets out prudential indicators to ensure that the capital programme remains affordable, and cash-flow remains sufficient to cover day-to-day expenditure. While financing costs of capital expenditure rise over the next four years, they remain affordable and do not breach the maximum ratios approved by the Authority.
- 3.7 The Reserves Policy is attached as **Appendix F**. Reserves, including the capital receipt reserve, will fall by 19% over the next four years due to various earmarked reserves being expended. Under Section 25 of the Local Government Act 2003, the Chief Finance Officer is obliged to report on the robustness of the estimates and the adequacy of the proposed financial reserves. I believe that reserves will remain adequate over the medium term as the Authority will maintain the Budget Contingency Reserve at 3% of the Revenue Budget to deal with unforeseen in-year budget pressures. In addition, the General Reserve will be maintained at 5% of the Revenue Budget to provide short-term emergency funding from low-probability, high-impact events.
- 3.8 The Thames Valley Fire Control Service (TVFCS) budget for 2026/27 is attached as **Appendix G**. As well as the Revenue Budget, capital expenditure for 2026/27 is shown as well as forecast income and expenditure movements in the Renewals Fund.
- 3.9 Fees and Charges are shown in **Appendix H**.

## 4. **CONTRIBUTION TO STRATEGIC COMMITMENTS**

- 4.1 Sustainability. We are committed to ensuring that we provide a financially sustainable Service and take meaningful action to help address the climate emergency.

## 5. **FINANCIAL IMPLICATIONS**

- 5.1 The 2026/27 Budget presented to Fire Authority is a balanced budget. The Budget and Efficiency Working Party has also sought to ensure that the 2026/27 Budget provides resources to build resilience and efficiency into the services we provide to the public.
- 5.2 Funding of key priorities has been made possible through the efficiencies and additional income that will be delivered in 2026/27.

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### **6. LEGAL IMPLICATIONS**

- 6.1 The 2026/27 Budget complies with statutory regulations.
- 6.2 The Local Government Act 2003 gives the responsible finance officer, namely the Chief Finance Officer of the Combined Fire Authority under s112 of the Local Government Finance Act 1988, the responsibility to report to Members of the Authority on his assessment of the robustness of the estimates used within the budget and on the adequacy of reserves.
- 6.3 Members must take account of the advice of the Chief Finance Officer in respect of the above and the highlighted associated risks before considering the recommendations as set out in the report.

### **7. EQUALITY AND DIVERSITY IMPLICATIONS**

- 7.1 There are no equality and diversity implications arising from this report.

### **8. RISK IMPLICATIONS**

- 8.1 Potential shortfalls in funding and unavoidable pressures have been highlighted in the Budget documents and appear on the Authority's Corporate Risk Register. The Register is reviewed monthly by the Senior Leadership Team and the risks around budget pressures, funding and pay costs are being actively managed.

### **9. SUSTAINABILITY IMPLICATIONS**

- 9.1 Environmental sustainability considerations are built into every capital project and the revenue implications of those projects is factored into the Medium-Term Financial Plan.

### **10. CONSISTENCY WITH DUTY TO COLLABORATE**

- 10.1 The Authority has been an early adopter of collaboration which has delivered significant savings, examples being the joint vehicle workshop arrangements with Hampshire Fire and Rescue Service and the establishment of TVFCS. In addition, co-location agreements have been signed with partners which provide the Authority with income to support the revenue budget.

### **11. PRINCIPAL CONSULTATION**

- 11.1 The Chief Fire Officer has noted the contents of the report.

### **12. BACKGROUND PAPERS**

- 12.1 None

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### **13. APPENDICES**

- 13.1 Appendix A – Budget Consultation Response
- 13.2 Appendix B – Medium Term Financial Plan
- 13.3 Appendix C – Efficiency and Productivity Plan
- 13.4 Appendix D – Strategic Asset Investment Framework
- 13.5 Appendix E – Treasury Strategy
- 13.6 Appendix F – Reserves Policy
- 13.7 Appendix G – Thames Valley Fire Control Service Budget
- 13.8 Appendix H – Fees and Charges

### **14. CONTACT DETAILS**

- 14.1 Conor Byrne, Head of Finance and Procurement, [byrnec@rbfrs.co.uk](mailto:byrnec@rbfrs.co.uk)