

# **MERSEYSIDE FIRE AND RESCUE AUTHORITY**

## **BUDGET AUTHORITY**

**26 FEBRUARY 2026**

### **MINUTES**

**Present:** **Councillors** Les Byrom (Chair), James Roberts, Janet Grace, Jeanie Bell, Edna Finneran, Sam Gorst, Dave Hanratty, Doreen Knight, Grahame McManus, Andrew Makinson, Kieran Murphy, Lynn O’Keeffe, Chris Page, Mike Sullivan, Lynne Thompson, Heather Westhead and Police and Crime Commissioner, Emily Spurrell.

**Also Present:**

|                                     |              |
|-------------------------------------|--------------|
| Chief Fire Officer                  | Nick Searle  |
| Deputy Chief Fire Officer           | Dave Mottram |
| Assistant Chief Fire Officer        | Ged Sheridan |
| Director of Finance and Procurement | Mike Rea     |
| Monitoring Officer                  | Ria Groves   |

#### **26. Apologies**

Apologies for absence were received from Councillors Lesley Rennie and Jeanette Banks.

#### **27. Declarations of Interest**

Councillor Kieran Murphy declared an interest in relation to Item 4 on the agenda by virtue of a s.106 Local Government Fonana Act 1992 restriction, in which the Monitoring Officer had been advised prior, it was agreed by the Chair he would be excused for Item 4 and did not vote on this matter.

#### **28. Minutes of the Previous Meeting**

**RESOLVED** that the minutes of the previous meeting held on the 23<sup>rd</sup> October 2025 were agreed as an accurate record.

#### **29. Budget & Financial Plan 2026/27 - 2030/31**

Director of Finance and Procurement, Mike Rea introduced the report noting that the report provided the essential information required to set a medium-term capital and revenue financial plan aligned to the Authority’s strategic aims.

Members were advised that this would enable a balanced budget for 2026/27 based on a £5 precept increase, in accordance with statutory requirements. It was highlighted that the opening sections of the report summarised the background to the proposed 2026/27–2030/31 financial plan.

Members were informed that the capital programme totalled £44.2 million, with £42.3 million funded through borrowing, and that the programme had increased

by £8.9 million due to the addition of the 2030/31 financial year. It was noted that detailed capital expenditure proposals included provision for asset plan investments. The meeting was advised that the recommended approach to the Minimum Revenue Provision remained consistent with the current strategy, using the asset-life method, and that associated costs had been built into the updated plan.

It was further noted that the proposed borrowing remained within the required prudential indicators and that the Treasury Management Strategy set an authorised borrowing limit of £68 million while maintaining existing investment criteria. Members were informed that key revenue assumptions included a 3% pay award in 2026/27, 2.5% in later years, CPI at around 2.5% by mid-2026, and £5 precept increases for the next three years before moving to 2% annual increases. The meeting was reminded that the decision required on the day related specifically to approving the £5 increase for 2026/27.

It was reported that the 2026/27, 2027/28 and 2028/29 budget remained balanced, although small financial risks were expected in 2029/30 and 2030/31 due to uncertainties around pay and government funding. Members noted the review of reserves, including the recommendation to maintain the general fund at £3.9 million and approve the committed reserves. Finally, it was confirmed that £41.213 million needed to be raised from Council Tax in 2026/27, requiring an increase in the Band D charge from £96.25 to £101.25, with most Band A households seeing an increase of just over six pence per week.

The Chair, Les Byrom thanked all Officers involved for their hard work in preparing the budget. It was noted that although funding pressures had previously caused concern, recent lobbying had resulted in some improvements, which would continue, particularly around capital funding.

Members were advised that the Authority would be responsible for managing over £100 million of capital investments linked to National Resilience, major projects such as the redevelopment of Kirkby Fire Station and other estate improvements. It was noted that capital spending carried direct implications for the revenue budget, and these had been fully reflected in the proposals presented.

The Chair highlighted that changes to Pension fund contributions required a prudent approach over the next three years. It was observed that although the settlement was presented as a single-year allocation, it effectively operated as a multi-year settlement, providing some clarity for forward planning.

Councillor Bell highlighted that she was satisfied with the report provided and wished to ensure the public also understood the position. She asked how sensitive the Medium-Term Financial Plan (MTFP) was to changes in key assumptions, including higher pay awards, reduced income and movements in interest rates. She referred to the interest rate assumptions for unsupported borrowing and sought assurance on how the Authority had assessed affordability and risk should interest rates rise or funding fall. She noted that recent political instability had shown how markets react to uncertainty and asked how such volatility had been reflected in the Authority's financial planning.

Mike Rea thanked Councillor Bell and explained that the Authority had increased the pay award assumption to 3% for 2026/27 and 2.5% for the remainder of the MTFP. It was acknowledged that pay awards could exceed 3% but emphasised that the key issue was affordability. He confirmed that the Authority held an inflation reserve, equivalent to around 1% per year over the next three years, which could be used to help manage higher-than-expected pay or inflationary pressures.

Councillor Knight referred to page 73, paragraph 13, and asked for clarification on the reference to “community-based safety,” requesting an explanation of what this term meant within the context of the report.

Mike Rea explained that the reference related to a combination of small reserves the Authority had maintained. The community-based initiatives had been funded through community donations received from various schemes. He confirmed that the intention was to reinvest those funds back into community initiatives. He added that, the Health and Safety reserve was separate to the community based initiatives.

Councillor Page thanked the Chair and referred to Item F on page 72 regarding the insurance reserve. He explained that he had already discussed the matter with officers and had received satisfactory clarification about the associated risks and claims. He requested only that the wording be amended so that the term “premium” was replaced with “policy,” noting that this would be a more accurate description.

Councillor Sam Gorst entered the meeting at 13:16pm.

The Monitoring Officer, Ria Groves, explained that the reference related to the “excess” on the insurance policy, and that the “premium” referred specifically to the amount paid to obtain that policy. She confirmed that the wording simply reflected this distinction.

Members were asked to agree the budget including all recommendations contained within the report. by a show of hands. All Members present voted in favour of the proposed budget and recommendations included within the report.

**RESOLVED** that;

- a) the report and proposed budget be noted;
- b) the 2026/2027 Fire and Rescue Authority budget as detailed in this report be approved;
- c) the Director of Finance and Procurement’s recommendation of maintaining the General Fund Reserve balance at £3.900m and maintaining the reserves as outlined in paragraphs 142 to 152 of this report be approved;

- d) the proposal to increase the precept by £5.00 for Band D properties in 2026/2027, raising the Band D Council Tax from £96.25 to £101.25 and confirm the strategy for future precept rises (the plan assumes further increases of £5.00 in 2027/28 and £5.00 in 2028/29 for the remaining years of the multi-year settlement and 2% in each year after that) be approved;
- e) the assumptions in developing a five-year financial plan outlined in the report and approve the 2026/2027 budget estimate of £86.039m be noted;
- f) the Capital Programme as summarised in Appendix B be approved;
- g) the 2026/2027 – 2030/2031 updated Medium Term Financial Plan (MTFP) outlined in the report and summarised in Appendix C be approved;
- h) the discretionary fees and charges uplift outlined in the report and summarised in Appendix E be approved;
- i) the Minimum Revenue Provision (MRP) strategy for 2026/2027, as this report outlines in paragraphs 81 to 91 be approved;
- j) the prudential indicators relating to the proposed capital programme, outlined in paragraphs 92 to 102 of this report be noted;
- k) the Treasury Management Strategy outlined in Section F and agree the Treasury Management indicators set out in the section for:
  - External Debt Prudential Indicators
  - Operational Boundary for Debt
  - Upper limits on fixed interest rate exposure
  - Upper limits on variable rate exposure
  - Upper and lower on the maturity structure of debt
  - Total principal sums invested for periods longer than 365 days be approved; and
- l) that the recommendations above provide an approved framework within which officers undertake the day-to-day capital and treasury management activities be noted.
- m) that the amendment to page 72, item (f), replacing the term 'premium' with 'policies', be noted.

### **30. Asset Management Plans**

Chief Fire Officer, Nick Searle introduced the report explaining that the report set out how the Authority would align its physical assets and systems with its corporate objectives over the next five years, from 2026/27 to 2030/31. Members were advised that the plans outlined how buildings, land and contents, data and technology, and the transport fleet would be managed efficiently throughout their life cycles, taking account of financial and environmental

pressures and supporting the CRMP, Service Delivery Plan, People Plan and MTFP.

Councillor Murphy queried what the planned refurbishments at the King's Trust site in Bromborough Fire Station involved, noting that the property fell within his ward.

Stewart Woods, Head of Estates, explained that the Authority was still determining the future use of the King's Trust building. He confirmed that the existing training tower on the site required replacement and that the plan was to demolish it and install a new steel training tower elsewhere on the site. He added that once the tower was relocated, options for the remainder of the building would be reviewed, which could include making no further changes depending on operational need.

Councillor Bell asked about the empty LLAR houses in Newton le Willows and the old stores building, querying what the Authority intended to do with them and whether there were plans for disposal or sale to generate a financial return.

Stewart Woods explained that the LLAR site and the old stores have either already been sold or are in the process of being sold and were included within the current capital business appraisal process.

**RESOLVED** that; the 2026/27-2030/31 Asset Management Plans provided as appendices to this report be approved.

### **31. Microsoft Enterprise Agreement Renewal 2026**

The Chief Fire Officer, Nick Searle reported that the Authority needed to renew its Microsoft Enterprise Agreement and recommended awarding the contract to Phoenix Software Limited as the Microsoft licensing solution provider for a three-year period from April 2026, at a total cost of £1.044 million.

It was explained that the current agreement expires on 31 March 2026 and that such agreements can only be purchased through accredited providers. Members were advised that several procurement routes were assessed, and the framework operated by Kent County Council (Y230065) offered the most cost-effective option, providing a lower overall cost than the CCS framework. The annual costs would be £0.344 million in year one and £0.350 million in years two and three, all contained within existing budgets.

**RESOLVED** that;

- a) the contents of the report be noted; and
- b) the award of a contract to Phoenix Software Limited to act as the Authority's Microsoft LSP for three years from April 2026 for £1.044m be approved

### **32. Bulk Fuel Contract 2026-2028**

The Chief Fire Officer, Nick Searle introduced the report for the award of a bulk fuel contract..

Members were advised that the CCS framework was identified as the most effective procurement route, allowing the Authority to benefit from collective public-sector purchasing and economies of scale. A competition was run through the framework, and CCS evaluated the bids and identified Standard Fuels Limited as the preferred supplier. The new contract would begin on 1 April 2026,.

The Chief Fire Officer confirmed that the process had complied with contract standing orders and public procurement regulations, and that securing fuel supply supported the Authority's statutory duty to maintain business continuity.

The Chair, Les Byrom, noted that the need for a diesel-fuel contract was simply a consequence of the Authority still operating a diesel fleet. He reminded Members that the Authority had already agreed, at a previous meeting, to begin the process of replacing vehicles through a separate programme of work. He emphasised that while the long-term direction was towards greener, more sustainable fleet options, the current diesel vehicles remained in service and required fuel until they could be replaced in line with the established replacement programme.

**RESOLVED** that;

- a) the content of this report be noted; and
- b) the award of the contract to Standard Fuels Ltd for the provision of bulk diesel fuel supplies for an estimated contract value of £440,000 be approved.

### **33. Award of Contract for the Procurement of Breathing Apparatus**

The Chief Fire Officer reported the outcome of the Northwest regional procurement process for new Breathing Apparatus (BA) and sought approval to award the contract to Interspiro Ltd for an estimated £2 million. Members noted that the Authority had participated in the regional programme through the Northwest Operational Equipment Group, which agreed a coordinated asset-refresh approach.

Members were advised that a full regional procurement exercise was carried out using the Devon and Somerset Fire and Rescue Service framework to ensure compliance with procurement regulations and established governance. It was noted that Lancashire Fire and Rescue Service had led the process, with Cheshire providing legal support. Supplier engagement, technical evaluation and extensive wearer trials were undertaken, including at the Training and Development Academy, the Mersey Tunnels and high-rise buildings. Three

compliant bids were received, and Interspiro Ltd achieved the highest overall score based on technical performance, usability, safety and whole-life cost.

The Chief Fire Officer highlighted that Operational staff were involved throughout, from specification development to structured feedback during trials. Subject to approval, implementation would require training, familiarisation, fit-testing and updates to operational procedures. The regional procurement totals around £10 million, with Merseyside's estimated spend to be £2 million under a call-off contract.

**RESOLVED** that;

- a) the contents of this report be noted; and
- b) the award of the contract for Breathing Apparatus equipment and associated ancillary items to the successful bidder, Interspiro Ltd, for an estimated value of £2,000,000 be approved.

**34. Award of Contract for the Procurement of Personal and Leadership Development Training Services**

The Chief Fire Officer, Nick Searle explained that the report outlined the procurement exercise for personal and leadership development training and sought approval to award a four-year contract, with a one-year extension option, to Brathay Trust Limited at a total potential value of £432,000.

Members were advised that the Authority has used outdoor and residential activity-based development programmes for more than a decade, supporting self-awareness, resilience, confidence and leadership skills. These programmes form part of the Authority's wider leadership development framework, and each new firefighter recruit cohort completes a three-day residential course as part of initial training.

The procurement was carried out through the Yorkshire Purchasing Organisation framework, which provided a transparent and compliant route to market. One bid was received—from Brathay Trust—and, following evaluation and presentations, the organisation was confirmed as suitable to deliver the required services.

The Chair, Councillor Les Byrom, reminded Members of the King's Trust and heard first-hand how valuable the residential courses were for developing confidence, personality and interpersonal skills.

**RESOLVED** that;

- a) the contents of the report be noted; and
- c) the award of a contract for the supply of personal and leadership development training services to Brathay Trust Ltd for a duration of 4

years with an option to extend for 1 year and with a total value of up to £432,000 be approved.

Close

Date of next meeting Thursday, 11 June 2026