

Statement of Accounts 2024/25

Report of the Chief Fire Officer

For further information about this report please contact James Walton, Treasurer, on 01743 2589185 or Joanne Coadey, Head of Finance, on 01743 260215.

1 Executive Summary

This report sets out the key revenue issues which have arisen from work on the Statement of Accounts 2024/25 and seeks approval for use of the General Fund balance in 2025/26.

2 Recommendations

The Fire Authority is recommended to:

- a) Note the final position of the revenue budget and the General Fund balance in 2024/25, and
- b) Approve use of the General Fund balance in 2025/26.

3 Background

The Accounts and Audit Regulations (Amended) 2024 state that the Statement of Accounts for 2024/25 must be approved by the Treasurer and published on the Authority's website by 30 June 2025, with final audited accounts published by 28 February 2026.

Officers worked as closely as possible to the timetable for draft accounts, however the accounts were signed by the Treasurer and published on 11 July 2025.

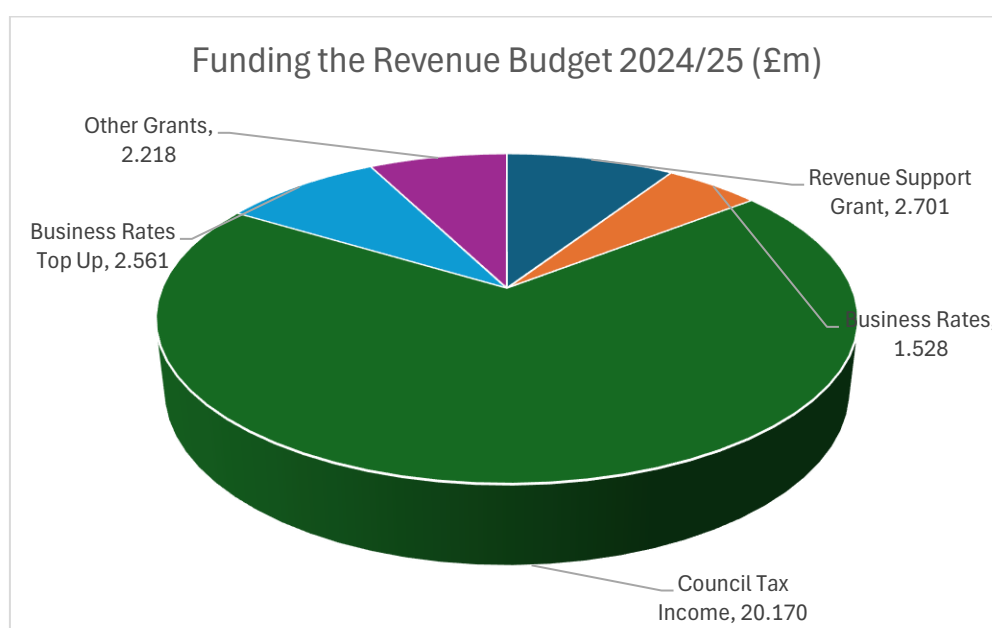
The Statement of Accounts is being audited by Grant Thornton during October and November and will be presented to the Audit and Standards Committee for approval in December. The Fire Authority agreed at its February 2012 meeting that the Statement of Accounts would be formally approved each year by its Audit and Performance Management Committee (now renamed as above), as those charged with governance.

This report informs the Authority of the outturn of the revenue account in 2024/25 and recommends the possible treatment for the balance on the General Fund. The year-end position could change following the audit.

4 Revenue Budget and Expenditure

In February 2024, Shropshire and Wrekin Fire Authority approved a revenue budget of £29.178m for 2024/25. This budget quantified the Service's strategic and operational plans, and the further subdivision into business areas also enabled individual business plans to be quantified, and achievements monitored.

The revenue budget for 2024/25 was funded as follows:



Additional grants were provided by the government to compensate for business rates reductions. These have been shown in the graph above within 'Other Grants'.

During 2024/25 the Fire Authority received regular updates on financial performance and approved changes of £1.131m to the revenue budget. These amounts have been transferred to or from reserves as follows:

	£'000
Major Projects Reserve	1,198
Service Transformation Staff Reserve	-201
Training Reserve	169
Equipment Replacement Reserve	-35
Total	1,131

Actual out turn on the revenue budget was £28.362; further variances of £513,000 were identified.

Efficiencies and other variances	£'000
Prevention and other pay	140
Legal fees	-42
Debt charges	52
Audit fees	-51
Training	-24
Pensions	-29
ICT	-121
Firelink cost adjustments	261
Communications costs	-140
Other variances	-7
Contingency balance	474
Total	513

Slipped Income and Expenditure	£'000
Culture and values project costs	40
	40

Income	£'000
Less grant received	-116
	-116

5 Use of the General Fund Balance

The outturn on the revenue budget is held in the General Fund at the end of the year, and it has been the Authority's policy to allocate funds and reduce the balance to zero. This has been done by transferring part of the balance into current revenue budgets, to continue projects and work streams which are not completed and allocating the remainder into Authority reserves.

In September 2014, the Strategy & Resources Committee recommended that future balances on the General Fund should be allocated to the Unearmarked Capital Reserve (subsequently renamed Major Projects Reserve), to fund major improvements at the Stafford Park site in Telford. This was approved by the Fire Authority in October 2014. However, in previous years, members have also transferred some of the balance to other reserves, such as Service Transformation Programme (STP) Staff Reserve, which has been used to transform the Service's IT infrastructure and systems, and Income Volatility Reserve, to safeguard against fluctuations in funding due to the pandemic.

General Fund Balance 2024/25

The balance on the General Fund at the end of 2024/25 is £700,000. A total of £40,000 will be slipped to 2025/26, leaving a balance of £660,000 available for distribution to reserves.

A number of senior officers left or resigned from the Service during 2023/24, and more were anticipated during 2024/25. In 2023/24, a total of £1.382m was transferred to the Pensions and Other Staff Issues Reserve, to mitigate the impact of any future employment liabilities. Transfers were also made to the Major Projects Reserves (£1m) and the General Fund (£121k).

During 2024/25, the Authority has transferred £1.2m to the Major Projects Reserve as underspends were reported during the year. In addition, contributions from the Service Transformation Staff Reserve of £200,000 have been required in 2024/25 to cover funding for fixed term posts and support for projects.

As the Service continues its journey of improvement and transformation, the necessity to uplift capacity and resources as and when required is essential. It is recommended therefore that the balance of the General Fund is transferred to the Service Transformation Staff Reserve.

The General Fund balance is subject to audit and therefore these figures may change.

6 Capacity

Whilst future capacity impacts are referenced, there are no issues arising from this report.

7 Fire Alliance / Collaboration / Partnership Working

There are no comments relating to the report.

8 Financial Implications

Financial implications are outlined in the main body of the report.

9 Legal Comment

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10 Community Safety

There are no community safety impacts arising from this report.

11 Environmental

There are no environmental impacts arising from this report.

12 Equality Impact Assessment

There are no equality or diversity implications arising from this report.
An e-EQIA is not, therefore, required.

13 Health and Safety

There are no health and safety impacts arising from this report.

14 Fire Standard Core Code of Ethics and Human Rights (including Data Protection)

There are no impacts on compliance with the Fire Standards Core Code of Ethics or human rights arising from this report.

15 ICT

There are no ICT impacts arising from this report.

16 Insurance

There are no insurance impacts arising from this report.

17 The On-call Service

There are no impacts on the On-call service arising from this report.

18 Public Value / Service Delivery

There are no public value or service delivery impacts arising from this report.

19 Reputation

There are no reputational impacts arising from this report.

20 Security

There are no security impacts arising from this report.

21 Training

There are no training impacts arising from this report.

22 Appendices

There are no appendices attached to this report.

23 Background Papers

There are no background papers associated with this report.