

Statement of Accounts 2025/26

Report of the Section 151 Officer

For further information about this report please contact Jacqueline Dungey, Section 151 Officer, on 01743 260200 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 2025/26 and seeks approval for use of the General Fund balance in 2026/27.

2 Recommendations

The Fire Authority is recommended to:

- a) Review the final position of the revenue budget and the General Fund balance in 2025/26, and
- b) Approve use of the General Fund balance in 2026/27.

3 Background

The Accounts and Audit Regulations (Amended) 2024 state that the Statement of Accounts for 2025/26 must be approved by the Section 151 (S151) Officer and published on the Authority's website by 30 June 2026, with final audited accounts published by 31 January 2027.

The draft accounts will be completed and approved by the S151 Officer and published by the end of June 2026.

The Statement of Accounts is being audited by Grant Thornton between August and October. Auditors and officers of the Service will endeavour to complete the audit and present the accounts for approval at the Audit & Standards Committee in November 2026. This is to prepare for an earlier completion date of 30 November 2027 for the 2026/27 accounts.

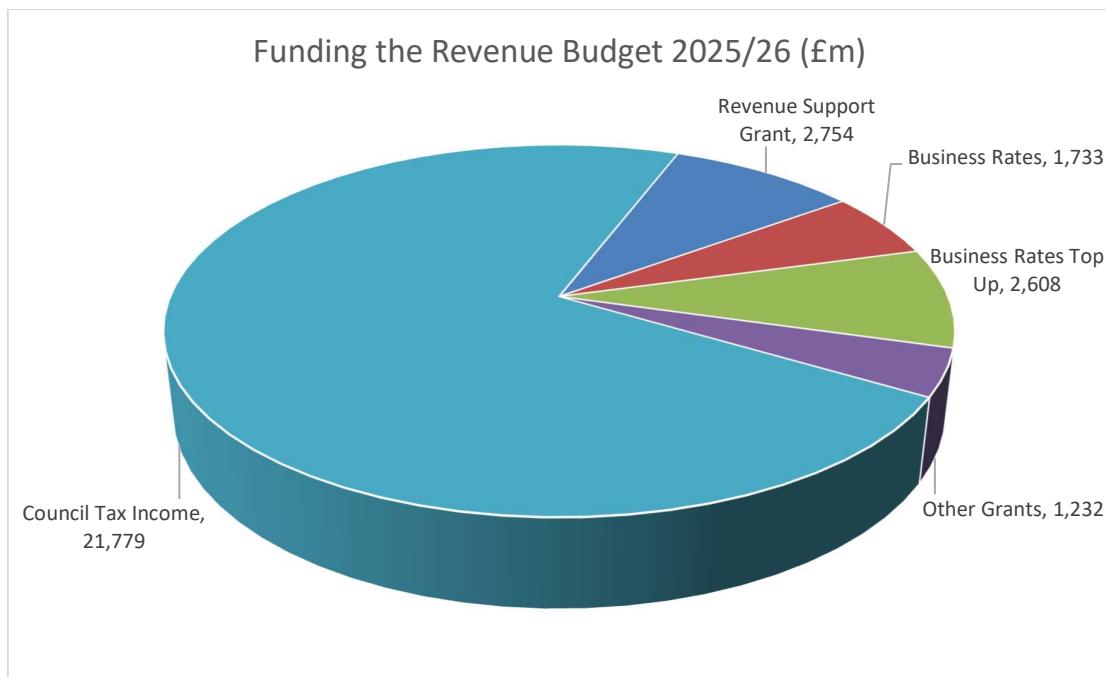
The Fire Authority agreed at its February 2012 meeting that the Statement of Accounts would be formally approved each year by its Audit and Performance Management Committee (now renamed as above), as those charged with governance.

This report informs the Authority of the outturn of the revenue account in 2025/26 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 2025, Shropshire and Wrekin Fire Authority approved a revenue budget of £30.084m for 2025/26. 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 2025/26 was funded as follows:



During 2025/26 the Fire Authority received regular updates on financial performance and approved changes of -£0.280m to the revenue budget.

Actual out turn on the revenue budget was £30.036m; further variances of £48,000 have been identified.

Efficiencies and other variances	£'000
Pay movements	-88
Prevention	18
Debt charges	69
Investment Income	28
Operations	18
Pensions	65
Facilities	-38
Executive costs	-53
Contributions from Reserves	-49
Bad debt provision	-46
Audit Fees	-27
Contingency balance	96
Total	-7

Slipped Income and Expenditure	£'000
Staff secondments into 2026/27	55

Income	£'000
Excess grant received	21

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 2025/26

A number of underspends have been identified throughout the year, notably around debt charges, and these have been reported and transferred to contingency. However, cost pressures in several areas have also been identified and the net position is a very small General Fund balance.

The balance on the General Fund at the end of 2025/26 is £69,000. A total of £55,000 will be slipped to 2026/27, leaving a balance of £14,000 available for distribution to reserves.

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 Financial Implications

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

7 Legal Comment

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 29 February 2026.

8 Equality Impact Assessment

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

9 Appendices

There are no appendices attached to this report.

10 Background Papers

There are no background papers associated with this report.