



**HUMBERSIDE**  
Fire & Rescue Service

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# QUARTERLY FINANCE AND PROCUREMENT UPDATE

For the period ending 30<sup>th</sup> June 2025

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Safer communities, safer firefighters

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# I. Executive Summary

At Quarter One the Service is in a sound financial position with an underspend position anticipated for the end of 2025/26 and closing reserves of £13.1m.

Going into 2025/26 the capital replacement reserve is over £5m, which will be gradually released to meet some of the capital investment planned over the next 5 years.

An efficiency target of £379k was included within the balanced budget for 2025/26, with the Finance and Procurement Teams continue to work with budget holders to identify these efficiencies.

The Procurement Team continue to monitor and review risk critical contracts and have awarded contracts of £1.5m in the first quarter of the financial year. Alongside this, 32 contract management meetings have been conducted to ensure effective service delivery and value for money is maintained.

Three contracts were awarded outside of the Fire Authority Constitution between April and June 2025. These were exceptional circumstances due to the urgent nature of the procurement and need to provide continuity of services.

Martyn Ransom  
Executive Director of Finance/S151 Officer  
14/07/25

## 2. Finance

### 2.1 Revenue

The table below shows the actual and committed expenditure as at 30<sup>th</sup> June 2025 for revenue, compared to the 2025/26 profiled budget for the same period. The table also shows the forecasted outturn for the full year based on current levels of income and expenditure plus any known variances to the end of the financial year.

2025/26 Revenue Monitoring Summary 1st April 2025 to 30th June 2025 (Period 3)										
	Original Budget	Revised Budget	30 June 2025		Full Year			Status		Notes
	£'000	£'000	Profiled Budget £'000	Actual and Committed £'000	Projection £'000	Variance £'000	%			
Pay	50,095	50,064	12,506	12,191	49,934	(130)	(0.26)	Green	✓	1
Non Pay	12,981	13,012	3,869	4,178	13,205	193	1.48	Red	✓	2
Income	(3,726)	(3,726)	(2,225)	(2,183)	(3,726)	-	-	Green		
Interest Receivable	(750)	(750)	(188)	(205)	(750)	-	-	Green		
Capital Financing	3,961	3,961	152	11	4,084	123	3.11	Red	✓	3
Transfers to / (from) Reserves	(2,430)	(2,430)	-	-	(2,675)	(245)	10.08	Green	✓	4
Net Budget Requirement	60,131	60,131	14,114	13,992	60,072	(59)	(0.10)	Green		

#### Notes

The following details the reasons for the projected variances that are in excess of £100k that are shown in the table above:

1. This projected variance is primarily due to:
  - a. lower employer contributions into both the Firefighters' Pension Scheme and Local Government Pension Scheme due to staff that have opted out of these schemes; and
  - b. a higher level of vacancies to date than the 3.5% assumed when setting the budget.
2. This projected variance is primarily due to the implementation costs of the new Control system that will be used to mobilise appliances. Funding for this was allocated to an Earmarked Reserve at the end of 2024/25 (see note 4).
3. This projected overspend is due to:
  - a. a lower Minimum Revenue Provision charge following a lower capital spend and additional revenue contribution towards capital during 2024/25; offset by
  - b. additional funding towards capital expenditure in relation to the new stores facility.
4. This projected variance is due to using funding that was allocated to an Earmarked Reserve for the implementation cost of the new control system (see note 2).

The table below shows a further breakdown of the data that is shown in the table on page 4:

2025/26 Revenue Monitoring Detail 1st April 2025 to 30th June 2025 (Period 3)									
	Original Budget £'000	Revised Budget £'000	30 June 2025		Full Year			Status	Note
	£'000	£'000	Profiled Budget £'000	Actual and Committed £'000	Projection £'000	Variance £'000	%		
<b>Employees</b>									
Wholesale Firefighters	32,053	32,033	8,013	7,799	31,939	(94)	(0.29)	Green	1
On-Call Firefighters	6,151	6,151	1,425	1,403	6,151	-	-	Green	
Non-Uniformed	9,760	9,749	2,440	2,288	9,713	(36)	(0.37)	Green	1
Other Employee Expenses (Training, Occ Health, Insurances etc.)	2,131	2,131	628	701	2,131	-	-	Green	
<b>Total Pay and Pensions</b>	<b>50,095</b>	<b>50,064</b>	<b>12,506</b>	<b>12,191</b>	<b>49,934</b>	<b>(130)</b>	<b>(0.26)</b>	<b>Green</b>	
<b>Non Pay Expenditure</b>									
Premises	3,934	3,934	1,721	1,702	3,934	-	-	Green	
Transport	2,312	2,312	578	587	2,275	(37)	(1.60)	Green	
Supplies and Services	6,767	6,667	1,692	1,765	6,897	230	3.45	Red	2
Support Services	347	347	126	124	347	-	-	Green	
Non Pay Efficiency Savings	(379)	(248)	(248)	-	(248)	-	-	Green	
<b>Total Expenditure</b>	<b>63,076</b>	<b>63,076</b>	<b>16,375</b>	<b>16,369</b>	<b>63,139</b>	<b>63</b>	<b>0.10</b>	<b>Red</b>	
<b>Income</b>	<b>(3,726)</b>	<b>(3,726)</b>	<b>(2,225)</b>	<b>(2,183)</b>	<b>(3,726)</b>	<b>-</b>	<b>-</b>	<b>Green</b>	
<b>Net Expenditure (Excluding Capital Charges)</b>	<b>59,350</b>	<b>59,350</b>	<b>14,150</b>	<b>14,186</b>	<b>59,413</b>	<b>63</b>	<b>0.11</b>	<b>Red</b>	
<b>Interest Payable</b>	<b>608</b>	<b>608</b>	<b>152</b>	<b>11</b>	<b>608</b>	<b>-</b>	<b>-</b>	<b>Green</b>	
<b>Interest Receivable</b>	<b>(750)</b>	<b>(750)</b>	<b>(188)</b>	<b>(205)</b>	<b>(750)</b>	<b>-</b>	<b>-</b>	<b>Green</b>	
<b>Capital Financing</b>	<b>3,353</b>	<b>3,353</b>	<b>-</b>	<b>-</b>	<b>3,476</b>	<b>123</b>	<b>3.67</b>	<b>Red</b>	<b>3</b>
<b>Transfers to / (from) Reserves</b>	<b>(2,430)</b>	<b>(2,430)</b>	<b>-</b>	<b>-</b>	<b>(2,675)</b>	<b>(245)</b>	<b>10.08</b>	<b>Green</b>	<b>4</b>
<b>Net Budget Requirement</b>	<b>60,131</b>	<b>60,131</b>	<b>14,114</b>	<b>13,992</b>	<b>60,072</b>	<b>(59)</b>	<b>(0.10)</b>	<b>Green</b>	

## 2.2 Cash Releasing Efficiency Savings

The National Fire Chiefs Council (NFCC) and the Local Government Association (LGA) have proposed that across Fire and Rescue Services (FRS) in England, the sector could create efficiency savings to the value of 2% of non-pay budgets whilst increasing productivity by 3%.

FRSs are required to produce an annual Productivity and Efficiency Plan which provides detail of the efficiency and productivity progress against the national goals. The 2025/26 Productivity and Efficiency Plan for Humberside can be found [here](#).

A cash releasing efficiency saving is a permanent reduction in recurring costs including reduction in revenue budget. Examples include:

- A permanent removal of a post (Deleted from the TOM/Establishment).
- Renegotiation of a contract to a reduced cost (doing the same for less) and therefore generating a permanent reduction in budget.
- Identification and removal of budget (permanently) due to either reprioritisation or a realisation that the budget is no longer required (permanently).

(This list is not exhaustive and is to provide examples of efficiency savings).

The Finance Team work closely with budget holders to identify and monitor any efficiencies that arise within their area of responsibility.

The table below shows the efficiencies that have been identified in the year to date compared to the efficiency target of £379k which was included when setting a balanced budget for 2025/26:

Cash Releasing Efficiency Savings 1st April 2025 to 30th June 2025 (Period 3)		
Efficiency	Amount £'000	Detail
IT Contracts	100	A review of IT contracts has generated an efficiency saving.
Review of Establishment	4	Following a review of the structure within our Digital Services team, an efficiency saving was generated.
Salary Sacrifice Car Scheme	27	The service operates a salary sacrifice scheme for electric vehicles which has lead to an efficiency in employer national insurance contributions.
<b>Total Efficiency Savings Identified</b>	<b>131</b>	
Non Pay Budget	12,962	
Efficiency Target (£'000)	379	
Efficiency Target (%)	2.92%	

The Finance Team will continue to work with budget holders throughout the year to drive efficiencies within the Service.

## 2.3 Capital

The table below shows the actual and committed expenditure as at 30<sup>th</sup> June 2025 for Capital, compared to the 2025/26 profiled budget for the same period. The table also shows the forecasted outturn for the full year based on current levels of expenditure plus any known variances to the end of the financial year.

2025/26 Capital Monitoring Summary 1st April 2025 to 30th June 2025 (Period 3)									
	Original Budget	Revised Budget *	30 June 2025		Full Year			Status	Note
	£'000	£'000	Profiled Budget £'000	Actual and Committed £'000	Projection £'000	Variance £'000	%		
<b>Building Works</b>									
New Buildings	600	2,185	359	-	2,435	250	11.44	Red	1
Training Infrastructure	570	875	219	-	875	-	-	Green	
Station Refurbishments	151	1,326	332	-	1,326	-	-	Green	
Electrical Vehicle Charging Infrastructure	40	40	10	-	40	-	-	Green	
	<b>1,361</b>	<b>4,426</b>	<b>920</b>	<b>-</b>	<b>4,676</b>	<b>250</b>			
<b>Vehicles</b>									
Operational Vehicles	1,220	1,544	386	1,037	1,544	-	-	Green	
Support Vehicles	650	886	222	311	886	-	-	Green	
	<b>1,870</b>	<b>2,430</b>	<b>608</b>	<b>1,348</b>	<b>2,430</b>	<b>-</b>			
<b>Equipment</b>	400	400	100	107	400	-	-	Green	
<b>ICT Equipment</b>	350	750	188	132	750	-	-	Green	
<b>Breathing Apparatus</b>	-	150	38	214	150	-	-	Green	
	<b>3,981</b>	<b>8,156</b>	<b>1,854</b>	<b>1,801</b>	<b>8,406</b>	<b>250</b>			

\*The revised budget includes slippage from 2024/25 which will be taken to the Fire Authority in July 2025 for formal approval.

### Notes

1. Additional costs associated with the fitout of the new stores facility. This additional cost will be covered by a contribution from revenue (see note 3 on page 4) which will reduce the need to borrow thus not incurring additional interest charges.

## 2.4 Firefighters' Pension Fund

The Firefighters' Pension Fund is administered by each Fire and Rescue Service with any deficit on the fund being met with a top-up grant by the Home Office. The grant will be received in July of this year which covers 80% of the estimated deficit for the year plus the balancing amount of the previous year.

The revised budgeted deficit for 2025/26 is £13.697m which is broken down in the following table:

2025/26 Pensions Account Summary								
1st April 2025 to 30th June 2025 (Period 3)								
	Revised Budget	30 June 2025		Full Year			Status	Note
	£'000	Profiled Budget £'000	Actual and Committed £'000	Projection £'000	Variance			
					£'000	%		
Expenditure								
Payments to Pensioners	22,049	6,419	6,387	22,049	-	-	Green	
Commutations	2,878	959	861	2,878	-	-	Green	
Transfer Values	100	33	-	100	-	-	Green	
Total Pensions Expenditure	25,027	7,411	7,248	25,027	-			
Income								
Employer Pension Contributions	(8,161)	(2,040)	(2,040)	(8,161)	-	-	Green	
Employee Pension Contributions	(2,836)	(709)	(709)	(2,836)	-	-	Green	
Ill Health Pension Contributions	(233)	(58)	-	(233)	-	-	Green	
Transfer Values	(100)	(25)	-	(100)	-	-	Green	
Total Pensions Income	(11,330)	(2,832)	(2,749)	(11,330)	-			
Net Pensions Deficit/(Surplus)	13,697	4,579	4,499	13,697	-			



## 2.5 Investments and Borrowing

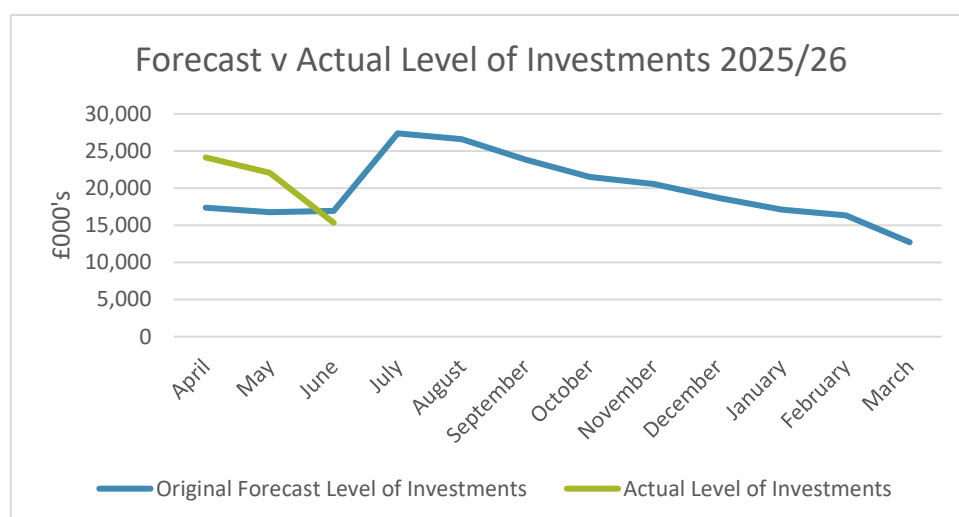
The Authority must ensure that:

- its cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in low-risk counterparties or instruments commensurate with the Authority's low-risk appetite, providing liquidity initially before considering investment return.
- It understands its borrowing need in terms of funding its capital plans. This management of longer-term cash may involve arranging long or short-term borrowing.

### Investments

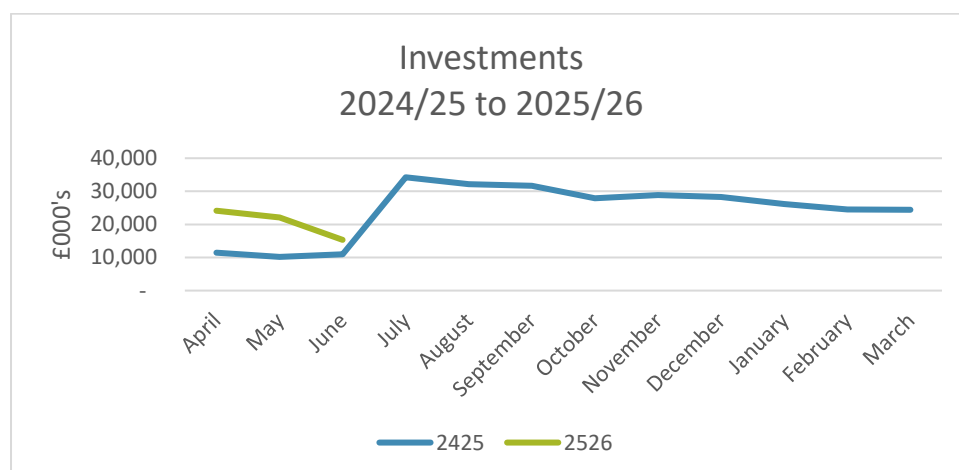
The Authority had £15.335m of investments held at 30<sup>th</sup> June 2025. A breakdown of this and investments that have been returned during the period can be found in appendix 1.

The graph below shows the actual level of investments (cash) that the Authority holds compared to the original estimate level of investments(cash) held:



The actual amount invested is slightly lower than that originally estimated due to some items of expenditure being incurred slightly earlier than originally anticipated.

The following graph shows our level of investments during the year to date compared to the previous financial year:



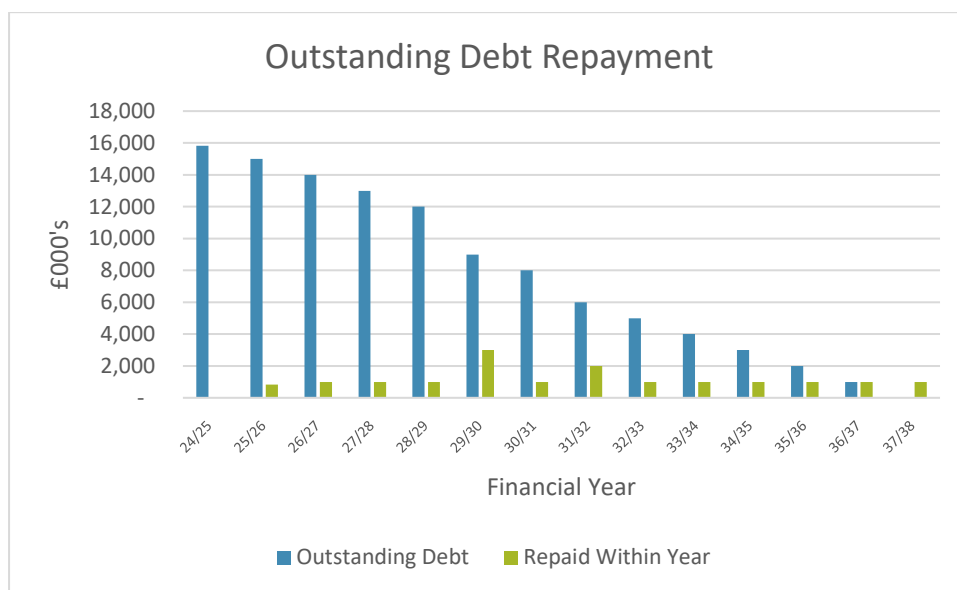
The Authority receives the Firefighters Pension Fund grant in July of each year which allows a higher level of investments to be held until the grant is fully utilised.

## Borrowing

### Long Term Borrowing

The current level of borrowing that the Authority holds as at 30<sup>th</sup> June 2025 is £15.8m.

The graph below shows the level of borrowing that the Authority currently holds at the end of each financial year and how this reduces over time as the debt matures:



There hasn't been any long-term borrowing taken during the year to date but this will be closely monitored by the Executive Director of Finance/S.151 Officer.

### Short Term Borrowing

The Authority hasn't taken any short-term borrowing during the financial year.

## 2.6 Reserves

The Authority retains several revenue reserves that can be used to fund expenditure.

The table below shows the movement on these reserves for the period 1<sup>st</sup> April 2025 to 30<sup>th</sup> June 2025 and also what the projected balance will be at 31<sup>st</sup> March 2026 based on the projections in Revenue Monitoring table that can be found on page 4:

2025/26 Movement in Reserves 1st April 2025 to 30th June 2025 (Period 3)			
	As at 1st April 2025	In Year Movements	Projected Balance as at 31st March 2026
	£'000	£'000	£'000
<b>General Reserve</b>	6,001	(84)	5,917
<b>Earmarked Reserves</b>			
Insurance	500	-	500
National Flood Resilience	1,000	-	1,000
Capital Programme	5,335	(1,487)	3,848
Resilience Reserve	500	-	500
East Coast & Hertfordshire Control Room Consortium	1,245	(1,045)	200
Pay and Prices	600	-	600
Strategic Transformation Fund	500	-	500
	<b>15,681</b>	<b>(2,616)</b>	<b>13,065</b>

## 2.7 Budget Virements

The following budget virements have been processed during the period to 30<sup>th</sup> June 2025:

2025/26 Contracts Awarded Outside of Constitution 1st April 2025 to 30th June 2025			
Budget Vired From	Budget Vired To	Detail of Budget Virement	Virement Value £'000
Pay	Non-Pay Efficiency Savings	Identification of a Non-Pay Efficiency (See Efficiency section on page 5)	31
Supplies and Services	Non-Pay Efficiency Savings	Identification of a Non-Pay Efficiency (See Efficiency section on page 5)	100

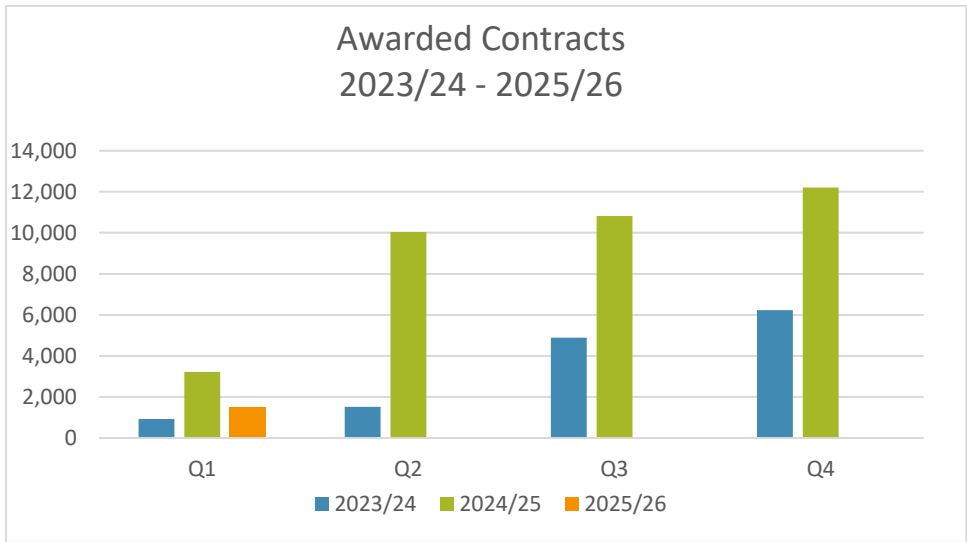
### 3. Procurement

#### 3.1 Contracts

##### Contracts Awarded

The Authority has awarded contracts to the value of £1.474m during the three months to 30<sup>th</sup> June 2025. A breakdown of the contracts that have been awarded in this period can be found in appendix 2.

The graph below shows the cumulative value of contracts that have been awarded in 2025/26 to date as well as in the previous two financial year:



##### Contract Management

A review of the Services contracts has been undertaken using a supplier segmentation and analysis tool which is used to identify the risk to the Service. The contracts that have been identified as having the highest strategic importance rating can be found in appendix 3.

Following on from the identification of the risk rating of each contract, the Procurement Team will work closely with contract owners to implement the appropriate contract management measures required for each contract. This will allow for contract review meetings to be scheduled for the remainder of the financial year and beyond.

Details of contract meetings that have been held with the supplier for those contracts that have been identified as having the highest strategic rating can be found in appendix 4.

## Contracts Awarded Outside of the Constitution

The following contracts have been awarded outside the process detailed within part 4 section E of the constitution during the quarter ending 30<sup>th</sup> June 2025:

2025/26 Contracts Awarded Outside of Constitution 1st April 2025 to 30th June 2025				
Contract Description	Justification	Responsible Officer	Contract End Date	Contract Value £'000
Fire Extinguisher Parts	Research carried out by Department found only one supplier capable of supplying the required range of part and offering local same day delivery. Department has agreed with Procurement to commence a full procurement process ready for the 2026/27 financial year.	Head Of Fleet	31/03/2026	25
MDT Software Annual Maintenance and Support	To continue existing maintenance and support contract until decision is made as to the viability of new hardware that is currently in testing and it's suitability to replace the existing MDT software	Head of Digital Solutions	30/04/2026	44
Recruitment and HR Support	Due to urgent requirement, the supplier has been award this contract due to previous experience/knowledge of the Service.	Director of People and Development	08/04/2026	29

### 3.2 Procurement Workstreams for the remainder of the year

Within Quarter 1 of 2025/26, the Service completed a second procurement process to award a contract for the conversion of five existing vehicles into Water Response Vehicles. Furthermore, frameworks were utilised for the award of new contracts for the provision of a Geographic Information System (GIS), a replacement program for the Service wide defibrillators and the lease fees for the medical gases across the Service. An open tender process was also conducted for purchase of eight breathing apparatus washing machines, due to be delivered within Quarter 2.

Humberside Fire and Rescue Service, alongside Avon Fire and Rescue Service, established a framework for the provision of a Supplementary Healthcare Service following an open tender process. This allowed the Service to call-off the framework for a one-year initial period, enabling HFRS staff access to the supplementary healthcare service on an opt-out basis.

During Quarter 1, an Expression of Interest stage was conducted, as well as a Capability Assessment stage, for the procurement process to establish a Professional Estates Consultancy contract. This will feed into a tender process via a framework which will go live within Quarter 2.

Quarter 2 will also see the procurement exercises for the provision of Legal Services with an award expected in August. The Service will also be completing a procurement process for the new contract of the Competency Management System. Competitions are also expected for the provision of a new Occupation Health Wellbeing Vehicle as well as the provision of Janitorial Supplies. Finally, a new contract for the Service's vehicle telematics will be awarded in Quarter 2, following a direct award process through a national framework.

Quarter 1 was the first full period in which the Service's Contract Management Proforma was utilised to its entirety. Within the first quarter, contract owners held 32 meetings with suppliers to ensure the agreed contract deliverables were being obtained against the specification and targets set out in contracts.

### 3.3 Procurement Savings

Through commercially sound practices the Procurement Function delivers a vital role for Humberside Fire and Rescue Service ensuring value for money is achieved whilst also ensuring the sustainability of goods and services and supporting local small and medium-sized enterprises.

Effective and efficient procurement is vital to the cost-effective delivery of our organisation's core services. It is integral to delivering commercially advantageous and innovative solutions essential for meeting our objectives and driving continuous improvement.

The methodology which HF&RS uses to identify and record the savings realised through its proactive procurement and contract management activity is summarised below and is in line with current Government Commercial Function guidance.

#### Baseline

Saving must be a consequence of commercial-led activity. Savings must have an evidenced baseline for the saving to be approved.

Baseline calculated based on an existing contract or in the case of procurement:

- Use the historical price paid for goods/services; the spending on the same goods or services in a previous period, adjusted for inflation using the Consumer Price Index (CPI) and any other appropriate changes based on market knowledge.

Baseline calculated on a new or novel procurement:

- Median compliant supplier bid (and the mean when only two compliant bids are received)
- External benchmarks/ market intelligence/ "Should cost" exercises e.g. CCS contract prices or pre-procurement market engagement.
- Budget – The budget must be a realistic expectation of the contract cost and is normally only appropriate for the purchase of new goods/services.
- Another agreed baseline model (particularly for complex procurements).

## Cashable Procurement Savings

Cash-releasing savings are those that, all things being equal, will directly reduce a Departmental or contract budget requirement. They are financial savings that are made against an established baseline where the new cost results in a reduction in cost which can be released or redeployed to meet other cost pressures.

Worked example:

An existing 4 year service worth £2m is reprocured. The savings baseline is the cost of the existing service (i.e. £2m). The new contract will run for 4 years, and the winning supplier bid £1.5m. The result is a cashable saving of £500k. The savings would be recorded as:

- Y1 - £125k cashable
- Y2 - £125k cashable
- Y3 - £125k cashable
- Y4 - £125k cashable

The table below shows the cashable Procurement savings as at 30<sup>th</sup> June 2025:

Cashable Savings 1st April 2025 to 30th June 2025	
Contract	Saving £'000
SIM Card and Mobile Data Usage	76
Microsoft Licensing Software	66
Incident Command System	37
Competency Management and eLearning System	14
Internal Audit Services	12
Multi-Functional Photocopier Devices	11
Under-counter BA Washing Machines	7
Hazardous Materials Training	4
Savings made through Amazon Business Account	1
<b>Total for 2025/26</b>	<b>228</b>

## Non-Cashable Procurement Savings

A quantifiable financial benefit generated by commercial activity which does not release cash back into a budget. This could include multiple categories or definitions, all of which can create non-cashable savings. Such as Inflation avoidance, value-add, price protection and cost avoidance. This would be the case when a cost increase is avoided or reduced e.g. a price reduction applied to additional demand or when the Authority receives greater outputs or improved quality for the same spending.

Worked example:

A contract runs at £1m a year for 5 years. At the end of Y1 the vendor proposes a cost increase of £200k pa. This is negotiated away completely for the remainder of the contract. Non cashable savings of £800k would be recorded as:

- Y2 - £200k non-cashable
- Y3 - £200k non-cashable
- Y4 - £200k non-cashable
- Y5 - £200k non- cashable

The table below shows the non-cashable Procurement savings as at 30<sup>th</sup> June 2025:

Non-Cashable Savings 1st April 2025 to 30th June 2025	
Contract	Saving £'000
Insurance Services	112
<b>Total for 2025/26</b>	<b>112</b>



## 4. Treasury Management

### Prudential Indicators

The Prudential Indicators to 30<sup>th</sup> June 2025 are as follows:

#### Indicator 1 – Capital Expenditure

The estimated capital expenditure for the current year compared to the original estimate, together with estimates of expenditure to be incurred in future years are shown below:

	2024/25 Actual £'000	2025/26 Original £'000	2025/26 Revised £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Total Capital Expenditure	6,439	8,156	8,406	6,354	5,082	9,853

#### Indicator 2 – Capital Financing Requirement

The capital financing requirement for 2025/26 and estimates for future years are as follows:

	2024/25 Actual £'000	2025/26 Estimate £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Capital Financing Requirement	21,421	23,229	28,615	30,795	36,548
Other Long Term Liabilities	1,072	1,047	1,020	990	957
<b>Total Capital Financing Requirement</b>	<b>22,493</b>	<b>24,276</b>	<b>29,635</b>	<b>31,785</b>	<b>37,505</b>

The capital financing requirement measures the Authority's need to borrow for capital purposes. In accordance with best professional practice, Humberside Fire Authority does not associate borrowing with particular items or types of expenditure. The Authority has, at any point in time, a number of cash flows both positive and negative, and manages its treasury position in terms of its borrowings and investments in accordance with its approved strategy. In day to day cash management, no distinction can be made between revenue cash and capital cash. External borrowing arises as a consequence of all the financial transactions of the authority and not simply those arising from capital spending. In contrast, the capital financing requirement reflects the Authority's underlying need to borrow for a capital purpose.

A key Indicator of prudence under the Prudential Code is:-

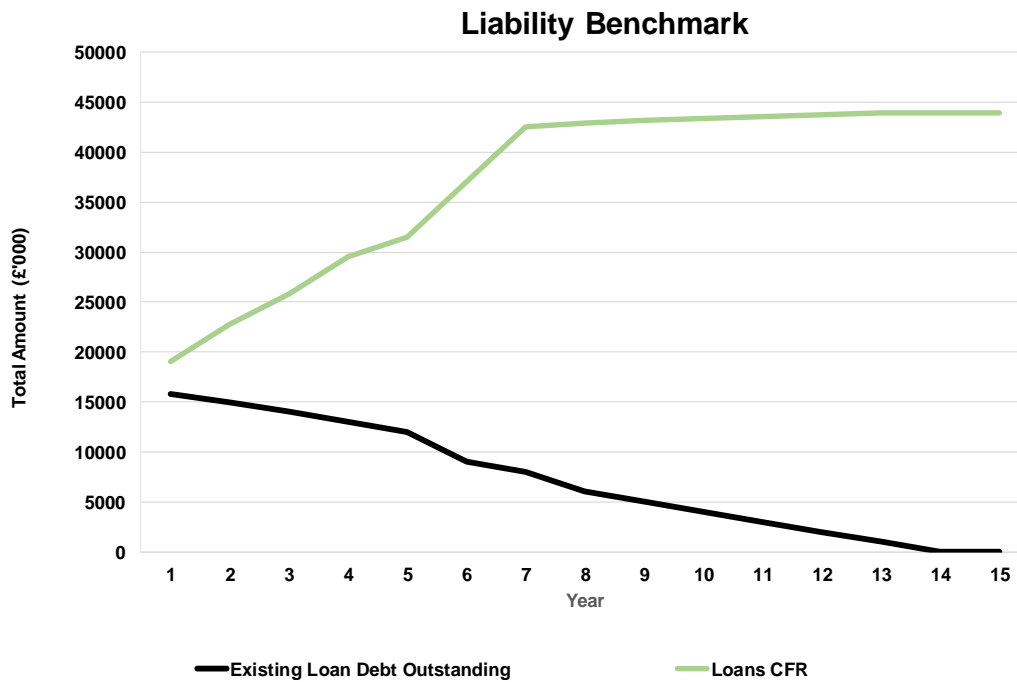
"In order to ensure that over the medium-term net borrowing will only be for a capital purpose, the local authority should ensure that net external borrowing does not, except in the short term, exceed the total of the capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years".

The S151 Officer reports that the Authority has had no difficulty meeting this requirement during the course of this financial year and no difficulties are envisaged in future years. This takes into account current commitments, existing plans and the proposals contained in the Medium Term-Resource Strategy.

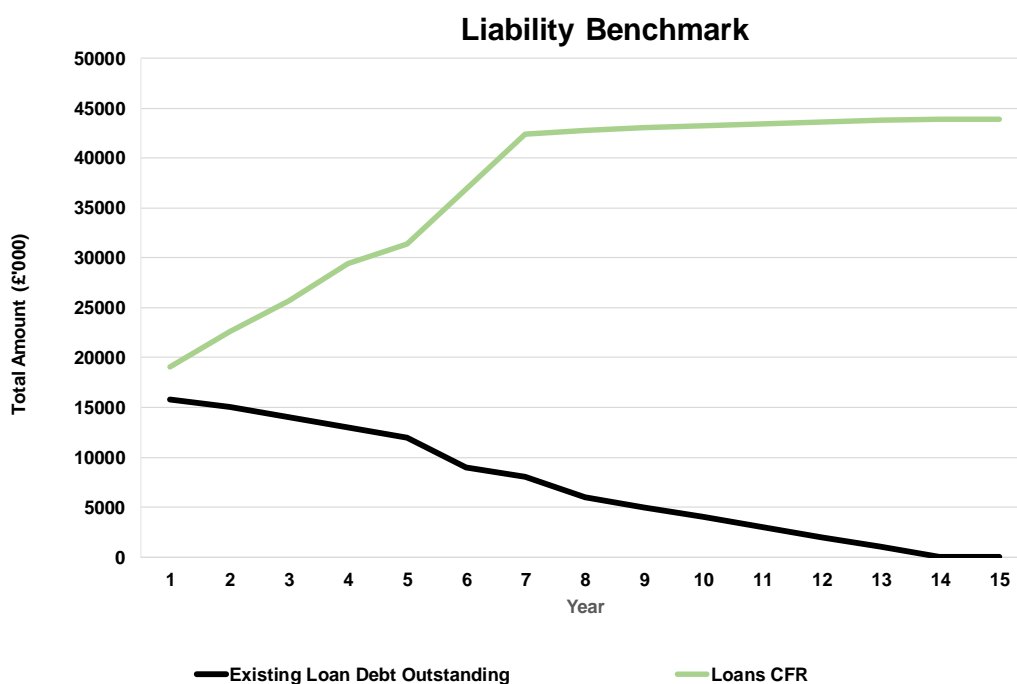
### Indicator 3 – Liability Benchmark

The Authority is required to estimate and measure the Liability Benchmark for the forthcoming year and the following two years as a minimum.

The following graph shows what the Liability Benchmark was estimated to be for 2025/26 onwards as set in the Treasury Management Strategy 2025/26:



The Liability Benchmark has been updated to show revised estimates for 2025/26 onwards and is shown in the graph below:



## Indicator 4 – Core Funds and Expected Investment Balances

The table below shows the estimates of the year-end balances for each resource and anticipated day-to-day cash flow balances.

	2025/26 Original £'000	Revised £'000	2026/27 Estimate £'000	2027/28 Estimate £'000	2028/29 Estimate £'000
Total Core Funds	13,786	15,681	11,948	11,387	9,738
Expected Investments	3,616	6,952	(1,167)	(2,908)	(9,310)

The actual total investments held at 30<sup>th</sup> June 2025 is £15.335m. This is higher than the expected investments at the end of the year due to cash flow fluctuations through the year.

## Indicator 5 – Operational Boundary for External Debt

The proposed operational boundary for external debt is based on the same estimates as the authorised limit but reflects directly the S151 Officer's estimate of the most likely, prudent but not worst-case scenario, without the additional headroom included within the authorised limit to allow for example for unusual cash movements and equates to the maximum of external debt projected by this estimate. The operational boundary represents a key management tool for in year monitoring by the S151 Officer.

	2025/26 Boundary £'000	30/06/2025 Actual £'000	2026/27 Boundary £'000	2027/28 Boundary £'000	2028/29 Boundary £'000
Borrowing	31,500	15,828	31,500	31,500	31,500
Other Long Term Liabilities	3,500	1,047	3,500	3,500	3,500
<b>Total Capital Financing Requirement</b>	<b>35,000</b>	<b>16,875</b>	<b>35,000</b>	<b>35,000</b>	<b>35,000</b>

The S151 Officer confirms that borrowing in the year has not exceeded the operational boundary at any point within the year to date and is not expected to do so over the course of the next period based on information currently available.

## Indicator 6 – Authorised Limit for External Debt

The table below shows the Authorised Limit for External Debt for 2025/26 and subsequent three-year period as approved by Members, compared to the actual level of borrowing as at 30<sup>th</sup> June 2025.

	2025/26 Boundary £'000	30/06/2025 Actual £'000	2026/27 Boundary £'000	2027/28 Boundary £'000	2028/29 Boundary £'000
Borrowing	36,500	15,828	36,500	36,500	36,500
Other Long Term Liabilities	3,500	1,047	3,500	3,500	3,500
<b>Total Capital Financing Requirement</b>	<b>40,000</b>	<b>16,875</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>

The Authorised Limit reflects the Authority's projected long- and short-term borrowing requirements, together with any other long-term liabilities it may have. The figures are based on the estimate of most likely, prudent but not worst-case scenario, with sufficient headroom over and above this to allow for operational management of, for example unusual cash movements.

The S151 Officer confirms that the Authorised Limit has not been approached at any point during the first six months of the year, nor is it likely to during the remaining six months of 2025/26.

## Indicator 7 – Ratio of Capital Financing Costs to Net Revenue Stream

The ratio of financing costs to net revenue stream for the current year and estimates for future years are as follows:

	2024/25 Actual %	2025/26 Original %	2025/26 Revised %	2026/27 Estimate %	2027/28 Estimate %	2028/29 Estimate %
Ratio of Financial Costs to Net Revenue Stream	0.88%	1.87%	1.66%	2.60%	3.41%	3.75%

These ratios indicate the proportion of the net budget of the Authority that is required to finance the costs of capital expenditure in any year. Estimates of financing costs include current commitments and the proposals contained in the capital programme of the Authority.

In calculating the ratio, Net Revenue Streams in any year have been taken to exclude any element of the net budget requirement that is intended to provide reserves for the Authority.

The projected increase in the ratio over the period reflects the increase in capital financing costs resulting from the capital allocations approved as part of the medium-term financial plan.

## Indicator 8 – Upper and Lower Limits for the Maturity Structure of Borrowings

This indicator seeks to ensure the Authority controls its exposure to the risk of interest rate changes by limiting the proportion of debt maturing in any single period. Ordinarily debt is replaced on maturity and therefore it is important that the Authority is not forced to replace a large proportion of loans at a time of relatively high interest rates.

“The Authority will set for the forthcoming financial year both upper and lower limits with respect to the maturity structure of its borrowings. The prudential indicators will be referred to as the upper and lower limits respectively for the maturity structure of borrowing and shall be calculated as follows:

Amount of projected borrowing that is fixed rate maturing in each period expressed as a percentage of total projected borrowing that is fixed rate;

Where the periods in question are:

- Under 12 months
- 12 months and within 24 months
- 24 months and within 5 years
- 5 years and within 10 years
- 10 years and above”

	Actual 30/06/2025 %	Upper Limit %	Lower Limit %
Under 12 months	5.23	15	0
12 months and within 24 months	6.32	15	0
24 months and within 5 years	31.59	30	0
5 years and within 10 years	31.59	60	0
10 years and above	25.27	80	0

Debt that is due to mature in the period 24 months and within 5 years is currently exceeding the upper limit. This is due to the decision to not take any borrowing during the last financial year due to the high interest rates thus reducing the interest payable by the Authority. The maturity profile of debt will be reviewed for 2025/26. There is no immediate risk to the cashflow of the organisation.

**2025/26 Investing Activities  
1st April 2025 to 30th June 2025**

Counterparty	Amount (£)		Date		Rate %	Interest (£)
	Invested	Returned	Invested	Returned		
Money Market Funds						
Deutsche Managed Sterling Fund	2,000,000					
Aberdeen Liquidity Fund	2,000,000					
Goldman Sachs Liquid Reserve Fund	1,335,000					
Investments						
Current Investments						
Powys County Council (rolled from 301847)	2,000,000	-	15/04/2025	08/07/2025	4.550	20,942.47
Torfaen County Borough Council	2,000,000	-	30/05/2025	01/09/2025	4.200	21,632.88
Surrey Heath BC	2,000,000	-	18/06/2025	18/09/2025	4.500	22,684.93
Surrey CC	2,000,000	-	23/06/2025	23/09/2025	4.200	21,172.60
Blackpool Council	2,000,000	-	04/06/2025	04/12/2025	4.200	42,115.07
Total Amount Invested as at 30 June 2025	15,335,000		Total Interest Due on Current Investments			128,547.95
Investments Returned During the Period						
DMO	4,650,000	4,650,000	31/03/2025	03/04/2025	4.450	1,700.75
DMO	3,750,000	3,750,000	03/04/2025	07/04/2025	4.450	1,828.77
Surrey Heath BC	2,000,000	2,000,000	07/10/2024	07/04/2025	4.950	49,364.38
Bournemouth, Christchurch and Poole	2,000,000	2,000,000	07/10/2024	07/04/2025	4.950	49,364.38
Hull City Council	2,000,000	2,000,000	31/03/2025	07/04/2025	6.000	2,301.37
Dover DC	2,000,000	2,000,000	30/09/2024	10/04/2025	5.000	52,602.74
Uttlesford DC	2,000,000	2,000,000	27/08/2024	11/04/2025	4.780	59,455.34
Powys County Council (rolled to 301892)	2,000,000	2,000,000	15/08/2024	15/04/2025	4.780	63,646.03
Blackpool Council	2,000,000	2,000,000	16/09/2024	16/04/2025	4.800	55,758.90
DMO	2,000,000	2,000,000	22/04/2025	23/04/2025	4.450	243.84
DMO	1,500,000	1,500,000	23/04/2025	28/04/2025	4.450	914.38
DMO	2,000,000	2,000,000	11/04/2025	29/04/2025	4.440	4,379.18
DMO	2,100,000	2,100,000	29/04/2025	30/04/2025	4.450	256.03
DMO	1,300,000	1,300,000	16/04/2025	30/04/2025	4.440	2,213.92
DMO	1,900,000	1,900,000	10/04/2025	01/05/2025	4.430	4,842.66
DMO	1,700,000	1,700,000	28/04/2025	06/05/2025	4.450	1,658.08
DMO	9,900,000	9,900,000	07/04/2025	07/05/2025	4.450	36,209.59
DMO	1,900,000	1,900,000	01/05/2025	07/05/2025	4.450	1,389.86
DMO	2,300,000	2,300,000	06/05/2025	13/05/2025	4.260	1,879.07
DMO	7,046,000	7,046,000	07/05/2025	19/05/2025	4.205	9,740.85
DMO	2,075,000	2,075,000	13/05/2025	20/05/2025	4.200	1,671.37
DMO	2,000,000	2,000,000	21/05/2025	22/05/2025	4.200	230.14
DMO	1,700,000	1,700,000	22/05/2025	27/05/2025	4.200	978.08
DMO	1,700,000	1,700,000	27/05/2025	28/05/2025	4.200	195.62
DMO	2,300,000	2,300,000	20/05/2025	28/05/2025	4.200	2,117.26
DMO	8,570,000	8,570,000	19/05/2025	30/05/2025	4.200	10,847.51
DMO	2,000,000	2,000,000	30/05/2025	03/06/2025	4.200	920.55
DMO	2,000,000	2,000,000	30/05/2025	04/06/2025	4.200	1,150.68
DMO	1,000,000	1,000,000	06/06/2025	10/06/2025	4.205	460.82
DMO	2,500,000	2,500,000	28/05/2025	18/06/2025	4.200	6,041.10
DMO	1,500,000	1,500,000	19/06/2025	27/06/2025	4.200	1,380.82
DMO	1,500,000	1,500,000	30/05/2025	30/06/2025	4.220	5,376.16
DMO	1,890,000	1,890,000	18/06/2025	30/06/2025	4.200	2,609.75
Total Amount Returned During the Period	86,781,000		Total Interest Received During the Period			433,729.99
Summary of Interest Receipts						
	Budget	Actual & Due	Under/(Over)			
	£	£	£	%		
Interest Receipts to 30 June 2025	(187,500)	(204,954)	(17,454)	(9.31)		

**2025/26 Contracts Awarded  
1st April 2025 to 30th June 2025**

Contract Title	Contract Start Date	Contract End Date	Contract Value £'000
Water Rescue Response Vehicle Conversion	01/04/2025	01/08/2025	243
Supplementary Healthcare Call-Off for Year 1	01/05/2025	30/04/2026	173
ESRI Enterprise Agreement	01/05/2025	30/04/2028	102
Defibrillators	01/05/2025	31/05/2025	102
ArcGIS System	01/05/2025	30/04/2028	102
MAIT	01/04/2025	29/06/2033	94
Internal Audit Services	01/04/2025	31/03/2028	93
Replacement Stores Vehicles	01/04/2025	31/10/2025	66
MDT Software—Annual Maintenance & Support	01/05/2025	30/04/2026	44
Medical Gases	01/06/2025	31/05/2028	40
Audit of estate for PSSR requirements	01/04/2025	01/05/2025	30
Strategic Recruitment and HR Support	09/04/2025	08/04/2026	29
Standing Order for Extinguisher Maintenance	01/04/2025	31/03/2026	25
Opas License Renewal	01/04/2025	30/04/2027	23
Secretariat Services	01/04/2025	30/04/2026	22
Delta eSourcing Platform	24/04/2025	23/04/2027	22
Control 25 Project Control Hardware / Software Setup and Integration	01/04/2025	30/04/2025	21
Freshworks – Annual Maintenance & Support	01/04/2025	31/03/2026	19
IRS System – Annual Maintenance & Support	01/04/2025	31/03/2026	18
Level 4 Cyber Security Technologist Apprenticeship	27/05/2025	27/09/2027	18
NCEC – Chemdata Annual Licence & Maintenance & Support	01/04/2025	31/03/2026	17
MKM Room Hire for Firefighter Assessment Centre	07/04/2025	17/04/2025	16
Marine Firefighting course Delivered by Fire Aid	28/04/2025	31/05/2025	15
AI Call Handling Training	01/04/2025	01/04/2026	14
College of Policing MAGIC Course	01/05/2025	31/10/2025	11
OSTVI - Tac Vent Instructor	23/06/2025	17/10/2025	11
Consultant work at Howden Station	01/04/2025	30/10/2025	10
Drone Replacement	01/04/2025	30/04/2025	10
Barbour Subscription Service	01/04/2025	31/03/2026	9
HGV Scrap Vehicles x 2	14/04/2025	30/04/2025	9
25 new monitors for the Control 25 project	01/05/2025	31/05/2025	8
South Bank Audio Booth	01/04/2025	30/04/2025	7
Volunteer Uniform	01/05/2025	30/06/2025	7
CFBTI Course WM Jon Kama	12/05/2025	23/05/2025	7
Police Fire Volunteer Uniform	01/04/2025	30/04/2026	6
Purchase of 80x Holik Firefighter's Gloves	24/04/2025	31/05/2025	6
Local Insights Annual License Fee	01/05/2025	30/04/2026	6
Prosecution Costs	01/06/2025	30/06/2025	6
Health and Wellbeing Conference	30/04/2025	30/06/2025	5
Car in Water Training	26/06/2025	30/06/2025	5
Drying Units	01/06/2025	01/12/2025	3
<b>Total Amount of Contracts Awarded Within The Period</b>			<b>1,474</b>

**2025/26 Contract Management  
High Strategic Risk Rating**

Service Area	Contract Title	Contract Start Date	Contract End Date	Progress
Finance	Financial Management System	01/04/2008	31/03/2025	Business case accepted to commence procurement process for potential new contract. Specification currently in progress, and exploring different routes to market and requirements needed - next stage Pre market Engagement notice to be published in order to invite suppliers to demo systems.
Digital Services	Airwave Services	01/11/2006	31/10/2025	Project work currently happening, and contract management is currently in place. Home Office is exploring options to extend the life or Airwave due to the delayed release of Emergency Services Network (ESN).
Human Resources	Firewatch	20/03/2020	19/03/2026	Contract management is currently in place. One extension period of 12 months available. Work already underway on solution for 2027 and beyond.
Digital Services	MDT Software—Annual Maintenance & Support	01/05/2025	30/04/2026	Contract management is ongoing, and regular meetings are happening. Pre procurement currently ongoing for the next steps in this contract.
Digital Services	Station end equipment – Annual Maintenance	01/07/2025	30/06/2026	Work to be conducted into a full replacement of the station end equipment. An extension to the current contract is likely whilst pre-procurement is completed and specification designed.
Digital Services	WAN, Firewall, Internet and Co-Location Services	15/07/2019	14/07/2026	Into final extension period. Contract management is ongoing with pre-procurement work for next contract is happening.
Fleet and Estates	Laundry and Aftercare Services	01/08/2021	31/07/2027	Contract has been extended, and contract management is being undertaken by the contract owner.
Digital Solutions	SIM Cards and Mobile Data	17/02/2025	16/02/2028	Contract is recently awarded and implemented. Contract management to begin to maintain performance of contract deliverables.
Fleet and Estates	Supply of Structural PPE	01/06/2021	30/06/2029	PPE delivered and contract management is ongoing. HFRS actively involved in regional contribution towards a national framework to provide procurement avenue for future contract.
Fleet and Estates	SCBA Replacement	01/09/2024	31/08/2029	New BA equipment delivered and rolled out. Contract management to begin to maintain contract deliverables are achieved.
Digital Services	Airwave San N Replacement	08/10/2024	31/12/2029	Project work currently happening, and contract management is currently in place.
Fleet and Estates	ESFM Fleet Maintenance	01/04/2015	31/03/2030	Long term agreement for fleet maintenance. Contract management ongoing.
Emergency Response	Control Room Systems	31/07/2024	30/07/2031	Project team established an implementation phase has begun.
Control	MAIT	01/04/2025	29/06/2033	Contract management is in place, and contract is now live. Contract owner will liaise with the Procurement team on contract management.
Fleet and Estates	Underlease of Premises at the Jean Bishop ICC	11/07/2017	10/07/2042	Long term agreement for lease of property. Contract management ongoing.



**2025/26 Contract Management  
Contract Meetings - High Strategic Risk Rating  
1st April 2025 to 30th June 2025**

Contract Title	Supplier	Date of Meeting	Outcome
Station End Equipment Maintenance	Telent Technologies	02/04/2025	Focus on areas of poor coverage and works to improve this. Contract is coming up to expiry with work needed on future requirements and appropriate procurement strategy.
Financial Management System	B-Plan Information Systems	03/04/2025	One year renewal quoted for and Procurement/Finance to conduct procurement process for future Financial Management System.
Laundry and Aftercare Services	ELIS UK	03/04/2025	Areas of performance concern raised. Both parties agree to monitor and conduct quarterly meetings to access remedy. Contract management ongoing.
WAN, Firewall, Internet	KCOM Group	04/04/2025	Discussion surrounding issues relating to some VPN connections. To be escalated and monitored.
Control Room Systems	SSS Public Safety Limited	20/05/2025	Update on project meetings over the past quarter. Project and contract management to continue.
Structural PPE	Ballyclare	28/05/2025	Guarantee requested from parent company. Price increase negotiated to 2-year fixed percentage. Contract management to continue.