

Report to	Audit Committee
Date	16 March 2026
Lead Officer	Helen MacArthur, Assistant Chief Fire Officer
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Subject	Medium-Term Resource Strategy 2026-30



PURPOSE OF REPORT

- 1 The purpose of this report is to present the Medium-Term Resource Strategy (MTRS) for 2026–2030, providing Members with the financial framework that supports delivery of the Community Risk Management Plan (CRMP) 2024–2029 and sets out North Wales Fire and Rescue Authority's (the Authority) medium-term financial outlook, risks and planning assumptions.

EXECUTIVE SUMMARY

- 2 The MTRS outlines how the Authority will resource CRMP delivery over the period 2026–2030, ensuring alignment between operational priorities, available funding, and statutory responsibilities.
- 3 The financial environment remains challenging due to inflation, pay uncertainty, capital financing pressures, and the introduction of Emergency Services Network (ESN) costs.
- 4 Despite these pressures, the Authority's financial position remains sustainable, supported by planned efficiencies, prudent use of reserves, and a structured approach to financial risk management.
- 5 Indicative levy requirements and capital programme are provided to support forward planning by constituent local authorities and will be subject to annual approval and scrutiny.

RECOMMENDATIONS

- 6 Members are asked to:
 - i) **Endorse the Medium-Term Resource Strategy 2026–2030.**

BACKGROUND

- 7 The Authority is required to set a balanced, sustainable financial plan that supports delivery of the CRMP.
- 8 The MTRS provides the medium-term financial context, setting out assumptions on pay, prices, capital financing, reserves, and anticipated funding. It ensures transparency for Members and constituent authorities and informs annual budget-setting.

INFORMATION

- 9 The Strategy confirms the planned financial envelope for 2026–2030, including:
 - major cost drivers (pay, inflation, estates, fleet, ESN)
 - capital programme impacts, including the development of Hwb Awen (subject to external funding)
 - reserves strategy and planned drawdown profile
 - indicative levy modelling for constituent authorities
- 10 The 10-year capital plan remains a key element of medium-term planning, with significant expenditure forecast in 2027/28 and 2028/29.
- 11 The Strategy embeds a structured approach to efficiencies, with productivity improvements and targeted non-cash and cash-releasing savings.
- 12 All detailed assumptions, tables and modelling are contained in the full MTRS document.

IMPLICATIONS

Well-being Objectives	The MTRS supports the Service's Improvement and Well-being Objectives by ensuring financial resources are aligned to long-term risk reduction, operational effectiveness, and sustainability.
Budget	The MTRS sets the planning parameters for future budgets, incorporating inflation, pay, capital financing, and ESN costs, alongside efficiencies and planned reserve use.
Legal	The Authority must set a balanced budget each year under the Local Government Finance Act 1992. The MTRS underpins this legal requirement by providing a robust medium-term planning framework.
Staffing	Over 70% of expenditure relates to staffing. Pay awards, recruitment challenges and workforce planning remain key financial considerations.
Equalities/Human Rights/Welsh Language	These considerations are integrated into financial planning and will continue to be addressed through CRMP delivery and annual budget processes.
Risks	Key risks include uncertainty in national pay settlements, non-pay inflation, ESN cost pressures, interest rate movements, and reliance on reserves to smooth projected increases. Mitigations are outlined within the Strategy.