



Essex County
Fire & Rescue Service

Essex County Fire and Rescue Service Medium Term Financial Strategy 2025/26 Update

Contents

1. Background.....	3
2. Where does the Money Come From.....	5
3. Medium Term Financial Strategy	8
4. Assumptions and Sensitivity Analysis.....	11
5. Risks	13
6. MTFS Scenario.....	15
7. Governance.....	15
8. Related Strategies	17

1. Background

The Medium Term Finance Strategy (MTFS) was presented at the 13 January 2025 Strategic Board following the publication of the Provisional Local Government Finance Settlement which was on 18 December 2024. The was presented alongside the 2025/26 budget proposal.

The new Fire and Rescue Plan 2024 – 2028 under the vision of “safe and secure communities are the bedrock on which we build success and well-being for all” sets out the priorities for the Service alongside a clear description of what good looks like.

These priorities are delivered through our Community Risk Management Plan 2025- 2030 and five strategic goals, which in turn identify the key improvement activities the Service needs to deliver.

These improvement activities, alongside those identified through external assurance processes such as His Majesty Inspectorate of Constabulary and Fire and Rescue inspections, internal audit, and our internal assurance processes will be detailed in our annual Service Delivery Plan. The investment and funding to undertake these activities are managed through our Medium Term Financial Strategy, and specifically for this year the 2025/26 budget.

Priorities to fund

Preventing fires and other emergencies

The Service continues to increase **the amount of prevention activity** it undertakes, specifically the number of home safety checks it delivers to the most vulnerable by operational crews. This activity is likely to increase throughout 2025/26 in response to the risk across the County, alongside investment in working in partnership with The East of England Ambulance Service Trust to reach those most vulnerable through Community Wellbeing Officers.

Reducing the impact of fire in the built environment

Over the last three years, the Service has invested heavily in the resources, skills and competencies required to make sure it can meet increases in demand on legislative fire safety.

The Service has **committed to embed the investment made in Fire Protection** to ensure it has sufficient resources to meet the needs of the Risk Based Inspection Programme, support business and take proportionate enforcement action where required.

Responding effectively to emergencies

To respond to a range of emergencies the Services needs to actively manage the resources it has available to meet not only the day-to-day demand of incidents but also the ability to respond to prolonged and sustained periods of high demand as was seen in the summer of 2022. This has resulted in the Service **making better use of the resources it has at its disposal on a risk basis**. Despite this the movement of appliances has an increased cost to the Service, and in addition the Service has identified a need to increase the number of fire engines available during the day. The service will be implementing a dynamic cover

solution within 2025/26, which will make look to make the process of moving any appliances around the county more efficient.

Inclusive and high performing culture

Resourcing is key. The current economic situation, alongside planned retirements, creates pressure on the Service to be able to recruit ahead of time. As well as this, the Service needs sufficient time to develop the skills of new staff to replace those that have been lost.

The Service is required to recruit approximately 48 firefighters into our wholetime duty system and 72 into our on-call duty system in the next year. Recruitment is a significant pressure in terms of cost and time. The skills and risk critical specialisms of our emergency responders can take years to train and can be costly to develop. As those officers may apply to any other Service's in the Country, we need to work hard to be an employer of choice to attract and retain in this field. As a result, the Service is investing an additional £0.2m in training resources to support this process.

A resilient and sustainable future

Investment is needed in our property portfolio to make sure that it is fit for purpose and able to meet the support and well-being needs of our workforce. A £0.2m investment to be made in 2025/26 to conduct a condition survey across the estate, which will aid the prioritisation of the future asset protection works.

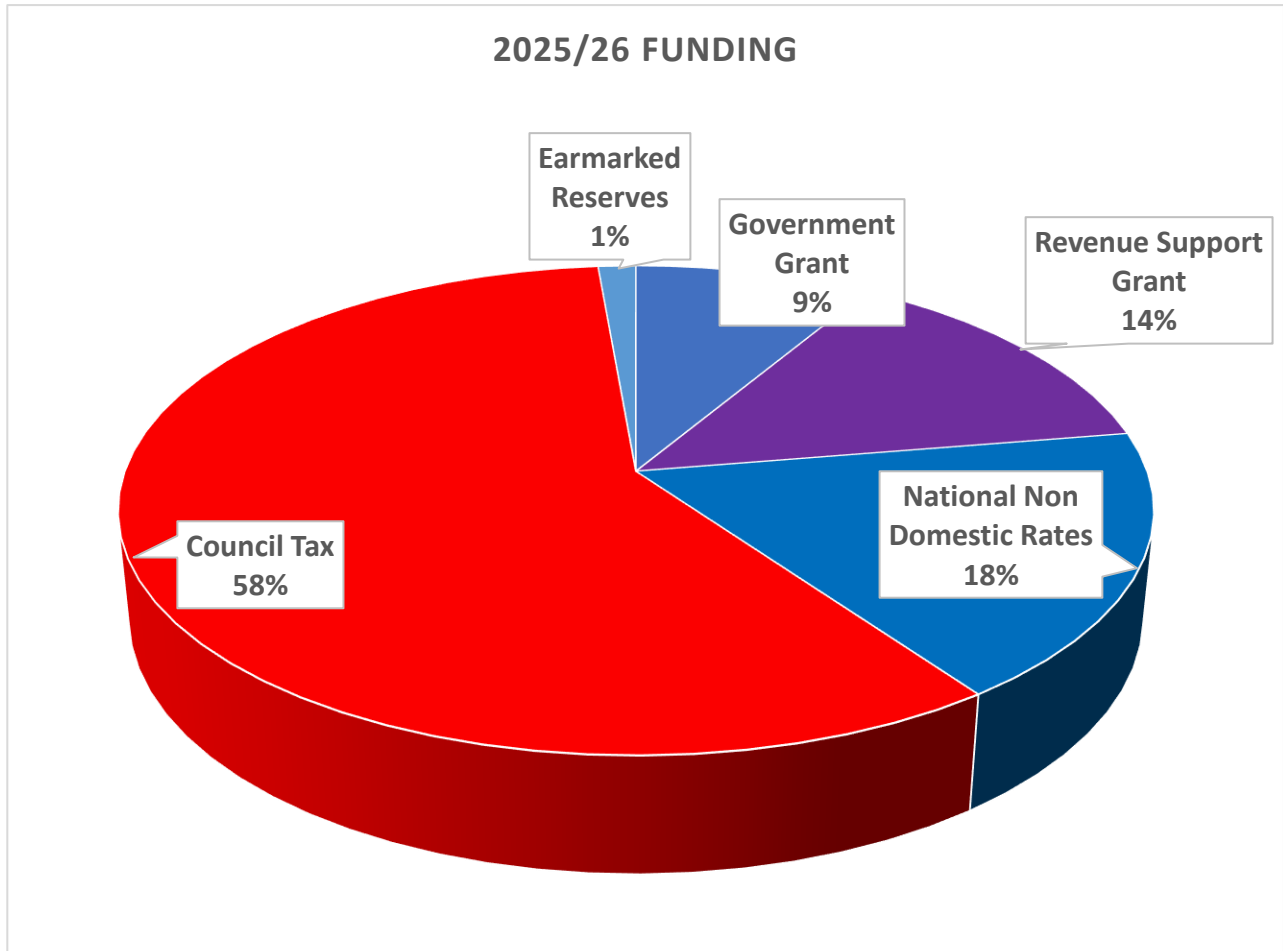
The Authority is looking to make an investment in Fire Training Facilities at its headquarters in Kelvedon Park which will deliver crucial safety critical specialist training alongside a shared fleet workshop at Boreham with Essex Police. The fire training facilities project is expected to progress to full business case within 2025/26.

The Authority will make a £0.1m investment in a new telematics capability in 2025/26 to improve the monitoring of its fleet. This is expected to drive efficiencies in fleet assets, some of which have been anticipated and included within the capital programme.

The service will **continue the delivery of its Digital and Data Strategy**. This investment in systems and hardware will improve productivity and connectivity. There are some cost pressures arising within the year resulting from this transformation programme, which relates to additional licensing and costs associated with using modern technology.

2. Where does the Money Come From

The Authority's net budget requirement for 2025/26 is **£102.2m**, which is primarily funded from Council Tax and Government Grant. The allocation of the funding sources are shown in the chart below:



Council Tax

58% of the Authority's total funding come from local Essex residents in the form of council tax collections. The Essex Police, Fire and Crime Commissioner is responsible for setting the local Fire precept in accordance with the government referendum thresholds that are set. For 2025/26 this is £5 on Band D properties for Fire and Rescue Authorities.

The precept is issued to the 12 Districts and 2 Unitary Authorities (Southend and Thurrock) within Essex, who are responsible for the collection of all council tax which will include the Fire precept.

As part of the Authority's planning process, each Essex District provides details of their council tax base which assists in the calculation of the total Fire precept that is to be collected, which is reflected in the table below:

	2025/26 Tax Base	2024/25 Tax Base	Variance	% Change
Basildon	61,473	61,444	29	0.05%
Braintree	58,079	56,359	1,720	3.05%
Brentwood	34,512	34,141	370	1.08%
Castle Point	31,257	31,381	(124)	-0.40%
Chelmsford	72,078	71,536	542	0.76%
Colchester	67,201	65,876	1,325	2.01%
Epping Forest	55,945	56,442	(497)	-0.88%
Harlow	29,298	28,753	545	1.89%
Maldon	26,854	26,400	454	1.72%
Rochford	33,582	33,018	564	1.71%
Tendring	53,497	51,866	1,631	3.14%
Uttlesford	40,552	39,630	922	2.33%
Southend	60,861	60,350	510	0.85%
Thurrock	54,114	53,322	792	1.49%
Total Tax Base	679,302	670,520	8,783	1.31%
Precept – Band D	£87.57	£82.62	£4.95	5.99%
Total Council Tax	£59,486,516	£55,398,333	£4,088,182	7.38%

For 2025/26 the Authority will receive £59.48m in council tax, which is based on a precept of £87.57 per Band D Property.

This is a £4.1m increase to the prior year which is a result consists of

- £3.5m from the increase in the council tax precept of £4.95 in 2025/26
- £0.6m from the increase of 1.31% in the council tax base in 2025/26.

Local Government Finance Settlement

The local government finance settlement is the annual determination of funding to local authorities, from central government. This determines the Authority's Settlement Funding Assessment (SFA) which consists of two parts:

Revenue Support Grant - a central government grant given to fund revenue expenditure.

National Non Domestic Rates (NNDR) – sets the baseline level of business rates funding. This comprises of a top up grant from Central government and a baseline level that is collected by the Districts.

The 2025/26 SFA as announced in the provisional local government finance settlement on 18th December 24 is below. The publication of the final settlement is expected in early February 25 and is not expected to change.

	2025/26	2024/25	Variance	% Change
Revenue Support Grant	14,065	13,835	230	1.66%
National Non-Domestic Rates	18,127	17,921	206	1.15%
	32,192	31,756	436	1.37%

Government Grants

These Grants are allocated on an annual basis and no commitment has been made to their continuation.

The publication of the provisional local government finance settlement on 18 December 24 confirmed the removal of £1.6m in government grants relating to the Funding Guarantee and Services Grant in 2025/26.

The remaining key government grants are listed in the table below:

Grant	Amount £m	Description
Business Rates Relief	£4.3m	This grant relates to inflationary increase on the Top Up Grant and compensation from freezing of the business rates multiplier.
Firefighter Pension Scheme – Employer Contribution	£2.6m	This grant is to offset the 8.5% employer contribution increase in the Firefighter Pension Scheme effective from 1st April 2024. This currently covers 83% of the cost incurred.
Urban Search and Rescue	£0.8m	This grant contributes towards the funding of national capability based in Essex.
Compensation for Employers NI Increase	£0.7m	This is grant funding is to compensate the Authority for the increase in Employers National Insurance effective from 1st April 2025. The allocation has not yet been published, but it is assumed that the Authority will be compensated in full for this increase.
Protection Uplift Grant	£0.2m	This grant funding relates to increasing the capacity and capability of protection teams.
	£8.7m	

3. Medium Term Financial Strategy

The latest MTFS is shown in the table below and is compared to the MTFS presented at the December 2024 Strategic Board.

Summary Medium Term Financial Strategy at December 2024 Strategic Board

Medium Term Financial Strategy 2025/26 to 2028/29						
	2025/26	2026/27	2027/28	2028/29	2029/30	5 Year Total
	£m	£m	£m	£m	£m	£m
Net budget requirement (before appropriations to/from reserves)	103.8	104.1	106.3	108.8	110.8	533.8
Net appropriations to/(from) reserves	(1.4)	0.0	0.0	0.0	0.0	(1.4)
Net budget requirement (after appropriations to/from reserves and before savings and efficiencies)	102.4	104.1	106.3	108.8	110.8	532.4
Savings and Efficiencies Plan- Recurring	(0.7)	(0.5)	(0.5)	(0.5)	(0.5)	(2.7)
Savings and Efficiencies Plan- One off	0.0	0.0	0.0	0.0	0.0	0.0
Net budget requirement (after appropriations to/from reserves and savings and efficiencies)	101.6	103.6	105.8	108.3	110.3	529.7
Total funding	(98.8)	(100.8)	(102.8)	(104.9)	(107.1)	(514.4)
Annual (shortfall)/surplus	(2.9)	(2.9)	(3.0)	(3.4)	(3.2)	(15.3)

Latest Summary Medium Term Financial Strategy

Medium Term Financial Strategy 2025/26 to 2028/29						
	2025/26	2026/27	2027/28	2028/29	2029/30	5 Year Total
	£m	£m	£m	£m	£m	£m
Net budget requirement (before appropriations to/from reserves)	103.6	103.5	105.6	107.7	109.8	530.3
Net appropriations to/(from) reserves	(1.4)	(0.2)	(0.2)	0.0	0.0	(1.8)
Net budget requirement (after appropriations to/from reserves and before savings and efficiencies)	102.2	103.3	105.4	107.7	109.8	528.5
Savings and Efficiencies Plan- Recurring	(1.4)	(0.5)	(0.5)	(0.6)	(0.4)	(3.4)
Savings and Efficiencies Plan- One off	0.0	0.0	0.0	0.0	0.0	0.0
Net budget requirement (after appropriations to/from reserves and savings and efficiencies)	100.8	102.8	104.9	107.1	109.4	525.1
Total funding	(100.8)	(102.8)	(104.9)	(107.1)	(109.4)	(525.1)
Annual (shortfall)/surplus	0.0	0.0	0.0	0.0	0.0	0.0

The MTFS presented at the December 24 Strategic board showed a deficit of £2.9m in 2025/26. The latest MTFS now reflects a balanced budget for 2025/26, with the key movements being:

- £1.7m additional council tax receipts due to an increase in the council tax precept
- £0.7m additional cashable savings identified
- £0.2m increase in National Non Domestic Rates Baseline funding as published in the provisional Local Government Finance Settlement
- £0.1m reduction in secondary contract and overtime bids
- £0.1m council tax receipts following the final submission of District returns

The table below shows the latest detail of the MTFS and the impact of the change since the December 24 Strategic Board.

Detailed Medium-Term Financial Strategy and the changes since December 24.

Published Budget	Medium Term Financial Strategy 2025/26 to 2029/30							Change since Dec 24	
2024/25 £m		2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	5 Year total £m	2025/26 £m	(reduction) / increase £m
88.4	Opening net budget requirement	93.7	100.8	102.8	104.9	107.1	509.3	93.7	0.0
0.0	Firefighters' Pension Scheme -Employer Contribution Impact	3.1	0.0	0.0	0.0	0.0	3.1	3.1	0.0
3.5	Pay Pressures	3.4	1.6	1.6	1.6	1.7	9.8	3.5	(0.1)
0.0	Employers NI Increase	0.7	0.0	0.0	0.0	0.0	0.7	0.7	0.0
0.6	Investment in On Call	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.1	Investment in New Resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
0.4	Firefighters' Pension Scheme Pressure	0.0	0.1	0.2	0.2	0.2	0.6	0.0	0.0
0.2	Non Pay Pressure - Support Costs	0.3	0.1	0.1	0.1	0.1	0.7	0.3	(0.0)
0.8	Non Pay Pressure - Premises & Equipment	0.7	0.4	0.3	0.3	0.4	2.0	0.8	(0.1)
0.4	Non Pay Pressure - Other Costs & Services	0.4	0.0	0.0	0.0	0.0	0.4	0.3	0.1
0.0	Revenue Impact of Capital Programme	(0.0)	0.4	0.3	0.5	0.4	1.5	0.0	(0.0)
0.0	Finance Costs resulting from Capital Program	0.0	0.0	0.2	0.1	0.0	0.3	0.0	0.0
1.3	One Off Investment through Earmarked Reserves	1.4	0.2	0.2	0.0	0.0	1.8	1.4	(0.0)
(1.3)	Contributions (from) Earmarked Reserves	(1.4)	(0.2)	(0.2)	0.0	0.0	(1.8)	(1.4)	0.0
94.5	Net budget requirement (before savings and efficiencies)	102.2	103.3	105.4	107.7	109.8	528.5	102.4	(0.1)
(0.8)	Savings and efficiencies (cashable - recurring)	(1.4)	(0.5)	(0.5)	(0.6)	(0.4)	(3.4)	(0.7)	(0.7)
0.0	Savings and efficiencies (cashable - one-off)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
93.7	Net budget requirement (after savings and efficiencies)	100.8	102.8	104.9	107.1	109.4	525.1	101.7	(0.9)
(88.4)	Opening funding	(93.7)	(100.8)	(102.8)	(104.9)	(107.1)	(509.4)	(93.7)	0.0
2.2	Government funding	(2.6)	0.0	0.0	0.0	0.0	(2.6)	(2.6)	(0.0)
(4.2)	Revenue Support Grant	(0.2)	(0.3)	(0.3)	(0.3)	(0.3)	(1.4)	(0.2)	0.0
(0.8)	National Non Domestic Rates	(0.2)	0.0	0.0	0.0	0.0	(0.2)	0.0	(0.2)
(0.6)	Tax base increase	(0.6)	(0.6)	(0.6)	(0.6)	(0.7)	(3.1)	(0.6)	0.0
(1.5)	Council Tax - Precept increase	(3.5)	(1.2)	(1.2)	(1.3)	(1.3)	(8.5)	(1.7)	(1.8)
(0.3)	Collection fund change	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)
(93.7)	Total funding	(100.8)	(102.8)	(104.9)	(107.1)	(109.4)	(525.1)	(98.8)	(2.0)
0.0	Annual (shortfall) / surplus	0.0	0.0	0.0	0.0	0.0	0.0	(2.9)	2.9

Savings

The MTFS for 2025/26 includes £1.4m of core budget cashable savings, which is shown in the table below.

Pay Costs	451,396
Ill health pension costs	22,000
Non Pay - Other Costs & Services	105,982
Non Pay - Premises Equipment	285,083
Non Pay - Support Costs	172,860
Non Pay - Financing Items	168,600
Operational Income	239,317
	1,445,238

The £0.45m saving in pay costs is a resulting of the removal of 6 FTE posts from the establishment.

The Service has a good track record of generating savings and efficiencies in recent years and these are tracked through its Productivity and Efficiency Board.

The MTFS also includes between £0.4m to £0.6m of unidentified cashable savings in future years.

4. Key Assumptions and Sensitivity Analysis

The Key Assumptions that are included within the MTFS are outlined below:

Funding

Council Tax – The precept has been increased by £4.95 (5.99%) in 2025/26. The council tax precept is increased by 2% in future years.

Council tax income would normally grow year on year as a result of an increase in the tax base, which for 2025/26 is 1.3%. Future years tax base growth has been based on 1%.

Local Government Finance Settlement – A 2% annual inflationary increase has been applied to the Revenue Support Grant from 2026/27 and thereafter. The remaining local government finance settlement has assumed to be on a flat cash basis.

Government Grants – The total Specific government grants in 2025/26 is £8.7m as detailed on Page 7.

The Firelink grant is due to be phased out of the MTFS by 2026/27, which is in line with the notification given by Home Office in 2022-23.

If the specific grants for Urban Search and Rescue and Protection Uplift totalling £1m were to be cease, then the Authority will need to review its capability / resources in these areas to which this grant funding was specifically assigned to ensure that there was no financial impact on the service.

All other grants are included in the MTFS have been included on a flat cash basis.

Expenditure

Employment Costs equate to approximately 76% of the Service's core budget, with the numbers of firefighters employed being the most significant element. A 2% pay assumption for all staff is included within 2025/26 and each year thereafter.

Non-Pay Costs are assumed to increase by 2% per annum.

Capital

The revenue impact of the capital programme is charged to the Core revenue budget through the minimum revenue provision. The Minimum Revenue Provision (MRP) is currently set at £4.1m for 2025/26.

The current MTFS has a £1.5m pressure on the MRP Charge between 2026/27 to 2029/30, which is based on the latest Capital Strategy.

The Capital programme and projection is closely monitored and the MRP is modelled and projected regularly throughout the year to take account of changes or updates to the Capital Programme.

Key Sensitivities

The Table below details some of the key sensitivities within the MTFS:

Funding Category	Impact of a 1% Change
Council Tax Precept	£0.6m
Council Tax Base	£0.6m
Revenue Support Grant	£0.14m
National Non-Domestic Rates	£0.18m

Expenditure Category	Impact of a 1% Change
Grey Book Pay Award	£0.6m
Green Book Pay Award	£0.2m
Total Pay Award	£0.8m
Non-Pay Costs	£0.26m

5. Risks

The main risk areas associated with the MTFS are:

- **National Pay Settlements** – Pay cost for 2025/26 are budgeted based on a 2% pay award. Negotiations on the pay settlement will take place at the NJC and agreements made in excess of this amount would create further unfunded year on year pressures.
- **Compensation for Employers NI Increase** - In the October 24 budget statement by the Chancellor, it was announced that there will be an increase in the Employers National Insurance Rate of 1.2% effective from April 2025, which has created an additional financial pressure of £0.7m.

A grant has been included in 2025/26 to cover this increase in employers national insurance cost, on the basis that the policy objective ([Changes to the Class 1 National Insurance Contributions Secondary Threshold, the Secondary Class 1 National Insurance contributions rate, and the Employment Allowance from 6 April 2025 - GOV.UK](#)) for the increase is to “help fix the foundations of the public finances and invest in public services.”

The provisional local government finance settlement published on 18 December 2024 did not confirm any funding allocation to for the compensation of the Employers NI increase. It also did not confirm that this increase will be fully compensated for.

- **Inflation** – In addition to our Pay Costs, there are inflationary impacts and potential supply chain issues that are impacting upon Non-Pay Costs. Although the service is continuing to monitor its Non-Pay Costs closely, there are risks that ongoing pressures within the supply chain could impact future pricing.
The rate of inflation in September 24 was 1.7%, and this is used to determine the level of increase in some of our grant funding such as the Revenue Support Grant. Inflation has since risen and is currently at 2.6%.
- **Firefighters Pension Schemes** - The employer contribution rates for firefighters' pension schemes increased by 8.5% to 37.6% of pensionable pay with effect from 1st April 2024. This has created a financial pressure of £3.1m. A pension grant of £2.6m has been provided by government in recognition of the increase in Employer Contributions. The Home Office has advised that there may be an opportunity for additional funding to cover full extent of the increase.

The MTFS has assumed the continuation of the pension scheme grant of £2.6m per annum.

These employer contribution rates are expected to be set for the period 1st April 2024 to 31st March 2027.

- **Local Government Finance Settlement** – Under the new Government, the Chancellor has announced that there will be a multi-year spending review, which will conclude in Spring 2025. There is a one year settlement for 2025/26 whilst this spending review is undertaken. Further spending reviews will then be conducted every two years.

The 2025/26 provisional local government finance settlement was published on 18th December 2024, and it is expected to be finalised in late January 25. The Authority is not expecting any changes to the local government finance settlement in the final publication.

- **Council Tax and National Non-Domestic Rate Collections** - Given the current economic pressures, there is a high risk that Business and Council tax collections will be impacted. This follows on from the Covid 19 pandemic which impacted the Collection Accounts. Furthermore, if the housing construction beings to slowdown as a result of the current economic situation, this would impact future council tax base increases. Regular communication and meetings are held with the Districts, so should any key collections issues arise then the Authority is informed early of such events.
- **Section 31 Grants** – These specific Grants are allocated on an annual basis and no commitment has been made to their continuation.

If the specific grants for Urban Search and Rescue and Protection Uplift totalling £1m were to be cease, then the Authority will need to review its capability / resources in these areas to which this grant funding was specifically assigned to ensure that there was no financial impact on the service.

If other specific grants were to reduce or cease, then tis would create a financial pressure on the service.

- **Capital Program** – The Authority has developed a 10-year capital plan, and it will be important to keep the Capital Program under close review to ensure its affordability. The latest economic situation and finance settlement has impacted the capital programme, with several projects being removed due to affordability.

The Capital Programme will continue to be monitored closely.

In the event that further borrowing is required, changes in the interest rates could also impact affordability.

- **Exceptional Cost Incurred**

The Authority maintains an adequate level of general reserves to meet an exceptional one off cost. The Authority also has some Earmarked Reserves available that relate to Contingencies, which is outlined in the Reserve Strategy.

In the event that there are any unexpected exceptional costs arise, then such Reserves may be needed to provide short term funding. This would also allow some time for the Productivity and Efficiency Board to determine and implement a savings plan, should any exceptional cost pressure be more than just a one off. This principle would also apply should there be a sudden notification that resulted in a significant change in funding.

6. MTFs Scenario

During the 2025/26 budget setting process, the Authority made several changes to its plans in response to the changing financial environment.

There will be a multi-year spending review which we understand will conclude in Spring 2025. The Authority will be submitting an Essex County Fire and Rescue specific Spending Review case.

The intention will be to illustrate the funding challenges and opportunities in Essex as a case study.

This will also be shared with the National Fire Chief Council (NFCC) Lead, who is preparing a Spending Review submission on behalf of the Sector.

This submission will include those key investments that the Authority would like reintroduce and invest into from 2026/27:

- Operational Training Staff – The permanent recruitment of additional Operational Training Staff.
- Professional Standards – An investment to further develop a Professional Standards capability within the Authority in 2026/27, which follows on from the appointment of a Head of Professional Standards in 2024/25.
- Training Budget – The uplift of the department training budget in 2026/27 following the budget reduction made in 2025/26.
- Live Fire Training Running Costs – The Authority is looking to invest in a new Live Training Facility to be located at its Headquarters at Kelvedon Park. There is expected to be an increase in its running costs, given the modern technology that will be required to operate such a facility. These costs are not known at this stage, but an estimate of £300,000 per year has been included within the MTFs.
- Joint Fleet Workshop – The Authority would like to invest in a new Joint Fleet Workshop with Essex Police. The MTFs is based on a £9m investment by ECFRS and has assumed would be funded by external borrowing.
- Wholtime Station Modernisation – The Authority would like to invest in the modernisation of its Wholtime Fire Stations. The MTFs reflects an £8m over 4 years starting in 2026/27 and would be fully funded by external borrowing.

The table below shows the financial impacts of these investments.

	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m
Trainers	£ 140,000			
Professional Standards Capability	£ 140,000			
Departmental Training Budget	£ 77,000			
Fire Training Facilities -Running Costs		£ 150,000	£ 150,000	
Joint Fleet Workshop - MRP		£ 112,500	£ 112,500	
Joint Fleet Workshop - Interest		£ 265,000	£ 265,000	
Wholetime Station Modernisation - MRP	£ 100,000	£ 100,000	£ 100,000	£ 100,000
Wholetime Station Modernisation - Interest	£ 118,000	£ 118,000	£ 118,000	£ 118,000
	£ 575,000	£ 745,500	£ 745,500	£ 218,000

The table below shows an MTFS scenario, should these investments been reflected within it.

MTFS Scenario

Medium Term Financial Strategy 2025/26 to 2028/29						
	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	5 Year Total £m
Net budget requirement (before appropriations to/from reserves)	103.6	104.1	106.8	109.6	112.0	536.2
Net appropriations to/(from) reserves	(1.4)	(0.2)	(0.2)	0.0	0.0	(1.8)
Net budget requirement (after appropriations to/from reserves and before savings and efficiencies)	102.2	103.9	106.6	109.6	112.0	534.4
Savings and Efficiencies Plan- Recurring	(1.4)	(0.5)	(0.5)	(0.5)	(0.5)	(3.4)
Savings and Efficiencies Plan- One off	0.0	0.0	0.0	0.0	0.0	0.0
Net budget requirement (after appropriations to/from reserves and savings and efficiencies)	100.8	103.4	106.1	109.1	111.5	531.0
Total funding	(100.8)	(102.8)	(104.9)	(107.1)	(109.4)	(525.1)
Annual (shortfall)/surplus	0.0	(0.6)	(1.2)	(2.0)	(2.1)	(5.9)

This MTFS scenario also has unidentified savings of £0.5m includes per annum from 2026/27. The service has a good track record of delivering annual savings if these savings were excluded this would create a further £2m over the period of the MTFS and would increase the shortfall to £7.9m.

7. Governance

The MTFS is regularly projected through the year and reported through the quarterly Strategic Boards. This means that the MTFS is updated to take account any new / emerging financial matters and ensures that the Service has a good oversight and understanding of its financial position.

This also means that any funding or cost pressures can be promptly identified, and appropriate savings and efficiency plans can be developed through the Productivity and Efficiency Board.

8. Related Strategies

The Medium Term Financial Strategy sits alongside the following Service Strategies:

- Capital Strategy and MRP Policy
- Reserves Strategy
- Treasury Management Strategy (to be presented at the March 25 Strategic Board)

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985	
List of background documents – none.	
Proper Officer:	Chief Financial Officer (S151)
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