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David Linden MSP
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26 November 2026

Dear David,

SCOTTISH FIRE AND RESCUE SERVICE ANNUAL REPORT & ACCOUNTS 2025-26

I am writing to inform you that I have arranged for a copy of the Scottish Fire and Rescue Service's (SFRS) Annual Report and Accounts for 2025-26 to be laid in the Scottish Parliament **SG/2026/250**.

Section 42A (1) of the Fire (Scotland) Act 2005 (inserted by section 118 of the Police and Fire Reform (Scotland) Act 2012) requires the SFRS to send a copy of their annual report and accounts to Scottish Ministers. Scottish Ministers are required to lay a copy of the Annual Report and Accounts as well as a copy of the auditor's report in the Scottish Parliament.

For your information I enclose a copy of the SFRS Annual Report and Accounts 2025-26, which also contains a link to the auditor's report.

NEIL GRAY

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See www.lobbying.scot

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SCOTTISH FIRE AND RESCUE SERVICE

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ANNUAL REPORT AND ACCOUNTS 2025/26

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PERFORMANCE REPORT

CHAIR'S WELCOME

It is both a pleasure and a privilege to introduce the Scottish Fire and Rescue Service (SFRS) Annual Report and Accounts for 2025/26. This report reflects a year of continued commitment, adaptation and professionalism in the face of ongoing challenges. It provides an overview of our progress during the year, assurance on our governance and performance, and demonstrates our ongoing focus on delivering safe, effective and sustainable services for the people and communities of Scotland.

This has been a year of important developments, important decisions and continued dedication to public service. While continuing to deliver services for communities across Scotland, we have progressed key strategic priorities, strengthened aspects of our organisational foundations and taken further steps towards supporting the long-term sustainability of the Service.

Our people remain central to everything we do. Whether responding to emergencies, supporting prevention and protection activity, or contributing to organisational improvement, their professionalism, expertise and commitment continue to make a positive difference in communities across Scotland. I am grateful for their service and the commitment they bring with them every day.

As I reflect on my time as a member of the Board and look forward to continuing in my new role as Chair, I remain encouraged by the dedication of those across the Service who deliver for communities today while helping to build a sustainable Service for the future. Before reflecting further on the year, I would like to acknowledge the contribution of my predecessor, Kirsty Darwent, whose leadership helped guide the organisation through an important period of change. On behalf of the Board, I thank Kirsty for her commitment to the Service and the people of Scotland.

During 2025/26, SFRS completed the first full year of delivery against its Strategy 2025-28, making positive progress across all five Strategic Objectives. Our employees continued to respond to emergencies, support vulnerable people, protect businesses and work alongside communities and partners across Scotland. This work reflects both the dedication of our workforce and the importance of prevention, partnership working and community engagement.

The year was also marked by important discussions about the future of the Service. The Strategic Service Review Programme reached a significant milestone, representing one of the most substantial reviews undertaken since the creation of the national Service. Through extensive engagement with communities, employees, representative bodies, local authorities, elected representatives and stakeholders, the Service gathered valuable feedback to help inform future decisions. The level of participation reflected the importance people place on their local fire and rescue service and reinforced our commitment to openness, transparency and accountability.

These discussions took place during a period of continuing financial challenge. Like many public sector organisations, SFRS faces increasing pressures alongside substantial investment requirements across its estate, fleet, equipment, technology and infrastructure. Ensuring long-term financial sustainability remains essential if we are to continue providing the services that Scotland's communities rely upon and ensure our workforce has the resources and support needed to operate safely and effectively.

Throughout the year, the Service has continued to strengthen governance, improve performance and progress key programmes of change designed to support future sustainability and resilience. While strategic transformation remains a priority, we should not lose sight of the essential work taking place in communities every day. Through prevention, protection and partnership activity, SFRS continues to reduce risk, support vulnerable people and help build safer and more resilient communities across Scotland.

Looking ahead, significant challenges and difficult decisions remain. However, SFRS is well placed to address them. We have a clear strategic direction, effective governance arrangements and a committed workforce dedicated to serving Scotland's communities.

I would like to thank our employees, representative bodies, partners, stakeholders and communities across Scotland for their support and engagement throughout the year. Most importantly, I thank the people of the Scottish Fire and Rescue Service whose professionalism, expertise and dedication make every achievement possible.

By working together across the organisation and with our partners, we can continue to build on the progress made this year and ensure the Service remains resilient, sustainable and responsive to the needs of Scotland's communities.

Chair
Scottish Fire and Rescue Service Board
30 October 2026

Performance Overview: About Us

The purpose of the Performance Overview section of this report is to provide a summary about us. We tell you about our purpose and the Strategic Outcomes we work towards to achieve that purpose. You will be able to read about the progress we have made against our Outcomes, as well as the key risks we face and manage as an organisation.

Who we are and what we do

The SFRS is one of the largest fire and rescue services in the world, committed to ensuring the safety and wellbeing of the people of Scotland and serving our communities with dedication and professionalism.

We were established as a single national service on 1 April 2013 by the Police and Fire Reform (Scotland) Act 2012. Our primary statutory responsibilities are directed by the Fire (Scotland) Act 2005, as amended by the 2012 Reform Act and the Fire (Additional Function) (Scotland) Order 2005.

Guided by these pieces of legislation, we work persistently to protect lives, property, and the environment through prevention, protection, and emergency response and in addition to our key role of responding to fires and other emergency incidents, we carry out a wide range of activities and services to help keep people safe across Scotland, including: -

• Promoting fire safety	• Undertaking inland water rescues
• Developing and delivering our prevention activities	• Dealing with structural collapse of buildings
• Working with key partners to enhance community safety	• Planning for and responding to chemical, biological and nuclear incidents
• Enforcing fire legislation	• Carrying out rescues at height
• Responding to road traffic collisions and other transport incidents	• Undertaking fire investigations
• Responding to serious flooding and severe weather events	• Supporting other agencies

Our Purpose

The SFRS has a duty to work with other public services to contribute to the Scottish Government's purpose and the National Performance Framework (NPF) and its 11 National Outcomes. In support of the NPF, the Fire and Rescue Framework for Scotland 2022 sets out the Scottish Government's specific purpose and operating context for the SFRS with seven strategic priorities representing the high-level ambition of what is required from a modern, skilled and dynamic fire and rescue service.

Our purpose, as defined by Scottish Ministers in the Fire and Rescue Framework, is:

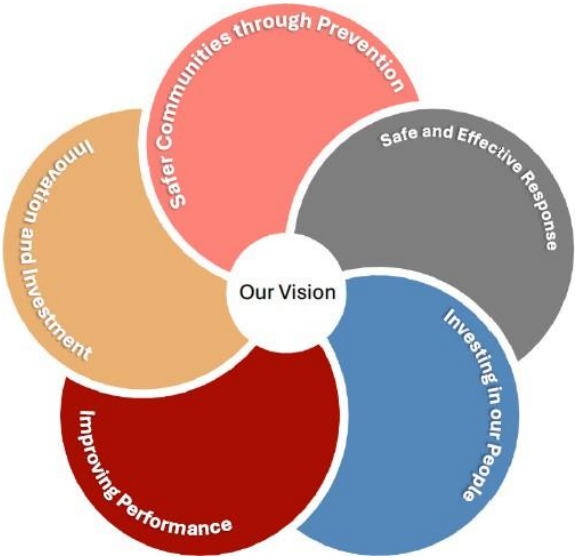
"To work in partnership with communities and with others in the public, private and third sectors on prevention, protection and response to improve the safety and well-being of people throughout Scotland."

Our Strategic Outcomes

To help us to achieve our purpose and enhance our contribution to the National Performance Framework, our Strategic Plan 2022-25 is aligned to the Fire and Rescue Framework for Scotland 2022 and the seven Strategic Priorities identified within it.

Developed to have regard for these, the SFRS Strategy 2025-28 sets the direction for how we will evolve over the next three years and provides a set of clear objectives and outcomes that we will deliver for the people of Scotland.

To achieve our ambitions, we have identified five strategic objectives for the Service. Each objective holds equal value in driving our Strategy forward. As a collective, they define our overall direction and will be central to how we plan our activities and our budget over the next three years.



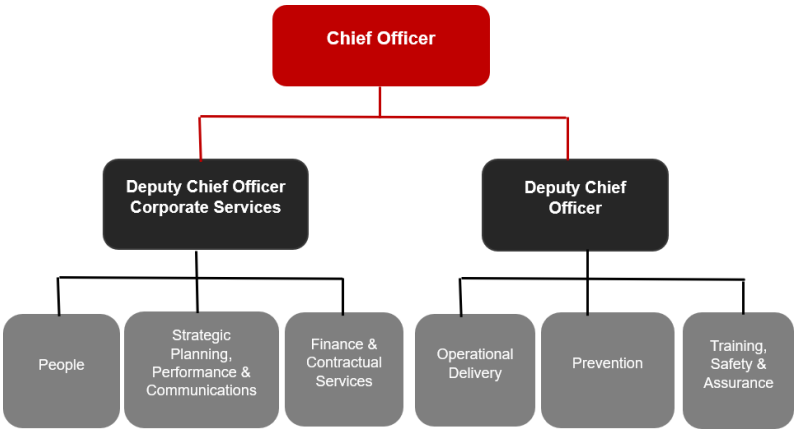
In the SFRS Strategy 2025-28 we set out the outcomes that we will pursue in meeting our objectives and explain what we will deliver to realise those outcomes.

Strategic Objective	Outcome
1 Safer Communities through Prevention	Through our work with communities and other organisations, the safety and wellbeing of the people of Scotland improves.
2 Safe and Effective Response	We are an effective and trusted Fire and Rescue Service where our communities and people are safe.
3 Investing in Our People	Our people feel valued and are supported by a culture that embraces diversity and inclusion, empowerment and accountability.
4 Improving Performance	Our organisational performance, productivity and resilience continually improves.
5 Innovation and Investment	We are more innovative and achieve sustained investment in our technology, equipment, estate and fleet making us more effective and efficient.

Our Organisational Structure

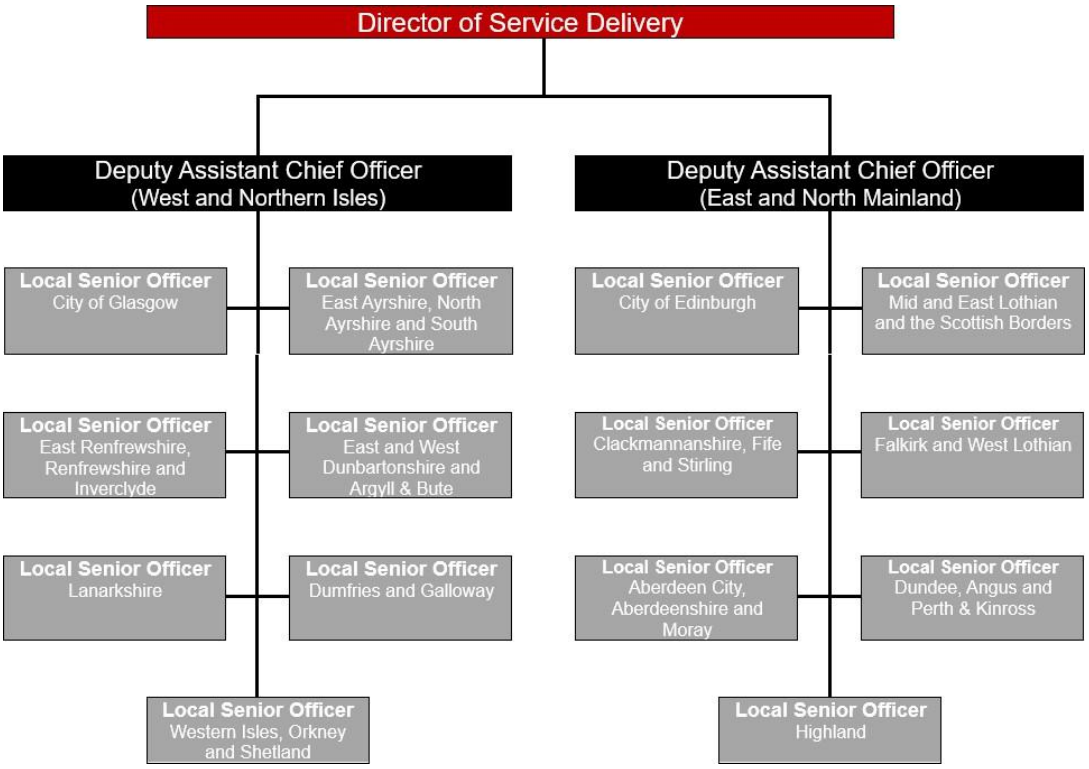
In delivering our services, strategic direction is provided by our Board who closely scrutinise our actions to ensure we are delivering services in an effective and efficient way against the strategic priorities. The day-to-day delivery of our activities is the responsibility of our Strategic Leadership Team.

The Strategic Leadership Team are led by the Chief Officer, Deputy Chief Officer, and Deputy Chief Officer of Corporate Services. They are further supported by six members, each of whom has responsibility for one of our Directorates:



The Strategic Leadership Team is further supported by thirteen Heads of Function who collectively form our Senior Management Team. These members have responsibility for managing and delivering their specific function, ensuring performance and compliance with regulations and legislation.

Working for and within our communities across Scotland, our 14 Local Senior Officers and their teams engage directly with all 32 local authorities and are fully committed to supporting each Community Planning Partnership and other local partnership arrangements. These local teams balance the national direction outlined in our Strategic Plan against local needs by tailoring services through Local Fire and Rescue Plans, and by contributing to Local Outcomes Improvement Plans and other local partnership plans such as those for Community Justice and Health and Social Care Integration.



Our prevention and operational delivery response services are delivered through 356 community fire stations across Scotland. These are supported by a single national training establishment, two regional training sites and several local training facilities, three Operations Control Centres, three modern Service Delivery Area Headquarters, four strategically placed Asset Resource Centres, an ICT Data Centre, and a fleet of over 1,500 vehicles.

Our front-line services rely on a wide range of essential support functions. These vital teams ensure the smooth running, general maintenance and security of our assets, including ICT systems, infrastructure, property, fleet, and operational equipment. They also play a critical role in safeguarding our finances—managing efficient transactional processes that allow us to pay our people and suppliers, procure goods and services, and maintain accurate financial records. These records are subject to rigorous annual scrutiny, underscoring the importance of robust financial management.

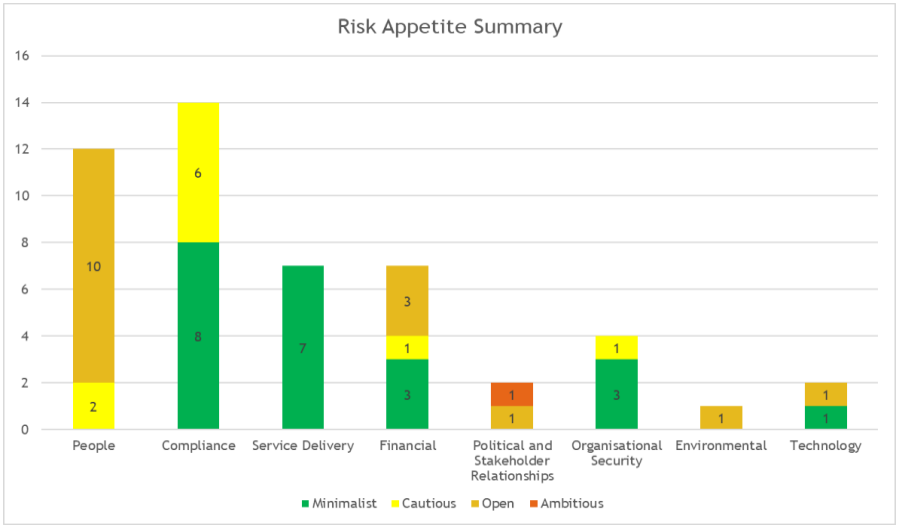
We are committed to conducting and delivering our operations and services responsibly, ethically, and in full compliance with legal standards. Transparency and openness underpin our approach to governance and decision-making. Through continuous monitoring and evaluation of risk, performance, and data integrity, we ensure that our leadership teams are equipped with accurate and timely information to support them in making informed decisions. We also proactively share relevant information with employees and the public, reinforcing our commitment to accountability and trust.

Performance Overview: Key Risks

The most significant risks identified by the SFRS are reported through Directorate risk registers, with additional information identified through Project risk registers. Prioritisation of each risk is undertaken in line with the SFRS's risk assessment matrix, with guidance provided to employees around probability and likelihood ratings.

Risks are aligned to the SFRS Strategy 2025-28 Outcomes, reflecting the Service's values and strategy, ensuring our work supports the priorities outlined within the Fire and Rescue Framework for Scotland 2022.

During 2025/26 the Service continued to embed risk appetite within its governance arrangements, aligning information with Directorate risks. The table below provides a summary of the number of risks aligned to stated appetite.



In relation to the identification of Directorate risks, quarterly reports are provided to all Non-Executive Committees and Executive Boards. The tables below provide information on the SFRS risk matrix and outlines the Service's most significant risks:

	Risk Score	Risk Description
Very High	16 – 25	Unacceptable level of risk with additional measures required to terminate, transfer or treat the risk to a more tolerable level. Risk will be subject to risk spotlights by Committee and Executive Boards.
High	10 – 15	May be tolerable where assurance is provided, that control measures are in place, operating effectively and subject to regular monitoring. Risk will be subject to risk spotlights by Committee and Executive Boards.
Medium	4 – 9	Tolerable level of risk where control measures in place are subject to monitoring by Directorate. Risks will be subject to risk spotlights where appropriate.
Low	1 – 3	Acceptable level of risk monitored at a functional level and considered for inclusion within Directorate risk registers.

Probability						
	Almost Certain (5)	5	10	15	20	25
	Likely (4)	4	8	12	16	20
	Possible (3)	3	6	9	12	15
	Unlikely (2)	2	4	6	8	10
	Rare (1)	1	2	3	4	5
Risk Matrix		Negligible (1)	Low (2)	Medium (3)	High (4)	Very High (5)
		Impact				

Further information regarding the Service's most significant risks, as at 31 March 2026, can be found later in sections of our Corporate Governance Statement.

Performance Overview: Chief Officer's Summary of Performance

Our Performance Against our Strategic Objectives

This year has demonstrated our resilience and determination as we have continued to make meaningful progress in keeping Scotland's communities safe and delivering the Strategic Objectives of our SFRS Strategy 2025-28. A summary of the Key Performance Indicators (KPIs) is provided after each Objective.

Objective 1: Safer Communities through Prevention

Prevention remains a vital cornerstone of our role and central to delivering safer communities across Scotland. We know that preventing harm is always better than responding to its consequences. Throughout 2025/26, we continued to focus on helping people and communities stay safe, while contributing to wider public service reform and efforts to reduce harm, challenge vulnerability and inequality, and improve safety and wellbeing. By combining evidence, local knowledge and strong partnerships, we have better identified people and places most at risk, reached vulnerable individuals earlier and targeted support where it can have the greatest impact.

During the year, we strengthened our approach to safeguarding, prevention and early intervention, helping vulnerable people access support before risks escalate. This approach focused on intervening earlier, working across organisational boundaries and addressing the underlying factors that increase risk, including vulnerability, inequality, self-neglect and hoarding. We made 3,114 Adult Protection referrals, 122 Child Protection and Wellbeing referrals, and 119 Fire Safety Support and Education referrals for children and young people, many of which were delivered in partnership with other agencies. To support this work, Staff capability was further enhanced through safeguarding training, guidance and professional development, while quality assurance visits helped identify good practice, strengthen referral and recording processes and inform a new Safeguarding Refresher Module to improve consistency across the Service.

We continued to build safer and more resilient communities through education, youth engagement and community safety campaigns. An average of 13 Youth Volunteer Schemes operated across

Scotland, with young people contributing more than 4,000 volunteering hours. Our FireSkills programme delivered 94 courses involving 713 young people, including 46 Employability Award courses that developed teamwork, communication, first aid and road safety skills. We also carried out 2,291 fire safety education engagements across schools, community groups and alternative learning settings, covering topics including home fire safety, deliberate fire setting, bonfire and fireworks safety, and wider community safety. Seasonal campaigns delivered with the Scottish Government and partners continued to reduce risk, with Bonfire Night incidents reducing by 39% over five years.

This work is making a measurable difference. Fire fatalities fell to their lowest level in six years, while accidental dwelling fires and dwelling fire casualties reached their lowest levels in ten years. These improvements reflect the value of sustained prevention activity, increased safeguarding awareness and effective partnership working across local authorities, health and social care, Police Scotland, and third sector organisations.

Alongside our work with individuals and communities, we continued to protect Scottish businesses and non-domestic premises through compliance activity, improved fire safety standards and learning from incidents. During 2025/26, Protection Officers completed 8,624 Fire Safety Audits across Scotland, using enforcement powers proportionately where serious risks were identified, including 39 statutory notices. We also strengthened preparedness for future and emerging risks through enhanced risk assessment, strategic oversight and operational planning, while supporting around 630 events across Scotland, including major national events. By combining prevention, protection, education, risk planning and partnership working, we continue to help build safer, stronger and more resilient communities.

Looking ahead, we recognise that Scotland's risk profile is changing. We are strengthening our ability to anticipate, assess and respond to emerging risks, including lithium-ion batteries, battery energy storage systems, hydrogen, wildfire, flooding, cyber security and new building methods. Our Risk Preparedness Assessment and wider emerging risks work are helping us improve organisational resilience, support firefighter and public safety and strengthen planning with partners. The Service-wide Risk Preparedness Assessment checked how ready we are for national risk scenarios and disruptive events. It identified strengths and 33 improvement actions to strengthen resilience, preparedness and multi-agency response.

Overall, in 2025/26 we made strong progress in delivering safer communities through prevention. We will continue to target our resources where they have the greatest impact, strengthen partnerships, improve our use of data and intelligence and focus on the people, places and risks most likely to benefit from early intervention.

Our Performance in Numbers – Objective 1

Total Number of KPIs for Objective 1:		11	
Improved:	4	**Deteriorated:**	3
Unchanged/Stable:	2	**No longer recorded:**	2

Further information regarding the Key Performance Indicators (KPIs) for this Strategic Objective can be found in the Performance Analysis: Target Results section.

Objective 2	**Safe and Effective Response**

Our commitment to maintaining a strong operational presence across Scotland and supporting communities before, during and after emergencies remains a fundamental focus. In 2025/26, our crews attended 78, 585 incidents, continuing to deliver a safe, effective and trusted emergency response for our communities. As risks continue to evolve, we worked closely with partners to strengthen preparedness, assess emerging challenges and consider how our response arrangements, resources and capabilities should develop to meet changing community needs. This

work is supported by focusing on strengthening frontline capability, improving operational readiness and ensuring our people have the skills, equipment and information needed to respond safely and effectively. Operational Assurance audits provided insight into station readiness, equipment testing, record keeping, preparedness and health and safety arrangements. The findings identified good practice and highlighted where greater consistency is needed across the Service.

Some operational performance measures faced challenges during 2025/26. Response times were influenced by factors including appliance availability and crewing arrangements, while call handling performance reflected the transition to a new mobilising system and the time required for staff to embed new processes and ways of working. On-call appliance availability also experienced a modest reduction during the first year of revised terms and conditions, which had been anticipated as part of the transition. Throughout the year, work continued to strengthen governance, performance monitoring and operational resilience to support future improvements.

During the year, we made significant progress in developing specialist response capabilities and enhanced our ability to respond safely and effectively to complex and high-risk emergencies, including Urban Search and Rescue, water and flood response, marine incidents, Large Animal Rescue, hazardous materials and Mass Decontamination. This included strengthening water, flood and marine tactical advisor arrangements, progressing a clearer national direction for Urban Search and Rescue, developing a more structured approach to Large Animal Rescue and increasing Mass Decontamination capability. Together, these improvements support national resilience, enhance firefighter safety and provide stronger command support during challenging incidents.

We also improved our preparedness for major emergencies such as Marauding Terrorist Attacks, Mass Casualty Incidents and other major events. Through enhanced specialist responder capability, improved deployment arrangements and the introduction of systems such as Blackberry AtHoc and Airbox MOSAIC, we strengthened our ability to mobilise resources quickly, share live information and work effectively with Police Scotland, the Scottish Ambulance Service and other partners. Our capabilities were further strengthened through enhanced training, planning and command arrangements, specialist responder resilience, deployment processes and improved multi-agency situational awareness.

Wildfire remained a growing operational risk during 2025/26, with climate change increasing the likelihood, scale and impact of incidents across Scotland. To strengthen preparedness, we completed the Wildfire Project across 37 stations, improving specialist vehicles, all-terrain capability, equipment, training, personal protective equipment and welfare support. This included the introduction of new 4x4 vehicles, wildfire trailers and welfare vehicles to support prolonged incidents in remote and challenging environments. Learning from major incidents, including Dava Moor and Carrbridge, described as the UK’s first “megafire”, informed improvements to procedures, night-time operations and multi-agency response. Specialist training continued through Wildfire Tactical Advisers and Technical Backburn capability, while engagement with the Scottish Wildfire Forum and delivery of the Scottish Government’s Wildfire Strategic Action Plan strengthened Scotland’s resilience to wildfire and improved our ability to protect communities, infrastructure and the natural environment.

Alongside investing in equipment and vehicles, we continued to invest in the capability, competence and confidence of our people. Through enhanced operational training and development, we strengthened firefighter safety and operational competence across a range of initiatives. This included the national rollout of Safe Working at Height Tier 1 and Tier 2 training and equipment, supported by a £114,000 investment in new Methods of Entry equipment, the modernisation of road traffic collision and casualty extrication training standards with the UK Rescue Organisation and Scottish Ambulance Service, and immersive command development for Flexi Duty Officers. Frontline response was also further modernised through the transition to digital handheld radios.

Overall, in 2025/26 we strengthened our operational capability, improved resilience and continued to modernise how we respond. Looking ahead, we will use the Service Delivery Review, operational

learning and risk intelligence to align our resources with Scotland's changing risk profile, ensuring we remain a safe, effective and trusted Fire and Rescue Service for the communities we serve.

Our Performance in Numbers – Objective 2

Total Number of KPIs for Objective 2:		20 KPIs with 24 results	
Improved:	10	**Deteriorated:**	9
Unchanged/Stable:	5		

Further information regarding the Key Performance Indicators (KPIs) for this Strategic Objective can be found in the Performance Analysis: Target Results section.

Objective 3: Investing in Our People

Our people remain our greatest asset and central to everything we do, and we recognise that our future capability depends on having skilled, supported and valued people across all roles. Their dedication, professionalism and skills are fundamental to our ability to protect communities across Scotland and deliver a safe, effective and resilient Service. Throughout 2025/26, we continued to prioritise the health, safety, wellbeing, development and inclusion of our workforce, placing physical and mental wellbeing at the centre of our approach and working closely with representative bodies to support our people.

During 2025/26, we strengthened the support available to our people and continued to advance equality, diversity, inclusion and human rights across the Service. Significant progress was made in improving health, safety and wellbeing support, with the Health and Wellbeing Recovery Programme restoring fitness and medical assessment compliance to 97%. Following positive outcomes, in-house physiotherapy became a permanent part of our organisational structure, while our Wellbeing Champion network expanded to more than 200 trained champions, improving access to local support. Musculoskeletal Injury Prevention Month, Health and Wellbeing Roadshows and a review of stress management arrangements also provided practical support to improve physical and mental wellbeing.

Protecting firefighters from contaminants remained a major priority. Supported by around £3 million of investment, we continued to embed the Fire Contaminants Standard Operating Procedure and introduced practical measures to reduce exposure and improve decontamination. These included reserve Personal Protective Equipment provision, contaminated equipment storage, station zoning plans, enhanced laundering arrangements and improved shower and cleaning facilities. Together, these improvements are helping reduce long-term health risks and create safer working environments for our firefighters.

While there have been positive developments across workforce wellbeing, safety and organisational culture, some indicators highlight areas requiring continued focus. On-call workforce numbers remained below the desired level during 2025/26, and work is ongoing to better understand future workforce requirements and recruitment needs. Reports of verbal abuse towards personnel increased during the year, reinforcing the importance of promoting a positive reporting culture and supporting employees who experience unacceptable behaviour. Reportable injuries and vehicle accidents also increased during the year. Although no common patterns were identified in the causes of reported injuries, incidents continue to be investigated and reviewed to identify learning and inform improvement activity. These challenges underline the importance of our continued focus on workforce sustainability, employee safety, wellbeing and risk management.

We continued to advance equality, diversity, inclusion and human rights across the Service. The Women's Experience Liaison Forum helped drive improvements in areas including Personal Protective Equipment, facilities, pregnancy, maternity and return-to-work support. We maintained Gold Status under the Stonewall Proud Employer scheme, progressed the Cultural Action Plan and continued to review recruitment and selection processes to improve accessibility, inclusivity and

workforce representation. This supports our ambition to build a culture where everyone feels respected, valued and able to contribute.

Developing leadership, skills and professional excellence remained a key focus. We supported 221 colleagues through Leadership Essentials programmes, delivered six National Fire Chiefs Council leadership programmes and supported 829 active learners across apprenticeships, vocational qualifications and core skills programmes. A total of 443 learners achieved certification, around £662,000 in apprenticeship funding was secured, and the introduction of Workforce Pro for support staff, alongside recognition through the LearnPro Excellence in Partnership Award, further strengthened our learning infrastructure.

Building a sustainable workforce for the future also remained a priority. More than 4,000 applications were received for the 2026/27 Wholetime Firefighter recruitment campaign, supported by enhanced candidate engagement and targeted attraction activity. We achieved our highest-ever female recruit intake, with 12 women representing 17% of a trainee firefighter course. New pathways into operational roles, including the Retained Duty System to Wholetime Firefighter Migration Procedure, together with continued promotion processes across operational and control roles, are helping strengthen workforce planning and career progression. Despite the improvements made this year which demonstrate the positive impact of targeted attraction, engagement and recruitment activity, further progress is still required to ensure the workforce better reflects the diversity of Scotland's communities and we will continue to focus on reducing barriers to entry and encouraging applications from under-represented groups.

Culture, inclusion and employee voice were further reinforced through the Organisational Culture and Leadership Programme, which progressed seven priority workstreams covering values, leadership, inclusive recruitment, employee voice, partnership working, facilities and professional standards. We additionally established an Advisory Panel, introduced a quarterly Support Staff Representative Forum and progressed development of a new People Plan through extensive engagement with employees and representative bodies.

Overall, in 2025/26 we made significant progress in investing in our people and strengthening the foundations of a modern, inclusive and resilient Service. Looking ahead, we will continue to focus on workforce sustainability, health and wellbeing, leadership development, inclusion, employee voice and fair work, ensuring our people have the support, skills and confidence to serve Scotland's communities now and in the future.

Our Performance in Numbers – Objective 3

Total Number of KPIs for Objective 3:		13 KPIs with 21 results	
Improved:	7	**Deteriorated:**	5
Unchanged/Stable:	9		

Further information regarding the Key Performance Indicators (KPIs) for this Strategic Objective can be found in the Performance Analysis: Target Results section.

Objective 4 Improving Performance

Good performance depends on clear decision making, strong governance and reliable information. We are committed to being a fully accountable, progressive and improvement-focused organisation, maximising public value through the responsible use of resources and the delivery of a high quality, sustainable fire and rescue service for Scotland. Through strong governance, effective performance management and sound financial stewardship, we continue to focus on achieving best value and improving outcomes for communities.

As part of this commitment, we have continued to strengthen our planning, performance and assurance arrangements to support better decisions, improve accountability and ensure our work is clearly linked to risk, resources and outcomes for communities. A key milestone during 2025/26 was the publication of the SFRS Strategy 2025-28 and the introduction of the Three-year Delivery Plan 2025-28. Aligned to the Fire and Rescue Framework for Scotland, these provide a clear strategic direction and a stronger framework for delivery, performance monitoring and reporting, creating clearer links between strategy, resources, risk and community outcomes.

To further strengthen accountability and oversight, a new Performance Management approach was approved in April 2026. Bringing together strategy, delivery planning, performance indicators, risk and assurance, it is intended to provide leaders and Board members with clearer insight into progress, emerging issues and opportunities for improvement. We also introduced a new Operations Performance Management Framework and expanded Capability Assurance activity across specialist operational capabilities to improve oversight of performance, improvement needs and future investment priorities. Internal Audit's review of Corporate Governance arrangements concluded with a significant assurance opinion, confirming that our framework was well designed and operating effectively.

We focused on and improved how organisational change is managed, prioritised and delivered. Revised portfolio governance and assurance arrangements were embedded across the Change Portfolio, strengthening oversight of investment decisions, project delivery, benefits and priorities. The Change Portfolio Investment Group, Change Portfolio Progress Group and Design and Assurance Forum now provide structured routes for scrutiny, challenge and decision making. Alongside this, the Strategy and Change function embedded its operating model, supported by a revised demand management process and new Business Readiness arrangements, helping ensure change activity is strategically aligned, affordable, deliverable and focused on achieving intended benefits.

Our investment in continuous improvement, data, digital capability and assurance also progressed during the year. In partnership with Cardiff University, 76 employees completed the Service Improvement Foundation Course and achieved Lean Competency System qualifications, applying improvement methods to real SFRS challenges linked to strategic priorities. The re-established Change Community of Practice supported shared learning and consistent improvement practice, while Wrike strengthened project and portfolio planning, resource management, dependency tracking and reporting. Enhanced portfolio and financial reporting improved transparency of cost, time, benefits, resources and investment decisions, and work progressed on a new Operational Intelligence Power BI dashboard to improve insight into operational risk, high-risk premises and emerging trends.

While progress was made in strengthening digital capability, performance management and organisational improvement, some indicators highlighted areas requiring continued attention. Information governance remained a key focus, with a significant increase in reported data breaches leading to consideration of underlying causes, targeted training and procedural improvements through established governance arrangements. Additional resource was introduced within the Service Desk during the year, enabling greater focus on incident and service request management and contributing to improved performance. The average age of both the heavy and light vehicle fleets also remained above desired levels. Investment continues to be targeted using maintenance records, vehicle condition and operational need to prioritise replacement of the oldest and highest-risk vehicles, with the introduction of newly procured vehicles expected to positively impact fleet age during 2026/27.

Additionally, we maintained a strong focus on resilience and risk management, progressing a multi-year cyber security improvement programme following an independent maturity assessment, and delivering internal audit activity across key areas including Risk Management, Budgetary Management and Investment Prioritisation, Personal Protective Equipment, Estates and Facilities Management, and Freedom of Information. Together, these developments strengthen our ability to manage risk, protect public resources, improve delivery and maintain confidence in the Service.

Overall, in 2025/26 we made strong progress in building a more performance-focused, resilient and accountable organisation. Looking ahead, we will continue to embed our new strategy, delivery plan and performance framework, strengthen assurance and risk management, improve the use of data and insight, and ensure that change activity is prioritised, deliverable and aligned to the needs of Scotland's communities.

[1] Lean, developed by Cardiff University, provides a structured, externally accredited framework for building continuous improvement capability, supporting measurable business impact, enhanced workforce engagement, stronger problem-solving capabilities and sustained operational excellence.

Our Performance in Numbers – Objective 4

Total Number of KPIs for Objective 4:		17	
Improved:	3	**Deteriorated:**	7
Unchanged/Stable:	2	**Data Limited:**	5

Further information regarding the Key Performance Indicators (KPIs) for this Strategic Objective can be found in the Performance Analysis: Target Results section.

Objective 5 Innovation and Investment

Innovation helps SFRS prepare for new risks, changing community needs and future operational challenges. During 2025/26, SFRS strengthened its future readiness through investment in innovation, digital capability, modern assets, improved infrastructure, environmental sustainability and workforce adaptation. Collaboration with government, industry, universities and partners remained central to this work, helping the Service test new ideas, improve firefighter safety, enhance operational decision-making and support more effective service delivery. As Scotland's risks, communities and operating environment continue to change, our focus has been on investing in the capabilities, infrastructure and partnerships that will help us become more efficient, resilient and ready for tomorrow's challenges.

Innovation remained an important driver of improvement. Through our continued involvement in the Scottish Government's CivTech programme, we worked with industry and research partners to explore new solutions that can improve firefighter safety, operational awareness and decision making. This included progressing digital incident management technology with Rowden Technologies and research with FireHazResearch to better understand firefighter exposure to contaminants. We also explored the future use of Uncrewed Aircraft Systems to support incident command at wildfires, floods, water rescues and large fires. The establishment of our Research, Development, Innovation and Implementation Group provides a more structured route for testing, developing and implementing new ideas that align with Service priorities.

SFRS progressed a range of innovation and digital projects to support safer, more informed and more efficient ways of working and reduce administrative burden. These included development of a digital incident management tool to improve situational awareness, research into firefighter exposure to contaminants, and new applications to improve data quality, reduce manual processes and give staff better access to reliable information. The development of tools such as the Operational Intelligence Reference and Resources Hub and the hydrant inspection and maintenance planning tool will further support risk-based planning, efficiency and operational preparedness.

Investment in fleet, equipment and operational capability remained central to strengthening firefighter safety and frontline resilience and preparedness for current and emerging risks. During the year, SFRS introduced new 18-tonne Rescue Pumps, completed four Rope Rescue Units, progressed the Detection, Identification and Monitoring vehicle replacement programme, developed new Breathing Apparatus procurement arrangements and commissioned 24 new Light Pumping Units. Investment in infrastructure continued through progress on the Perth Compartment Fire Behaviour Training facility,

welfare and contaminant-control improvements across stations, and replacement and redevelopment activity at Reinforced Autoclaved Aerated Concrete affected sites.

We continued to modernise our estate and training infrastructure, recognising that safe, fit-for-purpose buildings and facilities are essential to operational readiness and staff wellbeing. Progress was made on the new Perth Compartment Fire Behaviour Training facility, welfare improvements at Sumburgh, contaminant-control and accommodation improvements at stations including Kilmarnock, Stirling, Alloa and Calton. Reinforced Autoclaved Aerated Concrete (RAAC) remained a major estate challenge during the year, requiring ongoing management, planning and preparation including replacement plans for affected stations. However, the scale of required investment remains significant across estate, fleet, equipment, digital technology and business systems. This continues to present a strategic risk to long-term resilience, affordability and service sustainability.

Reducing our environmental impact was another important area of progress. Carbon Management Plan projects supported lower emissions, reduced energy costs and improved estate resilience. The installation of a 340kW solar field and battery energy storage system at our national headquarters and training campus is expected to generate more than 250,000kWh of renewable electricity each year, saving around 75 tonnes of carbon dioxide equivalent and more than £35,000 annually. LED lighting upgrades and remote heating improvements also contributed to lower energy use and more efficient buildings.

In addition, we continued to modernise workforce models and broaden our community impact. New On Call governance and support arrangements, the national rollout of the On Call Pre-Recruitment Engagement Programme and improved migration routes into Wholetime roles are helping strengthen workforce resilience. During the year, 36 On Call firefighters successfully transitioned into Wholetime roles. We also tested more flexible local delivery models through Modular Task and Task Management pilots and embedded the Naloxone Project into operational practice, with more than 160 Flexi Duty Officers trained and equipped to administer Naloxone, supporting wider public health outcomes with partners.

Overall, in 2025/26 we made important progress in modernising the assets, systems, infrastructure and workforce models that support our Service. Looking ahead, sustained investment will be essential if we are to address ageing infrastructure, realise the benefits of new technology, reduce environmental impact and ensure our people have the tools, facilities and support they need to serve Scotland’s communities safely, efficiently and effectively.

Our Performance in Numbers – Objective 5

Total Number of KPIs for Objective 5:		4	
Improved:	2	**Deteriorated:**	1
Unchanged/Stable:	1		

Further information regarding the Key Performance Indicators (KPIs) for this Strategic Objective can be found in the Performance Analysis: Target Results section.

Strategic Service Review Programme (SSRP)

The Strategic Service Review Programme has been established to ensure the long-term sustainability of SFRS by aligning services, support functions and infrastructure with evolving risks, service demands and financial pressures. As community needs, risk profiles and financial challenges continue to evolve, the Strategic Service Review Programme provides a coordinated approach to ensuring SFRS services, support functions and infrastructure remain sustainable, resilient and fit for the future.

Through its three interconnected strands, which impact all Strategic Objectives, the Service Delivery Review, Corporate Services Review and Enabling Infrastructure, the programme will strengthen the foundations required to support and shape how SFRS delivers prevention, protection and response services for Scotland's communities in the years ahead.

During 2025/26, progress was made across all three programme strands.

The Service Delivery Review assessed whether operational resources, stations and crewing arrangements remain aligned to current and future risk across Scotland. Following extensive analysis, staff engagement, public consultation and assurance activity, the SFRS Board approved a range of options that will be implemented over the next five years. These changes are intended to better match resources to risk and demand, strengthen workforce resilience, improve efficiency and create opportunities for reinvestment in risk critical training and prevention.

The Corporate Services Review progressed the modernisation of support functions through a revised directorate structure, a clearer service management approach and the advancement of key organisational reviews. Approval of the Outline Business Case for the Corporate Business Solutions project marked a significant milestone, with procurement underway for an integrated cloud-based People, Finance and Stores system. These changes will improve accountability, collaboration, service efficiency and evidence-based decision-making.

The Enabling Infrastructure programme continued to modernise critical technology, communications and operational systems. Key achievements included implementation of the Integrated Communications Control System across all Operations Control centres, continued delivery of the New Mobilising System, and progress towards the Emergency Services Mobile Communications Programme and In-Vehicle Systems Project. Together, these investments will strengthen communications, improve access to real-time operational information and enhance interoperability across the Service.

Collectively, the programme addresses key strategic risks relating to financial sustainability, changing community risk profiles, ageing systems and infrastructure, workforce resilience, service effectiveness and organisational capacity to respond to future demands. In the longer term, the programme will deliver a more sustainable, resilient and future-ready SFRS, with resources and capabilities better aligned to changing risk and community need. Through modernised technology, enhanced mobilising and communications systems, improved situational awareness and stronger command and control arrangements, it will improve emergency response, support firefighter safety and wellbeing, and ensure resources are available where risk is greatest and deployed more effectively to protect Scotland's communities. Together, these changes will support safer working environments, improved workforce wellbeing, stronger organisational performance and better outcomes for the communities of Scotland.

Our Financial Performance

The format of the Accounts is set by the Government Financial Reporting Manual (FReM). One of the reporting requirements is that Grant in Aid (GiA) provided by the Scottish Government is included in the General Reserve of the Statement of Financial Position (SoFP) rather than in the Statement of Comprehensive Net Expenditure (SoCNE). All other income and expenditure is included in the SoCNE. The deficit for the period is transferred to the General Reserve and is funded by GiA held there.

The cash GiA drawn down in financial year 2025/26 was £385.931 million for both resource and capital purposes against a cash Departmental Expenditure Limit (DEL) budget of £385.030 million (compared to £363.130 million drawn down against a budget of £358.183 million in 2024/25). The variance of £0.901 million is due to variations in the working capital requirements due to changes in year-end creditors and accruals.

The key measure of financial performance is the comparison of expenditure against the DEL funding provided by the Scottish Government, which is accounted for on an accruals basis. The Net Resource Expenditure variance for the year ended 31 March 2026 reflects an underspend of £0.510 million relating to a combination of factors, shown in the table below and subsequent narrative. Note 21 to the Accounts provides further explanation on performance against Scottish Government budgets.

	Outturn £000s	Budget £000s	(Over) / Under £000s
Employee Costs	272,865	272,069	(796)
Operating Costs, including Loss on sale of assets	66,312	66,484	172
Income	(2,942)	(1,808)	1,134
Total	**336,235**	**336,745**	**510**

Overspends are shown in brackets.

The requirement to account for unused holidays at the end of the financial year, combined with an overspend in Operations Control and Wholetime staff categories contributed to the overall employee costs overspend. Lower expenditure on ill health retirals and travel also helped to mitigate these cost pressures.

Operating Costs are underspent mainly as a result of reduced property related costs including utilities and contract cleaning costs. The overall position is offset by overspends in Supplies & Services and Transport costs, driven by increased demand for fire hydrants and vehicle maintenance.

There was an over recovery of income mainly due to a successful legal challenge resulting in compensation to the Service and from external organisations for chargeable services.

The business-as-usual Capital DEL budget was fully spent.

The Ring Fenced DEL budget for Depreciation in the year was £33.000 million, with the actual requirement being £27.317 million, resulting in an underspend of £5.703 million.

The AME Impairment budget of £14.000 million reflects the impairment of properties through the normal rolling programme of property valuations. The actual impairment in 2025/26 is £7.024 million, £6.976 million under budget.

The variance on the AME Provisions budget of £0.309 million reflects the impact of new provisions being recognised and the release of provisions no longer required during the year being less than budgeted.

AME Pension budget of £5 million was provided to cover the impact on the SoCNE of LGPS IAS19 adjustments (see Note 13 (b), Statement of Net Comprehensive Expenditure). The effect of these adjustments in 2025/26 is an underspend of £11.042 million compared to £18.117 million in 2024/25. This has been caused by a number of factors including a reduction in employer contributions and a decrease in the net interest cost.

The combined AME budget across all items is under-utilised by £18.304 million, however this does not represent cash-based transactions.

Non-current asset revaluation

Non-current assets (including land, buildings, vehicles, operational equipment and ICT equipment) are revalued regularly to ensure their carrying value is not materially different from their fair value but at least every five years as a minimum. Under the 5-year rolling programme of valuations, 55% of the

land and buildings portfolio was revalued during 2025/26 by the Service's in-house valuer which is a significant undertaking. The Accounts reflect the outcome of these revaluations.

Reinforced Autoclaved Aerated Concrete (RAAC)

In common with other UK organisations, the use of RAAC panels was found in fourteen stations within the SFRS portfolio. A regular inspection regime is in place to monitor any deterioration in condition, and all have been re-surveyed in line with recently issued revised guidance with each RAAC plank being individually assessed. These were identified in financial year 2019/20 and an initial impairment review carried out with the impact incorporated at that point into the Accounts. Impairment reviews have been carried out each year since. Previously in 2024/25, Galashiels Community Fire Station was the first of the fourteen stations to have RAAC remediation carried out and since then a further programme of replacement stations/remediations has been put in place for the next five years.

Dignified Facilities/Contaminant Control

Provision of dignified facilities and contaminant control remain a priority to ensure firefighter health and safety. Reconfiguration works at Calton Reconfiguration and Local Senior Officer (LSO) Accommodation were completed in 2025/26 to provide decontamination and dignified facilities in line with the standard station design guide set by SFRS**.** Similar works have now commenced at Stirling (Phase 2), Alloa (Phase 2) and Kilmarnock.

Equipment

The rollout of powered rescue equipment to replace Hydraulic Rescue Equipment is nearing completion, with the final sets due to be replaced in 2026, improving firefighter safety and operational effectiveness. Alongside this, the Self-Contained Breathing Apparatus (SCBA) contract is due for renewal in 2026, with a dedicated project team established in 2024/25 to support delivery. The procurement process is now underway, following supplier engagement and outreach to UK fire and rescue services that have recently completed SCBA refresh programmes. For 2025/26, equipment has an identified ten-year capital investment requirement of £50.5 million.

Fleet

SFRS aims to meet the vehicle replacement cycle to ensure frontline staff have access to fit-for-purpose vehicles, reduce the average age of the fleet and strengthen operational resilience through improved reserve vehicle provision. This investment also supports the transition to Ultra-Low Emission Vehicles, contributing to Scottish Government low-carbon objectives and helping achieve significant reductions in CO_2 emissions. In 2025/26, a total of 184 replacement vehicles were brought into the fleet, replacing end-of-life vehicles across all categories, including operational heavy fleet, vans and pool cars.

Capital Programme

The total Capital budget for 2025/26 was £48.595 million, consisting of £48.285 million in Scottish Government Grant in Aid (GiA) budget, £0.144 million grant income from the Scottish Government's CivTech Fund and £0.195 million in receipts from sale of assets.

Expenditure was fully spent within budget.

Key projects in 2025/26 included:

- £11.0 million was spent on a variety of replacement, new and in-production vehicles, covering frontline appliances, aerial ladder platforms, technical rope rescue units, light weight appliances and light fleet.

- £8.5 million was spent on improving the condition of a number of Community Fire Stations.
- £7.1 million was spent on the development of the new command and control mobilising system.
- £6.6 million was spent on operational and personal protective equipment.
- £4.6 million was spent on improving the training estate including the replacement of a number of compartment fire behaviour training units at Sumburgh and Dreghorn, a new regional facility complete with smoke capture at Perth, along with the completion of the new structural collapse simulator at Headquarters.
- £3.7 million was spent on improving dignified facilities in 4 operational Community Fire Stations (Calton, Alloa, Stirling and Kilmarnock).
- £3.2 million was spent on ICT infrastructure, communications improvements and equipment.
- £2.4m was spent on new build projects, including land purchases, which will eventually see the replacement of 6 operational Community Fire Stations affected by RAAC (Dalkeith, Liberton, Livingston, Portree, Stewarton and Huntly).
- £1.1 million was spent on carbon reduction and environmental improvement projects throughout the Service's property portfolio including solar field at SFRS HQ .

Efficiencies

The 2025/26 budget incorporated the need to generate approximately £4 million of efficiencies. This was achieved through the continuing impact of the temporary changes to the Wholetime Target Operating Model (TOM), managing vacancies across employee categories and reviewing use of overtime. Other savings were also achieved by reducing other expenditure costs incurred by the Service (property costs, supplies and services, third party payments and financing costs).

We trust that you find this report insightful, and it provides sound evidence of our commitment to progressing the Strategic Outcomes of the SFRS Strategy 2025-28 and, in turn, the priorities within the Fire and Rescue Framework for Scotland 2022.

Stuart Stevens

Stuart Stevens
Chief Officer
Scottish Fire and Rescue Service
30 October 2026

PERFORMANCE ANALYSIS

The purpose of the Performance Analysis section of the report is to provide a more detailed view of our performance. There are two sub-sections:

- Target Results - which looks at a range of our key performance indicators; and
- Our Performance and Activities – which looks at the activities we have carried out in support of our Strategic Outcomes.

PERFORMANCE ANALYSIS: TARGET RESULTS

This section summarises the progress the SFRS has made against key performance indicators (KPIs) of our Performance Management Framework.

From 2024/25, the SFRS Board monitored progress of this full suite of performance indicators together with other informative data through Quarterly Performance Reports. For further information, full performance data is available in our annual Statistical Bulletins. These bulletins are published on the SFRS website to provide a comprehensive account of data regarding fire and rescue incidents, as well as fire safety and operational activity.

We have adopted Statistical Process Control and long-term target setting for quarterly reporting, prioritising sustained improvement over traditional annual targets and RAG statuses, which can misrepresent true performance both due to natural variability and seasonality as well as the ambition of the target.

**** Any KPI data provided throughout pages 21 to 26 of this report is provisional. Verified data is published in both annual statistical returns (Fire Safety and Organisational and Fire and Rescue Incident Statistics) at the end of August and the end of October each year.****

Objective 1: Safer Communities through Prevention

	KPI	Target	2023/24	2024/25	2025/26	Narrative
1	Number of fires in non-domestic buildings (as defined in Part 3 of Fire (Scotland) Act 2005)	Reduce against previous year	1,424	1,226	1,261	This figure has **increased** within normal variation and is down long term.
2	Number of deliberate primary fires	Reduce against previous year	2,249	2,148	2,376	The figure has **increased** within normal variation.
3	Number of refuse and vehicle fires by motive	Reduce against previous year	8,838	9,062	8,729	This figure has **improved** as part of a long-term trend.
4	Number of fire fatalities by property type	Reduce against previous year	42	36	32	The fire fatality total has **improved** over the last two years.
5	Number of fire casualties[1]	Reduce against previous year	557	622	524	This figure has **reduced**, continuing a long-term trend.
6	Number of Home Fire Safety Visits conducted	50,000 annually	36,640	33,960	20,409	This figure has **deteriorated** further from target in part due to the implementation of a new process for HFSVs wherein the manner in which a required HFSV is arrived at has changed in February 2025 after the target was first set. Similar to other UK FRS, there is an increased focus to reach those most at risk (most vulnerable).
7	% Home Fire safety Visits conducted for vulnerable groups	Increase against previous year	~~40.9~~	~~N/A~~	~~N/A~~	We have changed the way we do HFSV work and the definition of these KPIs is no longer relevant.
8	% Home Fire Safety Visits from partner referrals	Track (2023/24 is required to set a baseline)	~~32.1~~	~~N/A~~	~~N/A~~	We have changed the way we do HFSV work and the definition of these KPIs is no longer relevant.
9	Number of fire safety audits completed in accordance with Fire Safety Enforcement Framework	100% of premises identified within the Local Enforcement Delivery Plan (LEDP)	7,648	8,872	8,624	This figure remains high, following sustained performance improvements over recent years.
10	Number of accidental dwelling fires by severity type	Reduce against previous year	3,819	3,677	3,554	This figure has **improved** as part of a long-term trend.
11	% of accidental dwelling fires classed as “High Severity”	Reduce against previous year	7.4	7.5	7.5	This figure has remained stable for the last two years.

1 A casualty is a person who was referred to hospital for injuries, or who received first aid at the scene of an incident. Casualties recorded as 'precautionary check recommended' are not included in these figures. - A precautionary check is when a person is advised to attend hospital or to see a doctor for a precautionary check regardless of whether they did so.

Objective 2: Safe and Effective Response

	KPI		Target	2023/24	2024/25	2025/26	Narrative
12	Number of incidents attended		Track	80,550	74,615	78,585	This figure has **increased** in the last year but has decreased overall due to the implementation of the Unwanted Fire Alarm Signals policy in 2023-24.
13	Number of non-refuse secondary fires		Reduce against previous year	7,830	6,980	9,596	The figure has **deteriorated** this year as the usual seasonal peak did not occur.
14	Response times by Service Delivery Area (seconds)	North	Reduce against previous year	616	614	635	The figure has **deteriorated** as part of a long-term trend.
		West		472	486	491	The figure has **deteriorated** as part of a long-term trend.
		East		541	540	556	This figure has **deteriorated** as part of a long-term trend.
15	Call Handling Times by Service Delivery Area (seconds)	North	Reduce against previous year	119	114	118	The figure is within normal variation.
		West		82	84	86	The figure has **deteriorated** as part of a long-term trend.
		East		86	91	98	This figure has **deteriorated** as part of a long-term trend.
16	On Call first appliance availability (%)		Increase against previous year	74.7	74.1	72.4	This figure has **deteriorated** as part of a long-term trend.
17	Wholetime appliance availability		% compliance against confidence levels	94.9	96.7	96.2	The figure has **improved** as part of a long term trend following changes to our operational model, despite a minor reduction from the previous year.
18	Number of inspections carried out in line with Operational Intelligence Framework		Track	4,038	4,253	5,955	This figure has **increased** as part of a long-term trend.
19	Number of audit actions arising from Operational Assurance Process		Track	83	46	58	This figure varies substantially over time, the latest is within normal variation.
20	Number of hydrant inspections carried out		Track	25,595	23,789	16,375	This figure has **decreased**.
21	Number of Unwanted Fire Alarm Signal incidents attended in non-domestic premises		Reduce against previous year	17,096	12,189	12,079	This figure has **improved** reflecting the successful implementation of the Unwanted Fire Alarm Signals policy in 2023/24.
22	% of completion of Operational Core Skills modules against training requirement [2]		95%	73.7	73.8	73.7	This figure has **remained stable**, below target.
23	% of completion of Advanced, Support and Emerging Risks Modules against training requirement		95%	81.8	81.0	82.9	This figure has **improved** but remains below target.

24	% completion of Flexi Duty Officers against training programme [3]	95%	77.6	83.8	81.9	This figure has remained stable, below target.
25	% completion of Incident Command currency following National Training Standards	91%	97.4	96.8	95.9	This figure remains high and above target.
26	% of completion of Core Skills currency following National Training Standards [4]	73%	69.0	82.0	94.9	The figure has **improved** and is above target.
27	% of completion of Specialist Rescue currency following National Training Standards	92%	104.4	110.8	115.4	This figure has **improved** beyond target because training was completed beyond requirements in some courses.
28	% of all Training Function Courses delivered versus total number of courses scheduled within agreed Training Delivery Plan	95%	86.3	86.3	89.5	This figure has **improved**, below target.
29	Training Function Course Delivery (Candidate Satisfaction %)	95%	99.7	97.8	98.7	This figure has **improved** and remains above target following a change in 2024/25.
30	Number of incidents attended at the request of other agencies	Track	1,457	1,471	1,678	This figure has **increased** as part of a long-term trend, which reflects changes in community risk and operational demand and an increase in requests from partner agencies to access SFRS capabilities.
31	Number of effect entry / exit incidents attended	Track	4,857	4,920	4,826	This figure has remained stable in the last two years.

2 – Training programme is determined by the Training for Operational Competence Framework which covers Wholetime / On Call / Day Duty Systems.
3 – Training programme is determined by the Training for Operational Competence Framework which covers Flexi Duty Officers.
4 – National Training Standard courses focus on the acquisition and refresher courses delivered by the Training Function to provide/maintain currency of operational personnel in core and specialist skills

Objective 3: Investing in Our People

	KPI	Target	2023/24	2024/25	2025/26	Narrative
46	Actual Full Time Equivalent (FTE) staff against Target Operating Model by staff group					
	Off Station FTE	Track	92.8	89.6	94.8	The figure has **increased**.
	Flexi Officer FTE	Track	98.1	99.6	99.3	The figure remains high within normal variation.
	Operations Control FTE	Track	95.4	95.5	96.6	The figure has **increased**.
	On Call Retained FTE	Track	69.3	69.3	69.2	This figure remains **stable**.
	On Call Volunteer FTE	Track	70.1	72.4	67.4	The figure has **decreased**.
	Support Staff FTE	Track	89.0	90.0	90.8	The figure has **increased**.
	Resource Based Crewing FTE	Track	98.9	96.7	96.0	This figure is within normal variation.
	Rural Full-time FTE	Track	93.1	98.3	98.3	This figure is within normal variation.
47	% staff vacancies	Track	15.7	15.4	15.6	This end year vacancy rate is similar each year.
48	% staff turnover	Track	6.5	7.1	5.8	This figure is within normal variation.
49	% staff absence	Reduce against previous year	4.4	4.6	4.4	This figure is within normal variation.
50	Number of incidents in which there was a verbal attack on SFRS personnel*	Reduce against previous year	19	19	41	This figure has **deteriorated** this year.
51	Number of incidents in which there was a physical attack on SFRS personnel**	Reduce against previous year	15	21	16	This figure has **improved**.
52	Number of RIDDOR reportable injuries	Reduce against previous year	16	10	24	This figure has **deteriorated**.
53	Number of accidents and injuries	Reduce against previous year	188	171	156	This figure has **improved**.
54	Number of near miss events	Track	270	176	183	This figure has **increased** within normal variation.
55	Number of vehicle accidents	Reduce against previous year	214	204	231	This figure has **deteriorated**.
56	Completion of Health and Safety Improvement Plans	100%	92	98	100	This figure has **improved**.
62	Gender balance (%)	Increase proportion of female staff	6.5	6.4	7.2	This figure has **improved**.
63	% of staff choosing to disclose their demographic equalities data to the Service	Increase against previous year	39.6	38.4	37.4	This figure is within normal variation.
	% of staff choosing to withhold their demographic equalities data to the Service	Reduce against previous year	1.5	1.4	1.5	This figure is within normal variation.

*The title of KPI 50 was amended in 2024/25 from Number of incidents in which there was a verbal attack on a Firefighter to Number of incidents in which there was a verbal attack on SFRS personnel.

** The title of KPI 51 was amended in 2024/25 from Number of incidents in which there was a physical attack on a Firefighter to Number of incidents in which there was a physical attack on SFRS personnel.

Objective 4: Improving Performance

	KPI	Target	2023/24	2024/25	2025/26	Narrative
35	Number of Cyber Security breaches	0	0	0	0	This figure has remained consistent.
36	% of subject access requests responded to within the statutory timescales	95%	85.4	72.6	81.0	This figure has **improved** in the last year but remains **below target**.
37	Number of Data Breaches	0	16	17	43	This figure has **deteriorated** in the last year.
38	% of FOIs responded to within statutory timescales	95%	74.3	78.1	89.7	FOI timescales have **improved** on previous performance; however, the overall target has **not been met** for this year.
39	Number of confirmed frauds	0	3	0	1	The figure has **deteriorated** and did not meet the target this year.
40	% of invoices paid in 30 days	98%	98.0	96.7	97.5	The figure has **improved** on previous performance; however, the overall target has **not been met** for this year.
41	% Service Desk incidents resolved within Service Level Agreement [5]	85%	N/A	88.4	82.8	The figure has **deteriorated** and did not meet the target this year.
42	% Service Desk requests resolved within Service Level Agreement	85%	93.2	90.8	88.1	The figure has **deteriorated** but met the target.
43	Portfolio Office baseline completion dates versus latest forecast dates	Less than 10% slippage from baseline completion date	N/A	0	0	Due to limited data, trends are not yet clear/available. Target unclear/unavailable.
44	Portfolio Office baseline cost versus forecast completion costs (%)	Less than 5% slippage from baseline cost	N/A	-2.7	3.9	Due to limited data, trends are not yet clear/available. Target unclear/unavailable.
45	Portfolio Office cashable benefits realised	Increase between reporting period	N/A	6,814	10,789	Due to limited data, trends are not yet clear/available. Target unclear/unavailable.
58	Average age of Heavy Fleet	12 years and below	12.0	12.5	13.0	The figure has **deteriorated** beyond the target in the last year.
59	Average age of Light Fleet	6 years and below	5.8	6.2	6.4	The figure has **deteriorated** beyond the target in the last year.
60	% of Community Fire Stations in good or satisfactory condition	1% Increase against previous year	55.2	55.6	23.5	The figure has **deteriorated** as condition ratings have been updated to reflect recent surveys which show deterioration of assets and increasing age of buildings. Significant capital investment is being targeted to remedy RAAC affected stations.

61	% of Community Fire Stations in good or satisfactory suitability	1% Increase against previous year	24.4	25.0	N/A	This KPI is not available for 2025/26. The methodology for assessing station suitability is under review.
64	Savings achieved as a % of Resource budget for year	3.5% for 2023/24	3.5	2.9	0.0	No saving targets were set within the RDEL budgets.
65	Total Budget Outturn versus agreed funding (RDEL & CDEL)	Track	100.5	99.8	99.9	The figure is within budget.

5 – The Data and Technology Services Service Level Agreement contains five different categories of resolution time ranging from 1 day to 40 days.

Objective 5: Innovation and Investment

	KPI	Target	2023/24	2024/25	2025/26	Narrative
32	Organisational carbon emissions	Reduce annually by 6%	13,194	12,797	15,462	This figure has **increased** since last year. SFRS have added well to tank emissions to our scope and when compared against our 2024/25 emissions measured in the same way there is a reduction of 258 tCO2e not an increase.
33	Carbon Management Plan 2020-25 Project Funding		0	592,500	1,000,000	Funding **increased** to £1,000,000 last year.
34	Recycling rate (%)	Increase annually by 5%	40.4	32.8	35.1	This figure remains within normal variation.
57	% of light fleet that are Ultra Low Emission Vehicles	100%	23.8	23.9	29.2	This figure has **improved** as part of a long-term trend however; the overall target has **not been met** this year.

PERFORMANCE ANALYSIS: OUR PERFORMANCE AND ACTIVITIES

Our Strategy is delivered through our SFRS Three-Year Delivery Plan 2025-28. This is a rolling planning document that details how we will deliver these priorities over the duration of the Strategy. It contains the most important activities that are required each year to deliver our ambitions. As it sets the direction for all other work plans, progress of the Three-Year Delivery Plan is closely scrutinised by the SFRS Board. Our delivery plan provides us with flexibility, allowing us to adapt our plans should unforeseen challenges arise. The Board must approve any additions or changes. This ensures that the actions contained within it remain the top priorities for the Service. At the end of each year, we report on how we progressed this through quarterly reporting to our Senior Management Board, Strategic Leadership Team and to the SFRS Board. We also include some of this information in the Annual Report and Accounts.

In 2025/26, Year 1 of our SFRS Three-Year Delivery Plan contained 35 actions. At the end of the reporting period, on 31 March 2026, the following progress had been made:

- 31 (89%) actions were either completed within the financial year as planned, related activity has been captured within the Year 2 2026/27 Delivery Plan or work will continue as core business.
- 1 action had a due date within the 2026/27 financial year
- 3 (9%) actions were not completed within the financial year as planned

Work will continue against these actions with quarterly updates for those included in the Three-Year Delivery Plan provided to our Senior Management Board, Strategic Leadership Team, and SFRS Board throughout 2026/27 until the actions have been completed. Any actions continuing as core business or incorporated into a relevant Directorate Plan will be monitored and reported via the appropriate Functional Management and Directorate Management Teams.

This section of the report captures some of the key activities that we have carried out through 2025/26 to meet the requirements of our SFRS Strategy 2025-28.

The work we have carried out has been structured around the five Objectives outlined within the SFRS Strategy 2025-28.

Details of our financial performance for the year can be found within the Accounts Section of this report.

Objective 1: Safer Communities through Prevention.

During 2025/26 we:

- Delivered targeted safeguarding interventions, making 3,114 Adult Protection referrals, 122 Child Protection and Wellbeing referrals, and 119 Fire Safety Support and Education referrals, helping vulnerable people access the support they need.
- Contributed to the lowest fire fatalities in six years and the lowest accidental dwelling fires and dwelling fire casualties in ten years, demonstrating the impact of prevention and partnership activity.
- Strengthened safeguarding practice across SFRS through enhanced training, quality assurance visits, a new Safeguarding Refresher Module, and the establishment of a National Safeguarding and Hoarding Working Group.
- Expanded youth engagement and skills development, delivering 94 FireSkills programmes for 713 young people, including 46 Employability Awards, while supporting 13 Youth Volunteer Schemes with over 4,000 volunteer hours contributed.
- Delivered 2,291 fire safety education engagements in schools, community groups and alternative learning settings, helping communities understand risk and make safer choices.

- Supported sustained reductions in deliberate fire-setting and seasonal fire risk, contributing to a 29% reduction in deliberate fires, 35% reduction in refuse fires, 20% reduction in outdoor fires, and a 39% reduction in Bonfire Night incidents over five years.
- Improved safety in Scotland's built environment by completing 8,624 Fire Safety Audits and taking proportionate enforcement action where required, including statutory notices to address significant fire safety risks.
- Enhanced organisational resilience and preparedness for future risks through the work of the New and Emerging Risks Group, completion of a Risk Preparedness Assessment identifying 33 improvement actions, development of a new Risk-Based Identification Scoring Tool, and support for approximately 630 events across Scotland.

For more information on these activities and our performance relating to Objective 1, you can read the Annual Performance Review Report 2025/26 on our website.

All actions within our Three-Year Delivery Plan 2025-28 aligned with Objective 1 were completed.

Objective 2: Safe and Effective Response

During 2025/26 we:

- Responded to 78,585 incidents across Scotland, continuing to provide emergency response services while progressing the Service Delivery Review to better align resources with current and future risks.
- Strengthened specialist response capabilities, advancing a new Urban Search and Rescue model, introducing Water and Flood Incident Tactical Advisors, establishing Marine Tactical Advisor capability across all Service Delivery Areas, and progressing a national Large Animal Rescue approach.
- Increased availability of National Mass Decontamination capability, significantly improving readiness for large-scale hazardous materials incidents.
- Enhanced preparedness for major and complex emergencies, including Marauding Terrorist Attacks and Mass Casualty Incidents, through improved specialist responder capability, command arrangements and deployment processes.
- Introduced new technology to support emergency response, including Blackberry AtHoc for rapid mobilisation of specialist responders and the Airbox MOSAIC platform to improve multi-agency situational awareness and information sharing.
- Improved Scotland's resilience to wildfire, completing the Wildfire Project across 37 stations with specialist vehicles, equipment, PPE and training, informed by lessons learned from major incidents such as the Dava Moor and Carrbridge wildfire.
- Invested in firefighter competence and safety, including the national rollout of Safe Working at Height training, £114,000 investment in Methods of Entry equipment, modernised extrication training standards and a new immersive CPD programme for operational commanders.
- Modernised operational response capabilities, completing the transition to digital handheld radios, progressing replacement programmes for vehicles and specialist equipment, introducing new training facilities including a Structural Collapse Simulator, and exploring future drone capability to enhance incident intelligence and decision making.

For more information on these activities and our performance relating to Objective 2, you can read the Annual Performance Review Report 2025/26 on our website.

There were 2 actions within our Three-Year Delivery Plan 2025-28 that we did not manage to complete within the year as scheduled. Work to complete these actions will continue throughout 2026/27:

- Work to Introduce a future model for specialist operational response capabilities that align with the National Fire Resilience programme was impacted by a delay to completing one milestone

regarding the development of a Concept of Operations for Remote Operated Vehicles (Drones) and the progression through the relevant governance and scrutiny route.
- The replacement of in-vehicle devices and implementation of the new Operational Intelligence system was impacted by a delay in the availability of the software and an extension to the East Service Delivery Area Pilot to resolve issues that were encountered.

Objective 3: Investing in Our People

During 2025/26 we:

- Enhanced workforce health and wellbeing, restoring compliance with fitness and medical assessments to 97%, making in-house physiotherapy a permanent service, and expanding the Wellbeing Champion network to more than 200 trained champions.
- Strengthened firefighter health protection, investing approximately £3 million in contaminant reduction measures, including reserve PPE, enhanced decontamination facilities, station zoning plans and improved laundering arrangements.
- Advanced equality, diversity, inclusion and human rights, including improvements through the Women's Experience Liaison Forum, enhanced maternity support arrangements, delivery of the second Women in the Fire Service event, and maintaining Stonewall Gold Employer Status.
- Invested in leadership and professional development, with 221 colleagues participating in Leadership Essentials programmes and six NFCC leadership programmes delivered to strengthen leadership capability across the Service.
- Expanded vocational learning and workforce skills, supporting 829 active learners, achieving 443 certifications, and securing approximately £662,000 in apprenticeship funding to support future workforce development.
- Strengthened workforce planning and recruitment, attracting more than 4,000 applications for Wholetime Firefighter roles and achieving the highest-ever female recruit intake, with women representing 17% of a trainee course.
- Improved career pathways and progression opportunities, delivering promotion processes from Crew Commander to Deputy Assistant Chief Officer level and introducing a new Retained Duty System to Wholetime Firefighter Migration Procedure.
- Enhanced organisational culture and employee voice, establishing the Organisational Culture and Leadership Programme as a strategic change programme, introducing an Advisory Panel and Support Staff Representative Forum, and progressing development of a new SFRS People Plan through extensive workforce engagement.

For more information on these activities and our performance relating to Objective 3, you can read the Annual Performance Review Report 2025/26 on our website.

There was 1 action within our Three-Year Delivery Plan 2025-28 that we did not manage to complete within the year however this was originally scheduled for completion in Year 2 2026/27. Work to complete this action will continue throughout 2026/27:

- Work to develop and publish an SFRS People Plan will be delivered during the 2026/27 reporting year as scheduled.

Objective 4: Improving Performance

During 2025/26 we:

- Published the SFRS Strategy 2025-28 and introduced a Three-Year Delivery Plan 2025-28, providing a clear strategic direction and stronger framework for delivery, performance monitoring and accountability.

- Developed and secured Board approval for a new Performance Management approach, creating a clear link between strategy, delivery, performance, risk and assurance to support better decision-making.
- Implemented a new Operations Performance Management Framework and expanded Capability Assurance activity, strengthening oversight of operational performance, specialist capabilities and future investment priorities.
- Conrinued to enhance governance and assurance arrangements across the Change Portfolio, embedding revised portfolio governance processes and strengthening scrutiny, prioritisation and benefits management for organisational change.
- Received a Significant Assurance opinion from Internal Audit on Corporate Governance, providing independent confirmation that governance arrangements are well designed and operating effectively.
- Improved organisational change capability, embedding the Strategy & Change operating model, introducing Business Readiness approaches, and enabling 76 employees to achieve Lean Competency System qualifications through the Service Improvement Foundation Course.
- Strengthened the use of data, insight and technology, including continued rollout of the Wrike Project and Portfolio Management platform, enhanced portfolio reporting, and development of a new Operational Intelligence Power BI dashboard to improve risk and performance visibility.
- Enhanced organisational resilience and assurance, progressing a cyber security improvement programme, delivering a comprehensive Internal Audit programme, and improving the integration of risk management, assurance and performance oversight across the Service.

For more information on these activities and our performance relating to Objective 4, you can read the Annual Performance Review Report 2025/26 on our website.

All actions within our Three-Year Delivery Plan 2025-28 aligned with Objective 4 were completed.

Objective 5: Innovation and Investment

During 2025/26 we:

- Strengthened innovation capability across the Service through continued participation in the Scottish Government's CivTech programme, development of new solutions for operational situational awareness and firefighter contaminant monitoring, and establishment of the Research, Development, Innovation and Implementation (RDII) Group.
- Progressed development of future Uncrewed Aircraft Systems (drone) capability, exploring how aerial intelligence can support wildfire, flooding, water rescue and major incident response while reducing firefighter exposure to risk.
- Delivered a range of new digital tools and applications, including the Secure Technology Asset Register, Community Safety Engagement Activities system, electronic contractor sign-in solution, Wildfire Tactical Advisor application, Operational Intelligence Hub and hydrant inspection planning tool.
- Invested in frontline fleet and specialist operational equipment, introducing new 18-tonne Rescue Pumps, commissioning 24 new Light Pumping Units, completing four new Rope Rescue Units and progressing replacement programmes for specialist and hazardous materials response vehicles.
- Enhanced firefighter safety through modern technology and equipment, progressing procurement of new breathing apparatus with advanced telemetry systems, initiating the Thermal Imaging Camera replacement programme and introducing improved rescue equipment and operational assets.
- Modernised estate and training infrastructure, continuing construction of the new Perth Compartment Fire Behaviour Training facility, completing improvements at Calton Fire Station and progressing replacement programmes for several RAAC-affected stations across Scotland.
- Reduced environmental impact and improved energy efficiency, installing a 340kW solar field and battery storage system at the national headquarters and training campus, expected to generate

over 250,000kWh of renewable electricity annually, while delivering LED lighting and heating efficiency upgrades across the estate.
- Modernised workforce models and expanded community impact, introducing new On Call governance arrangements, rolling out the On Call Pre-Recruitment Engagement Programme, enabling 36 On Call firefighters to transition to Wholetime roles, and training more than 160 Flexi Duty Officers to administer Naloxone, contributing to life-saving interventions.

For more information on these activities and our performance relating to Objective 5, you can read the Annual Performance Review Report 2025/26 on our website.

All actions within our Three-Year Delivery Plan 2025-28 aligned with Objective 5 were completed.

Future Plans

To ensure the activities we undertake are aligned to the strategic ambitions of the SFRS Strategy 2025-28, each year we update the Three-Year Delivery Plan 2025-28. Unlike the SFRS Strategy , which provides high-level aspirations for the Service, this planning document provides greater detail on the actions that we plan to carry out in the year ahead.

Our progress against each of the activities contained within the Plan will be monitored quarterly with updates being reported to Executive and Non-Executive Boards, ensuring these business-critical activities remain on track and that we continue to use our resources responsibly.

In 2025/26, the SFRS Strategic Plan 2022-25 was replaced by the SFRS Strategy 2025-28. A revised Three-Year Delivery Plan 2025-28 was also published alongside the new Strategy.

In this section we consider our environmental, economic and societal impact in line with the National Performance Framework.

Environmental Sustainability

The SFRS continues to work to reduce the impact that our operations have on the natural environment whilst reducing our carbon emissions to achieve net zero by 2045.

Our Carbon Management Plan 2025-30 was finalised during 2025-26 and extends the scope of emissions that will be reported on during the five-year period. Having added additional carbon sources into our emissions scope, our baseline for 2015/16 has been revised to 26,405 tCO_2e, an increase of 3,079 tCO_2e.

The Carbon Management Plan 2025-30 incorporates the Scottish Government's new set of five-yearly carbon budget targets, as part of our pathway to net zero in 2045. Carbon budgets provide 5-year limits on emissions; they provide a reliable and consistent framework to measure progress and are less prone to fluctuations than annual targets. The average level of emissions for SFRS over each five-year period are:

- 57% lower than our baseline for 2026-2030
- 69% lower than our baseline for 2031-2035
- 80% lower than our baseline for 2036-2040
- 94% lower than our baseline for 2041-2045
- Net zero from 2046 onwards

The 57% reduction target requires SFRS annual emissions to average 11,354 tCO_2e per annum across the five-year period. We had reduced our emissions to 12,707 tCO_2e in 2024/25, this figure was revised to 15,720 when the additional emission sources were added to the scope.

The Carbon Management Plan 2025-30 outlines an annual investment of £1 million to fund projects that reduce our energy consumption and carbon emissions. As our fleet fuel emissions account for over a third of our total footprint, and due to our limited ability to reduce our heavy fleet diesel emissions, this level of investment is not sufficient to meet the 57% target.

However, to provide further clarity on our carbon reduction progress, our quarterly reporting will now provide our carbon reduction data in two formats, total emissions and estate only emissions. This will allow a clear picture of the progress that is made through the investment in our carbon management plan, and it will not be skewed by fluctuations in operational derived emissions from our heavy fleet.

As a result, our estate carbon baseline for 2015/16 is calculated as 19,184 tCO_2e and therefore our 57% average reduction target for estate during 2026-30 is 8,249 tCO_2e per annum.

Energy Consumption and CO_2 Emissions

Our total carbon footprint for the 2025/26 financial year was calculated at 15,462 tCO_2e. This is 10,943 tCO_2e (41%) lower than the revised 2015/16 carbon baseline of 26,405 tCO_2e and was therefore 4,108 tCO_2e over our 57% reduction target of 11,354 tCO_2e, see chart 1.

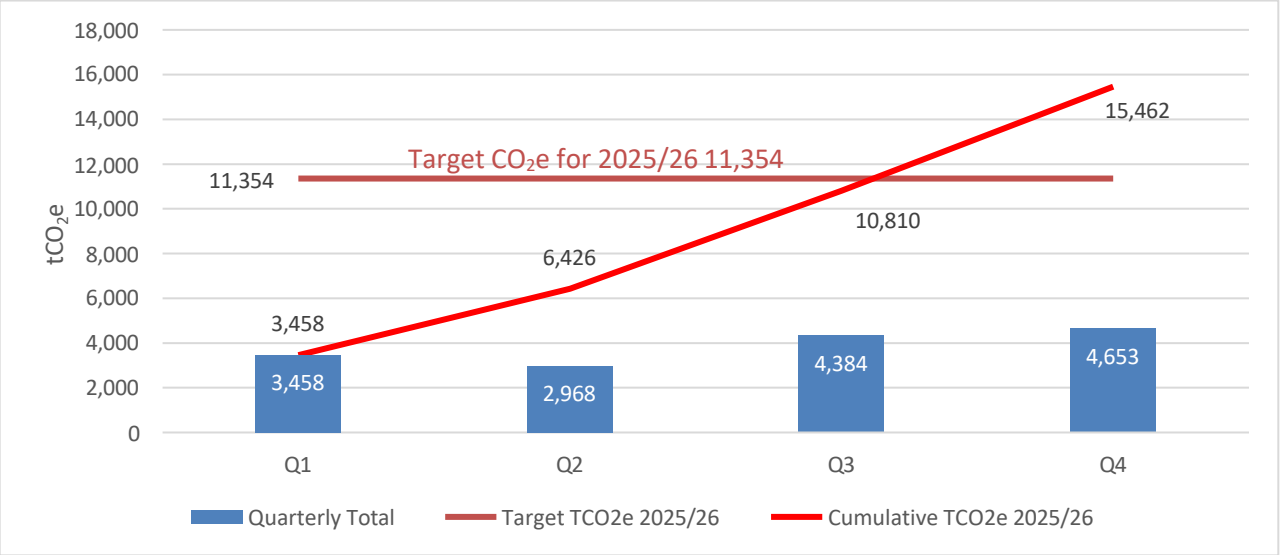


Chart 1: Total Carbon Emission 2025-26

Our estate carbon footprint was calculated at 8,284 tCO_2e and was therefore very narrowly missed the 8,249 tCO_2e target by 55 tCO_2e, see chart 2. It is anticipated that we should meet the target during 2026/27 due to the delivery of carbon management plan projects during 2025/26.

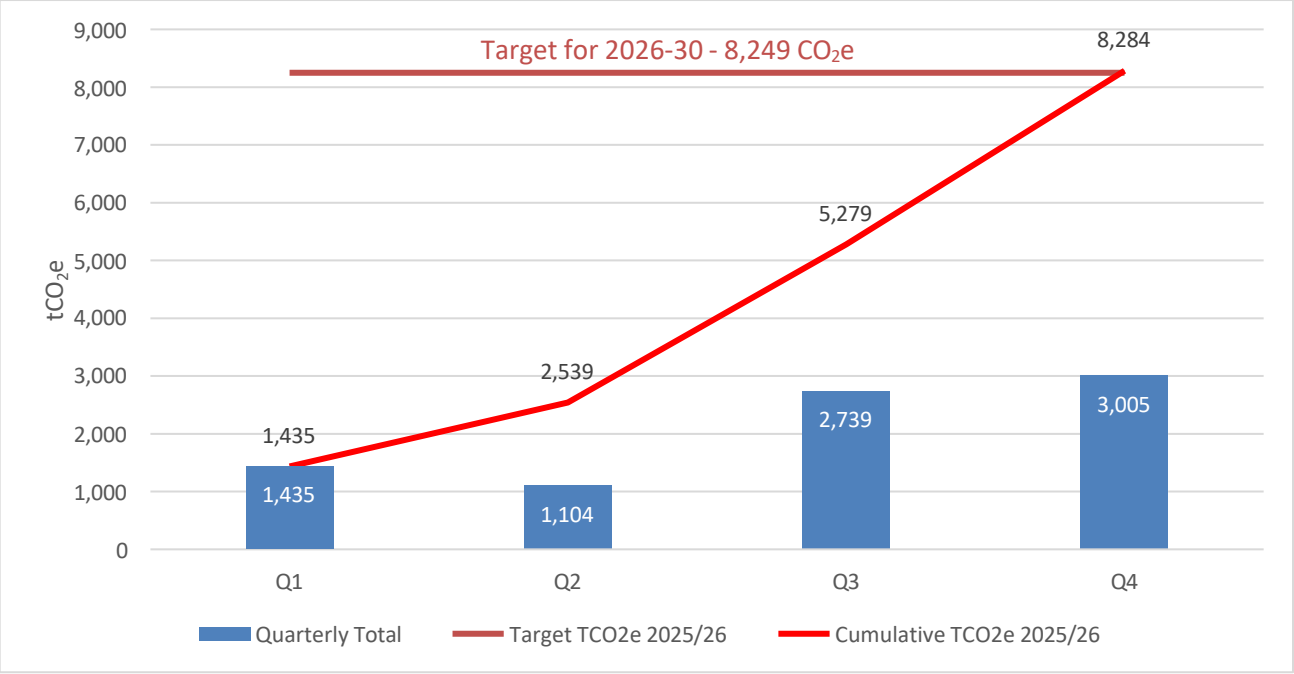


Chart 2: Estate Carbon Emissions 2025-26

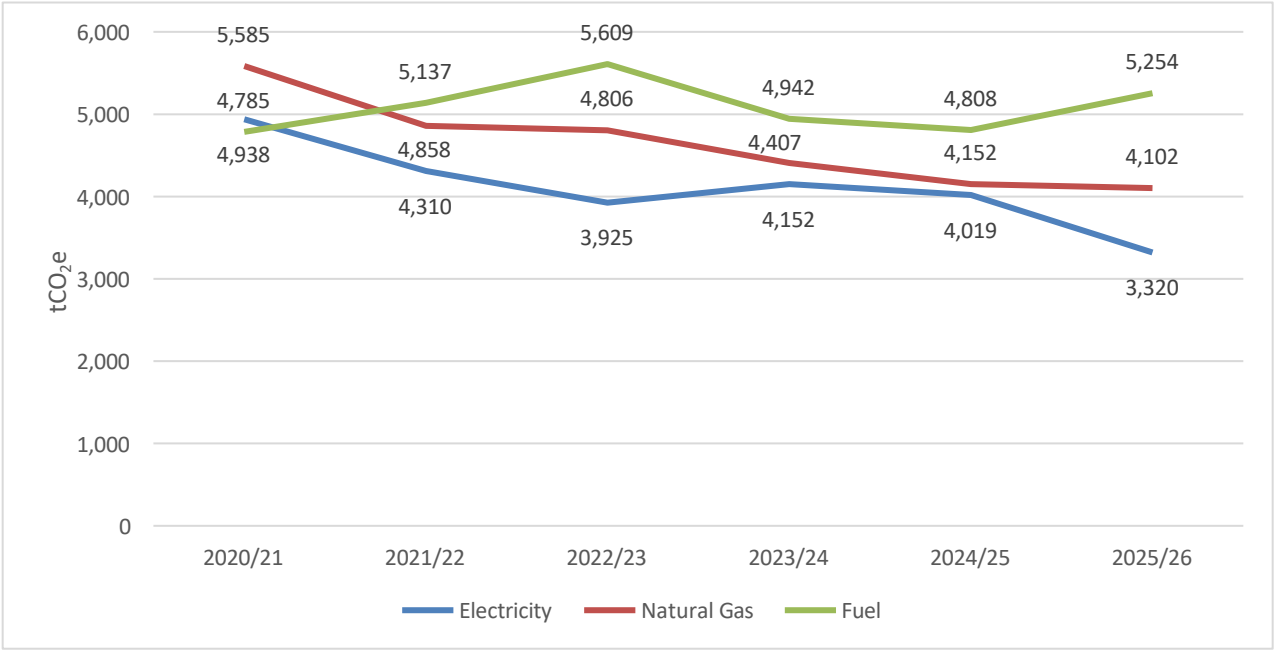


Chart 3: Primary Carbon Sources 2020-26

As displayed in Chart 3, the CO_2e emissions from our electricity use decreased by 699 tCO_2e (17%), during the last 12 months. This drop was influenced by a combination of carbon management plan projects and a reduction in the carbon conversion factor for electricity drawn from the national grid.

Our CO_2e emissions that are derived from the natural gas that heats our buildings and water reduced by 50 tCO_2e in the last 12 months. Our options to move our buildings away from natural gas are currently limited due to the level of investment that is required and the resulting increase in electricity costs. As a result, our current focus is further optimisation of our building energy management systems and promoting energy efficient behaviours on our sites.

Our fleet fuel emissions increased by 446 tCO_2e during 2026/26, totalling 5,254 tCO_2e. The rise is due to increased operational activity during the 12-month period. Protracted incidents, such as the Union Street Fire in Glasgow, require our appliances to pump for days at a time, therefore our carbon emissions are directly impacted by the operational demand.

Delivery of Carbon Management Plan Projects

Several Carbon Management Plan projects were delivered during 2025/26, with a focus on reducing our carbon emissions whilst simultaneously reducing our energy costs.

A 340kW solar field and battery energy storage system was installed at our national headquarters and training campus, which will provide over 250,000kWhrs of renewable electricity each year. This will result in carbon savings of 75 tCO_2e and financial savings of over £35k annually. Our National Headquarters was suitable for the project due to the consistently high electricity demand and the availability of open space to install the 524 solar panels.



During a three-month period, the new solar field generated more electricity than an average wholetime station uses in a year, resulting in savings of over £6k.

To further reduce the electrical demand and operational costs, our National Headquarters and Training Centre and Clydesmill fire station also received LED lighting upgrades. These significantly reduce consumption whilst improving the working environment and reducing maintenance costs. We have an ongoing programme of LED lighting upgrades across our Wholetime and Corporate estate during the current Carbon management Plan 2025-30.

Our ongoing programme of retained station remote heating system upgrades also progressed during 2025/26.

Waste Management

The total recorded volume of all waste produced across the SFRS estate in 2025/26 was 675 tonnes, an increase of 26 tonnes against the 2024/25 figure.

This total volume of waste includes all waste from scheduled and ad hoc waste uplifts across our stations, corporate sites, workshops, stores and training centres, and any special waste materials.

Our total recycling rate for 2025/26 has decreased slightly to 36% from 37% in the previous year.

The volume of waste sent to landfill in 2025/26 was 25 tonnes, which is a 30% reduction against 2024/25 and an 80% reduction since 2019/20 the baseline reporting year. The reduction was in part due to new energy of waste facilities opening in regional areas of Scotland

Water Management

In 2025/26 water use across our estate totalled 143,792 m^3. Water consumption at our sites with automated meter reads (AMR) increased by 3% during the year. This could be linked to recently introduced fire contaminant control procedures and operational variations.

Biodiversity

SFRS supported No Mow May in 2025, the grass was left to grow for the month of May across 14 sites to support pollinators. Every site showed an increase in the number of plant species and an increase in plant cover, with a total of 30 new plant species identified across all the sites surveyed.

In July 2025 SFRS in partnership with the Cambuslang Apiary Project ran two Beekeeper Experience sessions at Clydesmill Fire Station. Each session provided details about the SFRS Pollinator Highway Project, an overview of beekeeping, the importance of bees as pollinators and the benefits that access to nature can have on mental health.

Business Travel Emissions

We monitor and measure our business travel emissions as part of our official carbon footprint. These are indirect greenhouse gas emissions resulting from the organisation's operations. These emissions have been measured since 2019/20, which is the official baseline year, producing 816 tCO_2e. The emissions are made up from employee mileage claims, rail travel, flights and stays in hotel accommodation.

During 2025/26 our business travel emissions decreased slightly to 528 tCO_2e, a drop of 25 tCO_2e on the 2024/25 figures. Since the 2019/20 our business travel emissions have reduced by 35%, this has been strongly influenced by digital meeting reducing the need for travel.

You can access full climate change reporting information for SFRS on the Sustainable Scotland Network website. The information for the previous year is updated every June.

Contributing to the National Performance Framework:	Contributing to the Sustainable Development Goals:
▪ Environment ▪ Communities	▪ Responsible Consumption and Production ▪ Climate Action ▪ Clean Water and Sanitation ▪ Affordable and Clean Energy ▪ Life Below Water ▪ Life on Land

Economic Sustainability

We recognise that a strong, competitive economy is essential to supporting jobs, incomes, and our quality of life. We also know that our economy must be environmentally sustainable, inclusive and benefit all our people and communities. We continue to work to create the conditions through which to achieve these commitments alongside economic growth.

Sustainable Procurement

SFRS is committed to observing our sustainable procurement duty as stated within the Procurement Reform (Scotland) Act 2014 and continue to review and update our internal policies and procedures to reflect our legal duty and to ensure the proper consideration of how best we can improve the social, environmental, and economic wellbeing of our communities through the delivery of our procurement activity.

Through its procurement activities, SFRS continues to drive sustainability outcomes by embedding sustainable procurement principles at an early stage and throughout the procurement process. This includes consideration during specification development, supplier evaluation, contract award, and ongoing contract management, ensuring sustainability remains a core element of procurement decision-making.

For regulated procurements, a Commodity Strategy is developed to guide the approach to market. As part of this process, the Sustainable Procurement Toolkit is utilised to identify and embed relevant and proportionate sustainability considerations, helping to maximise social, environmental, and economic benefits through procurement activity.

Our Procurement Strategy is being updated to align with the Public Procurement Strategy for Scotland 2023–2028, reinforcing our commitment to delivering sustainable, value-driven procurement outcomes that support national priorities.

The consideration of socioeconomic impact is embedded in the Scottish Fire and Rescue Service procurement activity, and we include the consideration of community benefits in all relevant procurement activity and use these to deliver wider benefits for the communities which we serve. This is illustrated in station upgrades being progressed which involve the local Small and Medium-sized Enterprise (SME) engagement, training opportunities together with other local initiatives.

We continue to work in partnership with our Hard and Soft Facilities Management contractors to ensure the proper focus on the sustainability and environmental impact of these major contracts.

Our procurement activity is open and transparent and undertaken in a manner which facilitates the involvement of Small and Medium sized Enterprises, Supported Business and third sector bodies. The SFRS continues its membership of the Supplier Development Programme (SDP), a partnership of Local Authorities, the Scottish Government and other public sector bodies dedicated to supporting businesses in all aspects of tendering. Through this initiative, Small and Medium-sized Enterprises (SMEs) and local suppliers are provided with the knowledge, skills and opportunities

required to engage with public sector procurement, helping to strengthen competition, promote sustainable economic growth and improve access to SFRS procurement opportunities.

Through our continued support of the Supplier Development Programme (SDP), we engage with suppliers at national and regional Meet the Buyer events, raising awareness of Scottish Fire and Rescue Service procurement opportunities and encouraging greater participation from local businesses, SMEs, and third-sector organisations.

We continue to identify and maximise collaborative procurement opportunities with our Blue Light partners and other public sector organisations across Scotland and the wider United Kingdom. During the year, we maintained our associate membership of Scotland Excel and utilised its Flexible Procurement Service to provide additional capacity and specialist support, helping to address ongoing resourcing pressures within the Procurement Team and ensure the continued delivery of procurement objectives.

We support the Scottish Government's ambition to achieve net zero emissions by 2045. In support of this objective, SFRS has committed to reducing its carbon emissions by 6% annually to 2030, equating to an overall reduction of 80%. To help deliver these targets, we continue to invest in renewable and energy-efficient technologies to assist in reducing energy waste across our estate. We remain committed to the use of low-emission and electric vehicles within our fleet.

The Scottish Fire and Rescue Service continues to explore how emerging technologies and innovation can support the delivery of modern, efficient, and effective services. Through close collaboration between our Research, Development and Innovation, Procurement and Asset Management teams, we ensure that equipment, appliances, and other key assets reflect the latest technological advancements and operational requirements. We also continue to actively participate in the CivTech Challenge process, helping to identify and develop innovative solutions to address current and future service challenges.

As an Accredited Living Wage Employer, SFRS is committed to promoting fair and inclusive employment practices. Through our procurement activity, we encourage suppliers to adopt Fair Work First principles, including the payment of the real Living Wage and the creation of positive workplace practices. By doing so, we support national priorities to tackle poverty and inequality, promote inclusive economic growth, and contribute to the development of a fairer, more sustainable society.

We continue to ensure that equality, diversity, and inclusion considerations are integrated into all relevant procurement activities. In doing so, we comply with the requirements of the Equality Act 2010 and the Public Sector Equality Duty. Equality Impact Assessments are undertaken where appropriate, with relevant requirements incorporated into contract specifications, terms and conditions, and award criteria. Compliance and performance are monitored through effective contract management arrangements.

Workforce Sustainability

SFRS continues to refine its modelling to ensure robust workforce forecasting, informing flexible workforce plans to maintain the interim Target Operating Model (TOM) across all staff groups. These plans are reviewed regularly to respond to changes in organisational needs or turnover patterns. Recent changes have seen the introduction of a new training delivery model for Wholetime Firefighter recruitment, where more frequent lower volume courses have replaced fewer high volume training courses, enabling SFRS to recruit more Firefighters each year while maintaining training requirements for existing staff.

We continue to enhance our approach to attract and retain a skilled, diverse and resilient workforce that is representative of the communities we serve. Our recent focus on engagement activities has seen an increase in female applicants to our recruitment campaigns, with enhanced social media coverage reaching a wider audience for potential applicants. Our internal promotion processes have

been improved following the publication of the annual resource plan, refreshed guidance materials and Shortlisting Interview and Feedback Techniques (SIFT) training for panel members. Further enhancements are planned through the work of the Promotion Process Review Group (PPRG).

Anti-Fraud and Corruption

The SFRS is committed to the Scottish Government's zero tolerance approach to fraud. All SFRS employees, at all times, are required to act honestly and with integrity and to safeguard the public resources for which they are responsible.

The Chief Officer, in accordance with the SFRS Financial Regulations, is responsible for identifying and managing the risk of fraud and corruption, for ensuring that appropriate risk management, internal control and governance arrangements are in place and for ensuring Best Value is achieved.

Contributing to the National Performance Framework:	Contributing to the Sustainable Development Goals:
▪ Economy ▪ Fair Work and Business ▪ International	▪ Decent Work and Economic Growth ▪ Industry, Innovation, and Infrastructure

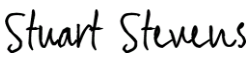
Societal Sustainability

We continue in our aspiration to be a sustainable fire and rescue service and to do this we strive to embed equality, diversity, human rights, and inclusion in everything we do.

Key work this year included:

- A review of the Support Staff Pay and Reward Framework undertaken by external specialist consultants, concluded in April 2026.
- Supporting the Scottish Public Pensions Agency (SPPA) with the implementation of the various Firefighter Pension remedies.
- Expanded leadership development programmes to over 330 managers. This strengthened leadership skills and supported a more sustainable workforce by improving talent development and progression across diverse groups.
- A review of our Wholetime Firefighter recruitment process to maintain required standards, increase capacity, and improve the candidate experience, with a real focus on SFRS values and pre-engagement activities to improve diversity of applications.
- Enhancements to our uniformed promotion processes with stakeholder engagement informing refreshed guidance materials and communication for an improved candidate experience.
- Further development and embedding of the On Call Duty System to Wholetime migration programme and associated processes, providing a tailored route for experienced on-call firefighters.
- Improved the approach to Job Evaluation Scheme, including moving to a new scheme version and introducing a new appeals process.
- Hosting the Service's Women in the Fire Service second annual event for operational and support colleagues from Fire & Rescue Services across the UK.
- Review and development of several SFRS People policies to ensure these are inclusive, supportive, and reflective of SFRS as an employer of choice, including the SFRS organisational change framework and associated toolkit.
- Effective partnership working with our recognised representative bodies, particularly in relation to organisational change programmes and initiatives.

Contributing to the National Performance Framework:	Contributing to the Sustainable Development Goals:
▪ Children and Young People ▪ Fair Work and Business ▪ Communities ▪ Education ▪ Health ▪ Culture ▪ Human Rights	▪ Good Health and Wellbeing ▪ Quality Education ▪ Gender Equality ▪ Reduced Inequalities



Stuart Stevens
Chief Officer
Scottish Fire and Rescue Service
30 October 2026

ACCOUNTABILITY REPORT

In this section of the report, we set out:

- Our Corporate Governance Report, including:
  - Directors' Report
  - Statement of Accountable Officer's Responsibilities
  - Governance Statement
- Remuneration and Staff Report

These sections contribute to our accountability to the Scottish Government and ensure we comply with good governance standards as set out within our SFRS Governance and Accountability Framework.

CORPORATE GOVERNANCE REPORT

Directors' Report

Introduction

The SFRS presents its Annual Report and Accounts for the year from 1 April 2025 to 31 March 2026. The Accounts have been prepared in a form directed by the Scottish Ministers in accordance with Section 42A (1) of the Fire (Scotland) Act 2005 (inserted by section 118 of the Police and Fire Reform (Scotland) Act 2012), and in accordance with the Government Financial Reporting Manual (FReM).

Statutory Background

The Police and Fire Reform (Scotland) Act received Royal Assent on 7 August 2012, with responsibility for Police and Fire and Rescue Services transferring from local government to new central government Other Significant Public Bodies on 1 April 2013.

The SFRS is governed by the Fire (Scotland) Act 2005, amended by the Police and Fire Reform (Scotland) Act 2012. It is responsible for fire safety, firefighting, attending road traffic collisions and dealing with other types of emergencies. The SFRS also works with partner agencies to be prepared for major emergencies and disruptive challenges.

Chief Officer and Board Members:

Chair:	Kirsty Darwent (term ended 30 January 2026) Mhairi Wylie (appointed 31 January 2026)
Deputy Chair:	Paul Stollard (Deputy Chair from 24 October 2024 until 17 November 2025) Mhairi Wylie (appointed 18 November 2025 to 30 January 2026) Angiolina Foster (appointed 31 January 2026)
Chief Officer:	Stuart Stevens
Accountable Officer:	Stuart Stevens
Board Members:	Mhairi Wylie (appointed Chair 31 January 2026) Angiolina Foster (appointed Deputy Chair 31 January 2026) Tim Wright Malcolm Payton Brian Baverstock Paul Stollard

Stuart Ballingall
Madeline Smith
Neil Mapes
Therese O'Donnell
Andrew Smith

A full list of the company directorships and other significant interests can be found on the SFRS website.

Members of the Strategic Leadership Team:

Chief Officer:	Stuart Stevens
Accountable Officer:	Stuart Stevens
Deputy Chief Officer:	Andrew Watt
Deputy Chief Officer – Corporate Services:	Sarah O'Donnell
Director of Operational Delivery:	David Farries
Director of Training, Safety and Assurance:	Craig McGoldrick
Director of Prevention:	Jonathan Henderson
Director of People:	Fiona Ross (resigned 31 December 2025)
Interim Director of Finance and Contractual Services	Deborah Stanfield
Director of Strategic Planning, Performance and Communications:	Mark McAtee

Financial Performance

You can read more information on financial performance in the Performance Overview at the start of this document and in the Annual Accounts section.

Charging Policy

The primary statutory functions of the Scottish Fire and Rescue Service are set out in the Fire (Scotland) Act 2005 ("the 2005 Act"), as amended by the Police and Fire Reform (Scotland) Act 2012, as well as the Fire (Additional Function) (Scotland) Order 2005 ("the 2005 Order"). In summary, the SFRS is required to protect and prevent our communities from fire, enforce fire legislation, investigate fire, and provide fire and rescue emergency response to our communities. No charges are levied as these services are funded through Scottish Government. Charges may be levied for special services supplied by the SFRS in line with the powers set out within the Fire (Scotland) Act 2005, Fire (Charging) (Scotland) Order 2005 and Fire (Additional Functions) (Scotland) Order 2005. Charges have been developed based on the expected actual cost of delivery to the SFRS, including overheads as per Scottish Government requirements.

Strategic Asset Management Planning

As one of the largest fire and rescue services in the world we have an asset portfolio comprising land and buildings, including 356 fire response locations, 1,583 fleet vehicles and thousands of items of operational equipment, all of which are critical to the effective delivery of services to our communities across Scotland.

The Scottish Fire and Rescue Service plays a significant collaborative role in supporting communities through joined up service delivery. Despite significant investment over the past ten years, there

remains a substantial inherited backlog investment issue to enable all assets to achieve satisfactory ratings for condition and suitability.

Our core capital funding remained at £32.5 million for seven years. Following increase in 2024/25 this was further increased to £48.285 million for 2025/26, however as a minimum we need at least £81.8 million per annum in investment in our assets. The lack of increased funding and reduction in real terms not only impacts our ability to modernise our assets but increases the pressure on our resource budget as more reactive maintenance is required to fix problems in our ageing estate.

Due to funding constraints, a Risk Based Capital Investment Plan (RBCIP) was approved by the Board in 2022. This was refreshed for 2025 alongside the development of the capital budget and outlines an indicative 10-year Asset Investment Plan (AIP), prioritised to minimise the risk of asset failure in terms of service delivery. The next iteration of the RBCIP will be completed to inform the 2027/28 Capital Programme in December 2026.

It should however be noted that this approach is not sustainable and continued operation of assets that have exceeded their useful life will lead to increasing resource maintenance costs, which does not achieve good value for money. As the Strategic Service Review Programme progressed during 2025/26, the RBCIP was updated to take account of evolving asset requirements.

To support the risk-based approach, an overarching Asset Management Policy 2023-28 was created and detailed Strategic Asset Management Plans have been developed for fleet, property, and equipment. These Strategic Asset Management Plans provide the detail to support prioritisation and investment plans across each programme category. Moving forward the RBCIP will now be prepared by December each year to inform and support preparation of the following year's capital programme.

In 2024/25 the Training Service Asset Management Plan was finalised and set the first capital programme for projects across the Training Estate. A £4.5 million package of improvements and works was completed in 2025/26, prioritised through consultation with the Training Team including new carbonaceous units at Sumburgh, Stornoway, Kirkwall and Dreghorn as well as significant investment at Perth Training Facility.

The Asset Management Policy 2023-28 demonstrates that the SFRS is working within the Scottish Government's new Investment Hierarchy approach, as outlined in the Scottish Government's A National Mission with Local Impact Infrastructure Investment Plan for Scotland 2021-22 to 2025-26. This will be achieved through demonstrating future need, maximising the life of existing assets as far as possible, seeking opportunities to co-locate, and seeking funding to replace and build new assets by considering the suitability and condition of our assets.

Through the work on the Strategic Asset Management Plans and the Risk Based Approach we continue to highlight the requirement for greater capital investment.

Personal Data Related Incidents

During 2025/26, no personal data related incidents were reported to the Information Commissioner's Office (ICO). There were no personal data related incidents in the previous year (2024/25).

Policy and Practice on Payment of Creditors

The SFRS terms and conditions for payment of suppliers is to pay suppliers within 30 days of the invoice date. Analysis of our performance during 2025/26 shows that 98% of invoices were paid within this timescale (97% in 2024/25).

Independent Auditor and Professional Advisers

Under the Public Finance and Accountability (Scotland) Act 2000, auditors are appointed by the Auditor General. Audit Scotland has been appointed to carry out this duty for the year ending 31 March 2026.

Disclosure of Information to Auditors

The Directors are not aware of any relevant audit information of which the SFRS auditor is not aware. The Directors have taken all reasonable steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the SFRS auditor is aware of this information.

The auditor's remuneration for providing statutory audit services for financial period ending 31 March 2026 is £0.168 million (£0.153 million in 2024/25). No non-audit services were provided in this period.

Auditor
Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN

Actuaries
Hymans Robertson, 20 Waterloo Street, Glasgow, G2 6DB
Government Actuary's Department (GAD), Belford House, 59 Belford Road, Edinburgh, EH4 3UE

Banking

The SFRS operates within the Scottish Government banking contract with the Government Banking Service (GBS), which is a shared banking service for government departments.

Contact Us

We appreciate all comments and will ensure all feedback is kept confidential.

Scottish Fire and Rescue Service Headquarters, Westburn Drive, Cambuslang, G72 7NA.

Stuart Stevens

Accountable Officer:
Stuart Stevens
Chief Officer

Organisation:
Scottish Fire and Rescue Service
30 October 2026

Statement of Accountable Officer's Responsibilities

Under the Police and Fire Reform (Scotland) Act 2012, the SFRS is required to prepare financial statements for each financial period in the form and on the basis determined by the Scottish Ministers. The Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the SFRS and of its income and expenditure, Statement of Financial Position, changes in taxpayers' equity and cash flows for the financial period.

In preparing the Accounts, the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- Observe the Accounts Direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- Ensure that appropriate and reliable systems and procedures are in place to carry out the consolidation process.
- Make judgements and estimates on a reasonable basis.
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

In addition, SFRS has general responsibility for taking such steps as are reasonably open to it to safeguard its assets and to prevent and detect fraud and other irregularities.

Scottish Ministers have appointed the Chief Officer as the Accountable Officer for the SFRS. The responsibilities of an Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding SFRS' assets, are set out in the Memorandum to Accountable Officers for Other Public Bodies issued by the Scottish Government and published as part of the Scottish Public Finance Manual.

I confirm that the Annual Report and Accounts as a whole are fair, balanced and reasonable and I take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that SFRS' auditors are aware of that information. As far as I am aware, there is no relevant audit information of which the auditors are unaware.



Accountable Officer:
Stuart Stevens
Chief Officer

Organisation:
Scottish Fire and Rescue Service
30 October 2026

Governance Statement

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control, risk management and corporate governance that supports the achievement of the Scottish Fire and Rescue Service's (SFRS) policies, strategic aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me. I confirm that the systems have been in place for the year under review and up to the date of approval of the Annual Report and Accounts.

I am also responsible for ensuring that the SFRS is administered prudently and economically and that resources are applied efficiently and effectively. I acknowledge my responsibilities as set out in the Principal Officers Memorandum to Accountable Officers of Other Public Bodies.

The SFRS Corporate Governance Framework

Members of the Board are appointed by the Scottish Ministers in line with the Code of Practice for Ministerial Appointments to Public Bodies in Scotland. For the first 10 months during 2025/26, the SFRS Board ('the Board') comprised of twelve Non-Executive Members including the Non-Executive Chair. In January 2026, the former Chair Kirsty Darwent retired and Board Member Mhairi Wylie, was appointed to the role of Chair. This reduced the Board to eleven Non-Executive Members, including the Non-Executive Chair.

The Board

The SFRS Board is responsible for providing strategic direction, support and guidance to the SFRS, ensuring it discharges its functions effectively and that Ministers' priorities are implemented. The SFRS Governance and Accountability Framework document sets out these responsibilities in detail, along with the formal relationships between the SFRS and the Scottish Ministers and Officials. The Board discusses, debates and makes decisions in many areas and focuses on:

- the quality of the service being delivered and how this can be improved;
- strategic decisions, including key areas for future development;
- financial position and organisational performance, to ensure that the SFRS is in line with its targets and statutory obligations.

The Board has approved Standing Orders and a Scheme of Delegations (incorporating matters reserved to the Board) in place that outlines the responsibilities for the Board, Chief Officer and Strategic Leadership Team (SLT) on key issues such as governance and financial transactions. All staff are required to comply with the requirements set out in these documents and they are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

During 2025/26 the Board met six times in public using a blended approach of face-to-face meetings and virtual technology and made the minutes and papers of these meetings available on the SFRS website. The Board also conducted three standalone meetings in private during this reporting period. Further to this, nine Board Strategy / Development / Information Days were held to support the effective and positive working relationships between the Board and Strategic Leadership of the Service. These continue to inform the Board of key strategies, projects, work streams and organisational workloads and allow the Board the opportunity to engage at a Strategic level.

KEY HIGHLIGHTS OF THE BOARD DECISIONS DURING 2025/26

- Approved the Annual Governance Review of Board and Committee Related Items to ensure the continued effectiveness of the governance arrangements of the SFRS Board and its

Committees.

- Approved the Internal Audit Plan 2025/26 which set out a timetable of the main reviews of key activities during 2025/26 that are intended to assist in ensuring effective governance and monitoring arrangements within SFRS.
- Approved the Prevention Strategy.
- Approved the SFRS Strategy 2025-2028. (Private)
- Approved the Service Delivery Review (SDR) Options Development and Appraisal Outcome Report. (Private)
- Approved the Arrangements for Reviewing the Effectiveness of the Board.
- Approved the SFRS Three-Year Delivery Plan.
- Approved the CivTech 10 – Pre-Commercial Agreement (PCA) Phase. (Private)
- Approved the CivTech 10.2 – Pre-Commercial Agreement (PCA) Phase. (Private)
- Approved the Annual Performance Review Report 2024/25. (Private)
- Approved the Board Forward Plan Schedule 2026/27 for all Board and Committee meetings.
- Approved the Annual Procurement Review Report 2024/25.
- Approved the proposed virement within the Capital Budget.
- Approved the Draft Annual Report and Accounts 2024/25 and authorised the Chief Officer, as the Accountable Officer, to sign and submit this on behalf of the Service. (Private)
- Approved the revised Anti-Fraud and Corruption Policy Framework.
- Approved further legal action in Scotland against Systemes et Telecommunications SA (Systel). (Private)
- Approved the Resource Budget 2026/27.
- Approved the Capital Programme 2026-2029.

For more information on Board decisions, you can read the Annual Governance Statement on our website.

Board Members

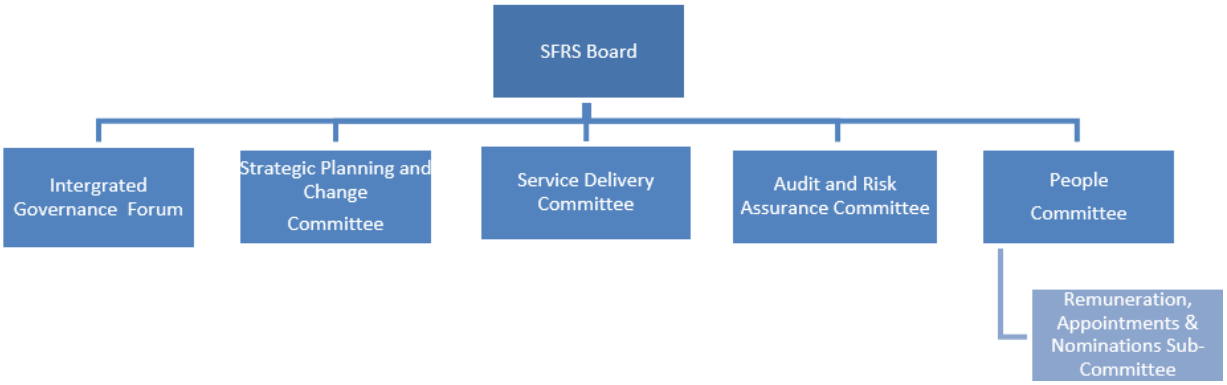
The biographies and interests of Board Members can be found on the SFRS website here.

There were six public and three private meetings of the Board held during 2025/26. You can read the Papers and Minutes of all public meetings and see who attended them here.

Committee Structure and Coverage

During 2025/26 the Board had a Committee structure comprising four standing Committees and one Sub-Committee, together with an Integrated Governance Forum. Each of these Committees/Forum have a Terms of Reference, which are reviewed annually and approved by the Board within the Annual Governance Review of Board and Committee related items.

SFRS Board Committee Structure during 2025/26



Audit and Risk Assurance Committee (ARAC)

The ARAC scrutinises the systems and processes for governance, internal control and risk management and provides assurances on their effectiveness to the Board and Accountable Officer. The ARAC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee is Brian Baverstock.

Representatives from the external and internal auditors attended all meetings and met separately in private with Committee Members. The Accountable Officer and the Director of Finance and Contractual Services attend the ARAC, along with other Senior Managers as appropriate. Representatives from His Majesty's Fire Service Inspectorate (HMFSI) were also invited to attend and to provide their Annual Report.

Based on the Committee's work during the period under review and the assurances received, the Committee concluded that, in general, the SFRS has effective risk management, governance and internal control arrangements in place.

Further highlights of the Audit and Risk Assurance Committee's work during 2025/26 can be found via this link which takes you to their Annual Report to the Board and Accountable Officer.

There were four meetings of the Audit and Risk Assurance Committee held during 2025/26, you can read the Papers (including who attended) and the Minutes here.

Strategic Planning and Change Committee (SPCC)

The SPCC provides scrutiny and oversight of strategic change and financial planning of the organisation, specific major change projects and strategic oversight of the Change Portfolio and budget provision ensuring alignment with the Strategy and available delivery capacity and capability. The SPCC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee was Stuart Ballingall until February 2026, when Therese O'Donnell took over the role of Chair. The Deputy Chief Officer, Deputy Chief Officer (Corporate Services), Director of Strategic Planning, Performance and Communication, Director of Finance and Contractual Services and other Senior Managers were invited to attend the meetings as appropriate.

The Committee monitored progress of major projects such as the New Mobilising System, Corporate Business Solution Project, as well as other projects such as Rostering along with the Service Delivery Review (SDR).

The risk tracking and risk monitoring for individual projects was further developed, with a view to gaining better insight of risks that may affect the delivery of the Programme while the methodology for benefits mapping and project finance reporting also continued to be developed. Evaluation reports were produced which highlighted lessons identified and learned, for review and reflection within new projects.

The Deputy Chief Officer (Corporate Services) provided Executive leadership and oversight regarding the Change portfolio and how it was managed.

Further highlights of the SPCC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the public meeting held on 14 May 2026.

There were four meetings of the Strategic Planning and Change Committee held during 2025/26, you can read the Papers (including who attended) and the Minutes here.

Service Delivery Committee (SDC)

The SDC's purpose is to scrutinise, monitor and review performance, and provide assurances to the Board relating to the quality of Service Delivery through operational efficiency and effectiveness, operational safety, and delivery of approved prevention and operational strategies.

The SDC comprises five Non-Executive Members and during 2025/26 met four times in public, with one private session. The Committee Chair is Tim Wright. The Deputy Chief Officer, Director of Operational Delivery, Director of Prevention, Protection and Preparedness and Director of Training, Safety and Assurance, as well as other Senior Managers, were invited to attend the meetings as appropriate.

HMFSI continue to attend the SDC, primarily to monitor progress against the SDC aligned HMFSI action plans, but also from a general Service Delivery business perspective across the Service.
At each meeting, the Committee received a revised Service Delivery Update report from the Deputy Chief Officer. This comprehensive report outlines updates of key points of work from the Operational Delivery Directorate and the Training, Safety and Assurance Directorate over the previous quarter.
Further highlights of the SDC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the 4 June 2026 public meeting.

There were four meetings of the Service Delivery Committee held during 2025/26, you can read the Papers (including who attended) and the Minutes here.

People Committee (PC) and Remuneration, Appointments & Nominations Sub-Committee (RANSC)

The PC is one of the Board's standing committees and exists to provide oversight, assurance and strategic direction on workforce-related matters. It supports the Board by scrutinising whether the Service has the people, leadership, culture and organisational capability needed to deliver its objectives. The PC comprises five Non-Executive Members and during 2025/26 met four times in public, each of which included a private session. The Chair of the Committee was Mhairi Wylie until end of January 2026, thereafter Board Member Madeline Smith took over the role. The RANSC Chair is Mhairi Wylie.

The overall purpose of the RANSC is to offer guidance, support and recommendations to the Board and Chief Officer, in relation to matters of remuneration, appointments, nominations and negotiations. The RANSC comprises up to six Non-Executive Members (including the Chair of the SFRS Board and Deputy Chair of the SFRS Board) and during 2025/26 met four times in private.

The business which comes before the PC does not vary significantly from year to year and is primarily intended to obtain assurances on behalf of the Board, who are the statutory employer of all SFRS

staff, regarding matters affecting employees. The RANSC formally report to the PC after each meeting. Monitoring of People and Training, Safety and Assurance (TSA) Directorates progress and performance and the RANSC Forward Plan feature regularly on the PC agenda and these enable future work priorities to be set.

The success of any organisation is critically related to the commitment and skill of its employees, and to its adherence to the culture and values it espouses. These in turn are underpinned by the policies and procedures it has in place, the arrangements and opportunities for learning, training and development of employees so they may attain their full potential, and the quality of engagement and relations between the organisation and its representative bodies. The work of the PC and its RANSC seeks to assist me within my role as the Accountable Officer and the Director of People and her team together with the SLT to plan and deliver effective policies and actions in this regard, and to provide appropriate assurance to the Board accordingly.

Further highlights of the PC's and RANSC's work during 2025/26 can be found via this link which takes you to their Committee Assurance Statement presented at the 18 June 2026 PC public meeting.

There were four meetings of the People Committee held during 2025/26, you can read the Papers (including who attended) and the Minutes here.

There were four meetings of the Remuneration, Appointments and Nominations Sub-Committee held during 2025/26, you can read the Papers (and who attended) and the Minutes here.

Integrated Governance Forum (IGF)

The IGF is chaired by the Chair of the Board and made up of the Deputy Chair of the Board and Chairs of all other Committees, it reviews and discusses issues and key themes identified in specific governance Committees and as an outcome provides additional assurance to the Board, ensuring a joined-up approach to corporate governance.

The Forum comprises six Non-Executive Members and during 2025/26 met three times. The Chief Officer and other Senior Managers were invited to attend the meetings as appropriate. Good examples of Common Themes and/or areas of overlap included performance reporting around wildfires and the broader aspects such as monitoring of prevention activity, public service reform/reform collaboration, governance process of tactical incidents and how they progress through the organisation and management of risk. The Forum again recognised the importance of having an increased focus on risk to better inform decision making/scrutiny. The continual evolution to ensure good governance and the appropriate levels of scrutiny/focus by the Committees/Board were also recognised and that the progression of integrated assurance mapping, would also focus attention on specific areas.

During Committee workshops where their purpose, responsibilities and general business were reviewed, the consensus was that the IGF provides a required and valuable platform. The examples set out above demonstrate the benefit of having the Chairs of each Committee meet formally to ensure a joined-up approach to corporate governance and ensure continuous improvement across the Service.

There were three meetings of the Integrated Governance Forum held during 2025/26, you can read the Papers (and who attended) and the Minutes here.

Review of Board Effectiveness

The Board continues to be committed to developing its capacity and capability to be effective, and ensures that its performance, as well as the performance of individual Committees and individual Board Members is regularly reviewed.

Further highlights that demonstrate the Board's commitment to improving their effectiveness throughout 2025/26 can be found in the Arrangements and Outcome of the Annual Review – Effectiveness of the Board report, available via this link. In summary, through individual Committees and the detailed variety of examples within the report presented to the Board in August 2026, it is anticipated that clear progress will be demonstrated in improving the overall effectiveness of the Board.

Introduction of the SFRS Good Governance Framework in April 2022 which replaced our Code of Corporate Governance, outlines our continued commitment to upholding high standards of corporate governance by setting out the principles and supporting characteristics being applied to ensure we are achieving our intended outcomes, while always acting in the publics' interest. The Framework will continue to be a living document and evolve as we strive to continually improve in everything we do. Importantly it embodies and supports our values of Safety, Teamwork, Respect and Innovation.

As Accountable Officer I am therefore confident we comply with good governance standards as set out within our SFRS Governance and Accountability Framework demonstrating our continued commitment to delivering our intended outcomes in the best possible manner.

Risk Management Framework

The ARAC advises the Board and the Accountable Officer on the effectiveness of strategic processes for risk management and internal controls. During 2025/26, quarterly written and verbal reports to the ARAC and periodic reports from the Chair of the ARAC to the Board, provided assurance that appropriate systems of risk management and internal control were in place.

The SFRS recognises that it cannot completely eliminate financial or reputational risk, or the risk of disruption to its Service Delivery, and that a residual level of risk will always remain. However, the risk management framework has been developed to minimise the likelihood and impact of risk causing disruption to SFRS's strategic priorities.

The aim of the SFRS is to be risk aware, allowing innovation and aspiration, whilst actively managing risk through a range of measures to ensure key priorities are met. The risk framework establishes a consistent and effective structure and is integrated within the governance and assurance arrangements of the Service.

Development of the framework will continue, aligned to the use of risk appetite within reports and risk registers and through external validation undertaken by internal audit as part of their 2025/26 audit plan.

Monitoring and review of risk information is embedded throughout the Service, forming an integral reporting element to all Committees and the Senior Management Board. Early engagement with the Board, SLT and Directorates ensures the framework is effectively used to inform the decision-making process, allowing the Service to present a fair and reasonable reflection of the most significant risks impacting upon its operations.

The outcome of the risk and governance framework is an awareness of those risks with the potential to impact upon the intended outcomes of the Service, with the risk management framework providing a single consistent approach to the identification, assessment and reporting of business risk across the Service.

Risk Registers

The most significant risks identified by the SFRS are reported through Directorate risk registers, with additional information identified through Project risk registers. Prioritisation of each risk is undertaken in line with the SFRS's risk assessment matrix, with guidance provided to staff around probability and likelihood ratings.

Individual meetings with Board Members and SLT have shaped the Register, increasing awareness and ownership of risk across the SFRS.

Risk update reports are provided quarterly to ARAC, all other Committees and the Senior Management Board highlighting the Services most significant risks.

Risk Registers are aligned to the SFRS Strategic Plan, reflecting the service values and strategy, ensuring our work supports the priorities outlined within the Fire and Rescue Framework for Scotland 2022. The Services most significant risks, at the time of reporting, are as follows:

Risk ID	Risk Name	RIsk Rating	Previous Risk Rating	Date Updated
FCS019	Critical service and system failure	20	20	2026-27 May
SDD007	Cyber Security	20	20	2026-27 May
FCS026	Health and Safety compliance	16	16	2026-27 May
PPP009	HFSV Partner Application	16	16	2026-27 May
TSA018	Training Capacity	16	16	2026-27 May
TSA019	Training Facilities	16	16	2026-27 May
TSA020	Health and Safety Legal Compliance	16	16	2026-27 May
FCS017	Planning for and minimising Cyber disruption	15	15	2026-27 May
POD027	People Systems & Technology	15	15	2026-27 May
POD030	Employment Rights Act - Guaranteed Hours Provisions	15	15	2026-27 May

Risks will be managed collectively by the SLT with each Director responsible for the creation, monitoring and integration of risk within their functions.

Scrutiny and assurance, as to the adequacy and effectiveness of controls, is undertaken through quarterly reporting to the ARAC and the SLT and annually through the SFRS Assurance Framework. To ensure a consistent approach, additional reporting to Committees of the Board, and Executive Boards, will continue to be undertaken where deemed appropriate through spotlighting specific risks.

This consists of risks being selected from the register by the Committee or the Senior Management Board and then presented through a combination of written or verbal reports, thus enabling scrutiny bodies to seek wider assurance that all necessary work is being undertaken to mitigate these wherever possible.

Review of Effectiveness of Risk Management and Internal Control

As Accountable Officer, I am responsible for reviewing the effectiveness of systems of risk management, internal control and corporate governance. My review is formed by many sources, and includes the work of the Executive Directors, the ARAC, and the views of the organisation's internal and external auditors, as well as the outcomes of inspection work carried out by independent bodies such as HMFSI, Audit Scotland and Gateway Reviews. The key findings of the review are outlined below.

Assurance Framework

The SFRS Assurance Framework provides a structured means of identifying and mapping the main sources of assurance in the organisation, and co-ordinating this evidence to provide an overall opinion of the adequacy and effectiveness of the SFRS's risk management, and internal control arrangements.

Development of the SFRS Good Governance Framework in April 2022 has further clarified and strengthened our governance arrangements. Proposals to develop our assurance mapping processes further, which now includes levels of assurance from Directors in Committee and Board level reports, have continued in 2025/2026.

Our risk-based assurance plan ensured that the assurance evidence being gathered and assessed for 2025/26 was focused on the most appropriate areas of the SFRS. The Assurance Framework was reviewed by ARAC on 9 April 2026 as part of the paper submitted in relation to the 'Arrangements for Preparing the AGS'. Scottish Government engagement ensured the SFRS Assurance Framework and internal control checklist remained consistent with the Scottish Public Finance Manual. The Service engaged early in 2026, identifying changes to the checklist and incorporating these within the SFRS Assurance Framework.

To ensure increased governance and assurance around potential fraud activities within SFRS, all Heads of Function are required to complete a Fraud Risk Assessment (FRA) of their function and provide details of any areas that have been identified as having risk of fraud. Risk ratings were provided for each risk and any actions to be taken to mitigate the risk were identified. Training and engagement on this process continues to be provided, assisting Heads of Function in identifying further potential fraud considerations and to ensure risks are mitigated where possible. Fraud Risk Action Plans (FRAPs) produced following the completion of a Fraud Risk Assessment as outlined within the Internal Control checklist and aligned to the Anti-Fraud and Corruption Policy are reported as part of the Fraud Report, provided to the Senior Management Board (SMB) and ARAC.

In addition to internal arrangements for the detection and prevention of fraud, SFRS also participates in the National Fraud Initiative (NFI), which is led in Scotland by Audit Scotland. The NFI is a proactive data matching exercise designed to identify and prevent fraud within a range of public sector organisations in Scotland. Audit Scotland, as External Auditors and as the NFI point of contact, have confirmed that they are happy with the Services approach.

For the latest exercise, identified in September 2024 SFRS completed all required matches with no element of fraud identified. The exercise also resulted in over £19,000 being recovered through the data matching process. The SFRS will undertake the next NFI exercise in August 2026.

Following receipt of the Certificates of Assurance from all Directors, I can report that there are no significant matters that have been identified out with those risks already detailed on our risk register and I can therefore provide assurance that effective and standardised systems of control are in place and operating effectively. Accordingly, any necessary action will be taken by responsible managers to ensure continuous improvement is made in areas of development that have been identified during this process and adequately addressed to enhance the effectiveness of our risk management and internal control arrangements. These areas of further development are fully captured within the Improvement Actions Plans (IAP) which are centrally stored within the Corporate Business Support SharePoint site and link where appropriate to Strategic and Directorate Risk Registers, building into our business-as-usual process. It is the responsibility of the Heads of Function to ensure quarterly updates on IAP on a quarterly basis to the SMB, with evidence against the areas highlighted readily available, should this be required for further scrutiny by Internal / External Audit or ARAC. This gives me, as Accountable Officer, great comfort that we have robust processes in place, which remain under continual review.

Audit and Risk Assurance Committee

The ARAC provides an Annual Report to the Board and Accountable Officer, summarising its evaluation of the SFRS's risk management, governance and internal control arrangements. The ARAC has prepared its Committee Annual Report based upon the work it conducted during 2025/26 and concluded that, in general, the SFRS has effective risk management, governance and internal control arrangements in place that are sufficient to give me, as the Accountable Officer, the necessary assurance in relation to the preparation of this Annual Governance Statement.

Internal Audit

BDO, as Internal Auditors to SFRS, undertook the internal audit plan for 2025/26 in accordance with the recognised Global Internal audit Standards (GIAS) from the Institute of Internal Auditors and the Internal Audit Standards Advisory Board's Application Note GIAS in the UK Public Sector.

The internal audit programme is risk-based, and their work is designed to align to key risks over the life cycle of the internal audit plan. The approved internal audit plan for 2025/26 comprised the following assignments, with the overall report opinion provided for each of the 6 internal audit reviews:

AUDIT	TYPE OF REVIEW	RECOMMENDATIONS AND SIGNIFICANCE				OVERALL REPORT OPINION		LINK TO RISK REGISTER	LINK TO INTERNAL AUDIT PLAN
		HIGH	MEDIUM	LOW	ADVISORY	CONTROL DESIGN	OPERATIONAL EFFECTIVENESS	RISK REGISTER (AT START OF PLAN)	
Corporate Governance	Assurance	0	1	2	0	Substantial	Substantial	SPPC003	No change
Risk Management	Assurance	0	2	4	0	Moderate	Moderate	FCS020	No change
Budgetary Management and Investment Prioritisation	Assurance	0	3	3	0	Moderate	Limited	FCS008; TSA019; POD020	No change
PPE Process	Assurance	1	6	3	0	Moderate	Limited	FCS021; POD022; TSA014	No change
Estates Management	Assurance	0	3	4	0	Moderate	Moderate	SPPC004; POD018	No change
Freedom of Information	Assurance	1	4	2	0	Moderate	Limited	FCS021	No change
Annual Follow Up	Follow Up	N/A	N/A	N/A	N/A	N/A	N/A	N/A	No change

BDO have confirmed, within their Annual Report and Opinion June 2026, that they are satisfied that sufficient internal audit work has been undertaken to allow them to draw a reasonable conclusion as to the adequacy and effectiveness of the SFRS's risk management, control and governance processes.

BDO Opinion:

- Good
- **Generally satisfactory with improvements required in some areas**
- Improvements required
- Significant improvements required

ANNUAL OPINION DEFINITIONS

OPINION		DEFINITION
→	Good	The controls in the areas which we examined were found to be suitably designed and operating effectively to achieve the specific risk management, control and governance arrangements and value for money.
→	Generally satisfactory with improvements required in some areas	The controls in the areas which we examined were found to be suitably designed and operating effectively to achieve the specific risk management, control and governance arrangements and value for money. However, there are some areas where weaknesses and/or non-compliance were identified and therefore may put the achievement of objectives at risk.. Where weaknesses have been identified, improvements are required to enhance the design and/or effectiveness of risk management, control and governance arrangements and value for money arrangements.
→	Improvements required	Significant weaknesses were identified in both the design and/or operational effectiveness of the controls in all/the majority of the areas which we examined and weaken the risk management, governance and control and/or value for money arrangements. Significant improvements are required to enhance the design and/or effectiveness of risk management, control and governance arrangements and value for money arrangements.
→	Unsatisfactory	The framework of governance, risk management and control and/or value for money arrangements is poor. Immediate action is required to improve the design and/or operational effectiveness]of the governance, risk management and control and/or value for money arrangements.

In providing their opinion, BDO noted that the assurance can never be absolute. The most that Internal Audit can provide to the Board is reasonable assurance that there are no major weaknesses in the SFRS risk management, control and governance processes.

External Audit

The Auditor General for Scotland appointed Audit Scotland as auditors to the SFRS covering the 12-month period ending 31 March 2026. In October 2025, Audit Scotland presented their final report to the Audit and Risk Assurance Committee (ARAC) of Scottish Fire and Rescue Service (SFRS) for the 2024/25 audit issuing an unmodified audit opinion, further detail can be found via this link.

Information was provided by Audit Scotland to the ARAC on 9 April 2026, communicating the audit activity to be undertaken for the SFRS for the period 2025/26. It is anticipated that the conclusions of the Audit will be reported to ARAC on 20 October 2026 and included within the Annual Report and Accounts for 2025/26.

His Majesty's Fire Service Inspectorate (HMFSI)

The SFRS has a duty under the Fire (Scotland) Act 2005 to have regard to any report given to it by HMFSI and to take such action as deemed fit. During the period under review, HMFSI published local area and thematic inspection reports, where further detail can be found via this link to their website.

HMFSI continue to present quarterly progress reports, presented by the Chief Inspector or nominated representative, at every ARAC meeting during 2025/26. The report allows for monitoring of general progress against the HMFSI inspections and reporting activity. SFRS Committees provide detailed scrutiny of action plans from HMFSI. Our response to the recommendations and other key findings from the inspection reports published during 2025/26 continue to be monitored through robust governance arrangements with oversight and scrutiny of this work by the ARAC providing assurance at Committee level through to the Board. These mechanisms form part of SFRS's broader corporate governance arrangements and ensure that we are continuing to fully meet our statutory obligation by giving due regard to HMFSI inspection reports and acting to continuously improve and transform the services we deliver to the communities of Scotland. As detailed earlier, HMFSI is now also an attendee at the quarterly SDC meeting.

Executive Directors

Executive Directors have responsibility for the development and maintenance of the risk management and internal control arrangements within their area of responsibility. They provide me as 'Accountable Officer' with a Certificate of Assurance covering a self-assessment of areas. The Directors, in turn receive individual Certificates of Assurance, and the actual supporting Internal Control Checklists themselves, from their Heads of Function, together with relevant Improvement Action Plans. Fraud

Risk Action plans are also produced to address areas of potential fraud risk identified. Where applicable, Improvement and Fraud Risk Action Plans will be reported to the Corporate Board and ARAC by exception during 2026/27 to ensure continuous improvement against identified areas.

Significant Issues

My review confirms that overall, the SFRS has a proven and sound system of risk management and internal control arrangements in place that supports the achievement of our strategic aims and objectives, which is underpinned by our robust policies and procedures.

As part of our on-going work and our commitment towards continuous improvement, where we have identified areas for development in both our risk and fraud management and internal controls arrangements, these issues, and the risks arising from them, will be addressed through specific Improvement and Fraud Risk Action Plans, for relevant managers where appropriate.



ACCOUNTABLE OFFICER
Stuart Stevens
Chief Officer Scottish Fire and Rescue Service
30 October 2026

The sections marked "*" in this Remuneration Report have been audited by the SFRS's external auditor, Audit Scotland. The other sections of the Remuneration Report are reviewed by Audit Scotland to ensure they are consistent with the financial statements.

Remuneration of Board Members

Fees for Non-Executive Board Members are determined in accordance with guidelines prescribed by the Scottish Government – Public Sector Pay Policy for Senior Appointments. The normal term of office for a member is a period not exceeding four years. The average time spent on SFRS business was 59 days in 2025/26 (53 days in 2024/25). There were no bonuses, compensation for loss of office, benefits in kind or pension benefits paid to Board Members during this year or the previous year. The amounts paid to each Board Member are shown in the tables below:

Name and Title	2025/26 Total bands of £5,000 £000s
Kirsty Darwent (*Chair until 30 January 2026)*	40-45
Mhairi Wylie *(Deputy Chair from 18 November 2025, Chair from 31 January 2026)*	25-30
Tim Wright	5-10
Malcolm Payton	10-15
Brian Baverstock	10-15
Paul Stollard *(Deputy Chair until 17 November 2025)*	10-15
Stuart Ballingall	10-15
Angiolina Foster *(Deputy Chair from 31 January 2026)*	10-15
Madeline Smith	15-20
Neil Mapes	10-15
Therese O'Donnell	10-15
Andrew Smith	15-20

Name and Title	2024/25 Total bands of £5,000 £000s
Kirsty Darwent (*Chair)*	55-60
Mhairi Wylie	15-20
Tim Wright	5-10
Malcolm Payton	10-15
Brian Baverstock	15-20
Paul Stollard *(Deputy Chair from 24 October 2024)*	10-15
Stuart Ballingall	5-10
Angiolina Foster	10-15
Madeline Smith	10-15
Neil Mapes	15-20
Therese O'Donnell	5-10
Andrew Smith	15-20
Fiona Thorburn *(Deputy Chair until resignation on 23 October 2024)*	5-10
Steven Barron (re*signed 7 June 2024)*	0-5

***Remuneration of Senior Employees of the Board**

Reporting bodies are required to disclose a single total figure for remuneration for each senior employee. The salary levels of Chief Officers (Assistant Chief Officer and above) are determined locally by Fire and Rescue Authorities / Boards, with consideration being given to guidance issued by the National Joint Council for Brigade Managers. The pay for the Non-Uniformed Director posts is determined locally by the Scottish Fire and Rescue Service.

The salary, allowances, benefits in kind and pension related benefits of the Strategic Leadership Team are shown by band in the following table. There were no bonuses or compensation for loss of office paid to the Strategic Leadership Team during the year. Full-time equivalent salaries are shown alongside the relevant name, and 'salary bands' are reflective of both the appointments and their salary in previous roles within 2025/26.

Name and title	2025/26 Salary Bands of £5,000 £000s	Benefits In Kind to nearest £100 [2] £000s	Pension-related Benefits bands of £2,500 £000s	Total bands of £5,000 £000s
Stuart Stevens, Chief Officer *(FTE 185.0 – 190.0)* [2]	185 - 190	0	185.0 – 187.5	370 - 375
Andrew Watt, Deputy Chief Officer *(FTE 170.0 – 175.0)* [2]	170 - 175	0	140.0 – 142.5	310 – 315
Sarah O'Donnell, Deputy Chief Officer *(FTE 135.0 – 140.0)* [1, 2]	135 - 140	5.3	102.5 – 105.0	245 – 250
David Farries, Assistant Chief Officer *(FTE 155.0 – 160.0)* [2]	155 – 160	0	75.0 – 77.5	235 - 240
Craig McGoldrick, Assistant Chief Officer *(FTE 155.0 – 160.0)* [2]	155 - 160	0	447.5 – 450.0	605 – 610
Jonathan Henderson, Assistant Chief Officer *(FTE 155.0 – 160.0)* [2, 3]	155 - 160	0	27.5 – 30.0	185 – 190
Mark McAteer, Director of Strategic Planning, Performance and Communications *(FTE 125.0 – 130.0)* [2]	125 - 130	0	35.0 – 37.5	165 – 170
Deborah Stanfield, Interim Director of Finance and Contractual Services *(appointed 29th April 2025, FTE 125.0 – 130.0)* [2, 3]	115 - 120	0	35.0 – 37.5	155 - 160
Fiona Ross, Director of People *(appointed 24th March 2025, resigned 31st December 2025, FTE 125.0 – 130.0)* [1, 2,3, 4]	130 - 135	3.3	30.0 – 32.5	165 - 170

1 Benefits in Kind relates to provided cars.
2 The pay award for 2025 was agreed in July 2025 and is included in the above salary amounts.
3 These are the pension benefits earned since joining the SFRS.
4 The salary for Fiona Ross includes salary payment for the period 24-31 March 2025 and payment for annual leave accrued but not yet taken at the end of employment.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Firefighters pension scheme for the period from 1 April 2015 to 31 March 2022.

Name and Title 2024/25	Salary Bands of £5,000 £000s	Benefits In Kind to nearest £100 [2] £000s	Pension-related Benefits bands of £2,500 £000s	Total bands of £5,000 £000s
Ross Haggart, Chief Officer *(Retired 31 October 2024, FTE Salary 190.0 – 195.0)* [4]	110 -115	0	0	110 - 115
Stuart Stevens, Chief Officer *(Deputy Chief Officer until 31 October 2024, appointed as Chief Officer from 1/11/24, FTE salary 180.0 – 185.0)* [2]	170 - 175	0	62.5 – 65.0	230 - 235
Andrew Watt, Deputy Chief Officer *(Assistant Chief Officer until 31 October 2024, appointed Deputy Chief Officer 1/11/24, FTE 160.0 – 165.0)* [2]	155 - 160	0	45.0 – 47.5	200 – 205
David Lockhart, Assistant Chief Officer *(Retired 29 September 2024, FTE 150.0 – 155.0)* [4]	75 – 80	0	20.0 – 22.5	95 - 100
David Farries, Assistant Chief Officer *(FTE 150.0 – 155.0)* [2]	150 – 155	0	45.0 – 47.5	195 – 200
Craig McGoldrick, Assistant Chief Officer *(appointed 30 September 2024, FTE 150.0 – 155.0)* [2]	75 - 80	0	390.0 - 392.5	465 – 470
Jonathan Henderson, Assistant Chief Officer *(appointed 4 November 2024, FTE 150.0 – 155.0)* [2, 3]	60 - 65	0	10.0 – 12.5	70 – 75
Elizabeth Barnes, Interim Deputy Chief Officer Corporate Services *(Retired 31 March 2025, FTE 130.0 – 135.0)* [1]	130 – 135	1.4	65.0 – 67.5	200 – 205
Mark McAteer, Director of Strategic Planning, Performance and Communications *(FTE 120.0 – 125.0)* [2]	120 - 125	0	7.5 - 10.0	130 – 135
Sarah O'Donnell, Director of Finance and Contractual Services *(FTE 120.0 – 125.0)* [1,2]	120 - 125	4.6	52.5 – 55.0	180 – 185
Lyndsey Gaja, Interim Director of People *(Interim appointment ended 31 March 2025, FTE 120.0 – 125.0)* [1, 2]	120 - 125	3.8	35.0 - 37.5	160 – 165

1 Benefits in Kind relates to provided cars.
2 The pay award for 2025 was still outstanding at 31st March 2025.
3 These are the benefits earned since joining the SFRS on 4/11/24.
4 Ross Haggart's accrued annual pension (adjusted for inflation) is less than the amount he paid in employee pension contributions resulting in a decrease in pension related benefits due to his retiral during the financial year. This is to be reported as a zero pension change.

Accrued pension benefits included in this table for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Firefighters pension scheme for the period from 1 April 2015 to 31 March 2022.

Employees Remuneration by Pay Band

The employees of the Service receiving more than £50,000 remuneration for the period (including those named above, but excluding employer's pension contributions) were paid the following amounts:

Remuneration Band £s	2025/26 Number of employees	2024/25 Number of employees
50,000 - 54,999	436	371
55,000 - 59,999	227	198
60,000 - 64,999	171	147
65,000 - 69,999	175	106
70,000 - 74,999	41	38
75,000 - 79,999	45	36
80,000 - 84,999	13	4
85,000 - 89,999	7	10
90,000 – 94,999	8	7
95,000 – 99,999	4	4
100,000 – 104,999	6	1
105,000 – 109,999	1	4
110,000 - 114,999	3	2
115,000 – 119,999	2	1
120,000 – 124,999	0	2
125,000 – 129,999	1	2
130,000 – 134,999	1	1
140,000 – 144,999	1	0
150,000 – 154,999	0	1
155,000 – 159,999	3	1
170,000 – 174,999	1	1
185,000 - 189,999	1	0
TOTAL	**1,147**	**937**

The increase in employees captured within the £50,000+ remuneration bands (from 937 to 1,147) is primarily driven by inflationary pay awards, rather than structural workforce expansion. As band thresholds have remained unchanged, pay uplifts have resulted in a significant number of employees moving into scope, particularly within the lower bands. Notably, in 2025/26 103 employees within the £50,000–£54,999 band fall within the £50,000–£51,000 range, highlighting that many have only marginally crossed the reporting threshold (100 in 2024/25).

Movements in higher salary bands remain limited, indicating stability in the senior workforce population. Additionally, some distortion is introduced by employees on dual contracts whose combined earnings place them within the lower bands.

Overall, the increase between the years is driven by employees crossing reporting thresholds, rather than by any significant change in the size or structure of the workforce.

Ranges that are not included above have zero employees within that band.

Ratio of Median Remuneration of All Personnel Compared to Highest Paid Director Remuneration

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The following table includes the median remuneration of the SFRS personnel, and the ratio between this and the mid-point of the highest paid director (the Chief Officer), including salary and benefits in kind. The range of salaries covers all employee categories (which can be found below in the Workforce Structure section of this Report). The lowest range of salary reported below relates to Retained personnel who are paid an annual retaining fee which is 10% of a full time basic annual salary.

Metric	**2025/26** £	**2024/25** £	**% change**
Range of Employee Remuneration	£3,039 – £188,168	£2,827 - £180,833	7.5% – 4.06%
Employee Average	£28,625	£27,328	+4.75%
Highest Paid Director (mid-point banded) remuneration including benefits in kind	£187,500	£182,500	+2.74%
Median Pay	£36,386	£30,233	+20.35%
Ratio between highest earning director's total remuneration and the median	5.2	6.0	-13.33%
25th Percentile Pay	£3,888	£3,768	+3.18%
Ratio between highest earning director's total remuneration and the 25th percentile	48.2	48.4	-0.41%
75th Percentile Pay	£41,322	£40,041	+3.2%
Ratio between highest earning director's total remuneration and the 75th percentile	4.5	4.6	-2.17%

The ratio between the highest-paid director and median pay decreased from 6.0 to 5.2. This reflects stronger growth in median earnings relative to senior remuneration, indicating a narrowing of pay dispersion.

Median pay increased by 20.35%, moving from Grade 3 Support Staff (2024/25) to Grade 4 Support Staff (2025/26). This shift suggests workforce progression through grades in addition to pay awards and incremental progression.

The 25th percentile remains aligned to a competent On-Call Firefighter role and the 75th percentile remains a Wholetime Crew Commander (development role) as per 2024/25.

Average pay increased by 4.75%, driven by 2025 pay awards: 3.2% (Operational staff), 4% (Support staff), 3.2% (Brigade Managers).

The highest-paid director's remuneration (mid-point banding) increased modestly (+2.74%) and no employees earned more than the Chief Officer in either year.

All key indicators point to positive pay progression across the Service, with earnings increasing at all levels with particularly strong growth around the median of the workforce and a reduction in pay

inequality, as demonstrated by falling ratios. Also, the narrowing of the pay ratios indicate that lower and mid-range salaries are growing proportionally faster than senior remuneration.

Total remuneration includes salary, non-consolidated performance-related pay, and benefits-in-kind. It does not include severance payments, employer pension contributions, and the cash equivalent transfer value of pensions.

**Pension Benefits*

The pension entitlements of Senior Employees for the period to 31 March 2026 are shown in the table below, together with the contribution made by the Service to each Senior Employee's pension during the period.

From 1 April 2022 all Officers were transferred to the 2015 Scheme which is a Career Average Revalued Earnings (CARE) scheme rather than a final salary pension scheme. The pension benefits of the 2015 Scheme are based on earnings received within each year worked, which are index-linked and totalled on retirement to provide an annual pension.

Prior to transferring to the 2015 Scheme the Chief, Deputy and Assistant Chief Officers were members of the Firefighters' Pension Scheme (FPS), Both are unfunded schemes, meaning there are no investment assets built up to meet pension liabilities, and cash has to be generated to meet actual pension payments as they eventually fall due. The normal retirement age for those in the FPS is 55, or between 50 and 55 on reaching 30 years' service, and 60 for the 2015 Scheme.

Pension benefits for the Directors and Deputy Chief Officer Corporate Services are provided through the Local Government Pension Scheme (LGPS), which is a CARE Scheme. The normal retirement age is the State Pension Age.

The pension figures shown in the following table relate to the benefits that the person has accrued as a consequence of their pensionable service within the scheme, and not just their current appointment. The disclosure requirement is to reflect pension benefits within bandings of £5,000, however only the top of the range is shown in the following tables. In addition to this the real increase during the reporting year in the pension is reported in bands of £2,500. The Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a point in time. When a member leaves a scheme and chooses to transfer the benefits accrued in their former scheme to a new scheme the CETV is the payment which would be transferred.

Name and title	Accrued Benefits at age 60 as of 31 March 2026 Bands of £5,000		Real increase/(decrease) as of 31 March 2026 Bands of £2,500		Cash Equivalent Transfer Value		
	Pension £000s	Lump Sum £000s	Pension £000s	Lump Sum £000s	At 31 March 2026 £000s	At 31 March 2025 £000s	Real increase/ (decrease) £000s
Stuart Stevens, Chief Officer	100 – 105	0	10.0 – 12.5	0	1,784	1,538	167
Andrew Watt, Deputy Chief Officer	95 – 100	0	7.5 – 10.0	0	1,878	1,648	149
Sarah O'Donnell, Deputy Chief Officer [1]	75 - 80	95 - 100	5.0 – 7.5	5.0 – 7.5	1,554	1,377	119
David Farries, Assistant Chief Officer	90 – 95	0	5.0 – 7.5	0	1,643	1,490	79
Craig McGoldrick, Assistant Chief Officer	90 – 95	0	22.5 – 25.0	0	1,690	1,232	393
Jonathan Henderson, Assistant Chief Officer [2]	0 – 5	0	2.5 – 5.0	0	44	12	7
Mark McAteer, Director of Strategic Planning, Performance and Communications [1]	65 - 70	75 - 80	0 – 2.5	0 - 2.5	1,379	1,274	50
Fiona Ross, Director of People *(appointed 24th March 2025, resigned 31st December 2025)* [1, 2]	0 - 5	0	0 – 2.5	0	31	0	21
Deborah Stanfield, Interim Director of Finance and Contractual Services *(appointed 29th April 2025)* [1, 2]	0 - 5	0	0 – 2.5	0	31	0	20

[1] *Denotes members of the LGPS, the others are members of the Firefighters' Pension Scheme.*

[2] *These are the benefits earned since joining the SFRS.*

The table below shows comparative figures for 2024/25:

Name and title	Accrued Benefits at age 60 as of 31 March 2025 Bands of £5,000		Real increase/(decrease) as of 31 March 2025 Bands of £2,500		Cash Equivalent Transfer Value		
	Pension £000s	Lump Sum £000s	Pension £000s	Lump Sum £000s	At 31 March 2025 £000s	At 31 March 2024 £000s	Real increase/ (decrease) £000s
Ross Haggart, Chief Officer *(Retired 31 October 2024)* [2, 4]	125 – 130	0	0 – (2.5)	0	2,308	2,275	(12)
Stuart Stevens, Chief Officer *(Deputy Chief Officer until 31/10/24, appointed as Chief Officer from 1 November 2024)* [2]	90 – 95	0	2.5 – 5.0	0	1,538	1,419	58
Andrew Watt, Deputy Chief Officer *(Assistant Chief Officer until 31 October 2024, appointed Deputy Chief Officer 1 November 2024)* [2]	85 – 90	0	2.5 – 5.0	0	1,648	1,533	53
David Lockhart, Assistant Chief Officer *(Retired 29 September 2024)* [2]	95 – 100	0	0 – 2.5	0	1,819	1,774	13
David Farries, Assistant Chief Officer [2]	80 – 85	0	2.5 – 5.0	0	1,490	1,382	50
Craig McGoldrick, Assistant Chief Officer *(appointed 30 September 2024)* [2]	65 – 70	0	20.0 – 22.5	0	1.232	850	354
Jonathan Henderson, Assistant Chief Officer *(appointed 4 November 2024)* [2,3]	0 – 5	0	0 – 2.5	0	12	0	3
Elizabeth Barnes, Interim Deputy Chief Officer Corporate Services *(Retired 31 March 2025)* [1]	25 – 30	0	2.5 – 5.0	0	422	358	42
Mark McAteer, Director of Strategic Planning, Performance and Communications [1,]	60 - 65	75 - 80	0 – 2.5	(2.5) – (5.0)	1,274	1,218	13
Sarah O'Donnell, Director of Finance and Contractual Services [1,]	65 - 70	90 - 95	2.5 – 5.0	0 – (2.5)	1,377	1,273	58
Lyndsey Gaja, Interim Director of People *(Interim appointment ended 31 March 2025)* [1]	5 - 10	0	0 – 2.5	0	102	65	24

[1] Denotes members of the LGPS, the others are members of the Firefighters' Pension Scheme.

[2] The accrued pensions and CETV at 31 March 2024 have been updated from the amounts shown at the same date last year, to assume legacy scheme accrual during the period 1 April 2015 to 31 March 2022, for benefits in scope of the McCloud remedy.

[3] These are the benefits earned since joining the SFRS on 4/11/24.

[4] Ross Haggart's real increase in accrued annual pension (adjusted for inflation) is less than the amount he paid in employee pension contributions resulting in a decrease in pension related benefits due to his retiral during the financial year.

Notes

1. The employer's contribution rate for the 2015 Scheme is 34.1% of pensionable pay (34.1% in 2024/25). The employer's contribution for those in the LGPS is 6.5% of pensionable pay in 2025/26 (6.5% in 2024/25).

2. The Firefighters' Pension Scheme, 2015 Scheme and LGPS have different contribution rates and different benefits. The FPS pension benefits are presented as unreduced pension benefits, i.e., there is no automatic lump sum, as members have the option not to commute an element of their annual pension until the point at which they retire. Benefits accrue on a 1/60th basis per year, which increases to 2/60ths per year when the employee reaches 20 years of service. An employee can elect to commute, or give up, up to 25% of their annual pension to receive a lump sum. For example, an officer aged 50 with 30 years of service would receive a lump sum of £22,400 for every £1,000 annual pension commuted, although this figure is variable dependent on age and service.

3. For those in the 2015 Scheme the current accrual rate is 1/61.6 of pensionable pay in each year. The tax-free lump sum option at retirement is £12 of lump sum for every £1 of annual pension given up with a current maximum of 25% of the employee's pension fund. Normal pension age is 60 (deferred pension age linked to State Pension age). There are early retirement options from age 55 subject to actuarial reduction to age 60.

4. For those employees in the Fire 2015 Pension Scheme the employee contribution rates are tiered based on salary; those noted above contributed 15.05% of their salary in 2025/26.

5. Accrued pension benefits included in the tables above for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. This reflects the requirements which were introduced in the Financial Reporting Manual (FReM) for 2024/25. In practice, a member may actively exercise their entitlement to instead receive 2015 scheme benefits in relation to pensionable service in scope of the McCloud remedy at retirement, rather than legacy scheme benefits. This is an update from previous years, where the amounts did not take account of McCloud remedy, prior to the introduction of the explicit requirement to assume legacy scheme service under FreM. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022. The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the Firefighters pension scheme for the period from 1 April 2015 to 31 March 2022.

6. For those employees who joined the LGPS before 1 April 2009 their accrued pension benefits include elements for both lump sum and annual pension. This guarantees a pension based on 1/80th accrual rate, and a lump sum based on 3/80th of final pensionable salary and years of pensionable service prior to this date. The conditions of the LGPS changed with effect from 1 April 2009, after which benefits are accrued on 1/60th basis with no automatic right to a lump sum. The employee may however, elect to reduce their annual pension to receive a lump sum in the same manner as members of the Firefighters' Pension Schemes. For example, an employee would receive a lump sum of £12,000 for every £1,000 annual pension commuted, irrespective of age or service. The employee contribution rates are tiered based on salary; those noted above contributed between 9.76% and 9.92% of their salary in 2025/26.

Exit Packages

There were five exit packages paid in 2025/26 (nil in 2024/25) due to statutory redundancy payments due at the planned end of fixed term contracts.

Exit package cost band	Compulsory redundancies	End of Fixed Term Contracts	Total number of exit packages
< £10,000	0	4	4
£10,000 to £25,000	0	1	1
Total number of exit packages	0	5	5
Total resource cost (£)	0	44,000	44,000

Off-payroll Engagements

The tables below show off-payroll appointments as of 31 March 2026, earning at least £245 per day.

Table 1: Highly paid off-payroll worker engagements as at 31 March 2026, earning £245 per day or greater.

	2025/26
Total number of existing engagements as of 31 March 2026 of which:	11
Number that has existed for less than one year at time of reporting	8
Number that has existed for between one and two years at time of reporting	1
Number that has existed for between two and three years at time of reporting	0
Number that has existed for between three and four years at time of reporting	1
Number that has existed for four or more years at time of reporting	1

Table 2: All highly paid off-payroll workers engaged at any point during the year ended 31 March 2026, earning £245 per day or greater.

	2025/26
Total number of temporary engagements, between 1 April 2025 and 31 March 2026 of which:	8
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	0
Subject to off-payroll legislation and determined as out-of-scope of IR35	8
Number of engagements reassessed for compliance or assurance purposes during the year	0
Number of engagements that saw a change to IR35 status following review of which:	0

Table 3: For any off-payroll engagements of board members, and/or senior officials with significant financial responsibility, between 1 April 2025 and 31 March 2026.

	2025/26
No. of off-payroll engagements of board members, and/or senior officials with significant financial responsibility, during the financial year.	0
Total no. of individuals on payroll and off payroll that have been deemed "board members, and/or senior officials with significant financial responsibility," during the financial year. This figure should include both on payroll and off-payroll engagements.	0

Employee Numbers

Workforce Structure

Our workforce structure is continuously monitored and is formally reported on a monthly and quarterly basis. Consideration is given to the agreed Target Operating Model (TOM) against the full-time equivalent (FTE) headcount.

Headcount and FTE across all employee groups remained broadly consistent compared to the previous year. This was maintained by the recruitment of 560 colleagues: 145 Wholetime Firefighters; 25 Firefighters (Control); 93 Support employees, 3 Rural Full Time Officers and 294 On-Call Firefighters; alongside 276 permanent Wholetime promotions. The Service continues to review and develop our approach to workforce planning in the context of organisational change and the dynamic impacts of the Pensions Remedy on the retirement profile of uniformed employees. Workforce planning data, analysis and reporting has been refined and enhanced, supporting data driven and evidence led decision making at a strategic level for recruitment, selection, and promotional activity to maintain agreed structures.

	Workforce profile as of 31 March 2026			Workforce profile as of 31 March 2025		
	TOM*	Head-count	FTE	TOM*	Head-count	FTE
Strategic Leadership Team	9	8	8	9	10	10
Wholetime 5WDS**	2855	2745	2742	2,855	2,836	2,833
Off Station	366	420	419	367	329	329
Rural FT	59	60	58	58	60	57
Flexi Duty	262	260	260	264	263	263
Control	178	177	172	174	171	168
RDS***	3309	2747	2289	3,309	2,703	2,293
Volunteer***	377	254	254	384	273	273
Support	933	918	848	941	913	849
Total	**8,348**	**7,589**	**7,050**	**8,361**	**7,558**	**7,075**

NOTE – Target Operating Models (TOM) are provided in Full Time Equivalent (FTE)
**Includes temporary resource requirements for Initiatives (including externally funded), Projects and Business Cases.*
***Reflects reduced interim Target Operating Model (TOM) introduced Sep-23.*
****Figures shown are based on legacy TOM requirements for RDS and Volunteer colleagues, which are currently under review.*

Our approach to Talent Acquisition has been reviewed to deliver a more flexible, responsive, and inclusive approach. This has included improving our ways of working, enhanced communication with digital assets and social media coverage to strengthen our methods of attraction and our reviewing and updating processes to ensure they are effective and improve the candidate experience.

A review of our Wholetime Firefighter Recruitment and Selection processes has taken place which was a full end to end review from attraction strategy, assessment tests used, positive action activities and developing a more flexible approach. A cross functional working group was established to define and deliver the key actions, with a phased approach over the short, medium and long term to improve outcomes, candidate experience and applicant diversity.

Further improvements have been made to On Call Firefighter recruitment and selection, with work in progress to develop a new training module for hiring managers aimed at improving consistency and effectiveness of our recruitment activities. The new and improved dashboard and candidate tracker allows progress to be monitored by the On Call Strategic Coordination Group (OCSCG) to inform actions, ensure on call training courses are fully utilised, and that the candidate experience is positive.

Absence Data

The tables below provide the data on recorded absences by employee group for the two fiscal years 2024/25 and 2025/26, shown as percentages.

Our Attendance Management and Wellbeing arrangements are focused on providing early support to colleagues, to prevent absence from work where possible and support those who are absent to return to work at the earliest opportunity. The data below shows long-term and short-term absences, with those areas showing a decrease from 2024/25 to 2025/26 highlighted in green.

To ensure the safety and welfare of employees, we maintain a strong focus on wellbeing initiatives, support, and attendance management. Attendance Management training sessions have been reviewed and refreshed and continue to be rolled out to managers to ensure that they are equipped to support their employees and assist them in returning to the workplace.

Long-Term Absence 2025/26				
Employee Group	**Q1**	**Q2**	**Q3**	**Q4**
Wholetime	3.93%	3.85%	3.86%	3.42%
Retained	2.74%	2.82%	2.68%	2.88%
Volunteer	1.54%	1.27%	1.46%	2.75%
Control	4.66%	7.47%	8.10%	6.39%
Support	4.21%	3.80%	3.74%	3.17%

Long-Term Absence 2024/25				
Employee Group	**Q1**	**Q2**	**Q3**	**Q4**
Wholetime	4.01%	4.17%	3.87%	3.78%
Retained	3.11%	3.15%	2.69%	2.69%
Volunteer	2.62%	2.07%	1.66%	1.25%
Control	8.47%	6.20%	7.11%	5.54%
Support	3.56%	3.45%	3.42%	3.78%

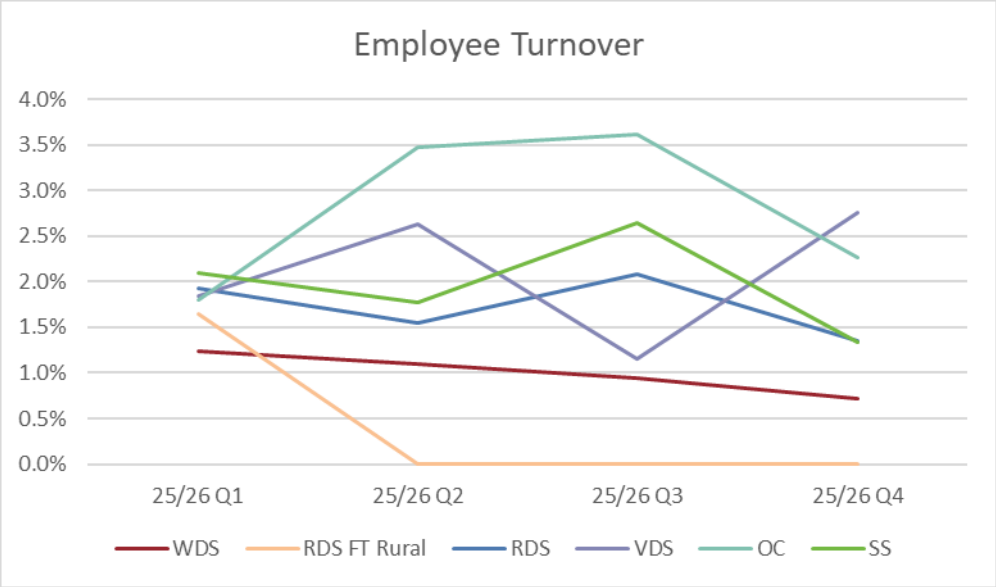
Short-Term Absence 2025/26				
Employee Group	**Q1**	**Q2**	**Q3**	**Q4**
Wholetime	1.73%	2.00%	2.17%	1.93%
Retained	0.76%	0.68%	0.88%	0.90%
Volunteer	0.05%	0.07%	0.09%	0.09%
Control	2.31%	2.89%	4.63%	2.76%
Support	1.02%	1.51%	1.64%	1.43%

Short-Term Absence 2024/25				
Employee Group	**Q1**	**Q2**	**Q3**	**Q4**
Wholetime	1.84%	1.95%	2.34%	2.01%
Retained	0.84%	0.83%	0.81%	1.07%
Volunteer	0.14%	0.09%	0.15%	0.01%
Control	3.05%	3.20%	3.52%	2.84%
Support	1.49%	1.31%	1.46%	1.21%

*Note – Green highlights a positive change between the comparative quarter of the previous year.

Employee Turnover

2025/26	Wholetime (WDS)	Retained (RDS)	Volunteer (VDS)	Operations Control (OC)	Support Staff (SS)	RDS FT Rural	SFRS Total
Q1	1.24%	1.93%	1.84%	1.80%	2.09%	2%	**1.63%**
Q2	1.10%	1.55%	2.63%	3.47%	1.77%	0.00%	**1.45%**
Q3	0.95%	2.09%	1.15%	3.61%	2.64%	0.00%	**1.62%**
Q4	0.71%	1.35%	2.76%	2.26%	1.33%	0.00%	**1.12%**



While the Wholetime turnover rate has remained broadly stable, impacts from the pension remedy and subsequent effect on our retirement profile continue to be closely monitored to inform data-based strategic workforce planning decisions.

Historical challenges with On-Call attraction and retention continue to be addressed by the On Call Strategic Co-ordination Group, with strategies being developed and implemented to support On Call employee engagement, attraction, and retention. As a result, on-call employee numbers have remained stable since the second half of 2023/24, following a prior, prolonged period of decline.

A range of measures have been scoped and developed to aid attraction and retention of Support Staff in a highly competitive labour market, including work on the Service's approach to job evaluation, improvements to the pay and reward framework, targeted use of Market Allowances, and a review of attraction and selection methods.

Gender Pay Gap

In accordance with the requirements set out in Section 149 of the Equality Act 2010 (the Public-Sector Equality Duty) and The Equality Act 2010 (Specific Duties) (Scotland) Regulations 2012, the SFRS publishes information about the gender pay gap every two years.

In April 2025, we published our Equality Pay and Gender Pay Gap Report 2025. This reports on the pay gap within the SFRS between male and female employees, those with disabilities, and those from Black and Ethnic Minority communities. It demonstrates that, on average, women in SFRS now earn 3.1% more than their male counterparts. It should be noted that, at the formation of SFRS in 2013, the mean Gender Pay Gap was recorded as 11.53%, and that this has progressively declined in each subsequent

report to the current level. The report provides an occupational segregation profile of the SFRS, which identifies the percentages of men and women working in different sections and levels of our Service and highlights the actions and initiatives that the SFRS is taking to achieve a workforce profile that represents the communities we serve.

The 2025 report demonstrates a significant divergence in the gender profiles of our Uniformed and Support Staff employee groups. Women are equally represented within the three upper quartiles of the Support Staff structure. In contrast, the Uniformed workforce is composed of 91% males. This figure demonstrates a continuing, albeit slow, increase in the number of female Firefighters within the SFRS, and is accompanied by an increase in the numbers of women within supervisory and middle management roles, along with the first female employee to be promoted to a strategic management role within the uniformed structure.

Supporting Equality, Diversity, Human Rights and Inclusion

The SFRS continues to embed equality, diversity and inclusion into the day-to-day implementation of service delivery and employment practices. This work underpins and supports the achievement of our organisational ambitions set out in the SFRS Strategy 2025-28.

Building our understanding of the needs of our employees and how we can best meet those needs continues to be an important part of our approach to inclusion in the workplace. We are working with our equality employee networks to improve the ways in which their voices and lived experiences can be heard. As part of the Organisational Culture and Leadership programme a review of our approach to employee networks is underway and the participation of those networks on our Culture Advisory Panel is scheduled for summer 2026. SFRS currently has the following active employee networks: Women in the Fire Service; Neurodiversity (includes disability); Christian network; Families, Parents and Carers; LGBT+.

We acknowledge that an inclusive workplace is one that is built upon the removal of historical barriers and the promotion of equality. As a minority in the operational station-based employee group, women in these roles have not always had their needs considered as fully as they could have been. We have been working hard to address these historical issues and create a workplace that is genuinely inclusive for both men and women.

The Women’s Experience Liaison Forum (WELF) continues to bring management and representative bodies together to discuss workplace matters. Through this forum we have addressed topics including access to suitable PPE and effective support for colleagues going on or returning from maternity leave.

Support for employees who are pregnant, on maternity leave or returning from maternity leave has been a high priority for the SFRS. A revised management checklist has been implemented to provide high levels of engagement and employee access to all of the support that they require,

Partnership working with the representative bodies on the topic of pregnancy and maternity has continued through the WELF and is incorporated into the Organisational Culture and Leadership programme.

A second annual SFRS Women in the Fire Service development and networking weekend took place in September 2025 with a third event planned for September 2026. Feedback from previous events has highlighted the value our employees get from the prioritisation of their specific needs such as women’s health in an operational role and networking with peers.

This year the introduction of Scottish Government Mainstreaming Equality Toolkit and emerging legislation, case law and judicial rulings have played an important part in prioritising our activities. One example of this is the revision of policy and procedure for the purposes of preventing sexual harassment and creating a safe working environment for all our colleagues. Another example is the revisions being

made to our guidance on supporting transgender employees to ensure they are provided with appropriate dignified facilities as well as a supportive and inclusive working environment.

SFRS has maintained its Gold status under the Stonewall Proud Employer scheme.

We continue to work with partners to learn, share and collaborate on a range of equality related matters. We work with colleagues across the Scottish public sector on issues such as managing our responsibilities under the United Nations Charter for the Rights of the Child. We work with Who Cares?Scotland and MCR Pathways to do our bit to improve the lives of care experienced people in Scotland, including supporting approximately 40 employees become mentors to care experienced young people.

Gender as at 31 March 2026					
	Headcount	**Male**	**Female**	**Male**	**Female**
Principal Officers	8	6	2	75.00%	25.00%
Wholetime 5 WDS*	2745	2579	166	93.95%	6.05%
Off Station*	420	372	48	88.57%	11.43%
Rural FT	60	52	8	86.67%	13.33%
Wholetime Flexi Duty	260	245	15	94.23%	5.77%
Control	177	41	136	23.16%	76.84%
RDS	2747	2539	208	92.43%	7.57%
Volunteer	254	216	38	85.04%	14.96%
Support	918	430	488	46.84%	53.16%
Total	**7,589**	**6,480**	**1,109**	**85.39%**	**14.61%**

**Includes Wholetime Trainees*

Figures from 2024/25 can be seen for comparison:

Gender as at 31 March 2025					
	Headcount	**Male**	**Female**	**Male**	**Female**
Principal Officers	10	6	4	60.00%	40.00%
Wholetime 5 WDS*	2,836	2,662	174	93.86%	6.14%
Off Station*	329	297	32	90.27%	9.73%
Rural FT	60	53	7	88.33%	11.67%
Wholetime Flexi Duty	263	249	14	94.68%	5.32%
Control	171	32	139	18.71%	81.29%
RDS	2,703	2,499	204	92.45%	7.55%
Volunteer	273	231	42	84.62%	15.38%
Support	913	424	489	46.44%	53.56%
Total	**7,558**	**6,453**	**1,105**	**85.38%**	**14.62%**

**Includes Wholetime Trainees*

The SFRS continues to work towards a workforce that is more representative of the communities of Scotland. Positive action activities continue to run locally. These are also continuing in SFRS recruitment, selection, promotion, and development processes. Improving inclusive hiring practices forms part of the organisational culture and leadership programme, with work progressing well.

The Service has reviewed and refreshed the Cultural Action Plan, embedding this within the Organisational Culture & Leadership (OCL) Programme to provide a more structured and sustainable approach to culture change. Work during 2025–26 has strengthened understanding of barriers to

attraction and progression and informed a review of recruitment and selection processes to improve inclusivity, flexibility and accessibility, while maintaining fairness and governance. In parallel, development of a more targeted, evidence-based attraction approach is underway to broaden engagement with diverse candidate groups and strengthen SFRS's position as an inclusive employer.

Each of our employment policies and practices is assessed through our Equality and Human Rights Impact Assessment process to identify and respond to the diverse needs based on the protected characteristics defined in the Equality Act 2010. In addition to these characteristics, we consider the impact of our decisions on care experienced young people, those with caring responsibilities and those who experience social and economic disadvantage.

We continue to meet our statutory equality duties across a range of legal frameworks including the pursuit of a mainstreamed approach to equality, implementation of strategic equality outcomes, managing a Gaelic language plan and corporate parenting plan and the requirements of the Public Sector Equality Duty (Specific Duties) for monitoring and reporting on the workforce as detailed in this section.

The ethnicity of our workforce can be found below. We are, however, aware that many employees choose not to share this information with us so these figures may under-represent what is already an under-represented group.

A 2025/26 and 2024/25 comparison can be seen in the tables below:

Ethnicity of Workforce as at 31 March 2026		
Ethnicity	**Headcount**	**Percentage of Total**
White	3,709	48.87%
BAME	52	0.69%
Prefer not to say	20	0.26%
Not recorded	3,808	50.18%
Total	**7,589**	**100%**

Ethnicity of Workforce as at 31 March 2025		
Ethnicity	**Headcount**	**Percentage of Total**
White	3,851	50.95%
BAME	52	0.69%
Prefer not to say	21	0.28%
Not recorded	3,634	48.08%
Total	**7,558**	**100%**

Career Management

The SFRS has a successful history of growing our own talent and seeing colleagues develop from their entry level roles through the career ladder. The SFRS continues to invest in career development to build a skilled, agile and future-ready workforce aligned to organisational priorities.

Key activities and achievements during 2025/26 included:

- Learning governance was strengthened through the Learning Partner Group, improving prioritisation, governance and quality
- Learning and Development budget utilisation reached 95.9%, supporting statutory, operational and leadership capability development.
- Leadership development activity expanded, with more than 330 participants
- Vocational qualifications and apprenticeships supported 829 active learners, with 202 qualifications achieved and external verification confirming high confidence in delivery and quality assurance.
- Wider learning opportunities supported workforce skills, including 240 learners engaged across 31 Collective Learning Partnership and Scottish Union Learning courses covering topics including ICT, health and wellbeing, and languages.
- Learning at Work Week promoted a broad programme of flexible learning opportunities under the theme "Many Ways to Learn".

- We continue to partner with Career Ready in providing mentors to support the social mobility and empowerment of young people to reach their potential. Evaluation has indicated their experiences within the SFRS continue to be incredibly positive.

These activities support the development of leadership capability and workforce resilience aligned to future service delivery needs.

Employee Relations, Engagement and Communication

We remained committed to working in partnership with our recognised trade unions through our Working Together Framework and supporting Recognition Agreements. This collaborative approach continues to underpin employee engagement, consultation and participation in organisational decision-making across the Service.

During 2025/26, activity was guided by the Communications and Engagement Strategy 2023-26, with a continued focus on ensuring personnel, stakeholders and communities were informed, consulted and involved in matters that affect them. Work included:

- The planning and delivery of consultation activity for the SFRS Strategy 2025-28, including the development of communications and engagement approaches to support feedback from personnel, partners and communities on the future strategic direction of the Service. This activity generated 155 consultation responses and helped inform the final Strategy.
- The planning and delivery for the Service Delivery Review, including pre-consultation engagement, options development and arrangements for public consultation, with employee involvement and engagement embedded throughout the process. The consultation generated 3,673 responses, providing valuable insight to inform decision-making.
- The development and approval of a new Internal Communications Framework, establishing a strategic and consistent approach to employee communications and engagement across the Service.
- The development and approval of a Media Strategy, providing a clear framework for media engagement and supporting the effective promotion of organisational priorities and public safety messaging.
- The development and delivery of seasonal communication campaigns, including lithium-ion battery safety and wildfire prevention, working collaboratively with operational colleagues and external partners to raise awareness of key risks and support prevention activity.

Throughout the year, engagement and communication activity continued to support organisational priorities by providing timely information, encouraging participation and helping to foster a culture of openness, collaboration and continuous improvement across the Service.

Facility Time Reporting from 1 April 2025 to 31 March 2026 (not included in statutory audit)

Trade Unions play an important role in the modern workplace, and there are considerable benefits to both employers and employees when organisations and unions work well together. The Scottish Fire and Rescue Service is committed to working in partnership with our recognised trade unions. This commitment is demonstrated through the Working Together Framework and is supported by ongoing Recognition Agreements.

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into effect on 1 April 2017 and were abolished on 1 April 2026. Whilst this has removed the legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation, the SFRS will still collect and publish this data on an annual basis. The reason for this is to promote transparency and allow for public scrutiny of facility time.

Table 1 - Relevant union officials

The total number of SFRS employees who were relevant union officials during the relevant period is shown in the following table:

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
281	281

**This number also includes all those who are recognised as representatives who would be eligible to take time off for trade union duties but have not requested time off during the reporting period.*

Table 2 - Percentage of time spent on facility time

The following table shows the number of SFRS employees who were relevant union officials employed during the year ending 31 March 2026 and the percentage of their working hours recorded as having been spent on union duties:

Percentage of time	Number of employees
0%	186
1-50%	82
51-99%	0
100%	13

Table 3 - Percentage of pay bill spent on facility time

The table below provides the percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during the year ended 31 March 2025.

	Figures
Total cost of facility time	£284,982
Total pay bill*	£ 261,635,513
Percentage of the total pay bill spent on facility time calculated as: (total cost of facility time ÷ total pay bill) x 100	0.11%

**This includes employer costs such as NI and pension contributions where applicable.*

Table 4 - Paid trade union activities

As a percentage of total paid facility time hours, the number of hours spent by employees who were relevant union officials during the relevant period on paid trade union activities is shown in the following table:

18.2% *Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (Total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100*

Improving Health, Safety and Wellbeing Arrangements

We care for our employees through progressive health, safety and wellbeing arrangements and strive to be proactive and innovative in how we achieve this.

Each year an SFRS Health and Safety Improvement Plan is developed. This is translated into bespoke improvement plans which address the risk profile of the various parts of our organisation.

During 2025/26, preventative wellbeing activity progressed through a more structured programme of planned campaigns aligned to the Wellbeing and Inclusion Calendar, targeting priority areas identified across the Service. An action plan was developed in response to the HMFSI Wellbeing Report, and the Mental Health and Wellbeing Group was reinvigorated to provide oversight, coordination and governance of both physical and mental wellbeing activity delivered through the calendar and action plan. Approval for a permanent Lead Wellbeing Practitioner and People Advisor post has strengthened the Wellbeing structure and reinforced the Service's long-term commitment to employee physical and mental wellbeing. The Wellbeing Champions programme continued to grow, with 239 trained champions now supporting colleagues across SFRS. Together, these activities demonstrate continued progression towards more proactive, accessible and targeted wellbeing support across the Service.

SFRS also continued to develop the in-house physiotherapy service as a core element of the Service's approach to minimising musculoskeletal (MSK) absence and preventing MSK injury. A full evaluation of the Service was completed demonstrating clear value of this in-house delivery model across both clinical care and wider health promotion and engagement activity. This led to approval for continuation of in-house delivery of physiotherapy services reinforcing the Service's commitment to early intervention and return to work support. The integrated model enables physiotherapists to contribute beyond direct treatment, working alongside Wellbeing colleagues to support multi-disciplinary care, injury prevention and proactive engagement. Continued development of injury and rehabilitation facilities will further strengthen access to early intervention and return to work support benefitting both individuals and the organisation.

The Health and Wellbeing structure was also strengthened through the permanent inclusion of wellbeing development. An action plan responding to the HMFSI Wellbeing Report was implemented, with progress tracking now in place, and benchmarking activity continued to support shared learning across UK fire services on women's health and menopause. The Post Incident Support Procedure policy was updated to include self-referrals, and the post-incident support process was reviewed to improve wellbeing surveillance. In support of this, work was undertaken with Rivers to develop a recorded guidance video that helps staff understand and access the process. This continued focus supports improved recording, monitoring and governance of firefighter fitness and wellbeing information, helping to strengthen compliance with Service standards and provide a clearer foundation for ongoing assurance and continuous improvement.

Throughout the year, work continued to strengthen compliance and assurance across the delivery of Wellbeing assessments. A Wellbeing policy was published and an interim fitness policy and procedure implemented to maintain assurance ahead of a full review in 2026/27. All Wellbeing protocols were reviewed and updated where appropriate to align with best practice and provide clear procedural guidance for Wellbeing staff. This led to the introduction of a new Movement and Balance assessment as part of the comprehensive physical assessment for safety-critical roles. A process of assessment verification was also introduced ensuring all assessment outcomes are reviewed and verified by a Wellbeing Practitioner prior to issuing a certificate of fitness. Together these improvements supported a continued rise in assessment compliance, with 97% of employees holding in date assessments across both medical and fitness components by the end of March 2026.

Stuart Stevens

Stuart Stevens
Chief Officer
Scottish Fire and Rescue Service
30 October 2026

INDEPENDENT AUDITOR'S REPORT TO THE SCOTTISH FIRE AND RESCUE SERVICE, THE AUDITOR GENERAL FOR SCOTLAND AND THE SCOTTISH PARLIAMENT

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Fire and Rescue Service for the year ended 31 March 2026 under the Police and Fire Reform (Scotland) Act 2012. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2025/26 Government Financial Reporting Manual (the 2025/26 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 31 March 2026 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2025/26 FReM; and
- have been prepared in accordance with the requirements of the Police and Fire Reform (Scotland) Act 2012 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 3 April 2023. My period of appointment is five years, covering 2022/23 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the body's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Police and Fire Reform (Scotland) Act 2012 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Police and Fire Reform (Scotland) Act 2012 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Police and Fire Reform (Scotland) Act 2012 and directions made thereunder by the Scottish Ministers; and

- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Police and Fire Reform (Scotland) Act 2012 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.



Michael Oliphant FCPFA
Audit Director
Audit Scotland
4th floor
102 West Port
Edinburgh
EH3 9DN

30 October 2026

ANNUAL ACCOUNTS

In this section of the report, we set out:

- Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2026
- Statement of Financial Position as at 31 March 2026
- Statement of Cash Flows for the Year Ended 31 March 2026
- Statement of Changes in Taxpayers Equity for Year Ended 31 March 2026
- Notes to the Accounts

STATEMENT OF COMPREHENSIVE NET EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2026

	Note	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Expenditure			
Employee costs	4	379,230	342,288
Depreciation and Impairment	23	33,756	37,656
Depreciation on Right-of-Use Assets	15	585	418
Other Operating Charges	3	67,165	65,545
		480,736	**445,907**
Income			
Income from activities	6	(1,046)	(267)
Other Income	7	(213,210)	(210,597)
		(214,256)	**(210,864)**
Net Expenditure from Operating Activities		**266,480**	**235,043**
Interest payable	8	1,467	1,757
Interest on lease liability	8	75	35
Net gain/(loss) on disposal of Property, Plant and Equipment	25	(29)	4
Net interest cost of IAS19 assets and liabilities	13b (Tables 1, 2)	139,536	141,397
		141,049	**143,193**
Net Expenditure after Interest		**407,529**	**378,236**
Taxation	11	23	0
Net Expenditure after Taxation		**407,552**	**378,236**
Other Comprehensive Income and Expenditure (these items will not be reclassified to net expenditure)			
Actuarial loss/(gain) on IAS19 Pension disclosures	13b (Tables 1, 2)	(138,056)	18,735
Net gain on revaluation of Property, Plant and Equipment	23	(35,470)	(13,333)
Comprehensive Net (Income) / Expenditure before Grant from the Scottish Government		**234,026**	**383,638**

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2026

	Note	As at 31 March 2026 £000s	As at 31 March 2025 £000s
ASSETS			
Non-current assets			
Property, Plant and Equipment	23	654,919	606,709
Right-of-Use Assets	15	6,311	5,373
Heritage Assets	23	1,065	1,065
Intangible Assets	23	0	0
Assets Held For Sale	24	527	0
Donated Assets	23	1	0
Long-Term Debtors	19	18	20
Total non-current assets		**662,841**	**613,167**
Current assets			
Inventories	20	1,920	1,707
Trade and other receivables	9	12,330	16,236
Cash and cash equivalents	12	673	459
Total current assets		**14,923**	**18,402**
Total assets		**677,764**	**631,569**
LIABILITIES			
Current liabilities			
Trade and other payables	10	30,642	32,688
Short-term borrowing	22	1,758	3,351
Short-term provisions	16	671	441
Short-term lease liability	15	592	317
Current Tax Payable	11	4	0
Total current liabilities		**33,667**	**36,797**
Total assets less current liabilities		**644,097**	**594,772**
Non-current liabilities			
Long-term borrowing	22	26,842	28,083
Long-term provisions	16	1,342	881
Long-term lease liability	15	3,561	3,429
Deferred Income	30	4,155	4,289
Other long-term liabilities (Pensions)	13b (Table 5)	2,779,793	2,877,693
Other long-term liabilities (LGPS Unfunded Benefits)	13b (Table 5)	7,586	7,784
Other long-term liabilities (Injury Benefits)	13b (Table 5)	47,562	51,262
Total non-current liabilities		**2,870,841**	**2,973,421**
Total assets less liabilities		**(2,226,744)**	**(2,378,649)**
Taxpayers' equity			
General Reserve		366,635	351,833
Revaluation Reserve		241,562	206,257
Pensions Reserve	13b (Table 5)	(2,834,941)	(2,936,739)
Total Taxpayers Equity		**(2,226,744)**	**(2,378,649)**

Stuart Stevens

Stuart Stevens
Chief Officer and Accountable Officer

The Accountable Officer authorised these Annual Accounts for issue on 30 October 2026.
The notes on pages 86 to 131 form part of these Accounts

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

	Note	Year ended 31 March 2026	Year ended 31 March 2025
		£000s	£000s
CASH FLOWS USED IN OPERATING ACTIVITIES			
Net expenditure from operating activities		(266,480)	(235,043)
Adjustments for non-cash transactions			
IAS19 Pensions	4, 13b (Table 1)	(103,278)	(115,414)
Depreciation and Impairments	23	33,756	37,656
Depreciation – Right-of-Use Assets	15	585	418
Corporation Tax	11	(23)	0
Movements in working capital			
(Increase) / Decrease in trade and other receivables	9	3,906	(2,590)
(Increase) / Decrease in inventories	20	(213)	(243)
Decrease in long term debtors	19	2	238
(Decrease) / Increase in trade and other payables	10	(2,046)	2,284
(Decrease) / Increase in provisions	16	691	(407)
(Decrease) / Increase in deferred income	30	(134)	(414)
Net cash outflow used in operating activities		**(333,234)**	**(313,515)**
CASH FLOWS USED IN INVESTING ACTIVITIES			
Purchase of property, plant, equipment, ROU and intangible assets	15, 23	(48,709)	(43,507)
Proceeds of disposals of property, plant and equipment	25	195	245
Net cash outflow used in investing activities		**(48,514)**	**(43,262)**
CASH FLOWS USED IN FINANCING ACTIVITIES			
Grant in Aid from the Scottish Government	18	385,931	363,130
Repayment of borrowing	22	(2,834)	(4,626)
Payment of lease liabilities	15	407	26
Bank interest paid	8	(1,467)	(1,757)
Interest on lease liability	8	(75)	(35)
Net cash inflow used in financing activities		**381,962**	**356,738**
Net (Decrease) / Increase in cash and cash equivalents		**214**	**(39)**
Cash and cash equivalents at beginning of the period	12	459	498
Cash and cash equivalents at end of the period	12	673	459
(Decrease) / Increase in cash for the year		**214**	**(39)**

STATEMENT OF CHANGES IN TAXPAYERS EQUITY FOR YEAR ENDED 31 MARCH 2026

	Note	General Fund	Revaluation Reserve	Pensions Reserve	Total
		£000s	£000s	£000s	£000s
Balance at 1 April 2025		**351,833**	**206,257**	**(2,936,739)**	**(2,378,649)**
Net Expenditure after taxation		(407,552)	0	0	**(407,552)**
IAS19 Pensions Remeasurement Loss	13b (Table 1)	0	0	138,056	**138,056**
Revaluations debited to the Revaluation Reserve	23	0	35,470	0	**35,470**
Total Comprehensive Net Income / (Expenditure)		**(407,552)**	**35,470**	**138,056**	**(234,026)**
Transfer of pensions transactions to the Pensions Reserve	13b (Table 1)	36,258	0	(36,258)	**0**
Grant in Aid from the Scottish Government	18	385,931	0	0	**385,931**
Other Reserve Movement	29	165	(165)	0	0
Balance at 31 March 2026		**366,635**	**241,562**	**(2,834,941)**	**(2,226,744)**

	Note	General Fund	Revaluation Reserve	Pensions Reserve Restated *	Total Restated *
		£000s	£000s	£000s	£000s
Balance at 1 April 2024		**340,874**	**193,006**	**(2,892,021)**	**(2,358,141)**
Net Expenditure after taxation		(378,236)	0	0	(378,236)
IAS19 Pensions Remeasurement Gains	13b (Table 1)	0	0	(18,735)	(18,735)
Revaluations debited to the Revaluation Reserve	23	0	16,925	0	16,925
Total Comprehensive Net Income / (Expenditure)		**(378,236)**	**16,925**	**(18,735)**	**(383,638)**
Transfer of pensions transactions to the Pensions Reserve	13b (Table 1)	25,983	0	(25,983)	0
Grant in Aid from the Scottish Government	18	363,130	0	0	363,130
Other Reserve Movement	29	82	(82)	0	0
Balance at 31 March 2025		**351,833**	**206,257**	**(2,936,739)**	**(2,378,649)**

NOTES TO THE ACCOUNTS

1. Accounting Policies

These Annual Accounts have been prepared in accordance with the 2025/26 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public-sector context. The SFRS has selected the most appropriate accounting policy or estimation technique, as permitted by the FReM, to ensure the statements present a true and fair view.

The particular policies adopted by the SFRS in preparing these Annual Accounts are described below. They have been applied consistently in dealing with items that are considered material to the Accounts.

The Accounts have been prepared with reference to the following objectives:

- to provide information about the financial position, performance and cash flows in a way that meets the “common need of most users”, and
- to show the results of the stewardship and accountability of Board members and management for the resources entrusted to them.

The following underlying assumptions have been adhered to:

- **Accruals** – with the exception of cash flow information, the statements have been prepared using the accrual basis of accounting, where the non-cash effects of transactions are included in the Annual Accounts in the year in which they occur, not the year in which cash is paid or received, and
- **Going concern** – the Accounts have been prepared on the basis that the SFRS will continue to function for the foreseeable future.
- **Currency** – the Accounts have been prepared in pounds sterling.

Application of new and revised Accounting Standards

a. Standards, amendments and interpretations early adopted this year

There are no new standards, amendments or interpretations early adopted this year.

b. Standards, amendments and interpretations issued but not adopted this year

At the date of authorisation of these Annual Accounts, the Board has not applied the following new and revised IFRS Standards that have been issued but are not yet effective.

- **IFRS 18:** Presentation and disclosure in financial statements (not yet adopted by HM Treasury)
- **IFRS 19**: Subsidiaries without public accountability disclosures (not yet adopted by HM Treasury)

The Board does not expect that the adoption of the Standards listed above will have a material impact on the Annual Accounts in future periods.

c. Standards, amendments and interpretations effective in the current year

In the current year, the Board has not implemented any new standards, amendments or interpretations.

Accounting Convention

These Accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment.

Accounting Period

The accounting period commenced on 1 April 2025 and ended on 31 March 2026.

Going Concern

The Resource Budget for the financial year ended 31 March 2027 has been approved by the Scottish Government and is considered adequate to allow the SFRS to meet its liabilities in the foreseeable future. In terms of future years, funding will be confirmed as part of the normal budget cycle in December 2026 and January 2027. The Service also featured in the Scottish Government's Resource Spending Review which set indicative budget allocations up to 2027-28.

These Annual Accounts have therefore been produced on a going concern basis. The Scottish Fire and Rescue Service is fulfilling a statutory function and there are no plans to amend the primary legislation setting out those functions. The SFRS is therefore required to continue delivering fire and rescue activity in Scotland and the Scottish Government is in turn committed to providing the SFRS with Grant in Aid funding for that purpose. For the avoidance of doubt, Scottish Government funding also covers all ongoing employer and officer pension contributions and the pension liability which is not met directly from Grant in Aid.

Segmental Reporting

The SFRS is operated as a single service and is reported in this same format. Costs and support service overheads are not allocated to other parts of the organisation, and therefore there are no requirements for segmental reporting, however, a reconciliation between the management accounts position and the accounting statements is included in Note 5 to the Accounts.

Revenue Recognition

Revenue is recognised net of VAT to the extent that it is probable that the economic benefits will flow to the SFRS and the revenue can be reliably measured.

Grant in Aid and Revenue Grants

The SFRS is funded by the Scottish Government. Grant in Aid is received throughout the year and is intended to meet estimated expenditure for both capital and revenue purposes. It is accounted for as financing on a cash basis, not income, and is therefore credited to the SFRS reserves and not incorporated within the Statement of Comprehensive Net Expenditure (SoCNE). Grant in Aid cannot be drawn down in advance of need.

Grant in Aid, whether for revenue or capital purposes, is to be treated as a contribution from controlling parties giving rise to a financial interest in the residual interest of the reporting entity and is to be credited to general reserves and not to income or deferred income.

Where grants are subject to conditions such that non-compliance would result in the grant being repaid, the potential liability to repay, and the conditions to be met, should be disclosed in a Note to the Accounts.

The profit or loss on disposal of an asset financed by grant or Grant in Aid is taken to the Statement of Comprehensive Net Expenditure.

Capital Grants

Capital grants are accounted for in accordance with IAS20 *Accounting for Government Grants and Disclosure of Government Assistance* and recognised in the SoCNE once conditions are met. Grant is treated as a *capital grant received in advance* where carry forward is permitted and any conditions have not been met.

Provision of Services

Revenue from the provision of services is recognised when the SFRS can measure reliably the percentage completion of the transaction and it is probable that economic benefits or service potential associated with the transaction will flow to the SFRS.

Rental Income

Rental income from operating leases is recognised on a straight-line basis over the terms of the lease.

Expenditure Recognition

Supplies are recorded as expenditure when they are consumed – where there is a gap between the date supplies are received and their consumption, they are carried as inventories on the SoFP.

Expenses in relation to services received (including those rendered by the SFRS employees) are recorded as expenditure when the services are received, rather than when payments are made.

Interest payable on borrowings is accounted for on the cash flows that have been fixed or determined by the contract or based on an annuity basis where borrowings have been provided by a local authority.

Where revenue and expenditure have been recognised but cash has not been received or paid, a receivable or payable for the relevant amount is recorded in the SoFP. Where there is evidence that debts are unlikely to be settled, the balance of receivables is written down and a charge made to revenue for the income that might not be collected.

Benefits Payable During Employment

Short-term employee benefits (those that fall due wholly within 12 months of the year end), such as wages and salaries, paid annual leave and paid sick leave, bonuses and non-monetary benefits for current employees, are recognised as an expense in the year in which employees render service to the SFRS. An accrual is made in the SoCNE for the year for the cost of holiday entitlements and other forms of leave earned by employees but not taken before the year end and which employees can carry forward to the next financial year. The accrual is made at the remuneration rates applicable in the following financial year.

Post-Employment Benefits

As at 31 March 2026, the SFRS participates in two pension schemes: The Local Government Pension Scheme (Scotland) for support staff and the Fire 2015 Scheme for Wholetime/Retained uniformed personnel. For the year ended 31 March 2026, the administration of the Firefighters' Scheme was undertaken by the Scottish Public Pensions Agency (SPPA) and the administration of LGPS was undertaken by Strathclyde Pension Fund (SPF).

- Local Government Pension Scheme (Scotland)
  The LGPS provides members with defined benefits related to pay and service. It is supported by

contributions from both employer and employee. The LGPS is a Career Average Revalued Earnings (CARE) Scheme whereby pension benefits are based on earnings received within each year worked, which are index-linked and totalled on retirement to provide an annual pension.

- Fire 2015 Scheme
  The Fire 2015 Scheme was introduced on 1 April 2015 and is a CARE scheme rather than a final salary pension scheme. It is an unfunded defined benefit scheme where payments are made on a "pay as you go" basis. All new employees entering the Service will join this Scheme automatically. The normal pension age for firefighters is 60.

Prior to 1 April 2022, there were 3 Schemes for Firefighters: The Firefighters' Pension Scheme 1992, New Firefighters' Pension Scheme 2006, as well as the 2015 Scheme. Firefighters who were previously in the 1992 or 2006 Schemes joined the 2015 Scheme automatically on 1 April 2015 where no protection was in place. A further group transferred to this scheme during 2021/22 when their protection ended and as from 1 April 2022, all Firefighters who were members of a pension scheme transferred to the Fire 2015 Scheme.

Contributions to the schemes are calculated to spread the cost of pensions over employees' working lives, in line with IAS19 *Employee Benefits*. The contributions are determined by an actuary based on triennial valuations using the Age Attained Method and, in the intervening years, by rolling forward the scheme assets and liabilities in a desk top review.

Variations from regular cost are spread over the expected average remaining working lives of scheme members, taking into account future withdrawals. The expected cost of providing staff pensions to contributing employees is recognised in the SoCNE in accordance with IAS19, recognising retirement benefits as they are earned not when they are due to be paid.

Pension Scheme Assets

The Fire 2015 Scheme, being unfunded, has no assets built up to meet pension liabilities. The attributable assets of the various Local Government Pension Schemes (LGPS) have been measured at fair value and are identified in a Note to the Accounts.

Pension Scheme Liabilities

The attributable liabilities of each scheme are measured on an actuarial basis using the projected unit method, i.e., an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates, etc.

The change in the Net Pension Liability shown in the SoFP consists of the following:

- **Current Service Cost** – This refers to the increase in liabilities as a result of years of service earned this year and is allocated to the cost of services in the SoCNE.
- **Expected Net Return on Assets** – The expected annual investment return on assets for the LGPS is based on long-term expectations as at 31 March 2026. This is shown net of the interest cost of each scheme, based on the discount rate and the present value of the scheme liabilities as at 31 March 2026.
- **Past Service Costs** – This refers to the increase in liabilities arising from current year decisions whose effect relates to years of service earned in previous years. This is debited to the surplus/deficit in the SoCNE.
- **Gains/Losses on Settlements and Curtailments** – The result of actions to relieve the SFRS of liabilities or events that reduce the expected future service or accrual of benefits of employees – debited/credited to the SoCNE.

- **Actuarial Gains and Losses** – Changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions – debited to the Pensions Reserve.
- **Contributions Paid to the LGPS Pension Funds** – Cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.
- **Discretionary Benefits** – The SFRS has restricted powers to make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as those applied to the relevant pension schemes.

Injury Awards

The SFRS has powers to make awards of injury benefits in the event of firefighters leaving through injury. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as those applied to the relevant compensation schemes.

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and deposits held with banks.

Property, Plant and Equipment

Assets that have physical substance and are held for use in the production or supply of goods or services, for rental to others or for administrative purposes and that are expected to be used during more than one financial year are classified as Property, Plant and Equipment.

Asset Recognition

All expenditure on the acquisition, creation or enhancement of property, plant and equipment (including Firefighter personal protective equipment) has been capitalised on an accruals basis, provided that it is probable that the future economic benefits or service potential associated with the item will flow to the SFRS and the cost of the item can be measured reliably. Expenditure that maintains but does not add to an asset's potential to deliver future economic benefits or service potential (i.e., repairs and maintenance) is charged as an expense when it is incurred.

Asset Measurement

Assets are initially measured at cost, comprising:

- the purchase price
- any costs attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Land and Buildings are included at Depreciated Replacement Cost (DRC) where there is no market-based evidence of fair value because of the specialist nature of the assets. In all other cases, Existing Use Value (EUV) has been used. As a minimum, five yearly valuations of Land, Buildings and Dwellings are carried out as part of a rolling programme, based on current market value for land and depreciated replacement cost for buildings. In addition, impairment reviews are carried out on major assets and assets on which there has been significant expenditure, to determine if there has been any change in value in the years between valuations.

Assets included in the SoFP at fair value are revalued regularly to ensure that their carrying amount is not materially different from their fair value at the year-end, but every five years as a minimum. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

At 31 March 2026, all land, buildings and dwellings assets due for valuation under the five-year rolling programme (55% of portfolio), were re-valued by the SFRS's in-house Estates and Valuations Surveyor, Russell Munn (BSC MRICS). Consideration will be given to the potential for material changes in value for properties not included in the rolling programme.

Where decreases in value are identified, the revaluation loss is accounted for:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant line in the SoCNE.

Donated Assets

Assets classified as donated are measured at fair value on receipt. The funding element is recognised as income and taken to the SoCNE. Any subsequent revaluations are taken to the Revaluation Reserve.

Impairment

Assets are assessed at each year-end as to whether there is any indication that an asset may be impaired. Where indications exist and any possible differences are estimated to be material, the recoverable amount of the asset is estimated and, where this is less than the carrying amount of the asset, an impairment loss is recognised for the shortfall.

Where impairment losses are identified, they are accounted for:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against that balance (up to the amount of the accumulated gains).
- where there is no balance in the Revaluation Reserve or insufficient balance, the carrying amount of the asset is written down against the relevant line in the SoCNE.
- where an impairment loss is reversed subsequently, the reversal is credited to the relevant line in the SoCNE, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

Disposals

When it becomes probable that the carrying amount of an asset will be recovered principally through a sale transaction rather than through its continuing use, it is reclassified as an Asset Held for Sale. The asset is revalued immediately before reclassification and then carried at the lower of this amount and fair value less costs to sell. Where there is a subsequent decrease to fair value less costs to sell, the loss is posted to Other Operating Charges in the SoCNE. Gains in fair value are recognised only up to the amount of any previously recognised losses. Depreciation is not charged on Assets Held for Sale.

Assets that are to be abandoned or scrapped are not reclassified as Assets Held for Sale.

When an asset is disposed of or decommissioned, the carrying amount of the asset in the SoFP (whether Property, Plant and Equipment or Assets Held for Sale) is written off to the Net gain/Loss on Disposal of Property, Plant and Equipment line in the SoCNE. Receipts from disposals (if any) are credited to the same line in the SoCNE (i.e., netted off against the carrying value of the asset at the time of disposal)

Assets Held for Sale

An asset is classified as held for sale when it meets all the following criteria:

- It is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets and its sale must be highly probable.
- A plan agreed by management is in place and steps are actively being taken to conclude a sale, and
- It is actively being marketed with an expectation of a sale within the next 12 months.

Assets meeting these criteria are revalued and measured at the lower of their carrying amount immediately prior to reclassification and fair value less costs to sell. There is no depreciation on Assets Held for Sale.

Depreciation

Depreciation is provided for on all Property, Plant and Equipment assets by the systematic allocation of their depreciable amounts on a straight-line basis over their useful lives. An exception is made for assets without a determinable finite useful life (i.e., freehold land, Heritage Assets, surplus assets and assets held for sale) and assets that are not yet available for use (i.e., assets under construction).

Useful economic lives as estimated by experts are shown in the following table:

Category	Useful economic life
Buildings	10-64 years
Cars & Vans	5 years
Fire Appliances (including specialist appliances)	10-15 years
Equipment	3-20 years

Assets under construction are recognised at cost and are depreciated in the year they are transferred to operational assets.

Componentisation

In accordance with IAS16 *Property, Plant and Equipment*, a componentisation policy for material assets has been adopted with effect from 1 April 2013. The SFRS will componentise material assets with a carrying value over £0.5 million, unless, in the expert opinion of our professional valuer, it does not lend itself to componentisation by its complex nature. This will be carried out where material assets are acquired, revalued or enhanced.

Intangible Assets

Intangible assets have no physical substance but are identifiable and controlled by the SFRS. It can be established that there is an economic benefit or service potential associated with the item which will flow to the SFRS. This expenditure is mainly in relation to software licenses. Expenditure on the acquisition, creation or enhancement of intangible assets is capitalised on an accruals basis when it will bring benefits of longer than one year.

Intangible assets are initially measured at cost and included in the SoFP at net historical cost.

Intangible assets are depreciated on a straight-line basis over the life of the asset (3 years).

Inventories

Inventories are included in the SoFP on an average cost basis.

Leases

The SFRS determines whether to lease or purchase based on value for money considerations, such as whether the underlying asset is required for its entire life or for a more limited period. IFRS 16 *Leases* introduces a single lease accounting model that requires a lessee to recognise assets and liabilities for all leases, unless the underlying value is low or the lease term is less than 12 months.

Scope and Exclusions – SFRS as Lessee

In accordance with IFRS 16 Leases, contracts or parts of contracts that convey the right to control the use of an asset for a period of time are accounted for as leases.

Contracts for services are evaluated to determine whether they convey the right to control the use of an identified asset, incorporating both the right to obtain substantially all the economic benefits from the asset and to direct its use. In such cases, the relevant part of the contract is treated as a lease.

When making the above assessments, the SFRS excludes low value items, where the underlying value of the asset would be less than £4,000 when new, provided those items are not highly dependent on or integrated with other items. Contracts where the term is less than 12 months are also excluded.

Initial Recognition – SFRS as Lessee

At the commencement of a lease, SFRS recognises a Right-of-Use asset and a lease liability.

The lease liability is measured at the value of the remaining lease payments, discounted either by the interest rate implicit in the lease or, where this is not readily determined, the SFRS incremental rate of borrowing, as advised annually by HMT in the annual PES paper. This rate is 5.32% for the current year (4.81% for leases recognised at 1 April 2024). Where the lease includes extension or termination options, the lease payments will be for the non-cancellable period together with any extension options the SFRS is reasonably certain to exercise and any termination options the SFRS is reasonably certain not to exercise.

The measurement of lease payments excludes any VAT payable and irrecoverable VAT is expensed at the point it falls due in line with IFRIC 21 Levies. The right-of-use-asset is measured at the value of the lease liability adjusted for: any lease payments made before the commencement date, any lease incentives received, any incremental costs of obtaining the lease and any costs of removing the asset and restoring the site at the end of the lease.

Enhancements to leased assets such as alterations to a leased building are not classified within right-of-use-assets but remain classified as property, plant and equipment in accordance with the FReM.

Subsequent Measurement – SFRS as Lessee

After initial recognition, the right-of-use-asset will be measured using the fair value model. The SFRS considers that the cost model (measurement by reference to the lease liability) is a reasonable proxy for fair value in the case of non-property leases and for property leases of less than 5 years or with regular rent reviews. In the case of property leases exceeding 5 years, periodical assessments are done to measure the fair value of the Right-of-Use assets.

The value of the asset will be adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability as described below. Where the amount of a reduction to the asset exceeds the carrying value of the asset, the excess amount is recognised in expenditure.

The lease liability will be adjusted for the accrual of interest, repayments, reassessments and modifications. Reassessments are reappraisals of the probability of the options given by the existing lease contract, for example where we no longer expect to exercise an option. Modifications are changes to the lease contract.

Reassessments and modifications are accounted for by discounting the revised cash flows: using a revised discount rate where the SFRS becomes or ceases to be reasonably certain to exercise or not exercise an extension or termination option, or the lease is modified to amend the non-cancellable period, change the term of the lease, change the consideration or the scope, or at the existing discount rate where there is a movement in an index rate that will alter the cash flows, or the amount payable under a residual value guarantee change.

Expenditure for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right-of-use-asset over the life of the lease, together with any impairment of the right-of-use-asset and any change in variable lease payments not included in the measurement of the lease payments during the period in which the triggering event occurred. Rental payments in respect of leases of low value items, or with a term under 12 months, are also expensed.

SFRS as Lessor

When the Authority acts as a lessor, it determines at lease inception whether each lease is a finance or operating lease. To classify each lease, the Authority assesses whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not then it is an operating lease. The Authority recognises lease payments under operating leases as income on a straight line basis over the length of the lease terms. The accounting policies applicable to the Authority as lessor are largely unchanged by IFRS 16 except for reviews of intermediate lessor arrangements. The changes for IFRS 16 were not material for lessor arrangements.

Provisions, Contingent Liabilities and Contingent Assets

Provisions

Provisions are made where an event has taken place that gives the Board a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Contingent Assets and Liabilities

A contingent asset or liability arises where an event has taken place that gives the SFRS a possible right or obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of the SFRS. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured reliably. Contingent liabilities are not recognised in the SoFP but disclosed in a Note to the Accounts.

Reserves

The General Reserve represents the excess of expenditure over income on Grant in Aid funded operations, or other grant income streams, e.g., transitional funding.

The Revaluation Reserve represents the increase in value of land and buildings over their historical costs.

The Pensions Reserve represents timing differences arising from the accounting and funding arrangements required by IAS19 for post-employment benefits.

Taxation

Value Added Tax (VAT) is included as an expense only to the extent that it is not recoverable from His Majesty's Revenue and Customs (HMRC). VAT receivable is excluded from income.

Corporation Tax is payable on profit generated from business activities (including the disposal of assets no longer required) undertaken by the SFRS. Income from Grant in Aid is not subject to Corporation Tax.

Financial Instruments

Financial Assets

Financial assets held by the SFRS consist of Trade and Other Receivables and Cash and Cash Equivalents. Trade receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

As the Cash requirements of the SFRS are met through Grant in Aid provided by the Safer Communities Directorate, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. Cash balances are held with the Government Banking Service (GBS). Transactional services are provided by NatWest, with corporate banking arrangements held with The Royal Bank of Scotland. Therefore, the SFRS is not exposed to significant credit, liquidity or market risk in respect of financial assets. There is no difference between book value and fair value for cash and cash equivalents shown in the SoFP.

Financial Liabilities

Financial liabilities within the SFRS consist of Trade and Other Payables, Borrowings and Lease Liabilities. Trade payables are held at fair value and are typically non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. They arise when the SFRS receives goods or services with no intention of trading the liability.

There are two types of Borrowing held by the SFRS:

i) Public Works Loan Board (PWLB) loans were taken out by legacy services that carried out the Treasury Management function (i.e., borrowings and investments) in their own right. These are recognised in the SoFP at the point when the SFRS becomes a party to the contractual provisions of a financial instrument and are initially measured at fair value and carried at their amortised cost, i.e., including accrued interest.
   For borrowings held by the SFRS therefore, the amount presented in the SoFP is the outstanding principal repayable including accrued interest, and annual charges to the SoCNE for interest payable is the amount payable in the year on an accruals basis.
ii) The second type of financial liability arises where the Treasury Management function for legacy Fire Services was carried out by the lead authority. Schedules have been provided by the lead authorities showing total outstanding debt, amounts of principal repayable each year, and

indicative amounts of related interest payable each year. The interest is calculated by each former lead authority using a pooled interest rate which is applied to all loans in their portfolio. In these cases, financial liabilities are shown in the SoFP at the values provided by the former lead authorities. Annual charges to the SoCNE for interest payable are based on the carrying amount of the liability multiplied by the effective rate of interest for the instrument, as calculated by each former lead authority.

Financial liabilities are derecognised when the contractual obligations are discharged, cancelled or expire.

Review of Accounting Policies and Estimation Techniques

These Annual Accounts have been prepared under IFRS incorporating any departures required by the FReM, and all accounting policies have been reviewed to ensure their continued relevance. Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates, and underlying assumptions are continuously reviewed.

The main areas of estimation relate to the following:

- the valuation of land and buildings, where the services of professionally qualified surveyors are used to ensure that best practice and consistency of approach is applied, and
- the valuation of Pension Scheme assets and liabilities, where professionally qualified actuaries are employed to provide the information required under IAS19 *Employee Benefits*.

Prior Period Adjustments and changes in Accounting Policies and Estimation Techniques

Prior period adjustments may arise as a result of a change in accounting policy or to correct a material error. Changes in accounting policy are only made when required by proper accounting practice or to provide more reliable or relevant information on the council's financial position. Where a change is made, it is applied retrospectively by adjusting opening balances and comparative amounts for the prior period, as if the new policy had always been applied. Changes in accounting estimation techniques are applied in the current and future years and do not give rise to a prior period adjustment. Material errors related to prior period balances may be identified during the course of a current year accounts preparation and are corrected to ensure comparability of balances in prior and current year for readers of the accounts.

Events after the Reporting Period

Events after the reporting period end represent those events which occur between the end of the reporting period and the date when the Annual Report and Accounts are authorised for issue by the Board.

Material events for which conditions exist at 31 March 2026 are reflected on an accruals basis within the financial year. The Note to the Accounts contain details of material events where their conditions did not exist as at 31 March 2026.

There are no significant events affecting the SFRS which have occurred since the end of the financial year. Future developments have been included in the Performance Report.

2. Assumptions made *about the future and other major sources of estimation uncertainty*

The Statement of Accounts contains estimated figures that are based on assumptions made by the SFRS about the future or that are otherwise uncertain. Estimates are made taking into account

historical experience, current trends, and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The SFRS SoFP contains the following items for which there is a significant risk of material adjustment in the forthcoming year:

Item	Uncertainties	Effect if actual result differs from assumptions
Property, Plant and Equipment - Depreciation	Assets are depreciated over useful lives that are dependent on assumptions about the level of repairs and maintenance that will be incurred in relation to individual assets. The current economic climate makes it difficult for the Board to spend adequate funds on repairs and maintenance, bringing into doubt the useful lives assigned to assets.	If the useful life of assets is reduced, depreciation materially increases and the carrying amount of the assets falls. If asset values were impacted by a reduction of 1%, then the carrying value would be reduced by approximately £6.628 million (assuming all operational categories are affected).
Property, Plant and Equipment - Valuation	The assets subject to revaluation are noted in the Accounting Policies under "*Asset Measurement"* and includes the land and buildings portfolio. Valuations were carried out by in-house registered valuer Russell M Munn BSc MRICS to comply with the requirements of the RICS "Red Book", IFRS and the FReM. 55% of the land and buildings portfolio was revalued in the year 1 April 2025 to 31 March 2026.	A reduction in the valuations would result in reductions to the Revaluation Reserve and potentially a loss recorded in the Statement of Comprehensive Net Expenditure. The current balance of the Revaluation Reserve will fund a reduction in land and buildings of £246.875 million before this would result in any charge to the Statement of Comprehensive Net Expenditure.
Pensions liability	Estimation of the net liability to pay pensions depends on a number of complex judgements relating to the discount rate used, the rate at which salaries are projected to increase, changes in retirement age, mortality rates and expected returns on pension fund assets. Consulting actuaries are engaged to provide the Board with expert advice about the assumptions to be applied.	The effects on the net pension liability of changes in individual assumptions can be measured. For instance, a 0.1% increase in the discount rate assumption would result in a decrease in the pension liability of £37.715 million. An increase of 0.1% in the salary rate and the pension rate would increase the liability by £3.094 million and £37.419 million respectively.

The valuer's report has been used to inform the measurement of the dwellings, land, buildings and infrastructure portfolio in the Annual Accounts. The value of land and buildings as at 31 March 2026 is £522.514 million. Please refer to Note 23 Non-Current Assets for further details.

3. Other Operating Charges

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Property Costs	32,421	35,177
Supplies and Services	27,260	23,320
Transport Costs	7,301	6,884
External Auditor (fee for audit of Annual Accounts)	168	151
Transport Costs – Members	15	13
Total	**67,165**	**65,545**

The amount included in the table above for external audit in 2025/26 includes £159,190 for the annual fee and £8,740 for additional fees for 2024/25. The amount included for the 2024/25 external audit fee includes an accrual relating to 2023/24. The actual fee payable for 2024/25 was £152,580.

4. Staff Numbers and Related Costs

Details of staff numbers and costs are shown below as well as in Note 4 to the financial statements. The average number of persons employed in the year ended 31 March 2026 was 7,589 (7,558 in 2024/25). There were 6,925 pensioners in the Firefighters' Pension Schemes at 31 March 2026 (6,824 in 2024/25).

Related costs are shown in the following table:

	Year ended 31 March 2026			Year ended 31 March 2025		
	Permanent £000s	Others £000s	Total £000s	Permanent £000s	Others £000s	Total £000s
Wages and Salaries	230,324	0	230,324	217,315	0	217,315
Employer Pension Contribution Costs	61,580	0	61,580	59,103	0	59,103
Social Security Costs	29,425	0	29,425	21,864	0	21,864
Sub-total	**321,329**	**0**	**321,329**	**298,282**	**0**	**298,282**
IAS19 pension costs charged to net expenditure	(103,278)	0	**(103,278)**	(115,414)	0	**(115,414)**
Other staff related costs	9,720	365	**10,085**	6,265	574	6,839
Staff Costs	**227,771**	**365**	**228,136**	**189,133**	**574**	**189,707**
Firefighter Pension	150,547	0	**150,547**	151,992	0	**151,992**
Unfunded LGPS Benefits	547	0	**547**	589	0	**589**
Total net costs	**378,865**	**365**	**379,230**	**341,714**	**574**	**342,288**

Employer Pension Contributions relate to current employees. *Firefighter Pensions* represents lump sums and monthly pension payments made to retired members of the uniformed pension schemes. *Other unfunded LGPS benefits* relate to unfunded pension benefits paid to pensioners.

Note that the total of £0.365 million shown under "Others" for the year ended 31 March 2026, (£0.574 million for the year ended 31 March 2025) represents the costs of staff employed on temporary contracts through employment agencies.

5. Reconciliation of Net Resource Expenditure

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Staff costs	272,322	249,755
Other Operating Charges	66,855	67,217
Loss on sale of assets	0	4
Total Expenditure	**339,177**	**316,976**
Income	(2,913)	(2,390)
Gain on sale of assets	(29)	0
Net Expenditure for the year	**336,235**	**314,586**

Reconciliation to Annual Accounts:		
Less:		
Impairments and Revaluations charged to the Revaluation Reserve	(35,470)	(13,333)
Remeasurement gain on Pension Schemes	(138,056)	0
Movement in Provisions	0	(407)
Add:		
Pensions Interest adjustment	36,258	25,983
Net Pension Account	4	0
Depreciation and Impairment	34,341	38,074
Corporation Tax	23	0
Remeasurement loss on Pension Schemes	0	18,735
Movement in Provisions	691	0
Statement of Comprehensive Net Expenditure	**234,026**	**383,638**

6. Income from Activities

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Fees and Charges	(1,036)	(255)
Training Course Income	(10)	(12)
Total	**(1,046)**	**(267)**

There has been an increase in income from activities compared with 2024/25, mainly due to a successful legal challenge resulting in compensation being paid to the Service.

7. Other Income

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Pensions	(210,347)	(207,851)
Seconded Officers	(441)	(491)
External Funding Grants	(1,675)	(1,492)
Other Property Income	(747)	(763)
Total	**(213,210)**	**(210,597)**

8. Interest Payable

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Interest Payable on Outstanding Debt	1,467	1,757
Interest on lease liability	75	35
Total	**1,542**	**1,792**

9. Trade and Other Receivables

Analysis By Type

Amounts falling due within one year	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Trade Receivables	173	438
Other Receivables	8,604	8,744
Prepayments	3,068	6,803
Accrued Income	485	251
Total	**12,330**	**16,236**

This reflects a decrease of £3.906 million during 2025/26 (compared to an increase of £2.590 million in the previous year).
Trade and Other Receivables include an estimate of £0.09 million (£0.013 million in 2024/25) for credit losses arising during 2025/26. There are no contracted receivables.

Analysis By Organisation

Amounts falling due within one year	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Central Government Bodies	8,108	8,202
Other Local Authorities	81	120
Public Corporations	0	0
Other Entities and Individuals	4,141	7,914
Total	**12,330**	**16,236**

10. Trade and Other Payables

Analysis By Type

Amounts falling due within one year	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Accruals	20,344	21,055
Trade and Other Payables	4,196	6,185
Other Taxation and Social Security	6,102	5,448
Total	**30,642**	**32,688**

Analysis By Organisation

Amounts falling due within one year	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Bodies External to Government	16,442	19,088
Central Government Bodies	8,488	9,777
Accumulated Absences	5,393	3,238
Local Authorities	26	226
Public Corporations	293	359
Total	**30,642**	**32,688**

This reflects a decrease of £2.046 million during 2025/26 (compared to an increase of £2.284 million in the prior year).

Included within the figure of £8.489 million for Central Government Bodies in 2025/26 is a balance of £1.298 million relating to Firefighters' Pensions (£2.244 million was included for 2024/25). Further analysis of pensions is shown in Note 28.

11. Corporation Tax

Corporation Tax is due to be paid by the SFRS on any chargeable gains made from the sale of properties and any other income generated from non-business activities. There were chargeable gains made during 2025/26 for commercial rents. The amount payable to HMRC for the year ended 31 March 2026 is £0.004m. A backdated payment was made to HMRC during 2025/26 totalling £0.019m for commercial rental income for the period 2022/23 to 2024/25.

12. Cash and Cash Equivalents

	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Government Banking Service Bank Account	558	348
Commercial Banks and Cash in Hand	115	111
Total	**673**	**459**

13. Pensions

As part of the terms and conditions of employment of its employees, the SFRS offers retirement benefits. Although these benefits will not actually be payable until employees retire, the SFRS has a commitment to disclose the payments to be made in the future.

The SFRS currently participates in the two defined benefits pension schemes and a discretionary injury benefits scheme set out below:

- The Local Government Pension Scheme (LGPS) for support staff is a funded scheme, meaning that the SFRS and employees pay contributions into a fund, calculated at a level intended to balance the pension liabilities with investment assets. The employer contribution rate in 2025/26 was 6.5% of the employees' pensionable pay, increasing to 17.5% in 2026/27.
- Employee contribution rates are tiered dependent on salary. This is a CARE scheme, whereby pension benefits are based on earnings within each year worked, not final salary as previously, which are index-linked and totalled on retirement to provide an annual pension.
- During 2024/25 Strathclyde Pension Fund became the sole administrator for the LGPS.
- The Fire 2015 Scheme was introduced on 1 April 2015 and is a CARE scheme rather than a final salary pension scheme. All new eligible employees entering the Service join the Fire 2015 Scheme automatically. The normal pension age for firefighters is 60 under this Scheme. The Fire 2015 Scheme is unfunded and has no assets built up to meet pension liabilities. The employer contribution rate in 2025/26 was 34.1% of the employees' pensionable pay, which will also remain for 2026/27.
- The SFRS has powers to make awards of injury benefits in the event of firefighters leaving through injury. Any liabilities estimated to arise as a result of an award to any member of staff are accrued in the year of the decision to make the award and accounted for using the same principles as those applied to the relevant pension schemes. There are no assets held to back the liabilities of this scheme, and cash must be generated to meet actual payments as they fall due.
- From 1 April 2015, the Scottish Public Pensions Agency (SPPA) became responsible for administering the Firefighters' Schemes.

The liabilities in respect of pensions are significant, however statutory arrangements are in place to fund the deficits:

- LGPS deficits will be funded through increased contributions over the remaining working lives of employees as assessed by the various Scheme actuaries.
- Firefighters' Pension Schemes will be funded through increased contributions over the remaining working lives of employees as assessed by national pension administrators and specific grant receivable from the Scottish Government to meet any funding shortfall.

(a) Actuarial Methods and Assumptions

Government Actuary's Department (GAD) were engaged to assess the value of the SFRS's liability as at 31 March 2026, while Hymans Robertson LLP carried out the same exercise for the LGPS.

A full valuation of the LGPS was undertaken as at 31 March 2023. The full actuarial valuation involved projecting future cashflows to be paid and placing a value on them. These cashflows include pensions that may be payable in future to members of all schemes or their dependents. The Statement of Financial Position and the projected charge to the SoCNE for 2025/26 are based on the results of this formal valuation.

For the Firefighter's Pension Schemes the value of liabilities has been calculated as at 31 March 2026 by rolling forward the liability calculated as at 31 March 2024 to 31 March 2026. GAD are satisfied that the data provided and the approach taken to rolling forward the 31 March 2024 liability calculations are suitably rigorous to ensure that the assessed liability as at 31 March 2026 is sufficiently accurate for the purposes of this report.

The main assumptions used in their calculations are shown in the following table:

Assumption	LGPS		Firefighters' Schemes		Injury Benefits	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Mortality assumptions:						
Longevity at 60 for current pensioners						
Men	-	-	24.8	24.7	24.8	24.7
Women	-	-	24.8	24.7	24.8	24.7
Longevity at 60 for future pensioners						
Men	-	-	26.4	26.3	26.4-	26.3
Women	-	-	26.4	26.3	26.4-	26.3
Longevity at 65 for current pensioners						
Men	20.2	19.8	20.3	20.2	20.3	20.2
Women	22.7	22.6	20.3	20.2	20.3	20.2
Longevity at 65 for future pensioners						
Men	21.4	21.1	21.7	21.6	21.7	21.6
Women	24.6	24.5	21.7	21.6	21.7	21.6
Rate of inflation (CPI)	3.0%	2.75%	2.55%	2.65%	2.55%	2.65%
Rate of increase in salaries	3.7%	3.45%	3.3%	3.4%	3.3%	3.4%
Rate of increase in pensions	3.0%	2.75%	2.55%	2.65%	2.55%	2.65%
Rate for discounting scheme liabilities	6.3%	5.80%	5.6%	5.15%	5.6%	5.15%

With regards the discount rates used in the valuation, the actuaries have applied different discount rates as shown below. High level sensitivity analysis is included in Note 2, with more detail shown below.

- GAD: the discount rate used is the rate published in the HMT Public Expenditure System PES (2025) 09 Revised, dated 4 December 2025 for Annual Accounts prepared under FReM.
- Hymans Robertson: a Corporate Bond yield curve has been constructed using the UBS corporate bond curve (derived by applying the UBS delta curve fitting methodology to the constituents of the iBoxx £ Corporate AA index). The discount rate reflects the 'term' of the benefit obligation which they interpret to be the weighted average duration of the benefit obligation. They calculate the weighted average duration for each employer and categorise each employer's duration.

Sensitivity Analysis

The following table shows the impact changes in actuarial assumptions would have on the total defined benefit obligation, including both LGPS and Firefighter Schemes.

	31 March 2026		31 March 2025	
	Change in Employer Liability* (%)	Approximate Monetary Amount £000s	Change in Employer Liability* (%)	Approximate Monetary Amount £000s
0.1% increase in real discount rate	1.2% - 2.0%	37,715	1.3% - 2.0%	41,853
1-year increase in member life expectancy	3.0% - 4.0%	93,277	3.0% - 4.0%	95,796
0.1% increase in salary rate	0.0% - 0.1%	3,094	0.0% - 0.1%	3,098
0.1% increase in pensions increase rate (CPI)	1.2% - 2.0%	37,419	1.2% - 2.0%	38,876

* *Percentage depends on Actuary*

Expected Return on Assets

The FPS is unfunded and therefore no assets back the scheme.

For the LGPS, the expected return and the interest cost for accounting years beginning on or after 1 January 2013 has been replaced with a single net interest cost, which effectively sets the expected return equal to the IAS19 discount rate. The assets held by the Pension Funds are valued at fair value, principally market value for investments.

(b) Statements of Net Comprehensive Expenditure

The following transactions have been made in the SoCNE in relation to the LGPS and both Firefighter schemes.

Table 1 Narrative	Year ended 31 March 2026 LGPS £000s	Combined FPS £000s	Injury Benefits £000s	Total £000s	Year ended 31 March 2025 LGPS £000s	Combined FPS £000s	Injury Benefits £000s	Total £000s
Current service costs	5,851	42,900	900	**49,651**	5,495	40,700	800	**46,995**
Past service costs / (gains)	0	0	0	**0**	0	0	0	**0**
Losses / (gains) on curtailments and settlements	0	0	0	**0**	(8,203)	0	0	**(8,203)**
Total Service cost	**5,851**	**42,900**	**900**	**49,651**	**(2,708)**	**40,700**	**800**	**38,792**
Employer contribution	(3,229)	(147,000)	(2,700)	**(152,929)**	(2,406)	(149,100)	(2,700)	**(154,206)**
Deducted from/(Added to) Staff Costs	**2,622**	**(104,100)**	**(1,800)**	**(103,278)**	**(5,114)**	**(108,400)**	**(1,900)**	**(115,414)**
Net Interest Cost *	(8,664)	145,600	2,600	**139,536**	(3,003)	141,800	2,600	**141,397**
Impact on Net Expenditure after Interest	**(6,042)**	**41,500**	**800**	**36,258**	**(8,117)**	**33,400**	**700**	**25,983**
Remeasurements recognised in Other Comprehensive Income *								
Actuarial losses / (gains)	5,844	(139,400)	(4,500)	(138,056)	9,735	9,900	(900)	18,735

** Note: the following table extracts figures from above to allow easier reconciliation to the figures shown for total Net Interest Cost and Actuarial Gains and Losses in the SoCNE and Statement of Changes in Taxpayers' Equity (SoCITE), for LGPS, Combined FPS and Injury Benefits*

The table below shows a change in the actuarial position from a loss of £0.019 billion in 2024/25, to a gain of £138.056 million in 2025/26. The Total Net Interest Cost and Total Actuarial Losses / (Gains) are shown on the Statement of Comprehensive Net Expenditure for the Year Ended 31 March 2026.

Table 2	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Net Interest Cost		
LGPS	(8,664)	(3,003)
Combined FPS	145,600	141,800
Injury Benefits	2,600	2,600
Total Net Interest Cost	**139,536**	**141,397**
Actuarial Losses / (Gains)		
LGPS	5,844	9,735
Combined FPS	(139,400)	9,900
Injury Benefits	(4,500)	(900)
Total Actuarial Losses / (Gains)	**(138,056)**	**18,735**

Remeasurement recognised in the other Comprehensive Income

Table 3	Assets	Obligations				
Year end 31 March 2026	LGPS	LGPS	Combined FPS	Injury Benefits	IFRIC 14 Adjustment	Net (Liability)/ Asset
	£000s	£000s	£000s	£000s	£000s	£000s
Change in Financial Assumptions	0	10,295	222,100	0	0	**232,395**
Change in Demographic Assumptions	0	(1,551)	0	0	0	**(1,551)**
Other Experience Changes	0	(2,062)	(82,700)	4,500	0	**(80,262)**
Return on Assets excluding amounts included in net interest	13,451	0	0	0	0	**13,451**
Adjustment for IFRIC 14 Net asset reduction	0	0	0	0	(25,977)	**(25,977)**
Total remeasurements recognised in Other Comprehensive Income	**13,451**	**6,682**	**139,400**	**4,500**	**(25,977)**	**138,056**

Table 4	Assets	Obligations				
Year end 31 March 2025	LGPS	LGPS	Combined FPS	Injury Benefits	IFRIC 14 Adjustment	Net (Liability)/ Asset
	£000s	£000s	£000s	£000s	£000s	£000s
Change in Financial Assumptions	0	44,238	(16,300)	0	0	**27,938**
Change in Demographic Assumptions	0	462	5,600	0	0	**6,062**
Other Experience Changes	0	(1,593)	800	900	0	**107**
Return on Assets excluding amounts included in net interest	(7,869)	0	0	0	0	**(7,869)**
Adjustment for IFRIC 14 Net asset reduction	0	0	0	0	(44,973)	**(44,973)**
Total remeasurements recognised in Other Comprehensive Income	**(7,869)**	**43,107**	**(9,900)**	**900**	**(44,973)**	**(18,735)**

Statement of Financial Position

IAS19 requires the SFRS to account for pension liabilities of £2.835 billion as at 31 March 2026, (£2.937 billion in 2024/25) as valued by the actuaries noted above.

Table 5	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Present value of liabilities:		
- Firefighters' Pension Schemes	(2,779,793)	(2,877,693)
- Injury Benefits	(47,562)	(51,262)
- Present Value of Unfunded Obligations	(7,586)	(7,784)
Total Pension Liabilities	**(2,834,941)**	**(2,936,739)**
Present value of liabilities – Local Government Pension Scheme	(249,348)	(237,126)
Fair value of assets in the Local Government Pension Scheme	433,790	395,590
Effect of Asset Ceiling	(184,442)	(158,464)
Total Pension Assets	**0**	**0**
Total Pension Position	**(2,834,941)**	**(2,936,739)**
(Deficit)/Surplus in the scheme:		
- Local Government Pension Scheme	(7,586)	(7,784)
- Firefighters' Pension Schemes	(2,779,793)	(2,877,693)
Sub-total	**(2,787,379)**	**(2,885,477)**
- Injury Benefits	(47,562)	(51,262)
Total	**(2,834,941)**	**(2,936,739)**

- The liabilities as at 31 March 2026 show the underlying commitments that the SFRS has in the long run to pay retirement benefits. The total liability of £2.835 billion has a substantial impact on the net worth of the SFRS as recorded in the SoFP, resulting in a negative overall balance of £2.224 billion. However, statutory arrangements for funding the deficit mean that the financial position of the SFRS remains healthy.
- As at the 31 March 2026, the net discount rate remained higher than in previous years, leading to a gain on the balance sheet for the LGPS. This has resulted in an asset surplus for the fourth year in a row. Asset surpluses have to be safeguarded and therefore restrictions are placed on any gain in the SoCNE.
- IAS19 limits the measurement of a net defined benefit asset to the lower of the surplus in the defined benefit plan and the asset ceiling. The asset ceiling is defined as the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan. As there is no unconditional right to a refund, the actuaries have calculated whether there are economic benefits in the form of reductions in future contributions, in accordance with IFRIC 14. The actuary has calculated that for 2025/26 the future service element for the employer contribution is higher than the future service cost, therefore we are unable to account for an asset surplus this year and the asset ceiling has been reduced to zero (£0 million in 2024/25).
- Provisions for discretionary enhancements to retirement benefits (e.g. payments for early retirement) are referred to as unfunded liabilities as they are paid by the body rather than the pension fund. Although they are treated the same way as retirement benefit costs as explained above, bodies do not have a right to set off the unfunded liability against a pension asset. The unfunded obligations in 2025/26 were £7.586 million (£7.784 million in 2024/25).
- In relation to the LGPS, the Statement of Financial Position is based on the 2023 Fund valuations. There has been an increase in the nominal discount rate from 5.8% to 6.3% p.a. at this year end and CPI has increased from at 2.75% to 3.0%. This has been offset by an increase in investment markets over the period which has resulted in an increase in asset values (total assets of £433.790 million in 2025/26 compared to £395.590 million in 2024/25, see table 13c below).
- Although the SFRS is in an unusual position of having high asset values during the past four years, in previous years there has been a deficit on the LGPS. Any deficit is covered by increased contributions from the SFRS over the remaining working life of employees, as assessed by the scheme actuary, to ensure that accrued benefits can be paid. The total future contributions expected to be made to the LGPS in the year ending 31 March 2027, based on current membership is £7.262 million which equates to a contribution of 17.5%.
- The assessed actuarial liability in the Combined FPS Scheme (excluding injury benefits) as at 31 March 2026 is £2.780 billion. This compares to the liability of £2.878 billion as at 31 March 2025. The liability has decreased primarily due to an increase in the discount rate from 5.1% to 5.6%.
- Finance is only required to be raised to cover firefighters' pensions and injury benefits when the payments are made. Employer contributions are estimated to be £62 million in 2026/27.
- The following table shows the weighted average duration of the defined benefit obligation for scheme members for each of the schemes.

Table 6	LGPS		Firefighter Schemes		Injury Benefits	
	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2026	Year ended 31 March 2025
Weighted average duration in years of the defined benefit obligation	19.0	19.0	14.0	15.0	14.0	15.0

(c) Asset and Defined Benefit Obligation Reconciliation

Reconciliation of opening and closing deficit	LGPS Year ended 31 March 2026 £000s	Combined FPS Year ended 31 March 2026 £000s	Injury Benefits Year ended 31 March 2026 £000s	LGPS Year ended 31 March 2025 £000s	Combined FPS Year ended 31 March 2025 £000s	Injury Benefits Year ended 31 March 2025 £000s
Deficit at beginning of year	**(7,784)**	**(2,877,693)**	**(51,262)**	**(6,166)**	**(2,834,393)**	**(51,462)**
Current Service Cost	(5,851)	(42,900)	(900)	(5,495)	(40,700)	(800)
Employer Contributions	3,229	147,000	2,700	2,406	149,100	2,700
Past Service Costs	0	0	0	0	0	0
Curtailments / Settlements	0	0	0	48,678	0	0
Adjust for Settlement for Consolidation	0	0	0	(40,475)	0	0
Net Interest Cost	8,665	(145,600)	(2,600)	3,003	(141,800)	(2,600)
Actuarial (losses) / gains	20,133	139,400	4,500	35,238	(9,900)	900
Net Asset Restriction Applied	(25,977)	0	0	(44,973)	0	0
(Deficit) / Surplus at end of year	**(7,586)**	**(2,779,793)**	**(47,562)**	**(7,784)**	**(2,877,693)**	**(51,262)**
Present Value of Unfunded Obligations	**(7,586)**	**0**	**0**	**(7,784)**	**0**	**0**
Reconciliation of opening and closing balances of the present value of the defined benefit obligation						
Opening Defined Benefit Obligation	**(244,909)**	**(2,877,693)**	**(51,262)**	**(278,148)**	**(2,834,393)**	**(51,462)**
Current Service Cost	(5,851)	(42,900)	(900)	(5,495)	(40,700)	(800)
Interest Cost	(14,330)	(145,600)	(2,600)	(8,640)	(141,800)	(2,600)
Member Contributions	(2,684)	0	0	(1,836)	0	0
Curtailments / Settlements	0	0	0	(144,873)	0	0
Adjust for Settlement for Consolidation Obligations	0	0	0	145,389	0	0
Past Service Costs	0	0	0	0	0	0
Transfers In from Other Authorities	0	(800)	0	0	(1,900)	0
Transfers Out to Other Authorities	0	200	0	0	100	0
Estimated Benefits paid	4,158	147,600	2,700	5,587	150,900	2,700
Actuarial (losses) / gains	6,682	139,400	4,500	43,107	(9,900)	900
Closing Defined Benefit Obligation	**(256,934)**	**(2,779,793)**	**(47,562)**	**(244,909)**	**(2,877,693)**	**(51,262)**
Present Value of Unfunded Obligations	**7,586**	**0**	**0**	**7,783**	**0**	**0**
Closing Position at 31 March 2026	**(249,348)**	**(2,779,793)**	**(47,562)**	**(237,126)**	**(2,877,693)**	**(51,262)**

Reconciliation of opening and closing balances of the fair value of Scheme assets	LGPS Year ended 31 March 2026 £000s	LGPS Year ended 31 March 2025 £000s
Opening value of Scheme assets	**395,590**	**385,474**
Expected return on Scheme assets	22,994	11,643
Member Contributions	2,684	1,836
Curtailments / Settlements	0	193,551
Adjust for Settlement for Consolidation Obligations	0	(185,864)
Employer Contributions	3,229	2,406
Estimated Benefits paid	(4,158)	(5,587)
Actuarial (losses) / gains	13,451	(7,869)
Closing value of Scheme assets	**433,790**	**395,590**
Net Asset Restriction Applied	(184,442)	(158,464)

Value of Scheme assets at end of year after Net Asset Restriction Applied	**249,348**	**237,126**

Information in respect of the LGPS Defined Benefit Obligation

	Liability Year ended 31 March 2026		Liability Year ended 31 March 2025	
	£000s	%	£000s	%
Active Members	123,970	48.25%	114,059	46.57%
Deferred Members	30,853	12.01%	30,346	12.39%
Pensioner Members	94,525	36.79%	92,721	37.86%
Unfunded Obligations	7,586	2.95%	7,783	3.18%
	256,934	**100.00%**	**244,909**	**100.00%**

The FPS has no assets to cover its liabilities. LGPS assets are valued at fair value, principally market value for investments. The expected return on LGPS assets is based on the long-term future expected investment return for each asset class. These assets consist of the following categories.

Asset	Year ended 31 March 2026			Year ended 31 March 2025		
	Quoted Prices in Active Markets £000s	Prices Not Quoted in an Active Market £000s	Total £000s	Quoted Prices in Active Markets £000s	Prices Not Quoted in an Active Market £000s	Total £000s
Equity Securities						
Consumer	17,896	79	17,975	19,491	42	19,533
Manufacturing	21,771	56	21,827	18,431	26	18,457
Energy and Utilities	3,965	0	3,965	3,075	0	3,075
Financial Institutions	11,512	178	11,690	8,860	173	9,033
Health and Care	10,035	0	10,035	9,405	5	9,410
Information Technology	26,041	0	26,041	22,688	11	22,699
Other	0	0	0	0	0	0
Sub-total	**91,220**	**313**	**91,533**	**81,950**	**257**	**82,207**
Debt Securities						
Corporate Bonds	0	0.1	0.1	0	0.1	0.1
UK Government Bonds	0	0	0	0	0	0
Other	0	0	0	0	0	0
Sub-total	**0**	**0.1**	**0.1**	**0**	**0.1**	**0.1**
Private Equity	**0**	**104,032**	**104,032**	**0**	**91,441**	**91,441**
Property	**0**	**30,070**	**30,070**	**0**	**29,846**	**29,846**
Investment Funds and Unit Trusts						
Equities	0	112,631	112,631	1,448	95,106	96,554
Bonds	0	78,289	78,289	0	83,447	83,447
Commodities	0	341	341	0	194	194
Infrastructure	0	2,536	2,536	0	1,396	1,396
Other	0	369	369	0	880	880
Sub-total	**0**	**194,166**	**194,166**	**1,448**	**181,023**	**182,471**
Derivatives						
Foreign Exchange	**0**	**0**	**0**	**0**	**(0.3)**	**(0.3)**
Cash and Cash Equivalents	**0**	**13,989**	**13,989**	**0**	**9,625**	**9,625**
Total	**91,220**	**342,570**	**433,790**	**83,398**	**312,192**	**395,590**

(d) Statement of Changes in Taxpayers Equity

The actuarial gains and losses identified as movements on the Pensions Reserve for the year ended 31 March 2026 can be analysed into the following categories.

	Year ended 31 March 2026				Year ended 31 March 2025			
	LGPS	FPS	Injury Benefits	Total	LGPS	FPS	Injury Benefits	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Actual return less expected return on pension scheme assets	13,451	0	0	**13,451**	(7,869)	0	0	**(7,869)**
Changes in assumptions underlying the present value of the scheme liabilities	6,682	139,400	4,500	**150,582**	43,107	(9,900)	900	**34,107**
Net Asset Restriction Applied	(25,977)	0	0	**(25,977)**	(44,973)	0	0	**(44,973)**
Actuarial (losses) / gains in pension scheme	**(5,844)**	**139,400**	**4,500**	**(138,056)**	**(9,735)**	**(9,900)**	**900**	**(18,735)**
Actuarial (losses) / gains recognised in Statement of Changes in Taxpayers Equity	**(5,844)**	**139,400**	**4,500**	**(138,056)**	**(9,735)**	**(9,900)**	**900**	**(18,735)**

14. Related Party Transactions

The SFRS is an Other Significant Public Body sponsored by the Scottish Government Safer Communities Directorate. Accordingly, the Scottish Government is regarded as a related party. During the year, the SFRS entered into various material transactions with the Scottish Government and also undertook material transactions with other government bodies including HM Revenue and Customs, the Debt Management Office (DMO), local authorities and Local Government Pension Scheme administering authorities. Except for remuneration and benefits paid in accordance with service contracts and terms of appointment, no Board member or senior employee or related parties have undertaken any material transactions with the SFRS.

Related party relationships also existed with the Scottish Ambulance Service and Redress Scotland due to representation on the governing bodies of both organisations. During the year, SFRS paid £34,351 to the Scottish Ambulance Service for a seconded member of staff and received £570,064 from the Scottish Ambulance Service, of which £74,156 was recognised as accrued income at the year end. These transactions principally related to rental income. During 2025/26, SFRS also received £1,764 from Redress Scotland in respect of catering services. All transactions were conducted in the normal course of business and on an arm's length basis.

Related party relationships exist with the SFRS Educational, Cultural and Commemorative Trust (known as Fire and Rescue Heritage Scotland), the SFRS Family Support Trust, the National Fire Chiefs Council Limited, the Institute of Fire Engineers and The Fire Fighters Charity, where SFRS employees serve as trustees or hold governance roles.

No funding (£nil in 2024/25) was provided to the SFRS Educational, Cultural and Commemorative Trust during the year to support the development of the Museum of Scottish Fire Heritage. Staff costs continued to be absorbed by the SFRS, with only £136 recharged to the Trust in 2025/26 in respect of catering costs. In 2024/25, subscriptions, postage and other costs totalling £5,392 were recharged to the Trust.

SFRS provides payroll administration services for the SFRS Family Support Trust, with the related staff costs recovered from the Trust. During the year, salary costs of £138,048 (£129,150 in 2024/25) were recharged, of which £35,189 (£32,159 in 2024/25) was recognised as accrued income at year end.

During 2025/26, SFRS paid £96,254 (£86,975 in 2024/25) to the National Fire Chiefs Council Limited in respect of subscriptions and training and recovered £308 for catering services provided. A further £1,782 (£3,485 in 2024/25) was paid to the Institute of Fire Engineers for training.
No direct funding was provided to the Fire Fighters Charity (£nil in 2024/25). However, employees are able to make personal donations to the charity through SFRS's payroll arrangements.

Related party relationships were also identified with the Group Life and Accident Scheme and Firesport UK. Employees, volunteers and certain retired employees of SFRS are able to contribute to the Group Life and Accident Scheme through SFRS payroll arrangements. An annual membership fee of £3,699 was paid to Firesport UK in 2025/2026 (£3,699 in 2024/25). The SFRS West Sports & Athletics Association is affiliated to Firesport UK and operates a monthly lottery scheme. SFRS collects lottery subscriptions through payroll deductions on behalf of the Association and pays the resulting proceeds to the Association. In addition, prize winnings are paid through SFRS payroll on receipt of notification from the Association.

Further information on Board members is contained within the Annual Governance Statement in the Annual Report and can also be found on the SFRS website.

15. Right-of-Use Assets and Lease Liabilities

Our lease contracts comprise of Property (land, buildings and masts), Non-Property (vehicles, printers and franking machines) and Peppercorn assets in the form of long-term land leases.

Right-of-Use Assets	Property Assets £000s	Non-Property Assets £000s	Peppercorn Assets £000s	Total £000s
Cost or Valuation				
As at 1 April 2025	**3,793**	**1,089**	**1,735**	**6,617**
Additions	17	874	0	**891**
Disposals	0	0	0	**0**
Revaluation - Revaluation Reserve	0	0	606	**606**
As at 31 March 2026	**3,810**	**1,963**	**2,341**	**8,114**
Depreciation & Impairment				
As at 1 April 2025	(408)	(776)	(60)	**(1,244)**
Depreciation charge for the year	(124)	(441)	(20)	**(585)**
Depreciation on disposals	0	0	0	**0**
Depreciation – Revaluation Reserve	0	0	26	**26**
As at 31 March 2026	**(532)**	**(1,217)**	**(54)**	**(1,803)**
Net Book Value as at 31 March 2026	**3,278**	**746**	**2,287**	**6,311**
Net Book Value as at 31 March 2025	**3,385**	**313**	**1,675**	**5,373**

Asset Financing:				
Owned	0	0	0	**0**
Leased	3,278	746	2,287	**6,311**
Carrying amount as at 31 March 2026	**3,278**	**746**	**2,287**	**6,311**

Right-of-Use Assets	Property Assets £000s	Non-Property Assets £000s	Peppercorn Assets £000s	Total £000s
Cost or Valuation				
As at 1 April 2024	**3,787**	**876**	**1,735**	**6,398**
Additions	6	452	0	**458**
Disposals	0	(239)	0	**(239)**
As at 31 March 2025	**3,793**	**1,089**	**1,735**	**6,617**
Depreciation & Impairment				
As at 1 April 2024	(281)	(744)	(40)	**(1,065)**
Depreciation charge for the year	(127)	(271)	(20)	**(418)**
Depreciation on disposals	0	239	0	**239**
As at 31 March 2025	**(408)**	**(776)**	**(60)**	**(1,244)**
Net Book Value as at 31 March 2025	**3,385**	**313**	**1,675**	**5,373**
Net Book Value as at 31 March 2024	**3,506**	**132**	**1,695**	**5,333**

Asset Financing:				
Owned	0	0	0	**0**
Leased	3,385	313	1,675	**5,373**
Carrying amount as at 31 March 2025	**3,385**	**313**	**1,675**	**5,373**

Right-of-Use lease assets comprise

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Assets valued at net present value of future lease payments	6,311	**5,373**
Assets valued at depreciated replacement cost (DRC)	0	**0**
Assets valued at existing use value (EUV)	0	**0**
Total	**6,311**	**5,373**

Lease Liabilities

A maturity analysis of contractual undiscounted cash flows relating to lease liabilities is presented below. The cash flows are presented net of irrecoverable VAT.

Amounts falling due	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Not later than one year	592	317
Later than one year but not later than 5 years	626	486
Later than 5 years	3,010	2,978
Less: interest element	(75)	(35)
Balance as at 31 March	**4,153**	**3,746**
Current	592	317
Non-current	3,561	3,429
Total Lease liabilities	**4,153**	**3,746**

Amounts Recognised in the Statement of Comprehensive Net Expenditure

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Depreciation	585	419
Interest expense	75	35
Low value and short-term leases	242	233
Total	**902**	**687**

Amounts Recognised in the Statement of Cash Flows

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Interest expense	75	35
Repayments/(Increase) of principal on leases	(407)	(26)
Total	**(332)**	**9**

SFRS as Lessor

The SFRS leases out property under operating leases (Memorandum of Terms of Occupations Agreements MOTO) for the following purposes:

- to facilitate shared accommodation for public service partner agencies including Police Scotland and Scottish Ambulance Service
- radio masts, and
- surplus land

These MOTOs have prescribed terms and thereafter run year to year. In addition, they can be cancelled with six months' notice by either party. Once the prescribed term has expired no future rental income can be guaranteed therefore the rental income for these are recorded in the table below as income 'not later than one year'.

Land and Buildings (including Radio Masts)	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Not later than one year	701	763
Later than one year and not later than five years	752	797
Later than five years	270	425
Total Minimum Lease Payment	**1,723**	**1,985**

Rents receivable in the year ended 31 March 2026 totalled £0.747 million (£0.763 million in 2024/25). Included within rent receivable for 2025/26 was £0.646 million in relation to contingent rents, being recharge of utility costs for a number of the leased premises (£0.660 million in 2024/25).

During 2025/26 there were 42 different lease agreements in place with 9 different organisations. Of the 42 lease agreements, 37 of these related to rental of office space or accommodation, 3 related to rental of land and 2 related to rental of radio masts to accommodate equipment.

16. Provisions

The following table shows the provisions transferred from legacy services and adjusted/added to by the SFRS. The provision for Public and Employee Liability exposure relates to obligations due in respect of any known liability claims made against the SFRS by third parties as at 31 March 2026. Whilst the SFRS knows about these claims when they arise and can use past experience to estimate the likely liability, the actual timing of these payments is uncertain as a result of the claims process having to run its course and for agreement to be reached with the insurers.

The other provisions represent obligations due in respect of legacy service employee related liabilities and are based on the latest information available at this time.

	Provisions less than one year			Provisions more than one year		
	Public & Employee Liability Exposure £000s	Other related liabilities £000s	Total £000s	Public & Employee Liability Exposure £000s	Other related liabilities £000s	Total £000s
Balance as at 1 April 2024	**576**	**0**	**576**	**1,153**	**0**	**1,153**
Additional provisions made year ended 31 March 2025	480	0	480	0	0	0
Amounts used year ended 31 March 2025	(887)	0	(887)	0	0	0
Unused amounts reversed in year ended 31 March 2025	0	0	0	0	0	0
Transfer from / (to) Long Term Provisions	272	0	272	(272)	0	(272)
Balance as at 31 March 2025	**441**	**0**	**441**	**881**	**0**	**881**
Additional provisions made year ended 31 March 2026	1,189	0	1,189	0	0	0
Amounts used year ended 31 March 2026	(498)	0	(498)	0	0	0
Unused amounts reversed in year ended 31 March 2026	0	0	0	0	0	0
Transfer from / (to) Long Term Provisions	(461)	0	(461)	461	0	461
Balance as at 31 March 2026	**671**	**0**	**671**	**1,342**	**0**	**1,342**

This reflects an increase of £0.691 million since 31 March 2025 (compared to a decrease of £0.407 million in 2024/25).

17. Future Capital Commitments

The following table reflects outstanding commitments to capital projects at 31 March 2026 of £19.371 million (£17.283 million in 2024/25). The majority of these commitments are expected to be settled during financial year 2026/27. However, a portion of the contract costs relating to the Phase 2 Optimisation component of the New Mobilising System, are anticipated to be incurred in 2027/28.

	Year ended 31 March 2026 £000s
Property	
Dalkeith Fire Station RAAC New Build	392
Liberton Fire Station RAAC New Build	310
Livingston Fire Station RAAC New Build	730
Portree Fire Station RAAC New Build	163
Huntly Fire Station RAAC New Build	167
Stewarton Fire Station RAAC New Build	4
Calton Fire Station Redevelopment	560
Alloa Fire Station Reconfigurations	1,812
Stirling Fire Station Reconfigurations	2,341
Kilmarnock Fire Station Reconfiguration	2,736
Uig Temporary Fire Station	395
Training Estate	1,586
Property Minor Works Projects	1,447
Decarbonisation/Environment	97
Vehicles	
Frontline Appliances	3,344
Light Fleet and Vans	39
New Dimensions Assets	141
Digital and Technology Equipment	
ESN Data First	911
New Mobilising System	1,740
Operational Equipment	
CivTech – Challenge 10.2 Exposure to Contaminants	456
Total	**19,371**

	Year ended 31 March 2025 £000s
Property	
Dalkeith Fire Station RAAC New Build	156
Liberton Fire Station RAAC New Build	124
Calton Fire Station Redevelopment	86
Training Estate	557
Property Project Costs	398
Property Minor Works Projects	211
Vehicles	
Frontline Appliances	3,861
Light Appliances	622
Light Fleet – Vans and Cars	48
Digital and Technology Equipment	
ESN Data First	420
In-Vehicle Systems	189
ICT Project costs	375
New Mobilising System	10,236
Total	**17,283**

18. Grant in Aid

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Cash Grant in Aid received to meet operational expenditure	337,646	320,330
Cash Grant in Aid received to fund replacement capital expenditure	48,285	42.800
Total	**385,931**	**363,130**

Grant in Aid income received from the Scottish Government for the financial year ended 31 March 2026 was £385.931 million compared to a budget of £385.030 million. Further details are shown in Note 21. The variance of £0.901 million is primarily due to variations in working capital caused by changes in year-end creditors and accruals.

No funds were drawn down in advance of need, as cash was only requested to meet expenditure as and when it was forecast to be required.

19. Long Term Debtors

Long term debtors consist of loans to employees in relation to payroll transition for a legacy service, whereby payments will be recovered at the end of an employee's service.

	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Employee soft loans relating to legacy service payroll transition	18	20
Total	**18**	**20**

20. Inventories

The main categories of inventory held are shown below.

	Consumables £000s	Fuel £000s	Total £000s
Opening Balance as at 1 April 2024	**1,190**	**274**	**1,464**
Movement during the year	275	(32)	243
Stock written off	0	0	0
Opening Balance as at 1 April 2025	**1,465**	**242**	**1,707**
Movement during the year	108	107	215
Stock written off	(2)	0	(2)
Closing Balance as at 31 March 2026	**1,571**	**349**	**1,920**

The movement during the year was an increase of £0.213 million (£0.243 million increase in the prior year). Inventory recognised as an expense totalled £3.024 million (£2.751 million in the prior year).

21. Resource limit – Outturn Year ended 31 March 2026

Expenditure Type	Year ended 31 March 2026			Year ended 31 March 2025
	Outturn £000s	Budget £000s	Variance £000s	Variance £000s
Department Expenditure Limit (DEL)				
Net Resource Expenditure	336,235	336,745	(510)	(271)
Net Capital Expenditure	48,285	48,285	0	(30)
Total DEL Expenditure	**384,520**	**385,030**	**(510)**	**(301)**
Ring-fenced DEL				
Depreciation	26,732	32,415	(5,703)	(3,397)
Depreciation – Right-of-Use Assets	585	585	0	0
Total Ring-fenced DEL	**27,317**	**33,000**	**(5,683)**	**(3,397)**
Total Annually Managed Expenditure (AME)				
Impairment	7,024	14,000	(6,976)	471
Provisions	691	1,000	(309)	(1,407)
Pension	(6,042)	5,000	(11,042)	(18,117)
Corporation Tax	23	0	23	(1)
Total AME	**1,696**	**20,000**	**(18,304)**	**(19,054)**
Total Managed Expenditure	**413,533**	**438,030**	**(24,497)**	**(22,752)**

The outturn figures in the above table are shown on an accruals basis. The total variance of £24.497 million represents both cash and non-cash items in the year ended 31 March 2026; the major contributing reasons are as follows.

Our key measure of financial performance is the comparison of expenditure against Departmental Expenditure Limit (DEL) funding provided by the Scottish Government.

The Resource DEL variance of £0.510 million for the year ended 31 March 2026 relates to a combination of factors noted in the following table and explained further in the subsequent narrative.

	Outturn £000s	Budget £000s	(Over) / Under £000s
Employee Costs	272,865	272,069	(796)
Operating Costs, including Loss on sale of assets	66,312	66,484	172
Income	(2,942)	(1,808)	1,134
Total	**336,235**	**336,745**	**510**

Overspends are shown in brackets

The requirement to recognise untaken annual leave at the year end, together with an overspend in Support staff partially offset by underspends in Operations Control and Wholetime staffing, contributed to the overall employee costs overspend. Lower expenditure on ill-health retirals and travel also helped to mitigate the impact of these pressures.

Operating Costs are underspent mainly as a result of reduced property related costs including utilities and contract cleaning costs. The overall position is offset by overspends in Supplies & Services and Transport costs, driven by increased demand for fire hydrants and vehicle maintenance.

There was an over recovery of income mainly due to a successful legal challenge resulting in compensation to the Service and from external organisations for chargeable services.

The business-as-usual Capital DEL budget was fully spent.

The Ring Fenced DEL budget for Depreciation in the year was £33.000 million, with the actual requirement being £27.317 million, resulting in an underspend of £5.683 million.

The AME Impairment budget of £14.000 million reflects the impairment of properties through the normal rolling programme of property valuations. The actual impairment in 2025/26 is £7.024 million, £6.976 million under budget.

The variance on the AME Provisions budget of £0.309 million reflects the impact of new provisions being recognised and the release of provisions no longer required during the year being less than budgeted.

AME Pension budget of £5 million was provided to cover the impact on the SoCNE of LGPS IAS19 adjustments (see Note 13 (b), Statement of Net Comprehensive Expenditure). The effect of these adjustments in 2025/26 is an underspend of £11.042 million compared to £18.117 million in 2024/25. This has been caused by a number of factors including a reduction in employer contributions and a decrease in the net interest cost.

The combined AME budget across all items is under-utilised by £18.304 million, however this does not represent cash-based transactions.

There will be a change to funding for pensions in 2026/27. The top up element of the Firefighters pensions will be removed from the Justice Departmental DEL budget and will sit as an AME budget. The employer contribution will continue to be funded by DEL.

22. Financial Instruments

Disclosure of Nature and Extent of Risk Arising from Financial Instruments

Key Risks

As the cash requirements of the Board are met through Grant in Aid provided by the Scottish Government, financial instruments play a more limited role in creating and managing risks than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Board's expected purchase and usage requirements, and the Board is therefore exposed to little credit, liquidity or market risk.

The main elements of risks that the Board is exposed to are:

- **Credit risk** – the possibility that other parties might fail to pay amounts due to the Board.
- **Liquidity risk** – the possibility that the Board might not have funds available to meet its commitments to make payments.
- **Market risk** – the possibility that financial loss might arise for the Board as a result of changes in such measures as interest rates and stock market movements.

Overall Procedures for Managing Risk

The Board's overall risk management procedures focus on the unpredictability of financial markets and implementing restrictions to minimise these risks. The Board formally adopts the requirements set out within the Financial Reporting Manual (FReM) and the Scottish Public Finance Manual and through The Audit and Risk Assurance Committee, ensures that appropriate risk management, governance and internal control systems, principles and policies are in place and operating effectively. These principles are implemented and followed by the Finance Department.

Credit Risk

Credit risk arises from cash and cash equivalents and deposits with banks as well as credit exposure to customers.

For banks, funds are held and transacted through Government Banking Scheme accounts. Transactional services are provided by NatWest, with corporate banking arrangements held with The Royal Bank of Scotland. Therefore, there is little exposure to credit risks from these deposits.

Credit risk is the risk of financial loss to the Board if a customer fails to meet their contractual obligations. Customers for goods and services are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in line with parameters set by the Board.

The following analysis summaries the Board's maximum exposure to credit risk on other financial assets, based on experience of default, adjusted to reflect current market conditions.

Narrative	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Trade Receivables	173	438
Total	**173**	**438**

Of the £13.498 million total Trade and Other Receivables figure (£16.236 million in the prior year), £0.173 million (£0.438 million in the prior year) relates to trade receivables. The SFRS allows 30-day credit terms for its trade receivables, and all efforts will be made to ensure that debts are paid. Trade receivables can be analysed by age as shown in the following table.

	As at 31 March 2026 £000s	As at 31 March 2025 £000s
Less than three months	145	412
Three to six months	0	0
Six months to one year	2	4
More than one year	26	22
Total	**173**	**438**

Collateral – During this and the previous reporting period, the Board held no collateral as security.

Liquidity Risk

Liquidity risk is the risk that the Board will not be able to meet its financial obligations as they fall due. This risk is managed by ensuring that enough funds are available to meet liabilities as they fall due by carrying out rigid and close monitoring of cashflow on a daily basis and regular reviews of expenditure requirements during the month. The Board's main source of income is Grant in Aid income provided by the Scottish Government. Therefore, there is no significant risk that it will be unable to raise finance to meet its commitments under financial instruments.

Market Risk

Market Risk is the risk that financial loss might arise as a result of changes in measures such as interest rates. The borrowings held by the SFRS were taken out by legacy Fire and Rescue Services or on behalf of legacy Fire and Rescue Services by the lead authority. 70% (70% in the prior year) of the borrowings held by the SFRS are at fixed interest rates with the interest on the remainder calculated by each former lead authority using a pooled interest rate which is applied to all loans in their portfolio. All borrowings relate to legacy services as the SFRS has no power to borrow funds and therefore, no new borrowings have been entered into since the SFRS was established as a single

national service in 2013. Any additional interest due as a result of changes in interest rates in future years will be met from Grant in Aid income provided by the Scottish Government.

Financial Instruments Balances

The borrowings disclosed in the SoFP are made up of the following categories of financial instruments:

Financial Liabilities by Category

Loans and Payables	As at 31 March 2026		As at 31 March 2025	
	Current £000s	Non-Current £000s	Current £000s	Non-Current £000s
Loans direct from PWLB / National Loans Fund	550	17,005	2,073	17,344
Loans direct from Commercial Lenders	4	1,500	4	1,500
Loans from Scottish Local Authorities*	1,204	8,337	1,273	9,238
Loans sub-total	***1,758***	***26,842***	***3,350***	***28,082***
Lease Liabilities	819	3,561	317	3,429
Trade and other payables not including non-financial liabilities	4,196	0	6,185	0
Total Financial liabilities	**6,773**	**30,403**	**9,852**	**31,511**

**The SFRS is responsible for loans from legacy services, including a mix of PWLB and market borrowing made by several Councils which was passed on to the former services. These loans are accounted for in the Councils' loans fund, and the SFRS is liable to make interest and principal repayments to the Councils.*

This reflects repayment of borrowing in 2025/26 of £2.833 million (£4.628 million in the prior year). Further information on lease liabilities is provided in Note 15.

Financial Assets by Category

Other Financial Assets	As at 31 March 2026		As at 31 March 2025	
	Current £000s	Non-Current £000s	Current £000s	Non-Current £000s
Trade and other receivables not including non-financial assets	173	0	438	0
Cash and cash equivalents	673	0	459	0
Total Financial assets	**846**	**0**	**897**	**0**

Unusual Movements

There have been no unusual movements throughout the year or the previous financial year.

Reclassification

There has been no reclassification of a financial instrument throughout the year or the previous financial year.

Derecognition of Instruments

There has been no derecognition of a financial instrument throughout the year or the previous financial year.

Defaults and Breaches

There have been no defaults and breaches throughout the year or the previous financial year.

Financial Instruments Gains/Losses

The gains and losses recognised in the SoCNE in relation to financial instruments are made up as follows:

Financial Instruments Losses Year ended 31 March 2026	Financial Liabilities Other Liabilities	Financial Assets Loans and trade receivables	Total
	£000s	£000s	£000s
Interest expense – Borrowings	1,467	0	**1,467**
Interest expense – Right-of-Use Assets	75	0	**75**
Impairment losses	0	0	**0**
Interest payable and similar charges	**1,542**	**0**	**1,542**
Interest income	0	0	**0**
Interest and investment income	**0**	**0**	**0**
Net loss for the year	**1,542**	**0**	**1,542**

Financial Instruments Losses Year ended 31 March 2025	Financial Liabilities Other Liabilities	Financial Assets Loans and trade receivables	Total
	£000s	£000s	£000s
Interest expense – Borrowings	1,757	0	**1,757**
Interest expense – Right-of-Use Assets	35	0	**35**
Impairment losses	0	0	**0**
Interest payable and similar charges	**1,792**	**0**	**1,792**
Interest income	0	0	**0**
Interest and investment income	**0**	**0**	**0**
Net loss for the year	**1,792**	**0**	**1,792**

The total charged to the SoCNE in the year ended 31 March 2026 for loan expenses was £0.003 million (£0.003 million in the prior year).

Fair Value of Assets and Liabilities

As permitted by IFRS 7 *Financial Instruments: Disclosures*, the fair value of lease liabilities is not included in the table below. Financial liabilities and financial assets represented by loans and receivables are carried on the SoFP, their fair value can be assessed by calculating the present value of the cash flows that take place over the remaining life of the instruments, using the following assumptions:

- for loans from the PWLB and other loans payable, premature repayment rates from the PWLB have been applied to provide the fair value under PWLB debt redemption procedures
- for loans receivable, prevailing benchmark market rates have been used to provide the fair value
- no early repayment or impairment is recognised
- where an instrument has a maturity of less than 12 months, or is a trade or other receivable, the fair value is taken to be the carrying amount or the billed amount
- the fair value of trade and other receivables is taken to be the invoiced or billed amount

The fair values calculated are as follows:

	As at 31 March 2026		As at 31 March 2026	
	Carrying amount Current £000s	Fair value Current £000s	Carrying amount Non-Current £000s	Fair value Non-Current £000s
Loans direct from PWLB / National Loans Fund	550	356	17,005	17,610
Loans direct from Commercial Lenders	4	0	1,500	1,368
Loans from Scottish Local Authorities	1,204	932	8,337	8,793
Total debt	**1,758**	**1,288**	**26,842**	**27,771**
Other financial Liabilities	0	0	0	0
Total Financial Liabilities	**1,758**	**1,288**	**26,842**	**27,771**

	As at 31 March 2025		As at 31 March 2025	
	Carrying amount Current £000s	Fair value Current £000s	Carrying amount Non-Current £000s	Fair value Non-Current £000s
Loans direct from PWLB / National Loans Fund	2,073	1,888	17,344	18,433
Loans direct from Commercial Lenders	64	0	1,500	1,422
Loans from Scottish Local Authorities	1,213	986	9,238	9,879
Total debt	**3,350**	**2,874**	**28,082**	**29,734**
Other financial Liabilities	0	0	0	0
Total Financial Liabilities	**3,350**	**2,874**	**28,082**	**29,734**

The fair values of loans are calculated using Fair Value Hierarchy Level 2 inputs whereby Level 2 inputs are inputs other than quoted prices that are observable for the liability, either directly or indirectly. The fair value is greater than the carrying amount because the Board's portfolio of loans includes a number of fixed rate loans where the interest rate payable is higher than the rates available for similar loans in the market at the SoFP date.

The fair values for financial liabilities have been determined by reference to the Public Works Loan Board (PWLB) redemption rules and prevailing PWLB redemption rates as at each SoFP date and include accrued interest. The fair values for non-PWLB debt have also been calculated using the same procedures and interest rates and this provides a sound approximation for fair value for these instruments.

The fair values for loans have been determined by reference to the PWLB redemption rules which provide a good approximation for the fair value of a financial instrument. The comparator market rates prevailing have been taken from indicative investment rates at each SoFP date. In practice, rates will be determined by the size of the transaction and the counterparty, but it is impractical to use these figures, and the difference is likely to be immaterial.

23. Non-Current Assets: Tangible Assets as at 31 March 2026

Tangible Assets	Operational Assets							Non-Operational Assets			
	Land	Buildings	Dwellings	Vehicles	Operational Equipment	ICT Equipment	Infra-structure	Assets under construction	Heritage Assets	Surplus Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Cost or Valuation											
As at 1 April 2025	**150,693**	**380,901**	**830**	**122,163**	**59,479**	**38,381**	**4,274**	**34,004**	**1,231**	**14,687**	**806,643**
Additions	0	7,112	0	349	5,986	1,727	89	32,555	0	0	47,818
Transfers in/(out)	(9)	5,945	0	4,284	1,439	7	11	(11,832)	0	(447)	(602)
Disposals	(6,920)	(66)	0	(209)	0	(15,773)	0	0	0	(410)	(23,378)
Revaluation - Revaluation Reserve	5,734	14,800	23	0	0	0	(242)	0	0	(674)	19,641
As at 31 March 2026	**149,498**	**408,692**	**853**	**126,587**	**66,904**	**24,342**	**4,132**	**54,727**	**1,231**	**13,156**	**850,122**
Depreciation & Impairment											
As at 1 April 2025	**(11,639)**	**(28,970)**	**(676)**	**(71,527)**	**(46,019)**	**(25,386)**	**(1,244)**	**0**	**(166)**	**(13,243)**	**(198,870)**
Depreciation charge for the year	0	(12,347)	(7)	(7,371)	(3,364)	(3,279)	(364)	0	0	0	(26,732)
Depreciation – Revaluation Reserve	0	13,077	13	0	0	0	193	0	0	698	13,981
Impairments – Revaluation Reserve	(561)	4,126	14	0	0	0	51	0	0	(102)	3,528
Impairments – SoCNE	507	(6,938)	0	0	0	(301)	(115)	0	0	(98)	(6,945)
Transfers in/(out)	0	0	0	0	0	0	0	0	0	0	0
Disposals	6,920	66	0	181	0	15,773	0	0	0	272	23,212
Revaluation decrease – Rev Reserve	(58)	(2,254)	0	0	0	0	0	0	0	0	(2,312)
As at 31 March 2026	**(4,831)**	**(33,240)**	**(656)**	**(78,717)**	**(49,383)**	**(13,193)**	**(1,479)**	**0**	**(166)**	**(12,473)**	**(194,138)**
Net Book Value as at 31 March 2026	**144,667**	**375,452**	**197**	**47,870**	**17,521**	**11,149**	**2,653**	**54,727**	**1,065**	**683**	**655,984**
Net Book Value as at 31 March 2025	**139,054**	**351,931**	**154**	**50,636**	**13,460**	**12,995**	**3,030**	**34,004**	**1,065**	**1,445**	**607,774**
Asset Financing:											
Owned	144,667	375,452	197	47,729	17,521	11,149	2,653	54,727	1,065	678	655,838
Finance Leased	0	0	0	0	0	0	0	0	0	0	0
Donated	0	0	0	141	0	0	0	0	0	5	146
Carrying amount as at 31 March 2026	**144,667**	**375,452**	**197**	**47,870**	**17,521**	**11,149**	**2,653**	**54,727**	**1,065**	**683**	**655,984**

Tangible Assets as at 31 March 2025

Tangible Assets	Operational Assets							Non-Operational Assets			
	Land	Building	Dwelling	Vehicles	Operational Equipment	ICT Equipment	Infra-structure	Assets under construction	Heritage Assets	Surplus Assets	Total
	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s	£000s
Cost or Valuation											
As at 1 April 2024	**141,383**	**380,265**	**830**	**120,950**	**55,747**	**30,612**	**4,217**	**19,317**	**1,231**	**5,879**	**760,431**
Additions	0	9,035	0	696	4,634	3,750	35	24,899	0	0	**43,049**
Transfers in/(out)	0	(6,983)	0	847	(902)	4,019	23	(10,212)	0	13,208	**0**
Disposals	0	0	0	(330)	0	0	(1)	0	0	(1,498)	**(1,829)**
Revaluation - Revaluation Reserve	9,310	(1,416)	0	0	0	0	0	0	0	(2,902)	**4,992**
As at 31 March 2025	**150,693**	**380,901**	**830**	**122,163**	**59,479**	**38,381**	**4,274**	**34,004**	**1,231**	**14,687**	**806,643**
Depreciation & Impairment											
As at 1 April 2024	**(3,734)**	**(30,612)**	**(656)**	**(67,143)**	**(41,191)**	**(21,695)**	**(502)**	**0**	**(166)**	**(5,435)**	**(171,134)**
Depreciation charge for the year	0	(11,798)	(6)	(7,518)	(5,813)	(3,691)	(357)	0	0	0	**(29,183)**
Depreciation – Revaluation Reserve	0	10,124	0	0	0	0	47	0	0	3,462	**13,633**
Impairments – Revaluation Reserve	(6,785)	2,446	(14)	0	0	0	(153)	0	0	(3,065)	**(7,571)**
Impairments – SoCNE	(958)	(1,576)	0	0	0	0	(279)	0	0	(5,658)	**(8,471)**
Transfers in/(out)	0	0	0	2,922	985	0	0	0	0	(3,908)	**0**
Disposals	0	0	0	212	0	0	0	0	0	1,367	**1,579**
Revaluation decrease – Rev Reserve	(162)	2,446	0	0	0	0	0	0	0	(6)	**2,278**
As at 31 March 2025	**(11,639)**	**(28,970)**	**(676)**	**(71,527)**	**(46,019)**	**(25,386)**	**(1,244)**	**0**	**(166)**	**(13,243)**	**(198,870)**
Net Book Value as at 31 March 2025	**139.054**	**351,931**	**154**	**50,636**	**13,460**	**12,995**	**3,030**	**34,004**	**1,065**	**1,445**	**607,774**
Net Book Value as at 31 March 2024	**137,649**	**349,653**	**174**	**53,807**	**14,556**	**8,917**	**3,715**	**19,317**	**1,065**	**444**	**589,297**
Asset Financing:											
Owned	138,965	351,931	154	50,489	13,460	12,995	3,030	34,004	1,065	1,445	**607,539**
Finance Leased	89	0	0	0	0	0	0	0	0	0	**89**
Donated	0	0	0	147	0	0	0	0	0	0	**147**
Carrying amount as at 31 March 2025	**139,054**	**351,931**	**154**	**50,636**	**13,460**	**12,995**	**3,030**	**34,004**	**1,065**	**1,445**	**607,774**

Note 1: Donated assets shown in the table above include vehicles and operational equipment provided to the legacy services which transferred to the SFRS on 1 April 2013. These will be used for fire and rescue purposes in accordance with terms and conditions set out by Scottish Government.

Note 2: The Depreciation and Impairment figures shown in the SoCNE reconcile to the following figures in the previous tables:

	2025/26		2024/25	
	£000s	£000s SoCNE	£000s	£000s SoCNE
Depreciation charge in the year – Tangible Assets	26,732		29,183	0
Depreciation charge in the year – Intangible Assets	0		2	0
Depreciation charge in the year – Right-of-Use Assets	585		418	0
Impairments – SoCNE – Tangible Assets	6,945		8,471	0
Impairments – SoCNE – Assets held for Sale	79		0	0
Depreciation and Impairment	0	34,341	0	38,074
Total Depreciation and Impairment	**34,341**	**34,341**	**38,074**	**38,074**

Depreciation and Impairment for Right-of-Use assets is £0.585 million (£0.418 million in the prior year). Depreciation and Impairment for the other asset categories included above is £33.756 million (£37.655 million in the prior year).

Note 3: The Revaluation Gain figure shown in the SoCNE comes from the following figures in the tables above:

	2025/26		2024/25	
	£000s	£000s SoCNE	£000s	£000s SoCNE
Revaluation - Revaluation Reserve - Tangible Assets	19,641	0	4,992	0
Revaluation - Revaluation Reserve - Assets held for Sale	0	0	0	0
Revaluation - Revaluation Reserve – Right-of-Use Assets	632	0	0	0
Depreciation - Revaluation Reserve - Tangible Assets	13,981	0	13,633	0
Impairments - Revaluation Reserve - Intangible Assets	0	0	0	0
Impairments - Revaluation Reserve - Tangible Assets	3,528	0	(7,570)	0
Impairments - Revaluation Reserve - Assets held for Sale	0	0	0	0
Revaluation decrement - Revaluation Reserve - Tangible Assets	(2,312)	0	2,278	0
Revaluation Gain	0	35,470	0	13,333
Total Revaluation Gain	**35,470**	**35,470**	**13,333**	**13,333**

Intangible Assets as at 31 March 2026

Intangible Assets	Software £000s	Total £000s
Cost or valuation		
As at 1 April 2025	4,550	4,550
Transfers out	0	0
Disposals	(4,550)	(4,550)
As at 31 March 2026	**0**	**0**
Depreciation		
As at 1 April 2025	(4,550)	(4,550)
Depreciation charge for the year	0	0
Disposals	4,550	4,550
As at 31 March 2026	**0**	**0**
Net Book Value as at 31 March 2026	**0**	**0**
Net Book Value as at 31 March 2025	**0**	**0**
Asset Financing:		
Owned	0	0
Carrying amount as at 31 March 2026	**0**	**0**

Intangible Assets as at 31 March 2025

Intangible Assets	Software £000s	Total £000s
Cost or valuation		
As at 1 April 2024	4,550	4,550
Transfers out	0	0
As at 31 March 2025	**4,550**	**4,550**
Depreciation		
As at 1 April 2024	(4,548)	(4,548)
Depreciation charge for the year	(2)	(2)
As at 31 March 2025	**(4,550)**	**(4,550)**
Net Book Value as at 31 March 2025	**0**	**0**
Net Book Value as at 31 March 2024	**2**	**2**
Asset Financing:		
Owned	0	0
Carrying amount as at 31 March 2025	**0**	**0**

The total Additions of Tangible and Intangible Assets are shown below:

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Tangible Asset Additions	47,818	43,049
Intangible Asset Additions	0	0
Total	**47,818**	**43,049**

24. Assets held for sale as at 31 March 2026

Assets Held for Sale	Non-Operational Assets £000s	Total £000s
Cost or valuation		
As at 1 April 2025	0	0
Additions	0	0
Transfers in/out	606	606
Disposals	0	0
Revaluation – Revaluation Reserve	0	0
Other movements	0	0
As at 31 March 2026	**606**	**606**
Impairment		
As at 1 April 2025	0	0
Impairments – Revaluation Reserve	0	0
Impairments – SoCNE	(79)	(79)
Transfers in/out	0	0
Disposals	0	0
Other movements	0	0
As at 31 March 2026	**(79)**	**(79)**
Net Book Value as at 31 March 2026	**527**	**527**
Net Book Value as at 31 March 2025	**0**	**0**
Asset Financing:		
Owned	527	527
Carrying amount as at 31 March 2026	**527**	**527**

Assets held for sale as at 31 March 2025

Assets Held for Sale	Non-Operational Assets £000s	Total £000s
Cost or valuation		
As at 1 April 2024	0	0
Additions	0	0
Transfers in/out	1	1
Disposals	(1)	(1)
Revaluation – Revaluation Reserve	0	0
Other movements	0	0
As at 31 March 2025	**0**	**0**
Impairment		
As at 1 April 2024	0	0
Impairments – Revaluation Reserve	0	0
Impairments – SoCNE	0	0
Transfers in/out	0	0
Disposals	0	0
Other movements	0	0
As at 31 March 2025	**0**	**0**
Net Book Value as at 31 March 2025	**0**	**0**
Net Book Value as at 31 March 2024	**0**	**0**
Asset Financing:		
Owned	0	0
Carrying amount as at 31 March 2025	**0**	**0**

25. Net Gain/(Loss) on Disposal of Fixed Assets

Disposals in the year were for the sale of Vehicles. Where possible, some of the vehicles were re-classified as Surplus in the prior year and some of the vehicles were still classified as operational until the point of disposal.

The following table analyses the subsequent gain/(loss) shown in the SoCNE following disposal:

Asset	Sale Proceeds 2025/26 £000s	Net Book Value 2025/26 £000s	Gain / (Loss) 2025/26 £000s
Vehicles - Surplus	125	138	(13)
Vehicles – Operational	70	28	42
Properties - Surplus	0	0	0
Right-of-Use Assets	0	0	0
Total	**195**	**166**	**29**

Asset	Sale Proceeds 2024/25 £000s	Net Book Value 2024/25 £000s	Gain / (Loss) 2024/25 £000s
Vehicles - Surplus	75	131	(56)
Vehicles – Operational	170	118	52
Properties - Surplus	0	0	0
Right-of-Use Assets	0	0	0
Total	**245**	**249**	**(4)**

26. Impairments and Revaluations

At 31 March 2026, all land, buildings and dwellings assets due for valuation under the five-year rolling programme of valuations (55% of portfolio), were valued by the in-house Estates and Valuations Surveyor (Russell Munn BSc MRICS). The basis of these valuations was as follows:

- Land and Buildings, where there is no market-based evidence of fair value: Depreciated Replacement Cost (DRC)

- All other Land and Buildings: Existing Use Value (EUV)

This resulted in impairments of £6.945 million, reflected as a loss in the SoCNE, and revaluation increase of £35.472 million, shown as a credit to the Revaluation Reserve.
Other non-current assets are valued at depreciated historic cost.

27. Contingent Assets / Liabilities

(a) Contingent Asset: Compensation claim against supplier

The contract with Systel to supply a new Command and Control Mobilising System was terminated in December 2022 due to milestones not being met. A claim for compensation was lodged against Systel in March 2023, and the Service is continuing to pursue this claim. The company is based in France and are in the equivalence of administration but continue to trade.

(b) Contingent Liability: Pension Benefits for Retained Firefighters ('Matthews' Case)

The 2006 (Special) Scheme was introduced on 23 May 2014, following a successful legal challenge to the rules which had previously prevented retained firefighters from joining the 1992 Scheme. As the 1992 Scheme was closed in 2006, a 'special' category of the 2006 Scheme was created that mirrored many of the rules and benefits that would have been available to these members if they had originally been allowed membership in the 1992 Scheme.

A time-limited options exercise was carried out between 2014 and 2015 which allowed existing and former retained firefighters with service between 1 July 2000 and 5 April 2006, an opportunity to join the 2006 Scheme as special members, subject to the payment of appropriate contributions, in respect of their service during that period.

In 2018, the Court of Justice of the European Union ruled that a part-time fee-paid judge, with service between 1 July 2000 and 5 April 2006, should have his pension backdated to include all his historic service in the Judicial Pension Scheme.

As a result of this ruling Scottish Ministers agreed to extend the pension entitlement to eligible retained firefighters to cover service pre-July 2000. It is expected that this option exercise will open sometime during 2026/27. This will increase the pension entitlement for some current special retained members and allow access to the scheme for additional historic retained firefighters. However, the pension administrator is still managing this complex task and are unable to provide financial data on the eligible members at the Accounting Date, therefore, no allowance has been included in the 2025/26 Accounts.

28. Firefighters' Pension Reconciliation

The requirements to prepare a Firefighters' Pension Account for the SFRS were specified in the Firefighters' Pension Scheme Amendment (Scotland) (No.2) Order 2010 (SSI 332/2010; see also SSI 333/2010). This order has now been revoked; however, this reconciliation is provided to demonstrate good practice and maintain a record of payments made, and income received in respect of Firefighters' pensions.

Funding for Fire Pension payments, with the exception of ill-health and injury benefits, is not included in the Grant in Aid funding provided by the Scottish Government. A specific grant is paid to the SFRS to take account of the funding required to meet the cost of employer contributions.

For 2026/27 there will be a change to funding for pensions. The top up element of the Firefighters Pensions will be removed from the Justice DEL budget and will sit as an AME Budget. The employer contribution will continue to be funded by DEL.

Although the Firefighters' Pension Account operates on an accruals basis, provisions for potential retirement (e.g., commuted sums) are not included as a charge against the Firefighters' Pension Account.

The following table illustrates the transactions on the Pension Account.

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Contributions receivable:		
Fire and Rescue Service:		
Contributions based on pensionable pay	(59,028)	(55,494)
Early retirements	(432)	(174)
Transfer Values In	(774)	(1,916)
Officers' contributions	(22,769)	(21,630)
Repayment of Contributions (Remedy)	(916)	0
Seconded Officer Income	(41)	(52)
Total Receivable	**(83,960)**	**(79,266)**
Benefits payable:		
Pensions	130,013	126,760
Commutations and lump sum retirement benefits	17,861	25,141
Lump sum death benefits	504	430
Remedy Compensation Payments	2,777	0
Transfer values paid	205	79
Total Benefits Payable	**151,360**	**152,410**
Deficit before Funding	**(67,400)**	**(73,144)**
Creditor/(Debtor) at start of financial year	2,244	(778)
Fire Pension Grant – total grant received	125,482	131,660
Less: Employers Contributions	(59,028)	(55,494)
Carried forward surplus/(deficit)	**1,298**	**2,244**

The £1.298 million surplus is contained within the Trade and Other Payables figure of £8.488 million for Central Government Bodies shown in Note 10 for 2025/26.

29. Other Reserve Movement

	Year ended 31 March 2026 £000s	Year ended 31 March 2025 £000s
Revaluation Reserve Write Off – Disposal of Buildings	4	0
Revaluation Reserve Write Off – Disposal of Assets Held for Sale	0	0
Revaluation Reserve Write Off – Disposal of Surplus Vehicles	86	82
Revaluation Reserve Write Off – Disposal of Intangible Assets	75	0
Revaluation Reserve Write Off – Impairment of RAAC roof properties	0	0
Total	**165**	**82**

In accordance with IFRS 5 *Non-Current Assets Held for Sale and Discontinued Operations,* assets identified as Assets Held for Sale must be revalued from Depreciated Replacement Cost (DRC) to Market Value at the time of transfer from Operational Assets to Assets Held for Sale. The impairment of the assets must be charged to the SoCNE and not be offset against any available Revaluation Reserve on that asset. In the year of disposal, the Revaluation Reserve balance must be written off to the General Fund.

30. Deferred Income

A grant was received in 2019/20 from the Energy Savings Trust to fund the installation of electric vehicle charging points (Phase 1). Additional grants were received in 2020/21 and 2021/22 from the Energy Savings Trust and Transport Scotland to fund further electric vehicle charging infrastructure across the Service (Phases 2 & 3).

Four Decarbonisation grants were received in 2021/22 from the Scottish Government's Directorate for Energy & Climate Change (DECC). These grants funded the installation of a biomass boiler at Fort William Fire Station, solar PV installations across various sites, building energy management systems at various locations and energy efficiency improvements within parts of the Retained Estate.

In 2022/23, Transport Scotland provided SFRS with a further grant to fund an additional phase of electric vehicles charging infrastructure across the Service (Phase 4).

The income received for all of these grants was initially recognised as deferred income within the SoFP and is being released to the SoCNE over the remaining useful lives of the associated assets, reflecting the consumption of the economic benefits provided by those assets. The useful lives of the assets range from 10 years for the electric vehicle charging infrastructure to between 20 and 43 years for the decarbonisation works.

A capital grant was received during financial year 2025/26 from the Scottish Government's CivTech Programme to support Challenge 10.2, which will deliver a fully developed operational system for identifying, measuring and monitoring firefighter exposure to contaminants, including associated software, data platform and supporting technologies. The grant has been recognised initially as deferred income within the SoFP. As the solution is currently under development and is not yet available for use, no income has been recognised in the SoCNE. Upon completion, the software licence will be brought into use as an intangible asset, at which point amortisation will commence. The deferred income will then be released systematically to income over the useful economic life of the asset, in line with the amortisation of the software licence.

The deferred income balance at 31 March 2026 comprises the following grants and funding streams:

Grant Provider	Project	Write-off Period	Balance at 31 March 2026 £000	Balance at 31 March 2025 £000
Energy Savings Trust	EV Charging Points Phase 1	10 years	50	67
Energy Savings Trust	EV Charging Points Phase 2	10 years	355	404
Transport Scotland	EV Charging Points Phase 3	10 years	872	839
Transport Scotland	EV Charging Points Phase 4	10 years	997	1,139
Scottish Government DECC	Decarbonisation Grants	Various	1,766	1,840
CivTech	Challenge 10.2 – Firefighter Exposure to Contaminants	3 years*	540	-
Total			**4,580**	**4,289**

*Subject to the final useful life of the software/intangible asset.

The deferred income balance will be recognised in the SoCNE over the following periods. The deferred income balance below ‘not later than one year’ £0.425 million is included within Trade and Other Payables amount in the Statement of Financial Position.

Deferred income	Year en ed 31 March 2026 £000s	Year ended 31 March 2025 £000s
Not later than one year	425	407
Later than one year but not later than 5 years	2,210	1,612
Later than 5 years	1,945	2,270
Total	**4,580**	**4,289**



THE SCOTTISH FIRE AND RESCUE SERVICE

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of section 42A (1) of the Fire (Scotland) Act 2005 (inserted by section 118 of the Police and Fire Reform (Scotland) Act 2012) hereby give the following direction.

2. The statement of accounts for the financial year ending 31 March 2022, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.

3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses and cash flows for the financial period and of the state of affairs at the end of the financial period.

4. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers.

Dated: