

**Address:**  
110 George Street  
Edinburgh EH2 4LH  
**Website:**  
[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

**Telephone:**  
0131 625 1500  
**Email:**  
[info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk)



## News release

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### The merger of the eight fire and rescue services was managed effectively but future challenges remain

**The creation of a single fire and rescue service for Scotland was managed effectively, and its performance is improving. A long-term financial strategy is now urgently needed to address a significant potential funding gap.**

An Audit Scotland report published today says that the Scottish Fire and Rescue Service (SFRS) maintained operations during the merger process, with no impact on the public. It also notes that progress is being made towards removing the differences in how the eight predecessor fire and rescue services were managed and operated, and establishing a national service.

The report states that the SFRS is on track to exceed the £328 million of savings planned by 2027/28. However, Audit Scotland estimates that potential future funding reductions may result in a funding gap of £42.7 million in 2019/20. The report recommends the SFRS agree a long-term financial strategy by the end of March 2016 to address these cost pressures and identify how to make further savings.

Caroline Gardner, Auditor General for Scotland, said: "The creation of the Scottish Fire and Rescue Service was well managed. This achievement provides a valuable opportunity to share the lessons of how this was done with other public bodies going through a merger process.

"The Service is reviewing how it will work in the future, and there is still a lot of hard work to do. Even without the funding gap identified in our report, a long-term financial strategy would be essential. It's now crucial that the service agrees this strategy, and supporting plans, to show how it will close the funding gap and achieve savings by 2019/20 and beyond."

**For further information contact Kirsty Gibbins Tel: 0131 625 1658 or by emailing [kjibbins@audit-scotland.gov.uk](mailto:kjibbins@audit-scotland.gov.uk)**

#### Notes to editors

1. The SFRS started work on 1 April 2013. It replaced the eight former fire and rescue services and the Scottish Fire Services College. In its first year, SFRS employed around 9,000 people and had a budget of £272.7 million.
2. The budget (for day-to-day spending) for the legacy, or predecessor services in 2012/13 was £290.7 million. The SFRS's budget in 2013/14 was £272.7 million and in 2014/15, it was £259.1 million. For 2015/16, it is £259.2 million. This represents a reduction of £31.5 million or 10.8 per cent (15.7 per cent in real terms) when compared to the legacy services. The majority (79 per cent in 2014/15) of SFRS's expenditure relates to staff costs, amounting to £207 million.
3. In November 2013, Her Majesty's Fire Service Inspectorate concluded that the transition to a single fire and rescue service had no adverse effect on operations. The Scottish Government's mid-year review of the SFRS's performance in 2014/15 also noted that the public had neither noticed nor suffered any reduced level of service during the creation of the single national fire and rescue service.

4. Today's report includes statistics relating to the profile, volume and costs of incidents dealt with by the SFRS in 2013/14. This information is located in Part Three of the report.

5. Audit Scotland has prepared this report for the Auditor General for Scotland. All Audit Scotland reports published since 2000 are available at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)

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