



FINANCE AND PROCUREMENT INCOME GENERATION POLICY

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Date of Risk Assessment (if applicable)	N/A
Date of Equality Impact Assessment	June 2023
Date of Impact Assessment (commenced)	N/A
Date of Impact Assessment (concluded)	N/A
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Date for Next Review	April 2027

VERSION HISTORY

Version	Change	Who	When
1.0	First version issued, supersedes Charging Policy	Tracey-Anne Morrow, Deputy Accounting Manager	11/04/2024

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1. POLICY STATEMENT

The Scottish Fire and Rescue Service (SFRS) is committed to achieving best value within the funding parameters provided by the Scottish Government. In addition, SFRS will continue to exploit and develop appropriate income streams to maximise income as detailed within this Income Generation Policy.

2. INTRODUCTION

Income Generation can help SFRS fund the Service's priorities by seeking additional funding through partnership working or recovering costs for activities beyond our statutory duties.

The Income Generation Policy provides an overview of the different types of Income Generation activity that SFRS can choose to engage in.

To ensure that SFRS explore all options available to generate income, market research has been carried out and guidance detailed in a report by Grant Thornton UK LLP has been considered within this policy. An extract of this report can be referred to at [Appendix A](#) of this policy.

The policy provides an overview of legislation which impacts on income generation. SFRS have established controls in place to manage income generation and, in line with best practice, SFRS have implemented a central repository for reporting and managing income generation and this is managed by the Income Generation Champion (IGC). The IGC will be a central point of contact for all income generation activities and will report within the Finance and Procurement Directorate. The IGC will work with relevant colleagues across the service involved in external funding and grants, e.g. Finance Business Partners, Service Delivery, Property, Fleet, ICT, Operations Equipment.

The IGC will ensure all individuals involved in income generation include robust project management foundations when developing proposals for funding.

A central repository has been created to store all relevant information relating to SFRS's Income Generation and regular updates will be provided to the Good Governance Board for appropriate governance and scrutiny in line with SFRS governance procedures.

3. SCOPE

The Income Generation Policy may be applied to any area within SFRS where it has been identified that legitimate income can be generated. The main areas are categorised and explained within this policy.

4. PARTNERSHIP FUNDING BIDS AND GRANTS

Bidding for partnership (external) funding is a valuable way of augmenting SFRS budgets to solve specific issues or take forward an innovative collaborative approach to a problem or issue. The potential financial gains from bids and grants can be significant.

Income from bids and grants is not limited and, if managed professionally and effectively, presents few pitfalls. A key element is to ensure that funding is aligned to meet the Service's priorities.

SFRS can attract financial support from a number of external partners and agencies and, therefore, this policy is intended to introduce best practice and standardise the processes in relation to applying for funding.

All monies secured from external sources are subject to SFRS [Financial Regulations](#) and [Standing Orders for the Regulation of Contracts](#), as well as the terms and funding conditions explicit in the agreement with the external partner.

Adherence to this policy and associated procedures will ensure compliance with all Scottish Government financial requirements, in terms of securing funding and spending money received from an external partner and reporting requirements in respect of funding sources.

4.1 Partnership Funding Bids – Resource

Through engagement within our Service Delivery Areas and Public Sector Partners, SFRS are aware of potential partnership funding that may be available to SFRS and that SFRS would be entitled to make a bid.

If an application for partnership funding is being considered, a Finance Business Partner should be contacted in the first instance and guidance sought.

Successful applications for Partnership Funding Bids should follow the [External Funding Policy and Procedure](#).

4.2 Grant Funding – Capital

SFRS identifies Grant Funding available for investment in Capital Projects through engagement with our Public Sector Partners and the Reform Collaboration Group. Scottish Government's ambition to reach Net Zero targets has resulted in separate funding streams being made available to public bodies. The grants available mainly encompass Green Energy Grants, De-carbonisation Grants or Transition to Net Zero Grants.

If an application for Capital Grant Funding is being considered, the Deputy Accounting Manager should be contacted in the first instance and guidance sought.

Successful applications for Capital Grant funding should follow the [External Capital Grants Procedure](#).

On all occasions, accurate and detailed costings of all Capital and Resource implications of the funding for SFRS must be prepared and detailed fully.

Prior to any application for funding, consideration must be given to the following:

- Resource consequences of the funded project;
- Compatibility with SFRS systems (approval through Digital Board in relation to IT systems);
- Ongoing support and future maintenance requirements (this will involve liaison with the appropriate SFRS department, e.g. Property, ICT, Fleet Management).

Partnership funding projects will be audited by either internal or external audit. It is, therefore, important that all funding information is retained and can be produced when requested. This information should be submitted and held centrally by the Income Generation Champion through contacting either the Finance Business Partner or the Deputy Accounting Manager.

5. APPRENTICESHIP INCOME

SFRS also benefits from income in relation to the Firefighting Modern Apprenticeship Scheme for wholetime duty system trainee firefighters which supports the costs associated with delivering the recognised qualification and assists in the mitigation of costs incurred by SFRS through the Apprenticeship Levy.

6. FEES AND CHARGES FOR SERVICES – SCALE OF CHARGES

SFRS is required to prevent and protect our communities from fire, enforce fire legislation, investigate fire and provide fire and rescue emergency response to our communities. No charges are levied for these services.

Charges may, however, be levied for special services supplied by 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.

6.1 Special Services

Examples of special services are (not exhaustive):

- Lift releases;
- Effecting entry to premises;
- Pumping water;
- Clearing spillages of hazardous materials;
- Provision of Fire Cover at major, national and commercial events (e.g. events at Murrayfield / Hampden, music festivals, sporting events);
- Making dangerous structures safe using height appliance;
- Inspection of private hydrants;
- Inspection of dry risers;
- Testing water pumps.

All special services are undertaken subject to emergency commitments and responsibilities of SFRS. If this service is terminated or interrupted due to an emergency call or other responsibilities confirmed by SFRS at any time, a claim for compensation cannot be made.

6.2 Requests for Information

Charges may be levied for requests of information. These will include:

- Precognition charges in respect of fire service representation at legal hearings;
- Administrative costs of providing copy fire reports and copy investigation reports;
- Administrative costs of responding to Freedom of Information requests where these exceed £100. Where the cost of disclosure is less than £100, there will be no charge;
- Provision of other information not covered by the Freedom of Information (Scotland) Act, e.g. documents, photographs, tape, video or recordings.

6.3 Shared Services and Use of SFRS Premises

SFRS will continue to work collaboratively with other public and third sector organisations to share facilities where there is mutual benefit. A Property Sharing Agreement will formalise the terms of use. SFRS uses an agreed cost recovery model that apportions the operating cost of the building. SFRS offers parking areas to other emergency vehicles as a tactical response location. Parking and use of facilities for this purpose alone will not incur charges.

SFRS offers local fire stations for community or charitable events and groups. Local and community based organisations which are not for profit in nature will not be charged for incidental use of meeting rooms in fire stations. Any additional costs incurred in providing this service, for example, additional cleaning or refuse collection, will, however, be re-charged to the relevant group, based on costs incurred.

On request, SFRS may also offer ad hoc venues or facilities for hire to other public bodies, voluntary organisations or private companies. For venue hire, the charge will be based on the size of facility being hired.

6.4 Training and Other Miscellaneous Services

SFRS may offer training on request to other public bodies or private companies. Where this is the case, an amount will be charged commensurate with the actual costs of providing the training.

SFRS will, from time to time, offer ad hoc services to affiliated charities and other organisations by agreement. The charge for providing this service will be on a cost recovery basis.

6.5 Trades Union Commission Fees

SFRS provides a service to trade unions by making deductions from payroll in relation to membership fees. SFRS charges a percentage commission fee of the total payroll deduction.

6.6 Application of Charges

Charges for areas of income generation will follow the fees set out in the [Scale of Charges](#). All charges levied during a year will be based on the agreed charges for that year and will continue until superseded.

Charges using an hourly rate will be based on a minimum of one hour's charge and increased by a quarter of the hourly charge for each complete or part-complete 15-minute period thereafter.

No discounts can be offered on charges. Where appropriate, Value Added Tax at the prevailing rate will be added to each published charge at the point of charging.

7. OTHER POSSIBLE AREAS OF ADDITIONAL INCOME GENERATION

SFRS will continually review areas of income generation with the following areas being explored at present:

- Charging for use of electrical charging points at SFRS locations;
- Provision of Training to external organisations;
- Further chargeable planned events across Scotland;
- Intellectual Rights, such as Training Materials and Training Literature;
- Biodiversity Offsets – North Lanarkshire community garden / composting;
- Self-Service Hub lockers at SFRS locations;
- Licencing of SFRS crest on replica products with a donation to Fire and Rescue Heritage Scotland in support of the MacDonald Road Museum.

8. ASSOCIATED DOCUMENTS / REFERENCES

Equality Impact Assessment

[External Capital Grants Procedure](#)

[External Funding Policy and Procedure](#)

[Financial Regulations](#)

[General Information Note – Event Planning](#)

[Scale of Charges](#)

[Standing Orders for the Regulation of Contracts](#)

APPENDIX A

Extract from Grant Thornton Report – Income Generation A Horizon-Scan of Trends and Innovation in Local Government

Rethinking Remedies for Financial Sustainability

- **Framing the approach to income generation within financial foresight** to achieve resilience (targeted recovery, good growth model, traced service line trajectories, reshaped transformation plans)
- **Identifying the most advantageous new income** opportunities based on strategic fit and reward, compared to ease of implementation and risk. Focus on six 'big ticket' areas other than grant, to secure full cost recovery and/or profit:

i) Fees and charges	ii) Tax	iii) Asset Management
iv) Treasury investments	v) Trading commercially	vi) Contract assurance to protect income

- **Factoring in cost of governance and specialist skills required** to comply with new finance rules to act prudently whilst delivering commercialisation, along with reputational risk from intense scrutiny
- **Aligning to a desire to pursue a more socially responsible form of** development which shares wealth locally and shapes place

Whole life path to success

Engage Bring stakeholders along on the journey based on vision, culture, capacity, risk appetite, powers

Insight	Transfer learning of sector best practice (baseline, benchmark, forecast performance)
Diagnosis	Identification of Big-Ticket options to generate income in consultation with stakeholders
Implement	Develop and deliver business cases
Report	Monitor Impact to enhance scrutiny, improve performance, accelerate transformation and retain stakeholder buy-in