

Address:
110 George Street
Edinburgh
EH2 4LH

Telephone:
0845 146 1010

Website:
www.audit-scotland.gov.uk



News release

Embargoed until 00:01 hours, Thursday 30 May 2013

Edinburgh services have improved but council should prioritise delivering savings

The City of Edinburgh Council has improved services and the way it works but is facing a particularly challenging financial situation, says the Accounts Commission.

In its findings on the Best Value audit report on the council, published today, the Commission welcomes improved performance in a number of areas including partnership working, children's services, economic development and aspects of reducing inequalities. However, it says the council should give absolute priority to making sure planned savings are delivered.

The council's four-year budget sets out the need for recurring annual savings of £107 million by 2017/18. There is a range of annual savings planned to address this including £41 million by 2017/18 from improved procurement. Even if all these planned savings are achieved the council has calculated that it will still need to identify savings of £7m in 2015/16, £19m in 2016/17 and £17m in 2017/18.

Chair of the Accounts Commission, John Baillie, said:

"We welcome the improvements the council has made in areas such as partnership working, economic development and children's services but the scale of the financial challenge is substantial.

"The council does have plans for the next four years but there are significant risks and uncertainties around whether these targets are achievable. Its prospects for future improvement depend heavily on it achieving planned savings and addressing the funding gaps that remain. The council should give absolute priority to making sure the savings are delivered.

"The council shows a good understanding of the challenges it faces and the need to restore public confidence which has been damaged by the problems with the tram project and its statutory repairs service."

The Commission says the council also needs to:

- develop a comprehensive workforce strategy
- improve its information communication technology (ICT)
- ensure it has effective risk management and internal audit arrangements
- improve a range of services including: adult social work; waste management; and meeting housing need
- ensure it has the capacity and skills needed to deliver its ambitious improvement programme
- ensure that staff have an understanding of and commitment to its change programme.

The Commission has asked the Controller of Audit to report on the council's progress in around eighteen months' time.

For further information contact Fiona McCall Tel: 0131 625 1651, fmccall@audit-scotland.gov.uk

Notes to editors

1. You can access the report at www.audit-scotland.gov.uk/embargo. When prompted enter username: journalist, password: newreport.
2. The Accounts Commission's findings are based on The Audit of Best Value and Community Planning: The City of Edinburgh Council prepared by Audit Scotland. In the report, Audit Scotland makes two judgements on the council's performance. It has assessed the council's overall performance in services and outcomes as "good" and its prospects for future improvement as "fair".

3. The 2007 Best Value report on City of Edinburgh Council is available on the Audit Scotland [website](#).
4. Audit Scotland has prepared this report for the Accounts Commission for Scotland. All Audit Scotland reports published since 2000 are available at www.audit-scotland.gov.uk
 - The Accounts Commission looks at whether local authorities spend public money properly and effectively.
 - Audit Scotland is a statutory body set up in April 2000, under the Public Finance and Accountability (Scotland) Act 2000. It provides services to the Accounts Commission for Scotland.