

S.R. 2002/3

ACCOUNTS COMMISSION
PROGRESS REPORT ON
SCOTTISH BORDERS COUNCIL

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On 15 November 2001 the Accounts Commission issued findings in connection with the Controller of Audit's statutory report on the Education Department overspend in Scottish Borders Council (SR 2001/4). As part of those findings the Commission required the Controller of Audit to monitor implementation of the Council's action plan and to make a further report on the position at 31 March 2002. The Commission has now considered

- The Controller of Audit's progress report dated 5 June 2002 (SR 2002/3)
- Response by Scottish Borders Council in their Chief Executive's letter of 28 June 2002

The Commission notes

- There have been major changes in the management of the education service and in the most senior management of the Council at both officer and elected member level
- The Council has taken steps to control expenditure on education services and to improve its overall financial position in the short term
- The Council has stated that its recovery plan is now being consolidated with other plans and initiatives currently being progressed by the Council

However, there remain concerns expressed by the Controller of Audit as follows

- Many of the financial management weaknesses continued during the remainder of the 2001/2 financial year and the Council needs to consider the stabilisation of its finances in the longer term
- Some staff within Lifelong Learning remain unclear about their specific responsibilities for monitoring and controlling financial performance
- Weak management co-ordination continued into the period under review
- Elected members simply noted budget monitoring reports without exploring issues of co-ordination between officials

The Commission welcomes the progress which has been made by the Council, and notes that the Council agreed to accept the Controller of Audit's progress report. In view of the issues outstanding, the Commission shares the concerns of the Controller of Audit about implementation of measures to improve the position. It wishes to keep these issues under review and accordingly requires the Controller of Audit to make a further report on the position in Scottish Borders Council as at 31 October 2002.

10 July 2002

