

# **Statement on AGS report on Scottish Enterprise**

September 2 2003

The Auditor General, Robert Black, confirmed today that he intends to make a report in the Autumn to the Scottish Parliament on aspects of Scottish Enterprise's operations. His report is likely to focus on the following areas:

- SEn's performance against targets and performance monitoring processes
- The management of flagship projects, including the use of budgets and applications for EU funding
- SEn's use of consultants/contractors
- Numbers of staff employed in "customer relations"

Some of these areas were already the subject of consideration by Audit Scotland as part of the audit of Scottish Enterprise, and further areas were brought to the attention of the Auditor General through media reports and by the MSP Annabel Goldie, who wrote to Mr Black.

Audit Scotland also intends to publish two further reports on the impact & effectiveness of the work of Scottish Enterprise.

Work has already begun on an examination into the business services area of SEn – which accounts for about one third (£150m) of its budget. This report is due to be published early next year (2004) and it will cover what is spent, to what purpose, and with what effect.

Last October, Audit Scotland published a report on the work of local economic forums and a follow-up report on the performance of these forums will also be produced at the end of this year.