

Address:
110 George Street
Edinburgh
EH2 4LH

Telephone:
0131 477 1234
Fax:
0131 477 4567

Website:
www.audit-scotland.gov.uk



Press release

Embargoed until 00.01 Thursday, 16 March 2006

Scottish Enterprise: contribution to economy needs to be more clearly identified

Scottish Enterprise needs to improve how it evaluates its activities to provide a clearer assessment of its contribution to growing Scotland's economy.

This is the key finding in the Auditor General for Scotland's report *Performance Management in Scottish Enterprise* which is published today.

Robert Black, Auditor General for Scotland said: "Improvements have been made within Scottish Enterprise, but it remains difficult to assess well the contribution that the agency makes to Scotland's economy and to the objectives of *A Smart Successful Scotland*. The performance measures currently used provide only a limited picture of achievements.

"If Scottish Enterprise is to demonstrate clearly the value it adds then it needs to improve the way it evaluates the impact of its activities. New guidance has recently been introduced within Scottish Enterprise which should help to address these issues but Scottish Enterprise must continue to improve performance management throughout the organisation."

The report makes a series of recommendations which include that Scottish Enterprise should:

- work with the Scottish Executive to focus on its contribution to *A Smart Successful Scotland*.
- continue to improve how it develops, monitors and evaluates its work.
- improve the quality and consistency of its evaluation work.
- continue working to ensure that positive changes at management level are cascaded down throughout the organisation.

Mr Black concluded: "Measuring the impact of economic development activity is complex and similar agencies throughout the world struggle with these issues. Scottish Enterprise's approach appears to be making progress but there is scope for further improvement."

Ends

Further Information from Leon Thompson tel: 0131 624 9974 or Simon Ebbett tel: 0131 624 9924.

Notes to editors

1. 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 Auditor General for Scotland and the Accounts Commission.
2. The Auditor General is responsible for securing the audit of the Scottish Executive and most other public bodies in Scotland, except local authorities. He investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Auditor General is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.
3. The full report can be found on Audit Scotland's website – www.audit-scotland.gov.uk
4. In January 2001, The Scottish Executive published *A Smart Successful Scotland* (SSS), a comprehensive policy statement which sets out the strategic direction for Scottish Enterprise, HIE and their networks of Local Enterprise Companies. It offers a strategy for improving the competitiveness and productivity of the Scottish economy focused around three key themes – Growing Businesses, Global Connections and Skills and Learning.

Audit Scotland provides services to the Auditor General for Scotland and the Accounts Commission