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## News release

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# Shetland Islands Council makes significant progress but faces major challenges ahead

The Accounts Commission today highlights positive steps taken by Shetland Islands Council (SIC) to tackle long-standing issues.

A public hearing held in Lerwick in June 2010 led to the council producing an improvement plan and the Commission considering progress reports from the Controller of Audit. Its findings today are in response to the most recent follow-up report carried out by the Controller of Audit.

The Commission welcomes the significant progress made by the council, particularly in continuing to develop a culture of continuous improvement. It is encouraged by the improved relations among councillors and between councillors and officers which is helping deliver clear strategic direction and leadership.

This has been helped by better training of councillors and learning from good practice elsewhere. The council has also made significant improvements in how it manages finances and information. The Commission is particularly pleased that the council's financial statements have been given an unqualified opinion by the external auditor for the first time since 2004/05.

However, the council faces significant challenges in its efforts to deliver services for islanders on a more sustainable basis. This will need careful consideration of options and a full appreciation of costs. The council is engaging well with its communities in discussing these challenges.

The Commission says it is vital that the positive momentum of the council is kept up.

Chair of the Accounts Commission, John Baillie, said: "This is a very positive report. There has been a real desire to tackle long-standing problems at Shetland Islands Council. I am pleased that this has led to improvements in the way the council is run.

"It is vital that this positive momentum is maintained as the council faces major challenges to reshape services and continue to deliver for the people of Shetland in the years ahead."

The council's progress will be now monitored not by special follow-up reports, but as part of the annual audit process.

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### Notes to editors:

1. The Controller of Audit's December 2012 report, the Commission's findings and a podcast can be accessed on the embargoed section of the Audit Scotland website: [www.audit-scotland.gov.uk/embargo](http://www.audit-scotland.gov.uk/embargo) Please use the user name "journalist" and password "new report"

2. The Accounts Commission for Scotland checks whether local authorities, fire & rescue services and police boards spend public money properly and effectively. Audit Scotland provides services to the Accounts Commission. More background is available at [www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk)