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News release

Embargoed until 00:01 hours, Thursday 27 August 2015

Faster and more ambitious change is needed at Falkirk

Falkirk Council has identified £46 million of savings it needs to make but has to do a lot more to deliver them, says the Accounts Commission.

A report published today recognises that Falkirk generally delivers a good standard of council services, particularly in education, but the council must make savings of £46 million over the next three years.

It has relied too heavily in the past on small-scale savings projects, reducing services and increasing charges. The Commission says it has significant concerns that this approach is inadequate to ensure that service standards are maintained and improved.

Difficult working relationships and political tensions between councillors have led to a lack of proper scrutiny over the past two years. New arrangements are now in place but the council needs to show that they are working effectively.

Douglas Sinclair, chair of the Accounts Commission said: "Falkirk Council needs to do a great deal to provide assurance that it can deal with the financial challenges ahead.

"It must commit to a more ambitious financial plan that clearly sets out its priorities and how spending reductions will impact on services, and the people who use them. There needs to be better leadership to achieve this, and councillors must fully engage with the new scrutiny arrangements, which will be essential when difficult decisions inevitably need to be made."

The Commission has asked the Controller of Audit for an update on the council's progress by the end of 2016.

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Notes to editors

1. The Accounts Commission last published an audit report on [Best Value in Falkirk Council in May 2008](#).
2. Falkirk Council has 32 councillors across nine wards. In recent years, the council's political arrangements have been a series of coalitions. In May 2013, the council revised its decision-making structures and implemented an Executive structure. The council has an annual budget of around £330 million for its running costs and it employs almost 7,500 full-time equivalent staff.
3. With a population of 157,640, Falkirk is the eleventh largest council area in Scotland. Its population is expected to increase by over 10 per cent to about 173,130 by 2037. Recent major changes in the area include a new NHS hospital, all the area's secondary schools built from new or refurbished, and regeneration projects to improve some town centres. Other developments include the opening of the Falkirk Stadium, the Falkirk Wheel and, more recently, The Helix.

4. In February 2015, the Council agreed its £335 million budget for 2015/16 and approved a draft budget of £332 million for 2016/17. This is the first time that the council has budgeted its spending over more than one year. The budget includes £12.4 million savings for 2015/16 and a further £18.4 million for 2016/17. This means that the council still needs to identify and deliver another £15.2 million of savings by the end of 2017/18. It requires the council to make difficult decisions to prioritise spending, not least in employee costs, which account for 60 per cent of its expenditure.

5. 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 is the public spending watchdog for local government. It holds councils and various joint boards and committees in Scotland to account and help them improve. It operates impartially and independently of councils and of the Scottish Government, and meets and reports in public
- 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 for Scotland.