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COUNCILS MISS RENT COLLECTION TARGETS

A report published today by the Accounts Commission shows that in 2001/02 only six Scottish councils reduced tenants' rent arrears to target levels. Of the semi-urban and rural councils just Perth and Kinross, Scottish Borders and Orkney Islands achieved the 3% target. Of the city and urban councils only North Lanarkshire, South Lanarkshire and Falkirk achieved the 7% target.

This latest review of council tenants' rent arrears excludes Glasgow City Council as it was unable to provide reliable information.

Of the £398 million in rent due to the other 31 councils, over £29 million was still in arrears at the end of the year. The report reveals that although two-thirds (23) of these councils made some improvement, rent arrears in the majority of councils were still much higher than the targets. The Commission says there is still plenty of room for improvement. In the report, West Dunbartonshire Council is singled out for continuing to have the highest level of arrears in Scotland at 19.2% (£1.77m).

Accounts Commission Chairman Alastair MacNish says:

“While there are examples of significant improvements in some councils, the fact that only six have reduced arrears to the target levels demonstrates that the majority of councils are still not in control of this problem. These six councils have shown that the targets are achievable and the others need to follow suit.

I am also concerned that the Glasgow City Council was unable to provide reliable information on tenants' rent arrears for 2001/02. In previous years, Glasgow had substantial arrears and this is unlikely to have changed.

“Councils must make sure that their rent and benefits systems are working well. It is important that councils are able to identify and help tenants who are falling into arrears. They must also ensure that those people who are entitled to benefits get them quickly.”

A particular problem highlighted in the Commission's report is the link between high arrears and the long processing times for housing benefit claims. The six councils with the highest level of arrears also have the poorest processing times. The Commission says that councils need to address their benefits administration processes to help reduce rent arrears levels.

The report also shows that overall councils failed to reduce the time taken to re-let empty houses. In 2001/02, delays in re-letting empty houses cost councils £28.7 million in lost rental income which was 2.6% of the rent due. The year before they lost 2.5% of rental income due to this problem.

In contrast, over the last two years, councils achieved a 7% improvement in the proportion of council house sales processed with the 26 week target time. In 2001/02, 67.4% of council house sales took 26 weeks or less.

The Commission is also releasing information today which shows how effectively councils are managing different aspects of their Education services. It shows that the number of three-year olds in pre-school education has continued to rise to a record level of 90%. The Commission says there has been an encouraging 15% rise over three-years. Information is also provided on school occupancy levels and the time taken to complete special education needs assessments.

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Notes to editors:

1. The Accounts Commission is responsible for securing the audit of 32 Scottish councils and 34 joint boards, including police and fire services. The Commission investigates whether spending bodies achieve the best possible value for money and adhere to the highest standards of financial management. The Accounts Commission is independent and is not subject to the control of the Scottish Executive or the Scottish Parliament.
2. 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 Accounts Commission and the Auditor General for Scotland.
3. Since 1993/94 councils have been required by law to provide information on how well they are carrying out their activities. Under the Local Government Act 1992 the Accounts Commission has to decide what information councils provide. The information for 2001/02 is the ninth annual comparison of council performance. It provides important benchmarks against which performance will continue to be measured in future years.
4. The pamphlets published today relate to education, housing and social work and are the third and fourth in a series of six pamphlets comparing the performance, over a range of services, achieved by all 32 Scottish councils, eight fire brigades and eight police forces.
5. This year, for the first time, information considered by an authority's appointed auditor to be unreliable has been excluded from the Scotland figures.
6. The targets, which were set in an earlier Accounts Commission report, encourage all councils to reduce arrears to the levels achieved or bettered by the top performing 25% in each group in 1998/99.
7. Information relating to leisure & library services, and environmental & regulatory services will be published on 5 February. Once published, this information will be available on the Commission's web site on www.audit-scotland.gov.uk