

## ANGUS COUNCIL

## NEIGHBOURHOOD SERVICES COMMITTEE – 26 FEBRUARY 2009

## REPORT BY THE DIRECTOR OF NEIGHBOURHOOD SERVICES

ARREARS UPDATE INCLUDING SERIOUS ARREARS - HOUSING REVENUE ACCOUNT  
TENANTS

<b>Abstract:</b> This report updates Members on current rent arrears levels, brings to the Committee's attention very serious arrears cases and seeks approval, on an individual basis, to seek decree for eviction and payment.
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**1. RECOMMENDATION**

1.1 It is recommended that Members:

- i) Note the current performance information provided at Appendix A;
- ii) Give approval to proceed to eviction for cases set out in Appendix B;
- iii) Note the progress to date in pursuing serious arrears cases.

**2. BACKGROUND**

2.1 Members have been kept informed of performance on tackling rent arrears and are aware of the challenges currently facing the Council in securing regular rent payments. Members have also raised their concerns about the significant levels of arrears which cases presented to Committee have been associated with. This report provides an update on performance; seeks Members' approval to seek decree for eviction and payment for the arrears cases contained in Appendix B; and reports on recent action taken.

**3. PERFORMANCE**

3.1 The tables contained within Appendix A provide details of our performance at 4 January 2009 in comparison with performance since 22 October 2009 as reported in Report Nos 1085/08 and 25/09.

**4. ADVICE AND ASSISTANCE/COURT ACTION**

4.1 In the cases detailed in Appendix B contacts or efforts to contact the tenants to offer every available advice and assistance have been considerable.

4.2 Routine arrears letters issued from the appropriate Community Housing Teams have been unsuccessful in containing the position. These communications have been supported by visits and efforts to contact made by the appropriate officials.

4.3 In all cases in Appendix B the tenants have been kept informed of progress in respect of the action being raised against them and made fully aware of the remedies open to them. Various alternative methods of payment have been explained and advice on the National Housing Benefit Scheme in respect of rent and Council Tax given. Tenants are advised to seek independent advice, in particular, debt counselling, and are advised to contact the Citizens Advice Bureau, Welfare Rights or other agencies. Where appropriate, referrals will be made to other agencies that specialise in debt counselling or money advice.

**5. HOUSING (SCOTLAND) ACT 1987 IN RELATION TO HOMELESSNESS**

5.1 If a tenant is evicted, the tenant concerned may present themselves to the Council as homeless. In terms of the current legislation the Council would be required to provide them with temporary accommodation while their homelessness application is assessed. The Council will be seeking to conduct an assessment as early as possible and the Social Work and Health Department will be fully informed of the progress of any eviction including steps taken to avert the eviction.

**6. RECENT ACTION**

- 6.1 At the end of the financial year 2007/2008 the Council reported current tenants' rent arrears as a percentage of net rent due was 13.6%. During the third quarter of the financial year 2008/2009 this had fallen to 12%.
- 6.2 The number of tenants reported in Committee report 960/08 owing £1,000 or over has dropped from 337 in August 2008 to 276 on 4 January 2009. In monetary terms this represents a change from £583,629 in August 2008 to £489,782 in January 2009.
- 6.3 Committee report 25/09 highlighted 10 serious rent arrears and Members gave permission to either seek decree or evict.
- 6.4 In five of these cases the Council has arranged eviction and these will be carried out presently unless the decree amount and expenses is paid. Repayment arrangements have been made for two of the cases which will be monitored closely to ensure payments continue to be made regularly. In one case the Council has recently obtained decree and arrangements are being made to set the eviction date. The Council is waiting on a Court date in one case and one tenant has recently been sequestered.

## **7. FINANCIAL IMPLICATIONS**

- 7.1 There are no financial implications for the Council arising directly from the recommendation in this report.
- 7.2 Members should note however that should any evictions be actioned and should such tenants present themselves thereafter as homeless, costs would be incurred in respect of temporary accommodation. Such costs would be met from the appropriate budget provision within either the Housing Revenue Account or the General Fund Other Housing budget depending on the outcome of the assessment of their homelessness application.

## **8. HUMAN RIGHTS IMPLICATIONS**

- 8.1 All implications, particularly with regard to Articles 1 and 8 of the First Protocol of the European Convention on Human Rights: protection of property and the right to respect for private and family life have been considered in preparation of this report.

## **9. CONSULTATION**

- 9.1 The Chief Executive, the Director of Corporate Services, Director of Social Work and Health the Head of Finance and the Head of Law and Administration have been consulted in the preparation of this report.

## **10. EQUALITIES IMPLICATIONS**

- 10.1 The issues dealt within this report have been the subject of consideration from the equalities perspective (as required by the legislation). An equalities impact assessment is not required.

## **11. CONCLUSION**

- 11.1 The Council is ensuring that every effort is being made to encourage and support tenants with rent payment.
- 11.2 Angus Council remains committed to providing support with rent payment but ultimately where this is not utilised by tenants Angus Council must enforce the tenancy conditions agreed through the Scottish Secure Tenancy Agreement and make it clear that rent payment is a priority and that failure to keep up rent payments will result in the utilisation of the full range of sanctions available to the Council. Members are also asked to note that further and ongoing work will be done to ensure that the momentum on tackling arrears is maintained and where further improvements can be made these will be thoroughly investigated.

**RON ASHTON**  
**DIRECTOR OF NEIGHBOURHOOD SERVICES**

**NOTE:** No background papers, as defined by Section 50D of the Local Government (Scotland) Act 1973 (other than any containing confidential or exempt information) were relied on to a material extent in preparing the above Report.

**Hsg/NS/AMcK/LO**

## Appendix A – Performance tables

### Table 1 – Angus Council current tenant arrears

Bandings for rent arrears	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£88,214.82 (24)	£86,051.67 (24)	£74,215.51 (20)
£2000 - £3000	£134,402.65 (55)	£120,895.58 (50)	£133,124.97 (55)
£1000 - £2000	£336,025.46 (237)	£296,399.89 (210)	£282,443.63 (201)
£500 - £1000	£270,083.06 (385)	£264,996.78 (376)	£277,171.05 (385)
£250 - £500	£132,102.28 (367)	£124,755.24 (348)	£129,222.42 (359)
<£250	£120,664.38 (1381)	£118,815.64 (1415)	£136,141.83 (1581)
<b>Total</b>	<b>£1,081,492.65 (2449)</b>	<b>£1,011,914.80 (2423)</b>	<b>£1,032,319.41 (2601)</b>

### Table 2- Current tenant arrears by Arbroath, Carnoustie and Monifieth Community

Bandings for rent arrears	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£40,463.72 (11)	£42,953.91 (12)	£37,079.99 (10)
£2000 - £3000	£68,210.94 (28)	£56,643.90 (24)	£63,679.02 (27)
£1000 - £2000	£147,581.40 (106)	£129,190.81 (94)	£119,111.38 (87)
£500 - £1000	£127,888.42 (181)	£121,281.85 (172)	£122,373.62 (169)
£250 - £500	£53,511.63 (145)	£49,087.99 (138)	£50,225.67 (140)
<£250	£50,537.73 (577)	£50,131.91 (570)	£56,320.06 (621)
<b>Total</b>	<b>£488,193.84 (1048)</b>	<b>£449,290.37 (1010)</b>	<b>£448,789.74 (1054)</b>

Housing Team area.

**Table 3 - Current tenant arrears by Forfar and Kirriemuir Community Housing Team area.**

Bandings for rent arrears	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£31,206.13 (9)	£29,735.42 (9)	£24,116.51(7)
£2000 - £3000	£39,028.03 (16)	£38,441.15 (16)	£46,650.03 (19)
£1000 - £2000	£115,195.53 (78)	£99,551.73 (69)	£101,811.96 (71)
£500 - £1000	£74,062.08 (105)	£72,938.58 (103)	£76,345.06 (107)
£250 - £500	£38,683.08 (109)	£35,040.32 (96)	£39,482.41 (110)
<£250	£35,074.50 (410)	£35,951.16 (445)	£40,367.87(489)
<b>Total</b>	<b>£333,249.35 (727)</b>	<b>£311,658.36 (738)</b>	<b>£328,773.84 (803)</b>

**Table 4 - Current tenant arrears by Montrose and Brechin Community Housing Team area.**

Bandings for rent arrears	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£16,544.97 (4)	£13,362.34 (3)	£13,019.01 (3)
£2000 - £3000	£27,163.68 (11)	£25,810.53 (10)	£22,795.92 (9)
£1000 - £2000	£73,248.53 (53)	£67,657.35 (47)	£61,520.29 (43)
£500 - £1000	£68,132.56 (99)	£70,776.35 (101)	£78,452.37 (109)
£250 - £500	£39,907.57 (113)	£40,626.93 (114)	£39,514.34 (109)
<£250	£35,052.15 (394)	£32,732.57 (400)	£39,453.90 (471)
<b>Total</b>	<b>£260,049.46 (674)</b>	<b>£250,966.07 (675)</b>	<b>£254,755.83 (744)</b>

**Table 5 – Angus Council former tenant arrears.**

Bandings for rent arrears	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£46,431.24 (13)	£54,919.79 (15)	£58,600.27 (16)
£2000 - £3000	£71,168.69 (29)	£75,963.24 (31)	£79,075.51 (32)
£1000 - £2000	£124,917.67 (95)	£140,033.11 (106)	£149,165.07 (111)
£500 - £1000	£102,102.29 (142)	£108,269.85 (150)	£117,535.68 (162)
£250 - £500	£61,612.45 (172)	£67,208.93 (187)	£70,087.33 (194)
<£250	£52,483.82 (562)	£54,601.11 (587)	£57,097.80 (606)
<b>Total</b>	<b>£458,716.16 (1013)</b>	<b>£500,996.03 (1076)</b>	<b>£531,561.66 (1121)</b>

**Table 6 – Current tenant arrears for dispersed accommodation.**

Bandings for rent arrears	Balance due at 22 October 2008 and (number of properties)	Balance due at 30 November 2008 and (number of properties)	Balance due at 4 January 2009 and (number of cases)
>£3000	£5,437.76 (1)	£8,308.78 (2)	£8,719.13 (2)
£2000 - £3000	£2,918.76 (1)	0 (0)	£0 (0)
£1000 - £2000	0 (0)	0 (0)	£1,205.60 (1)
£500 - £1000	£7,032.90 (10)	£2,720.50 (4)	£9,291.37 (13)
£250 - £500	£3,612.06 (10)	£3,419.23 (10)	£1,725.04 (5)
<£250	£1,631.32 (23)	£3,596.40 (35)	£2,991.92 (26)
<b>Total</b>	<b>£20,632.80 (45)</b>	<b>£18,044.91 (51)</b>	<b>£23,933.06 (47)</b>

**Table 7 – Former dispersed accommodation tenant arrears.**

Bandings for rent arrears	Balance due at 22 October 2008	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£11,117.18	£11,117.18 (3)	£11,117.18 (3)
£2000 - £3000	£12,597.49	£12,597.49 (5)	£12,597.49 (5)
£1000 - £2000	£21,819.08	£21,819.08 (17)	£20,772.32 (16)
£500 - £1000	£36,122.80	£36,680.40 (53)	£36,728.54 (53)
£250 - £500	£20,379.96	£20,798.22 (57)	£22,298.85 (61)
<£250	£17,918.70	£19,574.89 (82)	£20,505.08 (212)
<b>Total</b>	<b>£119,955.21</b>	<b>£122,587.26 (340)</b>	<b>£124,019.46 (350)</b>

**Table 8 – Current arrears in temporary accommodation.**

Balance due at 22 October 2008 and number of properties	Balance due at 30 November 2008 and number of properties	Balance due at 4 January 2009 and number of properties
£2,853.74 (20)	£4,869.29 (22)	£5,026.15 (17)

**Table 9 – Former tenant arrears for temporary accommodation.**

Bandings for rent arrears	Balance due at 22 October 2008	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)
>£3000	£3,993.60 (1)	£3,993.60 (1)	£3,993.60 (1)
£2000 - £3000	£11,932.77 (5)	£11,932.77 (5)	£11,932.77 (5)
£1000 - £2000	£51,705.01 (40)	£51,705.01 (40)	£51,705.01 (40)
£500 - £1000	£56,191.43 (78)	£56,191.43 (78)	£58,348.80 (81)
£250 - £500	£58,058.96 (166)	£58,332.02 (167)	£58,514.15 (167)
<£250	£64,445.46 (743)	£65,180.56 (753)	£66,381.10 (764)
<b>Total</b>	<b>£246,327.23 (1033)</b>	<b>£247,335.39 (1044)</b>	<b>£250,875.43 (1058)</b>

## Appendix B

Case Number	02/09/660280/M	02/09/623296/M	02/09/612146/M	02/09/602582/M	02/09/650528/M	02/09/148881/M	02/09/589012/M
<b>Current Arrears</b>	£875.75	£705.27	£1,057.67	£923.72	£1,079.45	£802.66	£1,253.40
<b>Weekly Charge</b>	£38.23	£30.10	£39.75	£29.08	£43.31	£41.28	£36.69
<b>Tenancy Start</b>	19 November 2007	09 October 2006	05 June 2006	30 January 2006	06 August 2007	19 June 2000	15 August 2005
<b>House Type</b>	3apt Flat	2apt Flat	3apt Flat	2apt Flat	3apt Flat	3apt Flat	2apt Flat
<b>Tenancy Info</b>	Single Female, 1 child	Single Female	Single Female, 1 Child	Single Female	Single Female, 1 Child	Single Female, 2 Children	Couple
<b>Employed</b>	No	Yes	Yes	No	Yes	Yes	No
<b>Housing Benefit</b>	No	No	No	No	No	No	No
<b>Decree Held</b>	No	No	No	No	No	No	No