

## ANGUS COUNCIL

## NEIGHBOURHOOD SERVICES COMMITTEE – 15 January 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; seeks approval, on an individual basis, for further action which will include the ultimate sanction of eviction.
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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 evict the very serious arrears cases contained in the report; and reports on recent action taken.

**3. PERFORMANCE**

3.1 The tables contained within Appendix A provide details of our performance at 5 December 2008 in comparison with performance since 31 August 2008 as reported in Report Nos 960/08 and 1085/08.

**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 Offices 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 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.

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

5.1 Should the Committee agree to evict a tenant and should that eviction be carried out, 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 as they have been kept informed, where appropriate, of the progress up-to-date.

## **6. RECENT ACTION**

- 6.1 It should be noted that 42 serious rent arrears cases have been approved by Committee for eviction since August 2008. 15 have been evicted and subsequently a debt of £26,500.32 has been transferred from current to former tenants' arrears. One tenant abandoned their tenancy and a debt of £3,325.17 has been transferred from current to former tenants' arrears. Four have sought legal advice and have had their decrees recalled. Six are waiting eviction dates to be set. The remainder have either paid in full (7 amounting to £12,564.85) or made arrangements to repay (4 amounting to £1,563.31). We are actively working with the remaining five tenants, however, a decision whether to evict or not will be made quickly.
- 6.2 All tenants have now been issued with a letter confirming the Council's policy on arrears and tenants in arrears of one week or more have been issued with letters advising of the consequences of failing to set up and adhere to repayment arrangements. An evaluation of the response will be reported to at a future date.
- 6.3 Work is ongoing with Finance (Revenues & Benefits) and Law and Administration to develop more robust procedures for tackling rent arrears

## **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 31 August 2008 and (number of cases)	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)
>£3000	£77,254.89 (21)	£88,214.82 (24)	£86,051.67 (24)
£2000 - £3000	£170,859.96 (71)	£134,402.65 (55)	£120,895.58 (50)
£1000 - £2000	£335,516.77 (245)	£336,025.46 (237)	£296,399.89 (210)
£500 - £1000	£275,438.48 (383)	£270,083.06 (385)	£264,996.78 (376)
£250 - £500	£120,492.48 (336)	£132,102.28 (367)	£124,755.24 (348)
<£250	£110,214.81(1395)	£120,664.38 (1381)	£118,815.64 (1415)
<b>Total</b>	<b>£1,089,777.39 (2451)</b>	<b>£1,081,492.65 (2449)</b>	<b>£1,011,914.80 (2423)</b>

**Table 2- Current tenant arrears by Arbroath, Carnoustie and Monifieth Community Housing Team area.**

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)
>£3000	£33,633.74 (9)	£40,463.72 (11)	£42,953.91 (12)
£2000 - £3000	£90,032.42 (37)	£68,210.94 (28)	£56,643.90 (24)
£1000 - £2000	£150,486.23 (111)	£147,581.40 (106)	£129,190.81 (94)
£500 - £1000	£127,403.48 (176)	£127,888.42 (181)	£121,281.85 (172)
£250 - £500	£49,177.31 (140)	£53,511.63 (145)	£49,087.99 (138)
<£250	£43,124.80 (550)	£50,537.73 (577)	£50,131.91 (570)
<b>Total</b>	<b>£493,857.98 (1023)</b>	<b>£488,193.84 (1048)</b>	<b>£449,290.37 (1010)</b>

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)
>£3000	£27,893.72 (8)	£31,206.13 (9)	£29,735.42 (9)
£2000 - £3000	£49,311.61 (21)	£39,028.03 (16)	£38,441.15 (16)
£1000 - £2000	£112,157.63 (80)	£115,195.53 (78)	£99,551.73 (69)
£500 - £1000	£71,185.22 (100)	£74,062.08 (105)	£72,938.58 (103)
£250 - £500	£32,513.03 (90)	£38,683.08 (109)	£35,040.32 (96)
<£250	£34,482.70(436)	£35,074.50 (410)	£35,951.16 (445)
<b>Total</b>	<b>£327,543.91 (735)</b>	<b>£333,249.35 (727)</b>	<b>£311,658.36 (738)</b>

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)
>£3000	£15,727.43 (4)	£16,544.97 (4)	£13,362.34 (3)
£2000 - £3000	£31,515.93 (13)	£27,163.68 (11)	£25,810.53 (10)
£1000 - £2000	£72,872.91 (54)	£73,248.53 (53)	£67,657.35 (47)
£500 - £1000	£76,849.78 (107)	£68,132.56 (99)	£70,776.35 (101)
£250 - £500	£38,802.14 (106)	£39,907.57 (113)	£40,626.93 (114)
<£250	£32,607.31 (409)	£35,052.15 (394)	£32,732.57 (400)
<b>Total</b>	<b>£268,375.50 (693)</b>	<b>£260,049.46 (674)</b>	<b>£250,966.07 (675)</b>

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008 and (number of cases)	Balance due at 30 November 2008 and (number of cases)
>£3000	£43,337.21 (12)	£46,431.24 (13)	£54,919.79 (15)
£2000 - £3000	£54,997.16 (22)	£71,168.69 (29)	£75,963.24 (31)
£1000 - £2000	£117,917.10 (89)	£124,917.67 (95)	£140,033.11 (106)
£500 - £1000	£91,624.47 (130)	£102,102.29 (142)	£108,269.85 (150)
£250 - £500	£59,717.59 (166)	£61,612.45 (172)	£67,208.93 (187)
<£250	£48,876.31 (528)	£52,483.82 (562)	£54,601.11 (587)
<b>Total</b>	<b>£416,469.84 (947)</b>	<b>£458,716.16 (1013)</b>	<b>£500,996.03 (1076)</b>

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of properties)	Balance due at 22 October 2008 and (number of properties)	Balance due at 30 November 2008 and (number of properties)
>£3000	£4,802.08 (1)	£5,437.76 (1)	£8,308.78 (2)
£2000 - £3000	£2,706.08 (1)	£2,918.76 (1)	0 (0)
£1000 - £2000	£3,253.97 (2)	0 (0)	0 (0)
£500 - £1000	£3,442.32 (5)	£7,032.90 (10)	£2,720.50 (4)
£250 - £500	£3,093.05 (9)	£3,612.06 (10)	£3,419.23 (10)
<£250	£2,647.91 (30)	£1,631.32 (23)	£3,596.40 (35)
<b>Total</b>	<b>£20,005.41 (48)</b>	<b>£20,632.80 (45)</b>	<b>£18,044.91 (51)</b>

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008	Balance due at 30 November 2008 and (number of cases)
>£3000	£11,117.18 (3)	£11,117.18	£11,117.18 (3)
£2000 - £3000	£10,548.49 (4)	£12,597.49	£12,597.49 (5)
£1000 - £2000	£22,366.38 (17)	£21,819.08	£21,819.08 (17)
£500 - £1000	£32,252.83 (47)	£36,122.80	£36,680.40 (53)
£250 - £500	£19,512.17 (54)	£20,379.96	£20,798.22 (57)
<£250	£17,170.61 (179)	£17,918.70	£19,574.89 (82)
<b>Total</b>	<b>£112,967.66 (304)</b>	<b>£119,955.21</b>	<b>£122,587.26 (340)</b>

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

Balance due at 31 August 2008 and number of properties	Balance due at 22 October 2008 and number of properties	Balance due at 30 November 2008 and number of properties
£5,901.87 (23)	£2,853.74 (20)	£4,869.29 (22)

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

Bandings for rent arrears	Balance due at 31 August 2008 and (number of cases)	Balance due at 22 October 2008	Balance due at 30 November 2008 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	£51,684.41 (40)	£51,705.01 (40)	£51,705.01 (40)
£500 - £1000	£58,034.63 (81)	£56,191.43 (78)	£56,191.43 (78)
£250 - £500	£55,552.67 (160)	£58,058.96 (166)	£58,332.02 (167)
<£250	£63,488.68 (732)	£64,445.46 (743)	£65,180.56 (753)
<b>Total</b>	<b>£244,686.76 (1019)</b>	<b>£246,327.23 (1033)</b>	<b>£247,335.39 (1044)</b>

## Appendix B

Case Number	01/09/583278/M	01/09/620610/M	01/09/610143/M	01/09/573680/M	01/09/181757/M	01/09/634387/M	01/09/658219/M
<b>Current Arrears</b>	£1,934.08	£1,624.69	£1,640.43	£1,902.17	£2,363.67	£874.96	£1,111.34
<b>Weekly Charge</b>	£44.83	£41.28	£32.13	£36.69	£53.98	£41.78	£30.10
<b>Tenancy Start</b>	13 June 2005	04 September 2006	01 May 2006	18 April 2005	08 October 2001	26 February 2007	05 November 2007
<b>House Type</b>	3apt Maisonette	3apt Flat	2apt Flat	2apt Flat	3apt Cottage	4apt Flat	2apt Flat
<b>Tenancy Info</b>	Single Female, 2 children	Single Female, 1 child	Single Male	Couple	Single Male	Couple, 3 children	Single Male
<b>Employed</b>	No	No	No	Yes	No	No	No
<b>Housing Benefit</b>	Yes, fully covered by HB	No	No	No	No	Yes, partial HB. £9.15 weekly charge.	No
<b>Decree Held</b>	Yes	Yes	Yes	Yes	No	No	Yes



<b>Case Number</b>	<b>01/09/665851/M</b>	<b>01/09/639400/M</b>	<b>01/09/629073/M</b>				
<b>Current Arrears</b>	£781.19	£1,058.93	£933.95				
<b>Weekly Charge</b>	£30.10	£41.28	£42.80				
<b>Tenancy Start</b>	28 January 2008	23 April 2007	18 December 2006				
<b>House Type</b>	2apt Flat	3apt Flat	3apt Maisonette				
<b>Tenancy Info</b>	Single Male	Single Female, 1 child	Couple, 1 child				
<b>Employed</b>	No	Not Known	Yes				
<b>Housing Benefit</b>	No	No	No				
<b>Decree Held</b>	Yes	No	No				

