

## ANGUS COUNCIL

## NEIGHBOURHOOD SERVICES COMMITTEE – 16 APRIL 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 17 serious cases of rent arrears have been reported to Committee, during 2009 and Members gave permission to either seek decree or evict.
- 6.3 Three of the reported cases have been evicted. A further 2 cases have cleared their arrears resulting in payments to the council of around £3000. One case has been sequestrated and three cases have reduced their arrears by a total of £750 and are continuing to make payments to reduce their arrears. In the remaining cases the council continue to apply the rent arrears policy and have arranged court dates or are awaiting a court date.

## **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 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£86,051.67 (24)	£74,215.51 (20)	£70,212.62 (18)
£2000 - £3000	£120,895.58 (50)	£133,124.97 (55)	£126,621.45 (53)
£1000 - £2000	£296,399.89 (210)	£282,443.63 (201)	£296,512.37 (213)
£500 - £1000	£264,996.78 (376)	£277,171.05 (385)	£264,586.91 (375)
£250 - £500	£124,755.24 (348)	£129,222.42 (359)	£137,053.54 (386)
<£250	£118,815.64 (1415)	£136,141.83 (1581)	£121,982.61 (1498)
<b>Total</b>	<b>£1,011,914.80 (2423)</b>	<b>£1,032,319.41 (2601)</b>	<b>£1,016,969.50 (2543)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£42,953.91 (12)	£37,079.99 (10)	£31,772.28 (8)
£2000 - £3000	£56,643.90 (24)	£63,679.02 (27)	£72,123.42 (31)
£1000 - £2000	£129,190.81 (94)	£119,111.38 (87)	£110,453.37 (83)
£500 - £1000	£121,281.85 (172)	£122,373.62 (169)	£122,644.24 (172)
£250 - £500	£49,087.99 (138)	£50,225.67 (140)	£56,259.32 (161)
<£250	£50,131.91 (570)	£56,320.06 (621)	£49,307.97 (589)
<b>Total</b>	<b>£449,290.37 (1010)</b>	<b>£448,789.74 (1054)</b>	<b>£442,560.60 (1044)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£29,735.42 (9)	£24,116.51(7)	£24,521.38 (7)
£2000 - £3000	£38,441.15 (16)	£46,650.03 (19)	£34,600.37 (14)
£1000 - £2000	£99,551.73 (69)	£101,811.96 (71)	£120,659.65 (83)
£500 - £1000	£72,938.58 (103)	£76,345.06 (107)	£67,620.02 (97)
£250 - £500	£35,040.32 (96)	£39,482.41 (110)	£37,667.56 (103)
<£250	£35,951.16 (445)	£40,367.87(489)	£37,908.99 (470)
<b>Total</b>	<b>£311,658.36 (738)</b>	<b>£328,773.84 (803)</b>	<b>£322,977.97 (774)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£13,362.34 (3)	£13,019.01 (3)	£13,918.96 (3)
£2000 - £3000	£25,810.53 (10)	£22,795.92 (9)	£19,897.66 (8)
£1000 - £2000	£67,657.35 (47)	£61,520.29 (43)	£65,399.35 (47)
£500 - £1000	£70,776.35 (101)	£78,452.37 (109)	£74,322.65 (106)
£250 - £500	£40,626.93 (114)	£39,514.34 (109)	£43,126.66 (122)
<£250	£32,732.57 (400)	£39,453.90 (471)	£34,765.65 (439)
<b>Total</b>	<b>£250,966.07 (675)</b>	<b>£254,755.83 (744)</b>	<b>£251,430.93 (725)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£54,919.79 (15)	£58,600.27 (16)	£58,197.93 (16)
£2000 - £3000	£75,963.24 (31)	£79,075.51 (32)	£85,828.63 (35)
£1000 - £2000	£140,033.11 (106)	£149,165.07 (111)	£144,314.72 (108)
£500 - £1000	£108,269.85 (150)	£117,535.68 (162)	£109,511.85 (150)
£250 - £500	£67,208.93 (187)	£70,087.33 (194)	£66665.89 (186)
<£250	£54,601.11 (587)	£57,097.80 (606)	£52,970.15m (574)
<b>Total</b>	<b>£500,996.03 (1076)</b>	<b>£531,561.66 (1121)</b>	<b>£517,489.17 (1069)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of properties)	Balance due at 4 January 2009 and (number of properties)	Balance due at 8 March 2009 and (number of properties)
>£3000	£8,308.78 (2)	£8,719.13 (2)	£8,171.71 (2)
£2000 - £3000	0 (0)	£0 (0)	0 (0)
£1000 - £2000	0 (0)	£1,205.60 (1)	0 (0)
£500 - £1000	£2,720.50 (4)	£9,291.37 (13)	£2,450.74 (4)
£250 - £500	£3,419.23 (10)	£1,725.04 (5)	£2,659.58 (8)
<£250	£3,596.40 (35)	£2,991.92 (26)	£3,290.76 (36)
<b>Total</b>	<b>£18,044.91 (51)</b>	<b>£23,933.06 (47)</b>	<b>£16,572.79 (50)</b>

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£11,117.18 (3)	£11,117.18 (3)	£11,117.18 (3)
£2000 - £3000	£12,597.49 (5)	£12,597.49 (5)	£10,092.12 (4)
£1000 - £2000	£21,819.08 (17)	£20,772.32 (16)	£17,460.58 (14)
£500 - £1000	£36,680.40 (53)	£36,728.54 (53)	£30,498.49 (43)
£250 - £500	£20,798.22 (57)	£22,298.85 (61)	£20,720.53 (57)
<£250	£19,574.89 (82)	£20,505.08 (212)	£15,850.15 (177)
<b>Total</b>	<b>£122,587.26 (340)</b>	<b>£124,019.46 (350)</b>	<b>£105,739.05 (298)</b>

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

Balance due at 30 November 2008 and number of properties	Balance due at 4 January 2009 and number of properties	Balance due at 8 March 2009 and number of properties
£4,869.29 (22)	£5,026.15 (17)	£6,751.02 (24)

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

Bandings for rent arrears	Balance due at 30 November 2008 and (number of cases)	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)
>£3000	£3,993.60 (1)	£3,993.60 (1)	£0 (0)
£2000 - £3000	£11,932.77 (5)	£11,932.77 (5)	£6,781.09 (3)
£1000 - £2000	£51,705.01 (40)	£51,705.01 (40)	£34,512.36 (25)
£500 - £1000	£56,191.43 (78)	£58,348.80 (81)	£36,098.87 (50)
£250 - £500	£58,332.02 (167)	£58,514.15 (167)	£38,057.64 (107)
<£250	£65,180.56 (753)	£66,381.10 (764)	£41,436.54 (453)
<b>Total</b>	<b>£247,335.39 (1044)</b>	<b>£250,875.43 (1058)</b>	<b>£156,886.50 (638)</b>

## Appendix B

Case Number	03/09/603090/M	03/09/628492/M	03/09/247278/M	03/09/285552/M	03/09/203564/M	03/09/433314/M	03/09/622605/M
<b>Current Arrears</b>	£978.97	£845.59	£1,159.08	£922.27	£922.62	£1,501.58	£423.21
<b>Weekly Charge</b>	£56.53	£39.75	£62.11	£47.38	£54.50	£43.31	£36.69
<b>Tenancy Start</b>	30 January 2006	11 December 2006	09 September 2002	16 December 2002	01 April 2002	20 October 2003	04 September 2006
<b>House Type</b>	4apt Flat	2apt Flat	4apt House	4apt Flat	3Apt House	3apt Flat	2apt Flat
<b>Tenancy Info</b>	Couple, 3 Children	Single Female	Single Female, 2 children	Single, 2 Children	Couple	Couple, 2 children	Single Male
<b>Employed</b>	No	No	Yes	Yes	Yes	Yes	Yes
<b>Housing Benefit</b>	No	No	No	No	No	No	Yes £13.04 weekly HB - £23.65 weekly charge
<b>Decree Held</b>	No	No	No	No	No	No	No



<b>Case Number</b>	<b>03/09/150355/M</b>	<b>03/09/532711/M</b>	<b>03/09/685054/M</b>	<b>03/09/278890/M</b>	<b>03/09/9725/A</b>	<b>03/09/190896/A</b>	<b>03/09/51977/A</b>
<b>Current Arrears</b>	£2,399.07	£1,022.92	£673.00	£1,776.73	£1052.83	£857.33	£714.18
<b>Weekly Charge</b>	£60.09	£39.75	£33.65	£45.85	£39.75	£32.13	£60.09
<b>Tenancy Start</b>	10 July 2000	19 July 2004	08 September 2008	25 November 2002	27/01/97	14/01/02	18/05/98
<b>House Type</b>	4apt House	3apt Flat	2apt Flat	4apt Flat	3apt Flat	2apt Flat	4apt Cottage
<b>Tenancy Info</b>	Single Female, 2 children	Single Female, 1 Child	Single Male	Single Female 3 Children	71yr Male	34yr Male	48&20yr Males 39&18yr Females
<b>Employed</b>	No	No	No	Yes	No	No	Yes
<b>Housing Benefit</b>	No	No	No	No	Yes	No	No
<b>Decree Held</b>	No	No	No	No	No	No	No

<b>Case Number</b>	<b>03/09/32778/A</b>	<b>03/09/595357/A</b>	<b>03/09/678287/A</b>	<b>03/09/687693/A</b>	<b>03/09/681156/A</b>	<b>03/09/589128/A</b>	<b>03/09/569747/A</b>
<b>Current Arrears</b>	£1179.54	£791.31	£1282.81	£773.01	£1017.19	£577.41	£1380.97
<b>Weekly Charge</b>	£68.22	£56.53	£35.69	£46.87	£33.65	£41.28	£41.28
<b>Tenancy Start</b>	12/08/96	24/10/05	23/06/08	13/10/08	28/07/08	25/07/05	14/03/05
<b>House Type</b>	5 apt Cottage	3apt Cottage	1apt Flat	2apt Cottage	2apt Flat	3apt Flat	3apt Flat
<b>Tenancy Info</b>	45yr old male 43yr & 16yr Females	29yr female 8yr male	20yr Male	33yr Male	30yr Male	45yr female 13yr female	28yr Female 8,3&1yr Females
<b>Employed</b>	Yes	Yes	No	Yes	No	Yes	No
<b>Housing Benefit</b>	No	No	No	No	No	Yes	Yes
<b>Decree Held</b>	No	No	No	No	No	No	No

<b>Case Number</b>	<b>03/09/664154/A</b>	<b>03/09/408662/A</b>	<b>03/09/403172/A</b>	<b>03/09/271489/A</b>	<b>03/09/648868/A</b>	<b>03/09/605476/A</b>	<b>03/09/601110/A</b>
<b>Current Arrears</b>	£1052.75	£1191.40	£574.91	£875.94	£677.88	£824.55	£1106.66
<b>Weekly Charge</b>	£33.65	42.80	£33.65	£33.65	£32.13	£49.91	£42.80
<b>Tenancy Start</b>	14/01/08	25/08/03	11/08/03	04/11/02	23/07/07	06/03/06	16/01/06
<b>House Type</b>	2apt Flat	3apt Maisonette	2apt Flat	2apt Flat	2apt Flat	2apt Cottage	3apt Maisonette
<b>Tenancy Info</b>	19yr Male	32yr Female 14yr Female	45yr Male	34yr Male	18yr Female	41yr Male	25yr Male 23yr Female
<b>Employed</b>	Yes	No	Yes	Yes	No	No	Yes
<b>Housing Benefit</b>	No	No	No	No	No	Yes	No
<b>Decree Held</b>	No	No	No	No	No	No	No

<b>Case Number</b>	<b>03/09/366129/A</b>	<b>03/09/531987/A</b>	<b>03/09/549290/A</b>	<b>03/09/553530/A</b>	<b>03/09/635898/A</b>	<b>03/09/666629/A</b>
<b>Current Arrears</b>	£1120.11	£1961.30	£857.64	£982.43	£670.32	£607.11
<b>Weekly Charge</b>	£41.28	£49.41	£41.78	£32.13	£45.85	£33.65
<b>Tenancy Start</b>	19/05/03	12/07/04	08/11/04	29/11/04	12/03/07	11/02/08
<b>House Type</b>	3apt Flat	4apt Maisonette	4apt Flat	2apt Flat	4apt Flat	2apt Flat
<b>Tenancy Info</b>	29yr Male 28,5,3yr Females	33yr old Male 30,13,11,7,4,& 10mth Females	37yr Female 21yr Female 18yr Male	29yr Male	49yr Female 18yr Male	43yr Male
<b>Employed</b>	Yes	At college	Yes	Yes	Yes	No
<b>Housing Benefit</b>	No	Yes	No	No	No	No
<b>Decree Held</b>	No	No	No	No	No	No