

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 28 MAY 2009

ARREARS UPDATE INCLUDING SERIOUS ARREARS – HOUSING REVENUE ACCOUNT
TENANTS

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

ABSTRACT: 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 seek decree for cases set out in Appendix B;
- iii) Note the progress to date in pursuing serious arrears cases;
- iv) Approve the amendment of Section 7 (b) 10 to the Scheme of Delegation to Officers and recommend to the Council accordingly; and
- v) authorises the Head of Law and Administration to make the consequential changes to Standing Orders for incorporation at the next review.

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 29 March 2009 in comparison with performance since 4 January 2009 as previously reported to Committee.

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 current tenants in arrears has reduced from 2,543 reported on 8 March 2009 to 2,260 on 29 March 2009. In monetary terms this represents a reduction of £28,395.50.
- 6.3 The 28 cases reported to committee in April, 15 cases have reduced the amount owed 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.

Scheme of Delegation (Head of Housing)

Section 7(b) 10 has been amended as a result of Reports 198/08 (February 08) and Report 960/08 (October 08) with a final agreed position to bring forward an amendment in line with Report 295/09 (April 09) to ensure delegated powers are accommodated within the Standing Orders for the full arrears process within the scope of the Council's policy. The impact of this final amendment, as agreed by Neighbourhood Services Committee, will delegate the full arrears procedure to the Head of Housing removing the need to present individual cases to Committee. This will streamline the process, reduce bureaucracy and enable a faster progression through the agreed (or subsequently amended Council Policy in relation to Housing Revenue Account Arrears. Within this update Members have agreed full reporting on these matters will be included as part of future arrears update reports thus enabling Members to continue to track overall progress and compliance with Council Policy.

Head of Housing delegation para (10) to read:

"To take appropriate and proportionate action, including all necessary legal actions, to include serving notices of proceedings for recovery of possession of houses under Section 14 of the Housing (Scotland) Act 2001 and to take and further appropriate actions as agreed by Council Policy following due legal process and to report actions to Council informing of progress and compliance with Council Policy"

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/MK

Appendix A – Performance tables

Table 1 – Angus Council current tenant arrears

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£74,215.51 (20)	£70,212.62 (18)	£62,508 (17)
£2000 - £3000	£133,124.97 (55)	£126,621.45 (53)	£121,216 (51)
£1000 - £2000	£282,443.63 (201)	£296,512.37 (213)	£289,441 (209)
£500 - £1000	£277,171.05 (385)	£264,586.91 (375)	£262,474 (368)
£250 - £500	£129,222.42 (359)	£137,053.54 (386)	£135,138 (371)
<£250	£136,141.83 (1581)	£121,982.61 (1498)	£117,797 (1244)
Total	£1,032,319.41 (2601)	£1,016,969.50 (2543)	£988,574 (2260)

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

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£37,079.99 (10)	£31,772.28 (8)	£31,520 (8)
£2000 - £3000	£63,679.02 (27)	£72,123.42 (31)	£65,652 (28)
£1000 - £2000	£119,111.38 (87)	£110,453.37 (83)	£108,684 (81)
£500 - £1000	£122,373.62 (169)	£122,644.24 (172)	£119,119 (165)
£250 - £500	£50,225.67 (140)	£56,259.32 (161)	£58,120 (159)
<£250	£56,320.06 (621)	£49,307.97 (589)	£47,894 (495)
Total	£448,789.74 (1054)	£442,560.60 (1044)	£430,989 (936)

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

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£24,116.51(7)	£24,521.38 (7)	£27,460 (8)
£2000 - £3000	£46,650.03 (19)	£34,600.37 (14)	£36,204 (15)
£1000 - £2000	£101,811.96 (71)	£120,659.65 (83)	£113,152 (78)
£500 - £1000	£76,345.06 (107)	£67,620.02 (97)	£71,715 (101)
£250 - £500	£39,482.41 (110)	£37,667.56 (103)	£37,480 (103)
<£250	£40,367.87(489)	£37,908.99 (470)	£36,551 (402)
Total	£328,773.84 (803)	£322,977.97 (774)	£322,562 (707)

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

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£13,019.01 (3)	£13,918.96 (3)	£3,528 (1)
£2000 - £3000	£22,795.92 (9)	£19,897.66 (8)	£19,360 (8)
£1000 - £2000	£61,520.29 (43)	£65,399.35 (47)	£67,604 (50)
£500 - £1000	£78,452.37 (109)	£74,322.65 (106)	£71,639 (102)
£250 - £500	£39,514.34 (109)	£43,126.66 (122)	£39,536 (109)
<£250	£39,453.90 (471)	£34,765.65 (439)	£33,351 (347)
Total	£254,755.83 (744)	£251,430.93 (725)	£235,018 (617)

Table 5 – Angus Council former tenant arrears.

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£58,600.27 (16)	£58,197.93 (16)	£47,100 (13)
£2000 - £3000	£79,075.51 (32)	£85,828.63 (35)	£55,721 (22)
£1000 - £2000	£149,165.07 (111)	£144,314.72 (108)	£119,316 (90)
£500 - £1000	£117,535.68 (162)	£109,511.85 (150)	£97,402 (133)
£250 - £500	£70,087.33 (194)	£66665.89 (186)	£60,877 (169)
<£250	£57,097.80 (606)	£52,970.15m (574)	£45,488 (484)
Total	£531,561.66 (1121)	£517,489.17 (1069)	£425,904 (911)

Table 6 – Current tenant arrears for dispersed accommodation.

Bandings for rent arrears	Balance due at 4 January 2009 and (number of properties)	Balance due at 8 March 2009 and (number of properties)	Balance due at 29 March 2009 and (number of cases)
>£3000	£8,719.13 (2)	£8,171.71 (2)	£6,589 (1)
£2000 - £3000	£0 (0)	0 (0)	0 (0)
£1000 - £2000	£1,205.60 (1)	0 (0)	£5,904 (4)
£500 - £1000	£9,291.37 (13)	£2,450.74 (4)	£6,004 (9)
£250 - £500	£1,725.04 (5)	£2,659.58 (8)	£5,721 (17)
<£250	£2,991.92 (26)	£3,290.76 (36)	£2,094 (23)
Total	£23,933.06 (47)	£16,572.79 (50)	£26,312 (54)

Table 7 – Former dispersed accommodation tenant arrears.

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£11,117.18 (3)	£11,117.18 (3)	£6,715 (2)
£2000 - £3000	£12,597.49 (5)	£10,092.12 (4)	£10,087 (4)
£1000 - £2000	£20,772.32 (16)	£17,460.58 (14)	£18,005 (14)
£500 - £1000	£36,728.54 (53)	£30,498.49 (43)	£27,064 (38)
£250 - £500	£22,298.85 (61)	£20,720.53 (57)	£22,322 (61)
<£250	£20,505.08 (212)	£15,850.15 (177)	£14,345 (161)
Total	£124,019.46 (350)	£105,739.05 (298)	£98,538 (280)

Table 8 – Current arrears in temporary accommodation.

Balance due at 4 January 2009 and number of properties	Balance due at 8 March 2009 and number of properties	Balance due at 29 March 2009 and number of properties
£5,026.15 (17)	£6,751.02 (24)	£3,211 (15)

Table 9 – Former tenant arrears for temporary accommodation.

Bandings for rent arrears	Balance due at 4 January 2009 and (number of cases)	Balance due at 8 March 2009 and (number of cases)	Balance due at 29 March 2009 and (number of cases)
>£3000	£3,993.60 (1)	£0 (0)	£0 (0)
£2000 - £3000	£11,932.77 (5)	£6,781.09 (3)	£6,781 (3)
£1000 - £2000	£51,705.01 (40)	£34,512.36 (25)	£34,512 (25)
£500 - £1000	£58,348.80 (81)	£36,098.87 (50)	£37,772 (53)
£250 - £500	£58,514.15 (167)	£38,057.64 (107)	£39,222 (111)
<£250	£66,381.10 (764)	£41,436.54 (453)	£42,016 (459)
Total	£250,875.43 (1058)	£156,886.50 (638)	£160,303 (651)

Appendix B

Case Number	05/09/130400/A	05/09/361135/A	05/09/656569/A	05/09/130885/A	05/09/234591/A	05/09/54585/A	05/09/55727/A
Current Arrears	£1618.16	£1703.08	£2394.80	£1374.68	£1214.40	£1070.31	£1900.27
Weekly Charge	£43.34	£45.48	£55.08	£59.89	£65.22	£56.68	£61.49
Tenancy Start	23/08/99	05/05/03	08/10/07	03/08/99	05/08/02	03/09/90	12/11/84
House Type	3apt Flat	2apt cott	3apt cott	3apt cott	4apt cott	3apt cott	4apt Terr Cott
Tenancy Info	Adult female & 17 yr old female	33 yr old male	41yr & 16 females & 41 & 18 yr old males	30,13 & 9 yr old female & 33 yr old male	38,19,14 & 12 yr old females	24 yr old male	44 & 19 yr females, 8 yr old male
Employed	Yes	No	Yes	Yes	Yes	Not known	No
Housing Benefit	No	Yes	No	No	No	No	Yes
Permisson To Seek Decree	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Case No.	05/09/170771/A	05/09/151050/M	05/09/687979/M	05/09/647985/M	05/09/574287/M	05/09/607711/M	05/09/564109/M
Current Arrears	£1806.06	£306.44	£979.43	£782.60	£1,167.14	£686.75	£1117.68
Weekly Charge	£35.33	£33.65	£42.80	£30.10	£33.18	£32.13	£42.80
Tenancy Start	21/05/01	31/07/00	15/09/08	23/07/07	18/04/05	27/03/06	21/02/05
House Type	2apt Flat	2apt Flat	4apt Flat	2apt Flat	2apt Flat	2apt Flat	3apt Maisonette
Tenancy Info	40 yr old female & 36 yr old male	Single Male	Couple, 3 Children	Single Male	Single Female 1 Child	Single Male	Single Female, 1 Child
Employed	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Housing Benefit	No	Yes £23.97 HB leaving £9.68 weekly charge	No	No	No	No	No
Permisson To Seek Decree	Yes	No	No	No	No	No	No

Case Number	05/09/434590/M	05/09/560146/M	05/09/278890/M	05/09/112577/M	05/09/633739/M	05/09/103551/M	05/09/42668/M
Current Arrears	£1,163.95	£1,856.08	£1,870.72	£1,291.37	£345.13	£1,341.75	£1,278.03
Weekly Charge	£41.78	£37.21	£45.85	£65.22	£30.53	£36.94	£33.74
Tenancy Start	03/11/03	24/01/05	25/11/02	06/11/89	12/02/07	14/01/91	05/04/82
House Type	4apt Flat	3apt Flat	4apt Flat	4apt House	2apt Flat	2apt Flat	2apt Flat
Tenancy Info	Single Female, 2 children	Single Male	Single Female, 3 children	Single Female, 2 Children	Couple	Single Female	Single Male
Employed	Yes	Yes	Yes	No	No	No	No
Housing Benefit	No	No	No	No	No	Yes, Fully covered	Yes, £9.75 weekly charge
Decree Held	No	No	No	No	No	No	No

EQUALITY SCREENING

Policy Control Document

Name of Policy, Procedure or Report

ARREARS UPDATE INCLUDING SERIOUS ARREARS - HOUSING REVENUE ACCOUNT TENANTS

Lead Department/Service

Housing Division

What is the aim of the policy, procedure or report?

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.

Is this a new or a review of an existing policy, procedure or report?

Ongoing report

Screening Process

Has the policy, procedure or report already been assessed for its impact on people from different racial backgrounds, people of different genders and people with disabilities.

Yes No

If Yes, unless there have been significant changes, no further action is required. Please sign and date immediately below and retain for reference.

If No, does the policy, procedure or report involve or have consequences for the people the council serves or employs?

Yes No

If yes, proceed to Step 1 of the Full Impact Assessment on page 2.

If no, please state why not

If no, The policy, procedure or report is not relevant and no further action is required.

Please sign and date immediately and keep for reference

Name: Moira Kelman

Signature: _____

Date: 15/05/09