

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 8 OCTOBER 2009

ARREARS UPDATE – HOUSING REVENUE ACCOUNT TENANTS

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

<p>ABSTRACT: This report updates Members on current rent arrears levels and activities being undertaken to tackle arrears in Angus.</p>
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1. RECOMMENDATION

1.1 It is recommended that Members:

- i. Note the current performance information provided at Appendix A;
- ii. Note the progress to date in pursuing serious arrears.

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 with which cases presented to Committee have been associated.. This report provides an update on performance at the Angus wide level and the local community housing team level and provides evidence of action and progress.

3. PERFORMANCE

3.1 The tables contained within Appendix A provide details of our performance at 30 August 2009 in comparison with performance since 5 July 2009 as previously reported to Committee.

4. HOUSING (SCOTLAND) ACT 1987 IN RELATION TO HOMELESSNESS

4.1 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.

5. RECENT ACTION

5.1 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%. Throughout the financial year 2008/2009 there was a

consistent reduction, falling to 12%. In the financial year of 2009/2010 this figure has fallen to 10.56%.

- 5.2 The number of current tenants in arrears fluctuates due to a number of reasons, including housing benefit issues, tenancy turnover and payment method types. However the amount of current arrears has reduced by £81,961 since March 2009.

5.3 **Former Tenant Arrears**

- 5.4 Members will have noted that as the attention being focussed on tackling current tenant arrears has increased, so there has been a proportionate increase in the number of former tenants who have outstanding balances and the overall outstanding balance has increased. Following the last Committee meeting, meetings have been arranged with Law and Administration to set up a pilot scheme of collection using a trace and collect agency. An oral report will be provided to Committee in advance of the written scheme being presented. This will ensure Members are kept up to speed with developments as early as possible.

6. **FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications for the Council arising directly from the recommendation in this report.
- 6.2 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.

7. **HUMAN RIGHTS IMPLICATIONS**

- 7.1 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. The recommendations are considered to be proportionate.

8. **CONSULTATION**

- 8.1 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.

9 **EQUALITIES IMPLICATIONS**

- 9.1 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.

10. **CONCLUSION**

- 10.1 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. The overall downward trend in arrears is encouraging but Members are asked to note that further and ongoing work is being done to ensure that the momentum on tackling arrears is maintained and where further improvements can be made these will be thoroughly investigated as set out in this report.

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 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£62,508 (17)	£50193.11 (14)	£46905.31 (13)
£2000 - £3000	£121,216 (51)	£103633.09 (44)	£93366.93 (39)
£1000 - £2000	£289,441 (209)	£249813.01 (181)	£242850.08 (173)
£500 - £1000	£262,474 (368)	£233,251.48 (332)	£248,405.63(355)
£250 - £500	£135,138 (371)	£143,759.34 (388)	£136,171.29 (378)
<£250	£117,797 (1244)	£125362.94 (1408)	£125455.46 (1872)
TOTAL	£988,574 (2260)	£906012.97 (2367)	£903,154.70 (2830)

Table 2 – Current tenant arrears by Arbroath, Carnoustie and Monifieth Community Housing team Area.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£31,520 (8)	£24967.46 (7)	£25637.17 (7)
£2000 - £3000	£65,652 (28)	£49974.95 (21)	£46,231.34 (19)
£1000 - £2000	£108,684 (81)	£96,115.56 (70)	£81062.42 (56)
£500 - £1000	£119,119 (165)	£108228.52 (152)	£118573.91 (170)
£250 - £500	£58,120 (159)	£65241.10 (174)	£104543.57 (158)
<£250	£47,894 (4950)	£47733.14 (525)	£51843.44 (707)
TOTAL	£430,989 (936)	£392260.73 (949)	£383059.58 (1117)

Table 3 – Current tenant arrears by Forfar and Kirriemuir Community Housing team Area.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£27,460 (8)	£21549.66 (6)	£17660.18 (5)
£2000 - £3000	£36,204 (15)	£35945.13 (15)	£31424.58 (13)
£1000 - £2000	£113,152 (78)	£103114.09 (73)	£106825.56 (76)
£500 - £1000	£71,715 (101)	£61995.93 (89)	£60448.73 (89)
£250 - £500	£37,480 (103)	£36869.14 (101)	£40589.25 (115)
<£250	£36,551 (402)	£40732.02 (469)	£43542.77 (582)
TOTAL	£322,562 (707)	£300,165.97 (753)	£300,491.07 (885)

Table 4 – Current tenant arrears by Montrose and Brechin Community Housing team Area.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£3,528 (1)	£3675.99 (1)	£3607.96 (1)
£2000 - £3000	£19,360 (8)	£17713.01 (8)	£157110.01 (7)
£1000 - £2000	£67,604 (50)	£50583.36 (38)	£54962.10 (41)
£500 - £1000	£71,639 (102)	£630367.03 (91)	£92455.32 (96)
£250 - £500	£39,536 (109)	£41649.10 (113)	£38270.74 (105)
<£250	£33,351 (347)	£36897.78 (414)	£40069.25 (578)
TOTAL	£235,018 (617)	£213586.27 (665)	£219604.05 (828)

Table 5 – Angus Council former tenant arrears.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£47,100 (13)	£56773.97 (15)	£60474.42 (16)
£2000 - £3000	£55,721 (22)	£72524.61 (29)	£75455.60 (30)
£1000 - £2000	£119,316 (90)	£137288.34 (103)	£149993.00 (112)
£500 - £1000	£67,402 (133)	£114601.54 (154)	£118234.87 (161)
£250 - £500	£60,877 (169)	£65901.94 (184)	£64964.19 (180)
<£250	£45,488 (484)	£52319.74 (560)	£54269.20 (570)
TOTAL	£425,904 (911)	£499,410.14 (1045)	£523391.28 (1069)

Table 6 – Current tenant arrears for dispersed accommodation.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£6,589 (1)	£0 (0)	£0 (0)
£2000 - £3000	£0 (0)	£0 (0)	£0 (0)
£1000 - £2000	£5,904 (4)	£3007.94 (2)	£1786.92 (1)
£500 - £1000	£6,004 (9)	£3188.69 (5)	£3383.78 (5)
£250 - £500	£5,721(17)	£2179.99 (6)	£1800.97 (5)
<£250	£2,094 (23)	£2470.27 (30)	£3125.57 (31)
TOTAL	£26,312 (54)	£10846.89 (43)	£10097.24 (42)

Table 7 - Former dispersed accommodation tenant arrears

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£6,715 (2)	£13477.18 (3)	£13747.24 (3)
£2000 - £3000	£10,087 (4)	£9907.12 (4)	£9867.12 (4)
£1000 - £2000	£18,005 (14)	£19200.14 (15)	£20811.69 (16)
£500 - £1000	£27,064 (38)	£32024.06 (45)	£31048.59 (44)
£250 - £500	£22,322 (61)	£22,252.06 (62)	£21468.37 (59)
<£250	£14,345 (161)	£16873.87 (191)	£17660.62 (196)
TOTAL	£98,538 (280)	£113,734.43 (320)	£138217.99 (322)

Table 8 – Current arrears in temporary accommodation.

Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
£3,211(15)	£4216.17 (16)	£5045.56 (17)

Table 9 – Former tenant arrears for temporary accommodation.

Bandings For Rent Arrears	Balance due at 29 March 2009 and (number of cases)	Balance due at 5 July 2009 and (number of cases)	Balance due at 30 August 2009 and (number of cases)
>£3000	£0 (0)	£0 (0)	£0 (0)
£2000 - £3000	£6,781 (3)	£6781 (3)	£6781 (3)
£1000 - £2000	£34,512 (25)	£33,420.20 (24)	£33,420.20 (24)
£500 - £1000	£37,772 (53)	£36735.55 (51)	£36735.55 (51)
£250 - £500	£39,222 (111)	£40361.95 (115)	£40246.07 (115)
<£250	£42,016 (459)	£43425.99 (472)	£44078.77 (475)
TOTAL	£160,303 (651)	£160724.78 (665)	£161261.68 (668)

Graph 1 – Current Tenant Arrears

Current Tenant Rent Arrears

