

**ANGUS COUNCIL**

**NEIGHBOURHOOD SERVICES COMMITTEE – 19 NOVEMBER 2009**

**ARREARS UPDATE – HOUSING REVENUE ACCOUNT TENANTS**

**REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES**

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| <p><b>ABSTRACT:</b> 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 told of performance on tackling rent arrears and are aware of the challenges currently facing the Council in securing regular rent payments. 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 09 October 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. With 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 as 13.6%. Throughout the financial year 2009/2010 there has been a consistent monthly decline, the figure as at week 28, 9 October sits at 9.83%, nearing the target 9%.

5.2 The number of current tenants in arrears rises and falls for several reasons, including housing benefit issues, tenancy turnover and payment method types. However the current arrears has reduced because of various measures being taken. An exercise has been completed to remove sequestrated cases (does this need to be explained/qualified?), amounting to arrears of £63,830.76. This affected both current and former tenancies.

**5.3 Former Tenant Arrears**

5.4 A meeting was held with the, Head of Law and Administration, who agreed to incorporate 53 cases of less than £250.00 totalling £4,623.18, for recovery by the Law and Administration section. Members are asked to note that this is a pilot scheme and the progress made by Law and Administration will be reported on in due course.

5.5 There are 34 cases over £2000, totalling £90,548.94, where all avenues have been exhausted by the arrears team to discover current addresses of former tenants... Law and Administration is to research the costing of using a trace and collect agency. A report will be submitted to Members for their information.

## **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 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.

**NS/Hsg/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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £62,508 (17)                                       | £50193.11 (14)                                   | £46905.31 (13)                                      | £28417.63 (8)                                       |
| £2000 - £3000             | £121,216 (51)                                      | £103633.09 (44)                                  | £93366.93 (39)                                      | £57,847.64 (24)                                     |
| £1000 - £2000             | £289,441 (209)                                     | £249813.01 (181)                                 | £242850.08 (173)                                    | £219,726.19 (159)                                   |
| £500 - £1000              | £262,474 (368)                                     | £233,251.48 (332)                                | £248,405.63(355)                                    | £224,749.32 (323)                                   |
| £250 - £500               | £135,138 (371)                                     | £143,759.34 (388)                                | £136,171.29 (378)                                   | £138,262.17 (386)                                   |
| <£250                     | £117,797 (1244)                                    | £125362.94 (1408)                                | £125455.46 (1872)                                   | £126,264.52 (1408)                                  |
| <b>TOTAL</b>              | <b>£988,574 (2260)</b>                             | <b>£906012.97 (2367)</b>                         | <b>£903,154.70 (2830)</b>                           | <b>£795,267.47 (2308)</b>                           |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £31,520 (8)  | £24967.46 (7)                                    | £25637.17 (7)                                       | £10,562.00 (3)                                      |
| £2000 - £3000             | £65,652 (28)                                       | £49974.95 (21)                                   | £46,231.34 (19)                                     | £23,178.83 (9)                                      |
| £1000 - £2000             | £108,684 (81)                                      | £96,115.56 (70)                                  | £81062.42 (56)                                      | £77,227.25 (55)                                     |
| £500 - £1000              | £119,119 (165)                                     | £108228.52 (152)                                 | £118573.91 (170)                                    | £105,301.67 (150)                                   |
| £250 - £500               | £58,120 (159)                                      | £65241.10 (174)                                  | £104543.57 (158)                                    | £58,662.78(164)                                     |
| <£250                     | £47,894 (495)                                      | £47733.14 (525)                                  | £51843.44 (707)                                     | £50,277.20(549)                                     |
| <b>TOTAL</b>              | <b>£430,989 (936)</b>                              | <b>£392260.73 (949)</b>                          | <b>£383059.58 (1117)</b>                            | <b>£325,209.73 (930)</b>                            |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £27,460 (8)  | £21549.66 (6)                                    | £17660.18 (5)                                       | £14,244.71 (4)                                      |
| £2000 - £3000             | £36,204 (15)                                       | £35945.13 (15)                                   | £31424.58 (13)                                      | £21,900.80 (9)                                      |
| £1000 - £2000             | £113,152 (78)                                      | £103114.09 (73)                                  | £106825.56 (76)                                     | £98,185.96 (70)                                     |
| £500 - £1000              | £71,715 (101)                                      | £61995.93 (89)                                   | £60448.73 (89)                                      | £63,274.28 (91)                                     |
| £250 - £500               | £37,480 (103)                                      | £36869.14 (101)                                  | £40589.25 (115)                                     | £38,033.32 (108)                                    |
| <£250                     | £36,551 (402)                                      | £40732.02 (469)                                  | £43542.77 (582)                                     | £36,734.03 (426)                                    |
| <b>TOTAL</b>              | <b>£322,562 (707)</b>                              | <b>£300,165.97 (753)</b>                         | <b>£300,491.07 (885)</b>                            | <b>£272,373.10 (708)</b>                            |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £3,528 (1)   | £3675.99 (1)                                     | £3607.96 (1)  | £3,610.92 (1)                                       |
| £2000 - £3000             | £19,360 (8)  | £17713.01 (8)                                    | £15711.01 (7)                                       | £12,768.01 (6)                                      |
| £1000 - £2000             | £67,604 (50)                                       | £50583.36 (38)                                   | £54962.10 (41)                                      | £44,312.98 (34)                                     |
| £500 - £1000              | £71,639 (102)                                      | £630367.03 (91)                                  | £92455.32 (96)                                      | £56,173.37 (82)                                     |
| £250 - £500               | £39,536 (109)                                      | £41649.10 (113)                                  | £38270.74 (105)                                     | £41,566.07 (114)                                    |
| <£250                     | £33,351 (347)                                      | £36897.78 (414)                                  | £40069.25 (578)                                     | £39,253.29 (433)                                    |
| <b>TOTAL</b>              | <b>£235,018 (617)</b>                              | <b>£213586.27 (665)</b>                          | <b>£219604.05 (828)</b>                             | <b>£197,684.64 (670)</b>                            |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £47,100 (13)                                       | £56773.97 (15)                                   | £60474.42 (16)                                      | £59,401.19 (16)                                     |
| £2000 - £3000             | £55,721 (22)                                       | £72524.61 (29)                                   | £75455.60 (30)                                      | £74,736.32 (30)                                     |
| £1000 - £2000             | £119,316 (90)                                      | £137288.34 (103)                                 | £149993.00 (112)                                    | £157,586.33 (117)                                   |
| £500 - £1000              | £67,402 (133)                                      | £114601.54 (154)                                 | £118234.87 (161)                                    | £123,403.81 (168)                                   |
| £250 - £500               | £60,877 (169)                                      | £65901.94 (184)                                  | £64964.19 (180)                                     | £67,887.03 (188)                                    |
| <£250                     | £45,488 (484)                                      | £52319.74 (560)                                  | £54269.20 (570)                                     | £57,330.01 (602)                                    |
| <b>TOTAL</b>              | <b>£425,904 (911)</b>                              | <b>£499,410.14 (1045)</b>                        | <b>£523391.28 (1069)</b>                            | <b>£540,344.69 (1121)</b>                           |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £6,589 (1)   | £0 (0)   | £0 (0)  | £0 (0)  |
| £2000 - £3000             | £0 (0)   | £0 (0)   | £0 (0)  | £0 (0)  |
| £1000 - £2000             | £5,904 (4)   | £3007.94 (2)                                     | £1786.92 (1)  | £2640.36 (2)  |
| £500 - £1000              | £6,004 (9)   | £3188.69 (5)                                     | £3383.78 (5)  | £1398.77 (2)  |
| £250 - £500               | £5,721(17)   | £2179.99 (6)                                     | £1800.97 (5)  | £3638.55 (11)                                       |
| <£250                     | £2,094 (23)  | £2470.27 (30)                                    | £3125.57 (31)                                       | £2952.35 (28)                                       |
| <b>TOTAL</b>              | <b>£26,312 (54)</b>                                | <b>£10846.89 (43)</b>                            | <b>£10097.24 (42)</b>                               | <b>£10,630.03 (43)</b>                              |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £6,715 (2)   | £13477.18 (3)                                    | £13747.24 (3)                                       | £12,813.18 (3)                                      |
| £2000 - £3000             | £10,087 (4)  | £9907.12 (4)                                     | £9867.12 (4)  | £6,855.42 (3)                                       |
| £1000 - £2000             | £18,005 (14)                                       | £19200.14 (15)                                   | £20811.69 (16)                                      | £20,811.69 (16)                                     |
| £500 - £1000              | £27,064 (38)                                       | £32024.06 (45)                                   | £31048.59 (44)                                      | £30,829.47 (44)                                     |
| £250 - £500               | £22,322 (61)                                       | £22,252.06 (62)                                  | £21468.37 (59)                                      | £23,270.75 (64)                                     |
| <£250                     | £14,345 (161)                                      | £16873.87 (191)                                  | £17660.62 (196)                                     | £18,486.88 (207)                                    |
| <b>TOTAL</b>              | <b>£98,538 (280)</b>                               | <b>£113,734.43 (320)</b>                         | <b>£138217.99 (322)</b>                             | <b>£113,067.39 (337)</b>                            |

**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) | Balance due at 9 October 2009 and (number of cases) |
|--|--|---|---|
| <b>£3,211(15)</b>                                  | <b>£4216.17 (16)</b>                             | <b>£5045.56 (17)</b>                                | <b>£5,121,.35 (11)</b>                              |

**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) | Balance due at 9 October 2009 and (number of cases) |
|---------------------------|--|--|---|---|
| >£3000                    | £0 (0)   | £0 (0)   | £0 (0)  | £0 (0)  |
| £2000 - £3000             | £6,781 (3)   | £6781 (3)  | £6781 (3)   | £6781.09(3)   |
| £1000 - £2000             | £34,512 (25)                                       | £33,420.20 (24)                                  | £33,420.20 (24)                                     | £33,420.20 (24)                                     |
| £500 - £1000              | £37,772 (53)                                       | £36735.55 (51)                                   | £36735.55 (51)                                      | £35,893.85 (50)                                     |
| £250 - £500               | £39,222 (111)                                      | £40361.95 (115)                                  | £40246.07 (115)                                     | £41,173.99 (118)                                    |
| <£250                     | £42,016 (459)                                      | £43425.99 (472)                                  | £44078.77 (475)                                     | £43,905.16 (477)                                    |
| <b>TOTAL</b>              | <b>£160,303 (651)</b>                              | <b>£160724.78 (665)</b>                          | <b>£161261.68 (668)</b>                             | <b>£161,174.29 (672)</b>                            |

Graph 1 – Current Tenant Arrears

