

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 14 JANUARY 2010

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 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 22 November 2009 in comparison with performance since 9 October 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 that current tenants' rent arrears as a percentage of net rent due was 13.6%. Throughout the financial year 2009/2010 there has been a consistent monthly decline despite the economic down turn, however the figure as at 26th October currently sits at 9.87%, this has remained fairly static with the previous figure, 9.83%, reported at last committee.

5.2 The number of current tenants in arrears rises and falls because of several reasons, including housing benefit issues, tenancy turnover and payment method types. However the current arrears figure has been steadily reducing due to various measures being taken. Members have previously raised concerns regarding the number of cases in arrears below £500, which the Housing Division is taking steps to address, by concentrating the focus of designated officers on these cases during the third week of each month and monitoring the progress of this.

5.3 Former Tenant Arrears

A focus on newly terminated tenancies and applicants is ongoing, and whilst there appears to be no immediate impact on the former tenant arrears, work is ongoing and will be continue to be monitored to ensure that resources are being used effectively. Accounts are being prepared for consideration of write-off, these accounts will include cases that have been carried for a number of years and are uneconomical to recover.

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 to those in difficulty 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.

Appendix A – Performance Tables - Table 1 – Angus Council current tenant arrears

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£50193.11 (14)	£46905.31 (13)	£28417.63 (8)	£18,997.76 (5)
£2000 - £3000	£103633.09 (44)	£93366.93 (39)	£57,847.64 (24)	£58,881.21 (24)
£1000 - £2000	£249813.01 (181)	£242850.08 (173)	£219,726.19 (159)	£218,501.43 (157)
£500 - £1000	£233,251.48 (332)	£248,405.63(355)	£224,749.32 (323)	£225,521.49 (324)
£250 - £500	£143,759.34 (388)	£136,171.29 (378)	£138,262.17 (386)	£137,182.39 (376)
<£250	£125362.94 (1408)	£125455.46 (1872)	£126,264.52 (1408)	£124,785.48 (1436)
TOTAL	£906012.97 (2367)	£903,154.70 (2830)	£795,267.47 (2308)	£783,869.76 (2322)

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

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£24967.46 (7)	£25637.17 (7)	£10,562.00 (3)	£4,522.70 (1)
£2000 - £3000	£49974.95 (21)	£46,231.34 (19)	£23,178.83 (9)	£28,162.11 (11)
£1000 - £2000	£96,115.56 (70)	£81062.42 (56)	£77,227.25 (55)	£73,042.03 (52)
£500 - £1000	£108228.52 (152)	£118573.91 (170)	£105,301.67 (150)	£100,736.38 (142)
£250 - £500	£65241.10 (174)	£104543.57 (158)	£58,662.78(164)	£60,227.90 (165)
<£250	£47733.14 (525)	£51843.44 (707)	£50,277.20(549)	£51,399.05 (581)
TOTAL	£392260.73 (949)	£383059.58 (1117)	£325,209.73 (930)	£318,090.17 (952)

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

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£21549.66 (6)	£17660.18 (5)	£14,244.71 (4)	£11,939.39 (3)
£2000 - £3000	£35945.13 (15)	£31424.58 (13)	£21,900.80 (9)	£19,951.35 (8)
£1000 - £2000	£103114.09 (73)	£106825.56 (76)	£98,185.96 (70)	£197,951.35 (69)
£500 - £1000	£61995.93 (89)	£60448.73 (89)	£63,274.28 (91)	£64,695.80 (93)
£250 - £500	£36869.14 (101)	£40589.25 (115)	£38,033.32 (108)	£37,208.07 (101)
<£250	£40732.02 (469)	£43542.77 (582)	£36,734.03 (426)	£37,208.07 (424)
TOTAL	£300,165.97 (753)	£300,491.07 (885)	£272,373.10 (708)	£267,536.98 (698)

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

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£3675.99 (1)	£3607.96 (1)	£3,610.92 (1)	£3,535.67 (1)
£2000 - £3000	£17713.01 (8)	£15711.01 (7)	£12,768.01 (6)	£10,767.75 (5)
£1000 - £2000	£50583.36 (38)	£54962.10 (41)	£44,312.98 (34)	£47,821.51 (36)
£500 - £1000	£630367.03 (91)	£92455.32 (96)	£56,173.37 (82)	£60,089.31 (89)
£250 - £500	£41649.10 (113)	£38270.74 (105)	£41,566.07 (114)	£39,746.42 (110)
<£250	£36897.78 (414)	£40069.25 (578)	£39,253.29 (433)	£36,281.95 (431)
TOTAL	£213586.27 (665)	£219604.05 (828)	£197,684.64 (670)	£198,242.61 (672)

Table 5 – Angus Council former tenant arrears.

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£56773.97 (15)	£60474.42 (16)	£59,401.19 (16)	£66,145.61 (18)
£2000 - £3000	£72524.61 (29)	£75455.60 (30)	£74,736.32 (30)	£77,183.88 (31)
£1000 - £2000	£137288.34 (103)	£149993.00 (112)	£157,586.33 (117)	£163,254.58 (121)
£500 - £1000	£114601.54 (154)	£118234.87 (161)	£123,403.81 (168)	£128,704.24 (175)
£250 - £500	£65901.94 (184)	£64964.19 (180)	£67,887.03 (188)	£71,115.64 (196)
<£250	£52319.74 (560)	£54269.20 (570)	£57,330.01 (602)	£61,663.03 (650)
TOTAL	£499,410.14 (1045)	£523391.28 (1069)	£540,344.69 (1121)	£568,066.98 (1191)

Table 6 – Current tenant arrears for dispersed accommodation.

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£0 (0)	£0 (0)	£0 (0)	£0 (0)
£2000 - £3000	£0 (0)	£0 (0)	£0 (0)	£0 (0)
£1000 - £2000	£3007.94 (2)	£1786.92 (1)	£2640.36 (2)	£1,443.36(1)
£500 - £1000	£3188.69 (5)	£3383.78 (5)	£1398.77 (2)	£3,300.10 (5)
£250 - £500	£2179.99 (6)	£1800.97 (5)	£3638.55 (11)	£2,622.89 (7)
<£250	£2470.27 (30)	£3125.57 (31)	£2952.35 (28)	£3,274.10 (30)
TOTAL	£10846.89 (43)	£10097.24 (42)	£10,630.03 (43)	£10,640.45 (43)

Table 7 - Former dispersed accommodation tenant arrears

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£13477.18 (3)	£13747.24 (3)	£12,813.18 (3)	£12,813.18 (3)
£2000 - £3000	£9907.12 (4)	£9867.12 (4)	£6,855.42 (3)	£6,825.42 (3)
£1000 - £2000	£19200.14 (15)	£20811.69 (16)	£20,811.69 (16)	£22,617.06 (17)
£500 - £1000	£32024.06 (45)	£31048.59 (44)	£30,829.47 (44)	£30,819.47 (44)
£250 - £500	£22,252.06 (62)	£21468.37 (59)	£23,270.75 (64)	£23,580.09 (65)
<£250	£16873.87 (191)	£17660.62 (196)	£18,486.88 (207)	£19,575.00 (219)
TOTAL	£113,734.43 (320)	£138217.99 (322)	£113,067.39 (337)	£116,230.22 (351)

Table 8 – Current arrears in temporary accommodation.

Balance due at 29 March 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)	Balance due at 26 October 2009 and (number or cases)
£3,211(15)	£5045.56 (17)	£5,121,.35 (11)	£1,235.09 (2)

Table 9 – Former tenant arrears for temporary accommodation.

Bandings For Rent Arrears	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)	Balance due at 26 October 2009 and (number or cases)
>£3000	£0 (0)	£0 (0)	£0 (0)	£0 (0)
£2000 - £3000	£6781 (3)	£6781 (3)	£6781.09(3)	£6,7810.09 (3)
£1000 - £2000	£33,420.20 (24)	£33,420.20 (24)	£33,420.20 (24)	£36,210.38 (26)
£500 - £1000	£36735.55 (51)	£36735.55 (51)	£35,893.85 (50)	£36,931.22 (52)
£250 - £500	£40361.95 (115)	£40246.07 (115)	£41,173.99 (118)	£42,385.64 (122)
<£250	£43425.99 (472)	£44078.77 (475)	£43,905.16 (477)	£43,913.49 (474)
TOTAL	£160724.78 (665)	£161261.68 (668)	£161,174.29 (672)	£166,221.72 (677)

Graph 1 – Current Tenant Arrears

Value of Current Rent Arrears

