

ANGUS COUNCIL

NEIGHBOURHOOD SERVICES COMMITTEE – 19 AUGUST 2010

ARREARS UPDATE – HOUSING REVENUE ACCOUNT TENANTS

REPORT BY DIRECTOR OF NEIGHBOURHOOD SERVICES

ABSTRACT: This report updates Members on current rent arrears levels.

1. RECOMMENDATION

1.1 It is recommended that Committee:

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

2. BACKGROUND

2.1 Members have been informed 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 provides details of our performance at week 14 (28 June 2010) in comparison with previously reported figures 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. Within 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 Rent arrears levels of 7.5% reported to Committee on 16 May 2010 have seen a decline to 7.25% at week 14 (28 June 2010). This shows a steady reduction of arrears, despite the economic decline.

5.2 The Division will continue to apply the methods which have been successful in reducing the rent arrears and use innovative methods to target groups identified likely to be in arrears.

5.3 A review on the Current Rent Arrears Policy has been carried out and this report is currently with the three local Community Housing Team Managers for comment and will be reported to committee at next cycle.

6. FORMER TENANT ARREARS

6.1 Members are asked to note Appendix B showing Former Tenant Arrears.

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. The recommendations are considered to be proportionate.

9. CONSULTATION

9.1 The Chief Executive, the Director of Corporate Services, the 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) and is regarded as exempt.

11. CONCLUSION

11.1 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.

**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 – Current tenant arrears by Community Housing Team

Week Number	Bandings for Rent Arrears	Balance Amount Arbroath, Carnoustie and Monifieth Community Housing team Area (number of cases)	Balance Amount Forfar and Kirriemuir Community Housing team Area (number of cases)	Balance Amount Montrose and Brechin Community Housing team Area (number of cases)	Balance Amount Dispersed Accommodation (number of cases)	Balance Amount Current Temporary tenants accommodation (number of cases)
(28 March 2010) Wk 52	>3000	3,348.40 (1)	7,056.38 (2)	3,063.76 (1)	0.00 (0)	
52	2000 to 3000	16,404.54 (7)	23,525.01 (10)		0.00 (0)	
52	1000 to 2000	71,097.33 (52)	80,344.74 (58)	43,189.65 (30)	1551.53 (1)	
52	500 to 1000	82,560.86 (119)	61,013.65 (86)	61,141.84 (89)	2819.52 (5)	
52	250 to 500	60,556.77 (163)	40,752.34 (110)	40,557.29 (115)	3334.58 (9)	
52	<250	44,733.85 (511)	41,419.07 (495)	32,753.75 (354)	4391.14 (25)	
	Sum:	278,701.75 (853)	254,111.19 (761)	180,706.29 (589)	12,096.77 (40)	4112.54 (10)
(16 May 2010) Wk 7	>3000		3,272.93 (1)		0.00 (0)	
7	2000 to 3000	13,374.32 (6)	25,808.38 (11)	4,977.96 (2)	0.00 (0)	
7	1000 to 2000	77,499.30 (59)	80,135.89 (58)	32,351.61 (23)	£2,251.82 (2)	
7	500 to 1000	83,241.14 (119)	60,748.26 (88)	60,848.36 (89)	£8,640.41 (14)	
7	250 to 500	56,677.03 (156)	45,693.09 (125)	41,478.77 (114)	£5,262.48 (12)	
7	<250	47,571.52 (500)	35,485.62 (397)	35,593.08(400)	£1,136.16 (8)	
	Sum:	278,363.31 (840)	251,144.17 (680)	175,249.78 (628)	£17,290.87 (36)	4681.12 (9)
(25 JULY 2010) Wk 17	>3000		3,155.48(1)		0.00 (0)	
	2000 to 3000	13,459.43(6)	24,005.72(10)	4,445.46 (2)	0.00 (0)	
	1000 to 2000	65,322.53(50)	79,007.24(59)	27,932.58 (22)	£2,682.31 (2)	
	500 to 1000	71,754.84(103)	59,612.51(86)	62,603.85 (89)	£5,578.22 (8)	
	250 to 500	52,967.48(150)	45,399.60(124)	36,940.48 (106)	£6,425.92 (18)	
	<250	48,999.31(543)	37,235.79(410)	38,980.37 (393)	£1,948.54	
	Sum:	262277.38(852)	248,416.34(690)	170,902.74 (612)	£16,634.99 (46)	£3,181.14 (15)

Graph 1 – Current Tenant Rent Arrears

Summary of the HRA Arrears

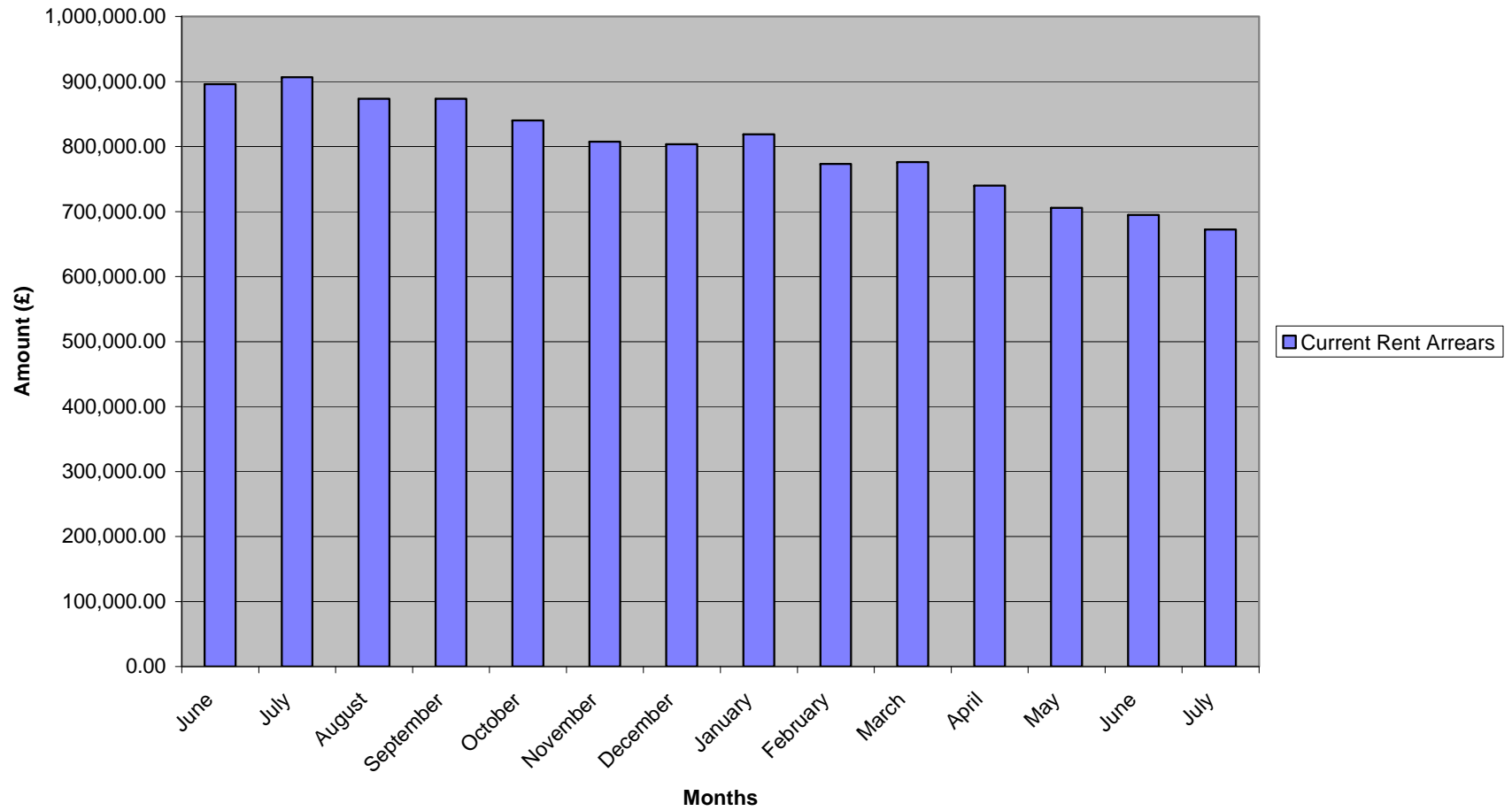


Table 2 – Angus Council former tenant arrears.

Week No.	Bandings	Number of cases	Balance Amount Former tenants (number of cases)	Balance Amount Former Dispersed tenants accommodation (number of cases)	Balance Amount Former Temporary tenants accommodation (number of cases)	Former Tenant Arrears cash collected as a % of overall debt
(28 March 2010) 52	>3000	10	£37967.21	£12,813.18 (3)	£0 (0)	
52	2000 to 3000	17	£41858.07	£6739.85 (3)	£6,781.09(3)	
52	1000 to 2000	90	£120710.45	£25,320.20 (19)	£34,717.61 (25)	
52	500 to 1000	140	£102395.29	£31,953.65 (46)	£36,277.87 (52)	
52	250 to 500	159	£57282.71	£26,281.80 (72)	£43,206.05 (124)	
52	<250	539	£50690.60	£21,099.31 (247)	£44,863.49 (488)	
	Sum:	955	£410,904.33	£124,207.99 (390)	£165,846.11 (692)	£1625.19 (0.19%)
(16 May 2010) 7	>3000	10	£37856.16	£12,813.18 (3)	£0 (0)	
7	2000 to 3000	17	£41594.97	£6739.85 (3)	£6,781.09(3)	
7	1000 to 2000	95	£127362.89	£21,913.98(17)	£33,420.20 (24)	
7	500 to 1000	139	£101789.65	£30,928.09 (44)	£38,092.32 (54)	
7	250 to 500	164	£58816.23	£28,382.53 (78)	£43,085.25 9124)	
7	<250	526	£49365.50	£19,378.23 (220)	£44,653.54 (485)	
	Sum:	951	£416,785.40	£120,155.86 (365)	£166,032.40 (690)	£2018.54 (0.45%)
(25 JULY 2010) Wk 17	>3000	10.	£37,729.76	£12,813.18 (3)	£0 (0)	
	2000 to 3000	19.	£46,168.31	£6739.85 (3)	£6,781.09(3)	
	1000 to 2000	108.	£146,183.14	£23,407.34 (18)	£35,804.92 (26)	
	500 to 1000	152.	£109,276.94	£31,823.23 (46)	£34,964.78 (50)	
	250 to 500	188.	£66,761.06	£26,770.62 (75)	£44,669.70 (128)	
	<250	553.	£51,310.43	£20,149.52(239)	£47,051.69 (506)	
	Sum:	1,030.	£457,429.64	£121,703.74 (384)	£169,308.18 (713)	£2500.21 (0.54%)