

ANGUS COUNCIL

COMMUNITIES COMMITTEE

16 AUGUST 2016

ARREARS UPDATE – HOUSING REVENUE ACCOUNT

BACKGROUND

Members have been regularly informed of progress and action on tackling rent arrears and are aware of the challenges currently facing the Council in securing regular rent payments. This information report provides an update on performance at Angus wide level and local Community Housing Team level.

If, as a result of continuing rent arrears, the Council has to take action and evict, tenants concerned may present themselves to the Council as homeless. Under the Housing (Scotland) Act 1987, the Council would be required to provide them with temporary accommodation whilst their homelessness application is assessed. The Council seek to conduct an assessment as early as possible and People Directorate is fully informed of progress, including steps taken to avert any eviction. Angus Council, however, remain committed to providing support with rent payment but if not utilised by tenants, the Council must ultimately enforce the tenancy conditions agreed through the Scottish Secure Tenancy Agreement; making it clear that rent payment is a priority and failure to keep up rent payments will result in utilisation of the full range of sanctions available to the Council

CURRENT RENT ARREARS

The Divisional performance on current rent arrears at week 53 (28 March 2016) is at **7.65%**, which is a decrease from the **8.52%** previously reported to Committee for week 40 (28 December 2015).

Table 1 provides details of our performance for current rent arrears levels. The levels have decreased significantly since previously reported to Committee. Efforts are ongoing to pursue outstanding monies and since April 2015 there have been over 21,424 actions taken including over 6,878 visits to tenants or ex tenants. Since April 2015, 222 court actions have been taken. There have been 87 cases, where the Council have been awarded a decree by the Court since April 2015.

The Division are continuing to take strong action against tenants for non-payment and some tenants have been evicted. Approximately 20% of decrees obtained have ended with an eviction.

Housing benefit of £240,301.33 was paid to tenants in week 53 and this has increased very slightly from £238,900.66 which was paid in week 40 at last time of reporting. These are very much snapshot figures.

Table 1 – Current tenant arrears by Community Housing Team

Week Number	Bandings for Rent Arrears	No of cases	Balance Amount Arbroath, Carnoustie and Monifieth CHT Area	No of cases	Balance Amount Forfar and Kirriemuir CHT Area	No of cases	Balance Amount Montrose and Brechin CHT Area	No of cases	Balance Amount Dispersed Accommodation	Total Number of Cases	Total Arrears
(28 September 2015) Week 27	>3000	2	£7,640.53	0	0	0	£0.00	3	£12,400.27	5	£20,040.80
	2000 to 3000	17	£38,870.91	5	£11,144.91	3	£7,428.81	3	£7,068.71	28	£64,513.34
	1000 to 2000	124	£170,446.27	46	£60,206.40	49	£62,095.65	8	£11,906.00	227	£304,654.32
	500 to 1000	184	£131,192.16	135	£92,336.55	104	£72,861.17	14	£11,184.18	437	£307,574.06
	250 to 500	170	£61,921.08	134	£48,162.02	122	£43,927.88	20	£7,344.39	446	£161,355.37
	<250	603	£51,761.23	404	£34,873.66	372	£36,137.61	40	£5,459.66	1419	£128,232.16
		1100	£461,832.18	724	£246,723.54	650	£222,451.12	88	£55,363.21	2562	£986,370.05
(28 December 2015) Week 40	>3000	3	£9,749.73	1	£3,140.32	2	£6,388.88	3	£12,477.83	9	£31,756.76
	2000 to 3000	22	£49,732.20	2	£4,739.64	2	£4,527.33	3	£7,100.05	29	£66,099.22
	1000 to 2000	122	£168,074.27	63	£76,068.29	55	£74,000.99	8	£9,523.84	248	£327,667.39
	500 to 1000	200	£145,263.48	152	£104,997.32	124	£88,173.10	7	£5,148.98	483	£343,582.88
	250 to 500	196	£70,733.85	164	£56,526.46	145	£52,272.33	12	£4,272.01	517	£183,804.65
	<250	674	£54,857.04	1240	£46,462.83	1090	£78,606.67	52	£6,444.77	3056	£186,371.31
		1217	£498,410.57	1622	£291,934.86	1418	£303,969.30	85	£44,967.48	4342	£1,139,282.21
(28 March 2016) Week 53	>3000	3	£12,144.14	1	£3,320.99	2	£7,410.31	1	£4,432.67	7	£27,308.11
	2000 to 3000	18	£41,652.68	2	£4,762.82	5	£11,383.80	1	£2,387.27	26	£60,186.57
	1000 to 2000	108	£152,200.04	60	£74,390.45	60	£74,517.25	2	£2,655.50	230	£303,763.24
	500 to 1000	190	£134,966.53	132	£93,870.07	109	£79,080.73	7	£4,688.68	438	£312,606.01
	250 to 500	172	£62,234.67	142	£51,857.22	118	£42,163.63	16	£6,158.48	448	£162,414.00
	<250	606	£47,995.23	442	£35,077.46	392	£34,126.92	24	£2,895.23	1464	£120,094.84
		1097	£451,193.29	779	£263,279.01	686	£248,682.64	51	£23,217.83	2613	£986,372.77

Table 2 summarises the movement in the arrears values and number of cases over the period for both current and former tenants.

Arrears Summary		Current Tenants	Former Tenants	Totals	Movement Increase/Decrease
Week 27 (28 September 2015)	Arrears Value	£986,370.05	£1,080,275.68	£2,066,645.73	£78,914.59
	No. of Cases	2562	2518	5080	165
Week 40 (28 December 2015)	Arrears Value	£1,139,282.21	£1,145,640.54	£2,284,922.75	£218,277.02
	No. of Cases	4342	2250	6592	1,512
Week 53 (28 March 2016)	Arrears Value	£986,372.77	£1,104,747.33	£2,091,120.10	(£193,802.65)
	No. of Cases	2613	2549	5162	-1,430

Housing Benefit Size Criteria Restriction for Working Age Claimants

This can fluctuate depending upon changes of tenant's circumstances. This will show discretionary housing payments, welfare fund payments, cases affected and ongoing arrears balances.

Table 3 summarises the tenants affected by the Housing Benefit Size Criteria Restriction for Working Age Claimants, shown by levels of current arrears. As a comparison, figures are shown for the last year.

Arrears Summary	Number of Tenants Affected	Tenants in Arrears	Amount outstanding	Movement Increase/(Decrease)
Week 52 (23 March 2015)	519	237	£104,305.04	£5,561.57
Week 14 (29 June 2015)	525	237	£95,530.92	(£8,774.12)
Week 27 (28 September 2015)	497	222	£75,654.91	(£19,876.01)
Week 40 (28 December 2015)	510	241	£89,335.63	£13,680.72
Week 53 (28 March 2016)	520	352	£68,624.62	(£20,711.01)

*information exchange between Housing and Revenues and Benefit Divisions are allowing more accurate information to be reported over the last year

FORMER TENANTS ARREARS

Table 4, below summarises Former Tenants Arrears, showing the position since 28 September 2015 to 28 March 2016

These have decreased since the last report to Committee and this is reflected in the tables below. Since former tenants arrears were last reported to Committee, 20 tenancies have been abandoned and these tenancies had outstanding arrears of £21,575.13. This can make collection difficult e.g. no addresses to enable pursuit of arrears. Again, these cases can be nearing the final stages in the arrears recovery processes and tenants leaving prior to being evicted. There have also been 14 tenancies terminated with arrears of £2,039.54 where tenants were deceased.

6 tenants have been evicted since the last report to Committee, with arrears totalling £9,733.73

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Table 4 – 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	Total of former tenant arrears
(28 September 2015) Week 27	>3000	10	£34,378.88	6	£26,239.85	1	£4,564.49	17	£65,183.22
	2000 to 3000	46	£109,188.35	10	£24,650.54	3	£6,597.88	59	£140,436.77
	1000 to 2000	170	£233,985.83	50	£70,796.97	29	£40,009.18	249	£344,791.98
	500 to 1000	166	£118,861.77	104	£73,803.99	60	£41,274.88	330	£233,940.64
	250 to 500	188	£68,007.00	135	£47,560.07	126	£44,634.71	449	£160,201.78
	<250	536	£54,623.42	376	£35,440.08	502	£45,657.79	1,414	£135,721.29
	Sum:	1,116	£619,045.25	681	£278,491.50	721	£182,738.93	2,518	£1,080,275.68
(28 December 2015) Week 40	>3000	10	£34,376.65	7	£35,229.85	1	£4,564.49	18	£74,170.99
	2000 to 3000	48	£114,400.70	13	£32,287.13	3	£6,597.88	64	£153,285.71
	1000 to 2000	173	£239,992.45	43	£76,058.82	29	£40,009.18	245	£356,060.45
	500 to 1000	175	£126,236.72	76	£80,847.86	61	£41,833.09	312	£248,917.67
	250 to 500	209	£75,344.90	81	£51,914.89	126	£44,634.71	416	£171,894.50
	<250	570	£57,802.86	422	£37,821.95	503	£45,686.41	1,195	£141,311.22
	Sum:	1,185	£648,154.28	642	£314,160.50	723	£183,325.76	2,550	£1,145,640.54
(28 March 2016) Week 53	>3000	9	£31,193.97	10	£44,763.68	3	£14,580.56	22	£90,538.21
	2000 to 3000	40	£96,226.19	16	£39,387.18	3	£6,597.88	59	£142,211.25
	1000 to 2000	150	£207,168.12	60	£83,037.04	30	£41,256.38	240	£331,461.54
	500 to 1000	158	£113,972.23	120	£85,384.39	62	£42,458.18	340	£241,814.80
	250 to 500	175	£62,807.59	155	£54,921.01	127	£44,935.06	457	£162,663.66
	<250	505	£49,487.45	427	£41,411.28	499	£45,159.14	1,431	£136,057.87
	Sum:	1,037	£560,855.55	788	£348,904.58	724	£194,987.20	2,549	£1,104,747.33