

ANGUS COUNCIL

COMMUNITIES COMMITTEE

1 March 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 40 (28 December 2015) is at **8.52%**, which is an increase from the **7.56%** previously reported to Committee on 17 November 2015. This increase at this time of year is not unexpected and is in line with trends from previous reports from this time of year.

Table 1 provides details of our performance at week 40 (28 December 2015) for current rent arrears levels. The levels have increased since previously reported to Committee. Efforts are ongoing to pursue outstanding monies and since April 2015 there have been over 15,844 actions taken including over 4,893 visits to tenants or ex tenants. Since April 2015, 194 court actions have been taken. There have been 81 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 19.75% of decrees obtained have ended with an eviction.

Housing benefit of £238,900.66 was paid to tenants in week 40 and this has decreased very slightly from £239,324.72 which was paid in week 27 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
(29 June 2015) Week 14	>3000	2	£7,778.91	0	0	1	£3,411.24	1	£4,892.66	4	£16,082.81
	2000 to 3000	22	£51,301.48	3	£6,538.75	2	£5,055.60	1	£2,789.83	28	£65,685.66
	1000 to 2000	123	£170,357.72	51	£67,736.44	38	£49,768.99	7	£9,868.80	219	£297,731.95
	500 to 1000	187	£137,475.16	122	£88,416.23	111	£77,698.69	9	£6,665.03	429	£310,255.11
	250 to 500	157	£58,369.75	128	£45,088.97	130	£46,987.11	17	£5,694.12	432	£156,139.95
	<250	558	£47,530.43	437	£40,124.75	364	£34,475.34	33	£4,460.80	1392	£126,591.32
		1049	£472,813.45	741	£247,905.14	646	£217,396.97	68	£34,371.24	2504	£972,486.80
(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

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 14 (29 June 2015)	Arrears Value	£972,486.80	£1,015,244.34	£1,987,731.14	£73,209.39
	No. Of Cases	2,504	2,411	4,915	214
Week 27 (28 September 2015)	Arrears Value	£986,370.05	£1,080,275.68	£2,066,645.73	£78,914.59
	No. Of Cases	2,562	2,518	5,080	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	4,342	2,250	6,592	1,512

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 40 (28 December 2014)	534	256	£98,743.47	£1,418.45
Week 52 (23 March 2015)	519	237	£104,305.04	£5,561.57
Week 14 (29 June 2015)	525	237	£95,530.92	(£8774.12)
Week 27 (28 September 2015)	497	222	£75,654.91	(£19,876.01)
Week 40 (28 December 2015)	510	241	£89,335.63	£13680.72

*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 4 October 2015 to 3 January 2016.

These have increased since the last report to Committee and this is reflected in the tables below. Since former tenants arrears were last reported to Committee, 8 tenancies have been abandoned and these tenancies had outstanding arrears of £5,424.31. 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 11 tenancies terminated with arrears of £1205.14 where tenants were deceased.

4 tenants have been evicted since the last report to Committee, with arrears totalling £9,171.32.

Contact for further information:

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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
(29 June 2015) Week 14	>3000	10	£34,378.88	6	£26,239.85	1	£4,564.49	17	£65,183.22
	2000 to 3000	39	£91,914.55	8	£19,875.25	3	£6,597.88	50	£118,387.68
	1000 to 2000	160	£220,478.48	47	£66,075.79	28	£38,818.39	235	£325,372.66
	500 to 1000	151	£107,216.78	103	£73,403.47	60	£41,274.88	314	£221,895.13
	250 to 500	178	£64,341.83	125	£44,617.93	126	£44,654.71	429	£153,614.47
	<250	508	£52,156.15	355	£32,629.21	503	£46,005.82	1366	£130,791.18
	Sum:	1046	£570,486.67	644	£262,841.50	721	£181,916.17	2411	£1,015,244.34
(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	1414	£135,721.29
	Sum:	1116	£619,045.25	681	£278,491.50	721	£182,738.93	2518	£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	122	£37,821.95	503	£45,686.41	1195	£141,311.22
	Sum:	1185	£648,154.28	342	£314,160.50	723	£183,325.76	2250	£1,145,640.54