

ANGUS COUNCIL

COMMUNITIES COMMITTEE - 17 AUGUST 2021

REPORT BY INTERIM DIRECTOR OF VIBRANT

COMMUNITIES AND SUSTAINABLE GROWTH

ARREARS UPDATE – HOUSING REVENUE ACCOUNT

1. BACKGROUND

- 1.1 Members have been 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. It should be noted that arrears recovery team also sits within Revenues and Benefits Team.
- 1.2 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.

2. CURRENT RENT ARREARS

- 2.1 The Divisional performance on current rent arrears as a percentage of rent due at week 52 is at **9.76% (31 March 2021)** which is an increase from the **9.72% (29 March 2020)**. Whilst an increase in arrears is never considered favourable, it should be noted that that this period has seen unique circumstances with tenants on furlough, as only one example of many. This should be seen as a success to maintain arrears close to the previous year.
- 2.2 Table 1 provides details of our performance for current rent arrears levels. The actual levels have increase since previously reported to Committee. Efforts are ongoing to pursue outstanding monies, however, given the current situation, there have no court actions taken and no decrees sought by the council to support our tenants through this difficult time. Communication has, however, been made with tenants to support them, offer information and advice and explain the need for continuing payments. Referrals have continued to support agencies during this time too.
- 2.3 As a result of the current situation, the council have not undertaken any evictions and will continue with this approach until the current regulations change. We will remain cautious in our approach with our tenants and support them to prevent the need for further action.

Table 1 - Current Rent Arrears Cases

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
(25/03/2019) Week 52	>3000	1	£4,103.95	7	£23,358.60	5	£16,559.05			13	£44,021.60
	2000 to 3000	26	£62,211.72	15	£34,098.19	25	£60,694.84			66	£157,004.75
	1000 to 2000	141	£188,677.13	120	£159,569.91	103	£141,973.20	1	£1,945.20	365	£492,165.44
	500 to 1000	246	£174,863.38	186	£134,597.13	172	£123,185.01	5	£3,582.49	609	£436,228.01
	250 to 500	233	£83,193.02	186	£66,306.67	172	£62,511.83	4	£1,531.32	595	£213,542.84
	<250	445	£45,849.82	428	£42,610.32	345	£34,192.26	17	£1,537.75	1235	£124,190.15
		1092	£558,899.02	942	£460,540.82	822	£439,116.19	27	£8,596.76	2883	£1,467,152.79
(29/03/2020) Week 53	>3000	27	£110,627.70	34	£138,378.08	17	£66,144.15	3	£11,564.29	81	£326,714.22
	2000 to 3000	36	£87,356.00	58	£144,628.41	36	£86,797.34	1	£2,396.51	131	£321,178.26
	1000 to 2000	115	£163,136.46	123	£176,809.27	96	£130,760.30	4	£5,784.10	338	£476,490.13
	500 to 1000	171	£120,169.00	160	£114,537.75	134	£93,598.89	4	£2,809.45	469	£331,115.09
	250 to 500	197	£70,185.77	172	£63,754.82	171	£59,462.06	10	£3,816.25	550	£197,218.90
	<250	606	£55,021.37	442	£39,318.71	484	£48,126.46	16	£1,158.18	1548	£143,624.72
		1152	£606,496.30	989	£677,427.04	938	£484,889.20	38	£27,528.78	3117	£1,796,341.32
(31/03/2021) Week 52	>3000	28	£113,627.38	35	£142,232.09	17	£65,386.01	3	£11,564.29	83	£332,809.77
	2000 to 3000	36	£88,364.64	57	£142,263.76	37	£89,561.28	1	£2,396.51	131	£322,586.19
	1000 to 2000	119	£170,779.48	125	£179,891.95	96	£134,165.65	4	£5,784.10	344	£490,621.18
	500 to 1000	172	£122,852.80	160	£115,368.59	139	£101,137.50	4	£2,809.45	475	£342,168.34
	250 to 500	210	£75,002.96	202	£70,705.14	182	£63,387.50	10	£3,816.25	604	£212,911.85
	<250	506	£51,545.74	374	£38,849.00	424	£46,644.46	17	£1,264.49	1321	£138,303.69
		1071	£622,173.00	953	£689,310.53	895	£500,282.40	39	£27,635.09	2958	£1,839,401.02

Table 2 summarises the movement in the arrear's 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 52 (25 March 2019)	Arrears Value	£1,467,152.79	£723,680.04	£2,190,832.83	£93,366.56
	No. Of Cases	2883	1360	4243	14
Week 53 (29 March 2020)	Arrears Value	£1,796,341.32	£433,490.03	£2,229,831.35	£38,998.52
	No. Of Cases	3367	855	4222	-21
Week 52 (31 March 2021)	Arrears Value	£1,839,401.02	£390,700.43	£2,230,101.45	£270.10
	No. Of Cases	2958	724	3682	-540

3. FORMER TENANTS ARREARS

- 3.1 Table 3 below summarises Former Tenants Arrears, showing the position over the last 3 years.
- 3.2 Members should note that we have reduced our former tenant debt through a planned approach to both collection and writing off debts that have been through their full debt recovery process. This will be maintained to ensure that all former tenants' debt held have realistic recovery options and where this is not the case, debts will be written off timeously.

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Table 3 – 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
(25/03/2019) Week 52	>3000	11	£39,595.17	5	£18,369.66	1	£3,035.13	17	£60,999.96
	2000 to 3000	38	£94,027.42	8	£20,410.31	2	£4,924.03	48	£119,361.76
	1000 to 2000	88	£124,963.50	68	£94,867.32	3	£4,306.85	159	£224,137.67
	500 to 1000	110	£79,437.29	106	£76,385.46	15	£9,693.24	231	£165,515.99
	250 to 500	95	£33,983.27	118	£42,925.04	32	£11,544.97	245	£88,453.28
	<250	251	£28,808.62	248	£22,279.95	161	£14,122.81	660	£65,211.38
	Sum:	593	£400,815.27	553	£275,237.74	214	£47,627.03	1360	£723,680.04
(29/03/2020) Week 53	>3000	13	£43,985.96	2	£7,047.88	1	£3,035.13	16	£54,068.97
	2000 to 3000	31	£77,602.65	1	£2,613.69	2	£4,924.03	34	£85,140.37
	1000 to 2000	68	£93,126.84	16	£20,893.95	3	£4,306.85	87	£118,327.64
	500 to 1000	72	£51,925.08	31	£21,169.49	13	£7,918.40	116	£81,012.97
	250 to 500	79	£28,056.14	36	£11,900.40	34	£12,206.48	149	£52,163.02
	<250	152	£17,844.98	141	£10,991.20	160	£13,940.88	453	£42,777.06
	Sum:	415	£312,541.65	227	£74,616.61	213	£46,331.77	855	£433,490.03
(31/03/2021) Week 52	>3000	12	£43,147.19	4	£15,315.28	1	£3,035.13	17	£61,497.60
	2000 to 3000	25	£62,052.13	8	£18,325.85	2	£4,924.03	35	£85,302.01
	1000 to 2000	53	£76,703.35	15	£22,020.53	3	£4,306.85	71	£103,030.73
	500 to 1000	53	£38,565.52	22	£15,558.92	13	£7,878.40	88	£62,002.84
	250 to 500	67	£23,884.36	18	£6,483.58	33	£11,857.32	118	£42,225.26
	<250	153	£16,264.82	82	£6,436.29	160	£13,940.88	395	£36,641.99
		363	£260,617.37	149	£84,140.45	212	£45,942.61	724	£390,700.43