

ANGUS COUNCIL

INFORMATION REPORT FOR THE PERIOD JUNE 2023 TO AUGUST 2023

REPORT BY ALISON SMITH, DIRECTOR OF VIBRANT COMMUNITIES & SUSTAINABLE GROWTH

ABSTRACT

This report provides information to members with regard to services in the Vibrant Communities & Sustainable Growth Directorate, albeit that a decision is not required in terms of the current Scheme of Delegation to Officers and the Order of Reference of Committees.

1. SIGNIFICANT INFORMATION - SCHEDULES

There is one schedule which contains key background information related to services delivered in the Vibrant Communities & Sustainable Growth Directorate for the period 1 June 2023 to 31 August 2023.

Where there are references to other documents (eg: consultation documents/audit reports) that are associated with the relevant schedule a link to that document has also been included.

2. REPORT AUTHOR

This report and associated schedule has been compiled by Gordon Nicol, Manager – Community House (Arbroath) who can be contacted by emailing Communities@angus.gov.uk.

List of Appendices:

Schedule 1 - Arrears EOFY Updated 2022/23 Housing Revenue Account

ARREARS EOFY UPDATE 2022/23

HOUSING REVENUE ACCOUNT

1. BACKGROUND

- 1.1 This information report provides an update on performance at the Angus-wide level. It should be noted that the arrears recovery team also sits within the Revenues and Benefits Team.
- 1.2 Members will be aware of the importance of income management for the Housing Service and ensuring that rent due is collected. Where necessary, the Council will provide support, advice and assistance for those tenants that have difficulty in paying their rent, seeking repayment plans and working with tenants to maximise income. The Revenues Service provide the arrears recovery service for the Housing Service following an agreed escalation process, which can involve issuing reminder letters, undertaking contacts by phone, email, text and undertaking visits. Where tenants fail to engage with the service, we can and do service Notices of Proceedings of Possession, take court action and this can ultimately end in evictions being carried out, which would be the last resort.
- 1.3 Where the Council must act 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.

2. CURRENT RENT ARREARS

- 2.1 The current rent arrears as a percentage of rent due at week 52 is at 12.08 % (31 March 2023) up from 10.7% (27 March.2022).
- 2.2 Table 1 provides details of our performance for current rent arrears levels. The actual levels have varied since previously reported to Committee. Efforts are ongoing to pursue outstanding monies with contacts made with tenants to arrange repayment of rent arrears. The Housing Service has recently agreed to fund an additional Welfare Rights Officer to assist tenants given the current cost of living issues that they are facing at this time.
- 2.3 The Service is continuing to take strong action against tenants for non-payment. There have been 4 evictions within this year. Last year in 2022, we evicted 2 tenants. There were no evictions in 2021 because of COVID rules and there were to meet the pre-action requirements. Restrictions on actions have been in place since COVID and this has had a profound effect on the ability to collect rent through what would be deemed as the enforcement process. Following COVID and in response to the cost-of-living pressures, further restrictions were put in place where the court would only consider cases where rent arrears were over £2250. This has meant that issuing Notices of Proceeding for Possession have been issued later to ensure that they remain valid for use when court action is to be raised. To provide some context to the enforcement actions, in 2019, 315 court actions were taken, only 68 were taken in 2020, 53 in 2021, 45 so far in 2023. Given the limitations on court actions that can be taken, this has meant that only certain cases could proceed and this has prevented full enforcement of our position. This resulted in 2019, only 2 decrees being granted, no decrees being granted in 2020 or 2021 and we have taken 13 this year so far. The Housing Service are also making best use of Tenant Hardship and Prevention Fund monies when the criteria are met for tenants.
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Table 1 summarises the movement in the arrears values and number of cases over the last three years for both current and former tenants.

Arrears Summary		Current Tenants	Former Tenants	Totals	Movement Increase/Decrease
Week 52 March 2021)	Arrears Value	£1,831,981.28	£257,575.38	£2,089,556.66	
	No. Of Cases	2963	374	3337	
Week 52 (March 2022	Arrears Value	£2,147,396.67	£587,681.64	£2,735,078.31	£645,521.65
	No. Of Cases	3308	732	4040	703
Week 52 (March 2023)	Arrears Value	£2,476,922.17	£366,214.63	£2,843,136.80	£108,058.49
	No. Of Cases	3480	364	3844	(196)

3. UNIVERSAL CREDIT

3.1 As members will be aware universal credit has been in place for some time. These cases still have an impact on arrears. The caseload at this time is shown below, however, the services involved in collection of monies are monitoring this carefully. Members should be aware due to the fluctuations in income that tenants could be in and out of receipt of universal credit in different weeks. This remains difficult to monitor and report on separately as a result. A snapshot of current cases shows arrears balances from start of claims.

Number of weeks in Arrears	Number of Cases	Arrears Balance (Start of UC claim)	Last Balance	Difference
Rent Clear	302	£150,959.17	-£92,376.54	(£243,335.71)
less than 8 weeks	898	£555,893.59	£254,874.92	(£301,018.67)
over 8 weeks	1430	£1,342,612.68	£1,507,656.82	£165,044.14
Sum:	2630	£2,049,465.44	£1,670,155.20	(£379,310.24)

4. FORMER TENANTS ARREARS

4.1 Table 3 below summarises Former Tenants Arrears, showing the position since 03 April 2018 to 01 October 2018.

4.2 These have decreased since the last report to Committee and this is reflected in the table below. Since former tenants' arrears were last reported to Committee, 64 tenancies have been abandoned and these tenancies had outstanding arrears of £74088.67. 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 59 tenancies terminated with arrears of £18,812.42 where tenants were deceased. Seven tenants have been evicted since the last report to Committee, with arrears totalling £21,206.11.

Contact for further information : Director of Vibrant Communities and Sustainable Growth

Email: Communities@angus.gov.uk

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
(04/04/2021) Week 53	>3000	12	£43,147.19	6	£21,971.10	1	£3,035.13	19	£68,153.42
	2000 to 3000	25	£62,052.13	9	£20,722.36	2	£4,924.03	36	£87,698.52
	1000 to 2000	53	£76,703.35	19	£27,804.63	3	£4,306.85	75	£108,814.83
	500 to 1000	53	£38,565.52	26	£18,368.37	13	£7,878.40	92	£64,812.29
	250 to 500	67	£24,250.60	28	£10,299.83	33	£11,857.32	128	£46,407.75
	<250	151	£16,148.30	98	£7,594.47	160	£13,940.88	409	£37,683.65
	Sum:	361	260867.09	186	106760.76	212	£45,942.61	759	£413,570.46
(03/04/2022) Week 52	>3000	35	£152,904.84	6	£29,525.88	1	£3,035.13	42	£185,465.85
	2000 to 3000	48	£117,341.05	16	£37,725.05	2	£4,924.03	66	£159,990.13
	1000 to 2000	100	£142,103.55	38	£53,425.26	3	£4,306.85	141	£199,835.66
	500 to 1000	122	£86,767.93	50	£36,622.14	13	£7,878.40	185	£131,268.47
	250 to 500	142	£51,315.19	56	£20,051.92	33	£11,857.32	231	£83,224.43
	<250	269	£31,464.21	130	£10,858.92	161	£14,152.28	560	£56,475.41
	Sum:	716	581896.77	296	188209.17	213	£46,154.01	1225	£816,259.95
(02/04/2023) Week 52	>3000	35	£173,220.39	7	£31,768.90	1	£3,035.13	43	£208,024.42
	2000 to 3000	17	£40,067.50	6	£14,237.74	2	£4,924.03	25	£59,229.27
	1000 to 2000	43	£61,699.98	17	£22,612.59	3	£4,306.85	63	£88,619.42
	500 to 1000	65	£47,495.16	13	£9,220.63	13	£7,878.40	91	£64,594.19
	250 to 500	76	£27,248.20	28	£10,599.18	33	£11,857.32	137	£49,704.70
	<250	125	£15,335.49	79	£7,327.66	161	£14,152.28	365	£36,815.43
	Sum:	361	365066.72	150	£95,766.70	213	£46,154.01	724	£506,987.43