



Housing Scrutiny Commission

2nd November 2015

LA Housing Evictions 2014/15

Assistant Mayor for Housing : Cllr Andy Connelly

Lead director: Ann Branson

Useful information

- Ward(s) affected: All
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- Version Number: V1.3c

1. Purpose of Report

- 1.1 Executive invite comments from the Housing Scrutiny Commission on the contents of this report.

2. Summary

- 2.1 With the Government's ongoing Welfare Reform agenda, and the continuing economic downturn, many tenants are finding it difficult to meet their rent obligations. The number of households evicted has increased notably over the past two years.
- 2.2 The Council's rent arrears process (see Appendix 1) does not set down a fixed or minimum level of rent arrears before Court action or Bailiff Warrants are taken. Every case must be treated on its own merits and throughout the process, officers will make every effort to engage with the tenant(s) and make arrangements to pay the rent due and an amount towards the arrears in line with the fair debt policy. .
- 2.3 The average amount of arrears owed at the time evictions took place was £1,688 between April 2014 and March 2015.
- 2.4 Roughly three quarters of those evicted in that period were single. Two thirds had at least one support agency working with them.
- 2.5 In the year to date, from April 2015 to July 2015, there were just 15 households evicted. If this rate stayed constant over the whole year, there would be 45 this year.

3. Main Report

- 3.1 The Council owns about 21,300 properties that are let directly to tenants. In the year from April 2014 to March 2015, 105 tenants were evicted. This represents 0.48% of the total number of tenants. 103 of these were for rent arrears. In the previous year, April 2013 to April 2014, there were 68 evictions for rent arrears.
- 3.2 This report addresses the causes of this increase, and examines the processes followed leading up to an eviction.
- 3.3 The great majority of housing evictions are as a result of rent arrears. In 2014/15, there were 103 rent arrears evictions and 2 for ASB.
- 3.4 The Rent Arrears Policy sets out the formal process that is followed to recover rent arrears. This is summarised in Appendix 1.
- 3.5 Introductory tenants, which run for the first 12 months, also have a Review Panel hearing, but once submitted to Court, Outright Possession is mandatory.
- 3.6 There are no pre-determined thresholds for the level of debt or number of weeks owing before Court or Warrant action is taken. However, given that current Court costs are £250 per case, arrears would usually need to be significantly higher than this to be submitted to Court.
- 3.7 The governing principle for all legal action is what is “reasonable”, in all the circumstances of the particular case, and each case must be treated on its own merits. A rigid, blanket policy could “fetter the Council’s discretion” and lead to conflict with the Courts.
- 3.8 There is also a national Pre-Court Protocol the Council must follow, which sets out the actions the Courts expect a social landlord to have taken before coming to Court. This stipulates that every reasonable effort must have been made to contact the tenant and ensure they understand their situation and the possible consequences. The processes set out in Appendix 1 ensure the Council complies with this.
- 3.9 The Income Management Team work closely with Housing Options to continuously look for better ways of working that will help to prevent evictions.
- 3.10 All cases with any element of Bedroom Tax are reported directly to senior officers prior to submission to Court for a Warrant and approval sought to raise eviction warrant in the courts.

Key Findings from Breakdown of Cases 2014/15 (See Pie Charts in Appendix 2)

Weeks Owed

- 3.11 Only 2.9% (3 out of 103) of those evicted in the period owed less than ten weeks rent at the time the eviction took place, of whom 2 were single people. It

should be noted that if Housing Benefits have recently ceased then the number of weeks owed will appear to fall markedly as the account reverts to the full weekly rent.

3.12 More than half, 60% (62 out of 103), owed 25 weeks rent or more at the time of the eviction. Of these, 49 were single.

Amount owed

3.13 The average amount of rent owed at the time of the eviction was £1,688.

3.14 76% (78 out of 103) of all evictions owed more than £1k at the time of the eviction. Of these, 59 were single. Only 1.9% (2 out of 103) owed less than £500. Of these, one was a single person and one a childless couple.

3.15 76% (78 out of 103) of those evicted were between 25 and 62 years of age, 52 of whom were single. 3% (3 out of 103) were 63 or over, all of them single, and 21% (22 out of 103) were under 25 years, 20 of whom were single..

Household type

3.16 Almost three quarters (73% - 75 out of 103) of those evicted were single.

3.17 18% (19 out of 103) of those evicted had previously been hostel residents, of whom 17 were singles. (This will be looked at under Homelessness Strategy).

Casework background

3.18 Supporting Tenants and Residents (STAR) support is offered to all, but 34% (35 out of 103) of those evicted received no known support at all. 26 of these were single. This is almost always due to either complete non-engagement or a refusal of offers of help.

3.19 66% (68 of 103) of those evicted had at least one support agency working with them, mainly STAR. Out of these, 49 were single.

3.20 In every case, when an eviction is being approved referrals are made to Supporting Tenant and Residents, Children Services or Adult Services (where appropriate), and Housing Options.

3.21 Upon receiving a referral for a family case, Children's and Young Peoples Services will send out a letter inviting contact and telling tenants how to access any agencies that may be able to help them. Where they are already actively involved with a household, the referral will be passed to the allocated Social Worker.

3.22 Of the 103 evictions, 24 had some element of Bedroom Tax. Of these, 16 were single people and 8 were family cases.

3.23 Of the 103, 39 single people sought advice from Housing Options after eviction.

13 went into Council funded hostels. As part of next stage of Homelessness Strategy we are designing new ways of working with this group.

Specialist Support

3.24 Income Management staff (IMT) are trained and skilled to deliver advice and assistance with claiming Housing and other Welfare Benefits, to the point of asking for reconsiderations of benefits awarded.

3.25 They can also provide basic advice on budgeting skills, looking at income and expenditure and making affordable repayment arrangements in line with the Fair Debt policy.

3.26 However, some clients do present with complex problems that go beyond the skill-set or role of the Income Management team. In appropriate circumstances referrals will be made to a variety of internal and external agencies, including but not limited to:

- Drug and Alcohol Team (NHS)
 - Where alcohol and/or substance abuse is identified as a factor in the build-up of rent arrears
- Adult Social Care & Health (LCC)
 - If relevant support needs are identified, e.g.
- Christians Against Poverty
 - Specialist help with budgeting skills, especially in multiple debt situations
- Severn Trent Trust Fund
 - Can award one-off grants to help relieve hardship in some situations
- Single Point of Contact – Advice Services
 - Specialist help in applying for and appealing against decisions made on a wide variety of Welfare Benefits. This includes challenging benefit sanctions.
- Citizens Advice Bureau
- Supporting Tenants and Residents
- Money Advice Unit
- Soldiers, Sailors, Airmen & Families Association (SSAFA)

3.27 The Income Management Team makes a referral to the relevant agency, and liaise with any appointed support worker for so long as the tenant is engaging with them.

3.28 The number and value of evictions increased sharply in 2014/15. Prior to this, the value of arrears at the point of eviction had been increasing year on year.

Evictions from April 2015 to July 2015

3.29 In the current financial year, from April 2015 to July 2015, there have been 15 evictions to date. Of these, 12 have been single people and 3 were families.

3.30 None of these owed less than 10 weeks rent. One owed £500 to £1k,

6 owed between £1k and £2k, the remaining 8 owed over £2k.

3.31 The tenants were all aged between 25 and 62 years, save for one over 63 years old.

3.32 Of the 15, there were 4 who had some element of bedroom tax, all of whom were singles.

4. Financial implications

4.1 In 2014/15 total arrears owed by evicted tenants was £174k (£110k in 2013/14).

4.2 Following an eviction, collection of former debt is the responsibility of the Finance Division(Business Service Centre)who attempt collection of the debt following the corporate debt recovery procedure. It can take some time to determining collectability and will result in a write off if the debt is deem to be uncollectable.

4.3 In 2014/15 former arrears (debt relating to all tenancy terminations) was £51k (£64k in 2013/14). Eviction is the final stage of the rent arrears recovery process and the individual circumstances of each tenancy are considered before proceeding with this option. Eviction enables the council to terminate the tenancy and limit the impact of the rent arrears by stopping the arrears from increasing any further. This ultimately minimises the impact on other tenants by keeping rent rises down and maximising funding available for investment in the stock and neighbourhoods.

4.4 The arrival of Universal Credit to Leicester in January 2016 will result in an increase in rent arrears. The number of tenants receiving reminder letters, and potentially faced with the prospect of eviction, will increase.

Pete Coles
Principal Accountant Housing

5. Legal implications

5.1 There are no specific legal implications arising from this report.

Jeremy Rainbow
Supervisory Legal Executive x371435

5. Appendices:

Appendix 1: The Rent Arrears Process

Appendix 2: Breakdown of cases

Appendix 3: Evictions by ward

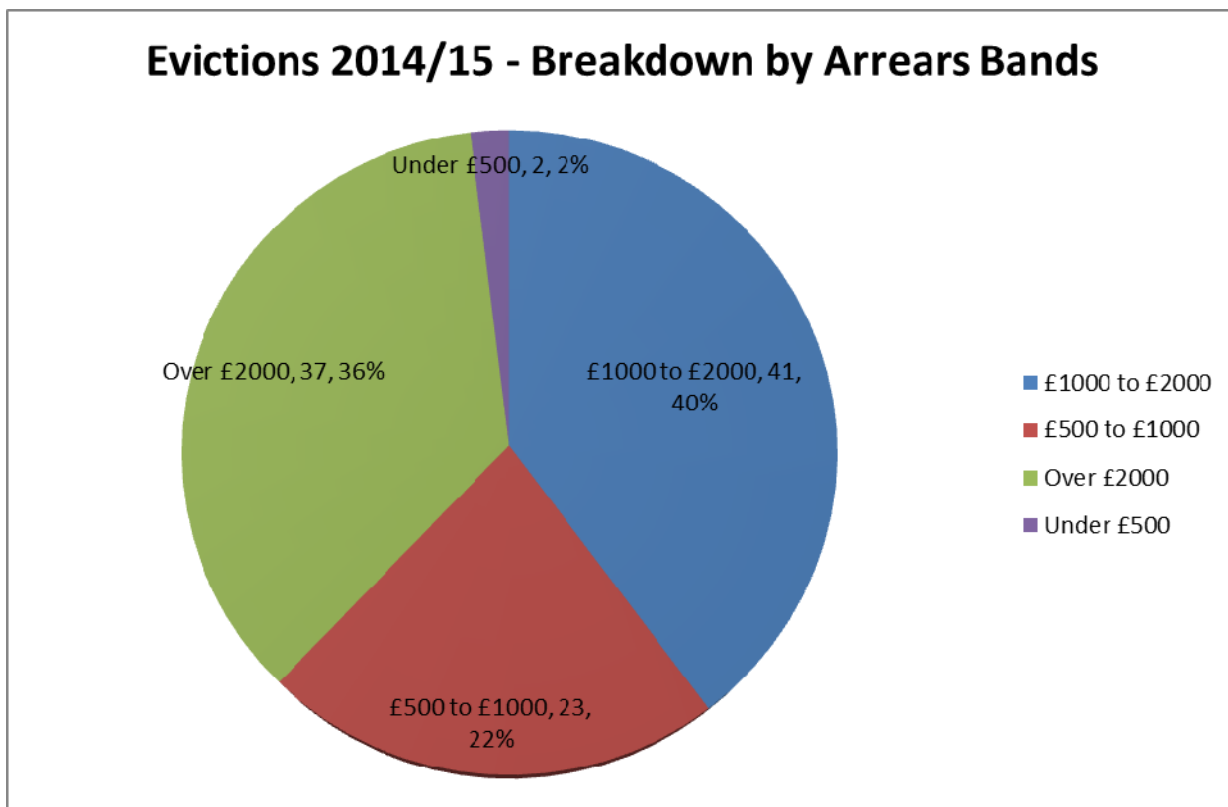
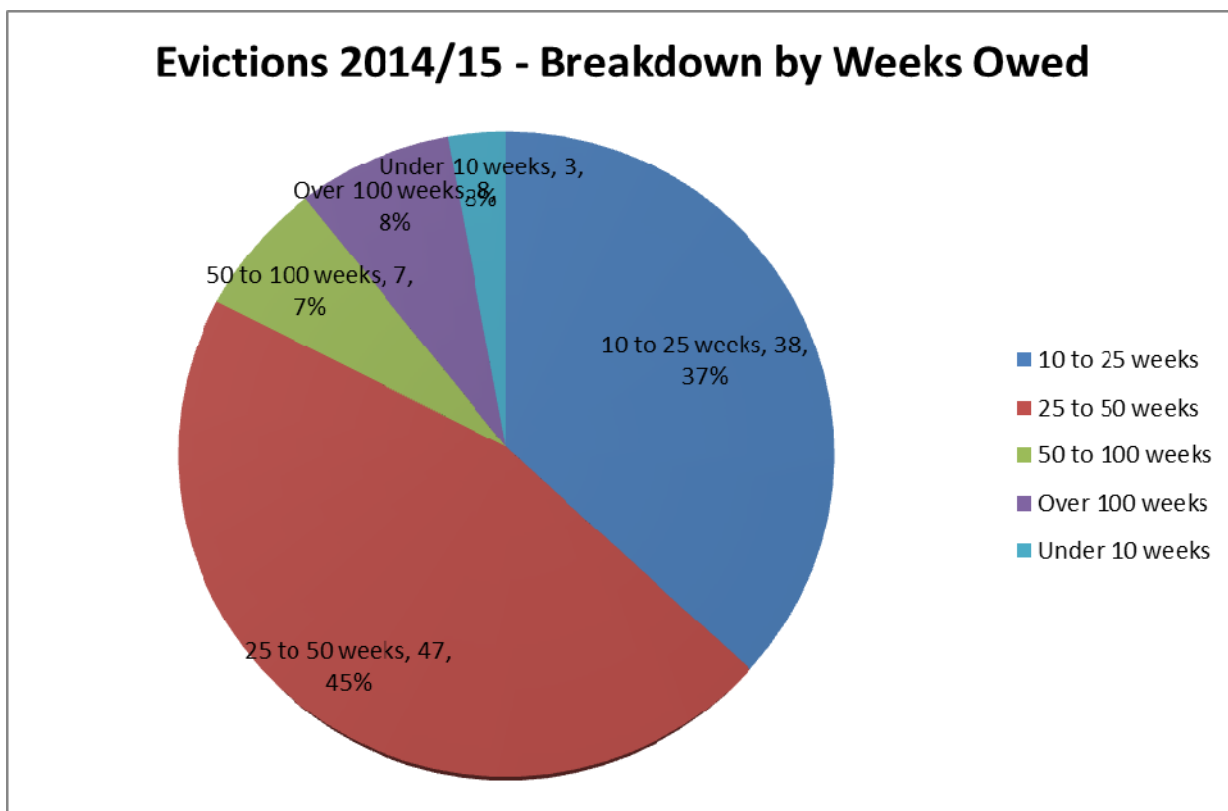
Appendix 4: Case Studies

Appendix 1. The Rent Arrears Process

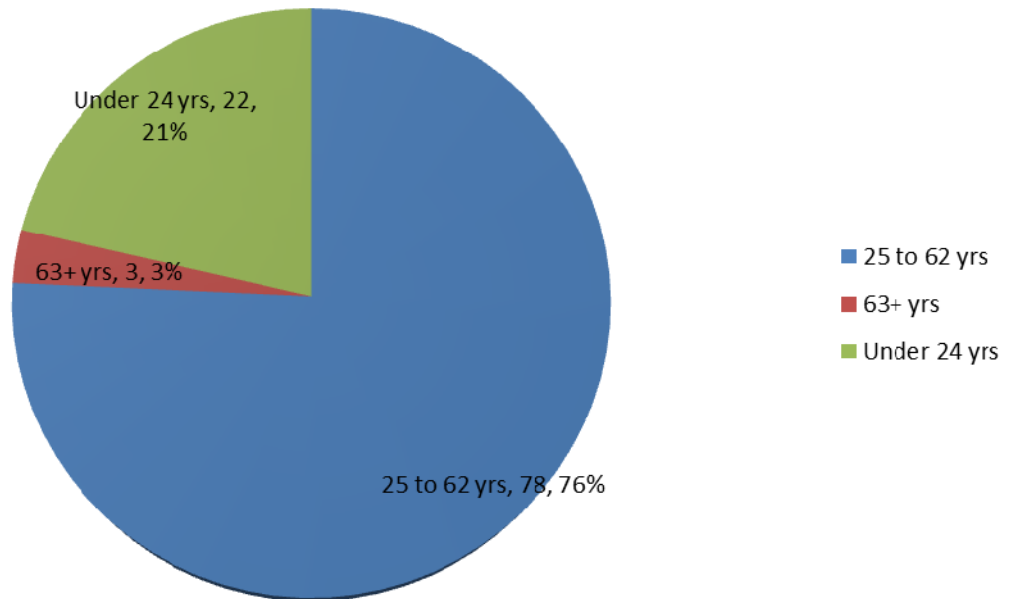
It should be noted that throughout the process below, officers will telephone and visit tenants to try and establish the cause of the arrears and make affordable arrangements in line with the Fair Debt policy.

- First Warning** – letter sent when 3 or more weeks payable rent is owed
- Second Warning** - letter sent when 4 or more weeks payable rent is owed
- Appointment** - an appointment letter is sent when 5 or more weeks rent is owed, or at the discretion of the officer.
- Notice** - At 6 weeks or more payable rent. The type of Notice depends on the tenancy – Introductory or Secure. Each gives a minimum of 28 days to clear the account before legal action can commence.
- Court Letter** - Final warning sent shortly before the Notice expires, or later as required.
- Court Summons** - When Court proceedings are begun
- Outcome of Court** - Confirmation of hearing, usually Suspended Possession
- Broken Court** - Letter when terms of suspension are breached
- Eviction Threat** - Letter if no response to Broken Court
- Warrant Letter** - When an Eviction Warrant application is made to Court
- Eviction Appointment** – Letter when Bailiff supplies date & time.

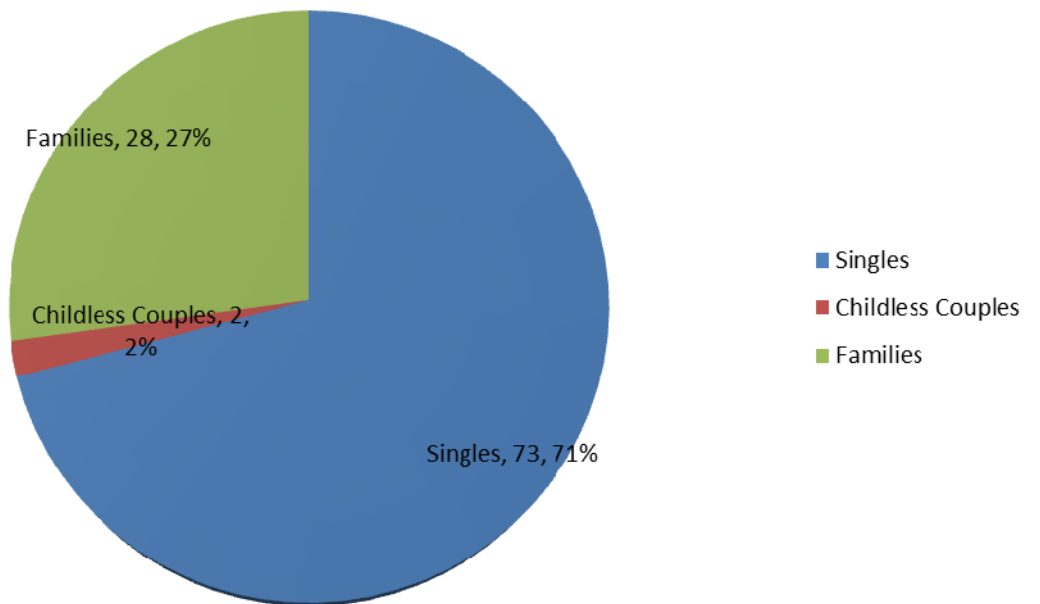
Appendix 2. Breakdown of Cases



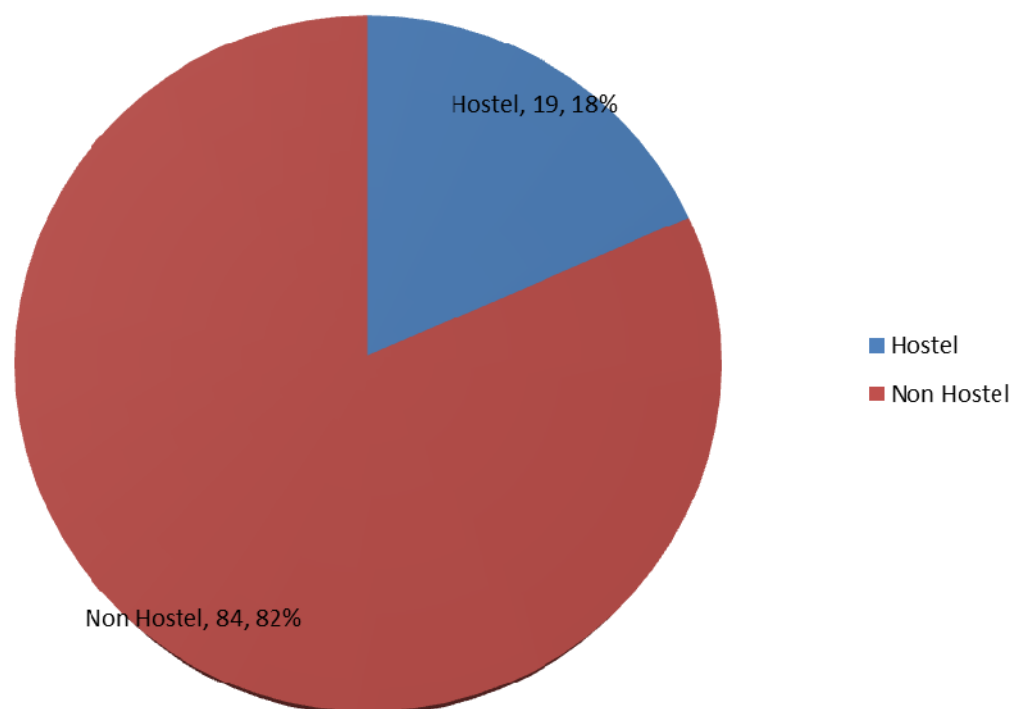
Evictions 2014/15 Breakdown by Age band



Evictions 2014/15 - Breakdown by Household Type



Evictions 2014/15 - Breakdown by Background



Value of Arrears Owed for Evictions by Year

Financial Year (April to March)	Amount Owed at Eviction Date	Number of Evictions	Average Value of Arrears at Eviction
2011/12	£74k	52	£1,423
2012/13	£97k	51	£1,902
2013/14	£110k	68	£1,618
2014/15	£174k	103	£1,689

Evictions 2014/15 - Breakdown by Support Received	
Support Agency	Number of Cases
ACTION HOMELESS	1
COMMUNITY ADVICE & LAW SERVICE	3
COMMUNITY ADVICE & LAW SERVICE, SOCIAL WORKER	1
COMMUNITY ADVICE & LAW SERVICE,MONEY ADVICE,CHARITY LINK	1
COMMUNITY ADVICE & LAW SERVICE,SINGLE POINT OF CONTACT	1
COMMUNITY ADVICE & LAW SERVICE, SINGLE POINT OF CONTACT,SUPPORTING TENANTS AND RESIDENTS	1
COMMUNITY ADVICE & LAW SERVICE, SUPPORTING TENANTS AND RESIDENTS	3
COMMUNITY LEGAL ADVICE CENTRE, SUPPORTING TENANTS AND RESIDENTS	4
HOSTEL SUPPORT	2
HOSTEL SUPPORT , SUPPORTING TENANTS AND RESIDENTS, COMMUNITY ADVICE & LAW SERVICE, SINGLE POINT OF CONTACT	1
MONEY ADVICE UNIT	6
NONE	36
PROBATION SERVICE	1
SOCIAL WORKER, SUPPORTING TENANTS AND RESIDENTS	1
SAFE, COMMUNITY LEGAL ADVICE CENTRE, SUPPORTING TENANTS AND RESIDENTS	1
SHELTER HOUSING ADVICE & RESEARCH PROJECT	1
SHELTER HOUSING ADVICE & RESEARCH PROJECT,CITIZENS ADVICE BUREAU, COMMUNITY LEGAL ADVICE CENTRE	1
SHELTER HOUSING ADVICE & RESEARCH PROJECT, COMMUNITY ADVICE & LAW SERVICE	1
SHELTER HOUSING ADVICE & RESEARCH PROJECT, SUPPORTING TENANTS AND RESIDENTS,SOCIAL WORKER	1
SHELTER HOUSING ADVICE & RESEARCH PROJECT, COMMUNITY ADVICE & LAW SERVICE	1
SHELTER, COMMUNITY ADVICE & LAW SERVICE, SPOC, SUPPORTING TENANTS AND RESIDENTS	1
SHELTER, SUPPORTING TENANTS AND RESIDENTS	2
SOCIAL WORKER	1
SINGLE POINT OF CONTACT, SUPPORTING TENANTS AND RESIDENTS	1
SINGLE POINT OF CONTACT,PROBATION SERVICE	1
NATIONAL ASSOCIATION FOR THE CARE & REHABILITATION OF OFFENDERS, COMMUNITY ADVICE & LAW SERVICE	1
SUPPORTING TENANTS AND RESIDENTS	23
SUPPORTING TENANTS AND RESIDENTS, PROBATION SERVICE	1
SUPPORTING TENANTS AND RESIDENTS , SOCIAL WORKER	1
SUPPORTING TENANTS AND RESIDENTS,MONEY ADVICE UNIT	1
SUPPORTING TENANTS AND RESIDENTS,PROBATION SERVICE,SOCIAL WORKER	1
OTHER SUPPORT WORKER	1
Total	103

Appendix 3 Evictions 2014/15 by Ward

WARD	Singles	Family	Childless couple	ALL EVICTIONS
Abbey Ward	5	0	0	5
Aylestone Ward	1	0	0	1
Beaumont Leys Ward	22	2	1	25
Belgrave Ward	1	0	0	1
Braunstone Park and Rowley Fields Ward	3	0	0	3
Castle Ward	0	0	0	0
Evington Ward	3	1	0	4
Eyres Monsell Ward	8	7	0	15
Fosse Ward	0	0	0	0
Humberstone and Hamilton Ward	0	0	0	0
Knighton Ward	1	0	0	1
North Evington Ward	2	2	0	4
Rushey Mead Ward	3	0	0	3
Saffron Ward	3	2	0	5
Spinney Hills Ward	1	0	0	1
Stoneygate Ward	3	1	0	4
Thurncourt Ward	2	0	0	2
Troon Ward	0	1	0	1
Westcotes Ward	1	0	0	1
Western Ward	8	8	0	16
Wycliffe Ward	7	4	0	11
TOTAL	74	28	1	103

APPENDIX 4

CASE STUDY 1. Family with Bedroom Tax element

REQUEST FOR EVICTION APPROVAL		
		Tenancy start 04/08/1997
3 Bed House		Aged 50
Weekly Rent £84.52	HB £72.69	Net rent £11.83 BT
Rent Balance: £767.44 (£348.43 court and warrant costs included)		
Family Composition – Single Parent (50) + dependant (13)		
Court Order: Nov 2014 SPO £3.65. Arrears £336.20		
DHP Award: Offered help but customer refused to engage	Social Care & Health (SCH) referral completed: Yes	Housing Application: NO LIVE APPLICATION
<u>Summary</u>		
<p>No payment received from tenant since 29/10/2014.</p> <p>Tenant had attended Office interview on 16/10/2014 - single parent with 1 dep. tenant affected by Bedroom tax, does not wish to lose home and concerned about the court hearing. Completed court agreement for Current Rent + £3.65. Payable fortnightly basis starting October 2014.</p> <p>Tenant does wish to downsize however currently undertaking some repair work before she exchanges. Tenant will be attending court.</p> <p>Advised community legal advice service and to obtain own independent legal advice. Discussed STAR - tenant said managing fine at present but aware of services provided. Tenant has a Post office account and does not wish to consider Clockwise.</p> <p>Explained Suspended Possession Order and breach of order will result in eviction. Explained in detail consequences of non-payment. Mobile no. correct. Strongly advised to contact if any problems.</p> <p>Since this appointment, tenant failed to attend another interview as was in breach of Court Order. Not kept to payment plan and was advised to contact us if any problems but no response. We have attempted to contact tenant many times via phone contact card and Home-visit done on 08/01/2015 but still not engaging.</p> <p>DHP has been offered but tenant did not want to accept this. Communications throughout the process have been very poor and minimal from tenant.</p>		

CASE STUDY 2 Single with Bedroom Tax element

REQUEST FOR EVICTION APPROVAL		
		Tenancy Start: 17/11/2003
Property type: 3 Bed house		Aged 21
Weekly Rent: £84.55	HB: NIL	Net rent: £84.55
Rent Balance: £2,115.21 (Plus £360.00 court costs)		
Court Order: In December 2014, Tenant appealed against his eviction & was granted a Suspended Possession Order for current rent plus £150.00 per month off arrears.		
DHP Award: Refused	SCH: No involvement	Housing Application: None
Advice support offered: Refused offers of support.		
<u>Summary</u>		
<p>Tenant is a single male residing in a 3 bed house, and who succeeded the property from his late sister, with effect from 02/05/2011.</p> <p>Tenant assisted in applying for Job Seekers Allowance, Child Tax Credits and also Child Benefit for his nephew X who was living with him at the time. (X has since left the property).</p> <p>Tenant referred to STAR but unfortunately there was little STAR could do to support him because Tenant only had limited benefit issues and had stated that he wasn't in need of emotional support because he had a close family network. Since the introduction of the under-occupancy charge, Tenant has claimed Housing Benefit for periods from 01/04/13 to 05/01/14 and 10/02/14 to 02/03/14. During this time he refused (and still is refusing) to apply to go onto the housing register to downsize into a smaller property, citing sentimental reasons and of having an emotional attachment to his family home.</p> <p>Income management team offered to signpost Tenant to additional financial support including DHP, but this was also declined because tenant feels that he is able to manage his own finances.</p> <p>Tenant was due to be evicted in October 2014, which he successfully appealed against, and then was due to be evicted again on December 2014, and again successfully appealed against the eviction. He is now in default of his latest court order by £1028.87 and new eviction action reinstated.</p>		

CASE STUDY 3: Family case without Bedroom tax

REQUEST FOR EVICTION APPROVAL		
		Tenancy Start: 26/2/2001
2 bed Flat		Aged 42
Weekly Rent £98.03	HB - £70.74	Net weekly rent £27.29 (Includes £15.90pw District Heating + £11.39pw Housing Benefit overpayment recovery)
Rent Balance: £1,032.27 (+ £210 court/enforcement costs)		
Court Order: May 2014 Granted Suspended Possession Order for current rent plus £5.00 off arrears plus £100.00 court costs		
STAFF PORTAL: No info re other agency involvement	SCH - no involvement	Next of kin: Unable to contact Mother
<p><u>Summary</u></p> <p>Single parent plus 1 dependent child. In receipt of Employment Support Allowance, Child Benefit and Child Tax credits. Has Housing Benefit overpayment of £1,279.93 being recovered at £11.39per week from Housing Benefit entitlement. Housing Benefit overpayment largely due to failing to declare increased earnings.</p> <p>Tenant has failed to engage with IMT who are continuing to do home visits and urgent cards to contact re: eviction but tenant is still failing to engage. The estate management officer has had no contact with the tenant.</p> <p>Historically this is tenant's 3rd eviction hearing via the court as tenant had previous applications for eviction suspended by the courts:</p> <p>Eviction Hearing 1 – September 2005- Suspended by court Eviction hearing 2 – July 2011 – suspended by court</p> <p>Generally, the tenant has a history of non-engagement and long periods of non-payment followed by regular payments once court/eviction action is taken. Tenant has recently been supported by community legal advice service & is aware of how to contact them if she needs to.</p> <p>At last home visit on 26/2/15 (tenant not in) hand-delivered letter informing of eviction and her rights to appeal/seek independent legal advice.</p>		

CASE STUDY 4: Single Person without Bedroom Tax

REQUEST FOR EVICTION APPROVAL		
		Tenancy Start: 26/10/2010
1 bed Flat		Aged 38
Weekly Rent £70.03	HB nil	Net weekly rent £70.03
Rent Balance: Arrears as of 31/3/2015 £1074.01 and costs of £110.00 Overpayment of Housing benefit when he went abroad for more than 13 week £1651.05 and council tax		
INCOME: Was working before went abroad – ESA stopped 23/7/2014		
Court order made in July 2013 – suspended on rent plus £3.60 – ARREARS £603.71 1ST Application to suspend the warrant – hearing in April 2014 – arrears of £452.82. Was suspended on payment of rent plus £3.65		
Full Default		
DHP AWARD: Refused on 22/10/13 as was abroad	SCH - no involvement	Housing application: no
<p><u>Summary</u></p> <p>Tenant has a long history of arrears with the account – started getting in arrears from 1st August 2011 and never managed to clear the account.</p> <p>As soon as the case was entered for court, tenant was referred to STAR and Money Advice. However, he failed to engage with them.</p> <p>Discretionary Housing Payment was refused on 22/10/2013 as the arrears were from when tenant went abroad or whilst he was working. He went abroad without notifying the Housing Benefit team from 4/6/2012 to 9/9/2012 and again he started working from 28/7/2014 to 21/12/2014 and again failed to notify the Housing Benefits team and so the large overpayment of £2313.29 created.</p> <p>Between July 2014 until December 2014 – we made several contacts, visited the property and left messages on mobile, written to contact, etc. Tenant went abroad again on 24/12/2014 he rang to say going for 3 to 4 weeks and then never made any contacts at all.</p> <p>Passed to Team Leader to approve the eviction arrears as of 31/3/2015 £1074.01 and costs of £110.00. Letter sent to tenant to say that eviction warrant will be raised.</p>		