

Everyone should have a home

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Alternatives to Evictions for Rent
Arrears

Shelter

Alternatives to Eviction for Rent Arrears

Overview

- Introductions
- Evictions – what are they and how are they used?
- What are they good for?
- Alternatives

Within this session only looking at the use of evictions by local authorities and registered social landlords

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Evictions – Dictionary Definitions....

the free dictionary.com

- To put out (for example, a tenant) by legal process: expel
- To force out

legal-explanations.com

Eviction consists of ousting a tenant who has breached the terms of a lease or rental agreement

dictionary.com

- to expel (a person, esp. a tenant) from land, a building, etc., by legal process, as for nonpayment of rent.
- to recover (property, titles, etc.) by virtue of superior legal title.

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All landlords have to collect the rent due to them to be able to provide services – therefore, when tenants have unpaid rent the landlord must have effective mechanisms in place to address this.

Evictions should only be used as a last resort when all other attempts at addressing the rent arrears have failed

Almost universal acceptance of this principle...but is it always the case in practice?

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	Councils		RSLs		Combined	
	Total Evictions	% of total stock	Total Evictions	% of total stock	Total Evictions	% of total stock
2002-03	1136	0.22	464	0.29	1600	0.25
2003-04	927	0.24	597	0.24	1524	0.24
2004-05	939	0.25	656	0.26	1595	0.26
2005-06	986	0.28	547	0.22	1533	0.25
2006-07	1049	0.30	Not available	Not available	n/a	n/a

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Legal Action

Court proceedings initiated against 16,691 local authority tenants in 2006/07 (circa 5%) and against 5,780 RSL tenants in 2005/06 (circa 2%)

Around 1 in 15 court actions initiated results in an eviction

Wide variation in local practice

Threat of eviction?

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Trends in the use of eviction

- Larger landlords more likely to evict
- Urban landlords more likely to evict
- Eviction rates higher in areas of low demand housing
- Eviction rates higher in local authorities with higher rent arrear levels

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Eviction – What is it good for?!

(And not good for?)

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Small Claims Actions

Can be used for debts of less than £3,000

Sheriff can make a decree for payment

Sheriff Officer can be brought in to enforce the debt

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Building Society/ Bank Arrestments

Debtor has their bank/ building society account frozen

Removed when a mandate is signed for funds to be released to the creditor or court order forces release of funds

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Exceptional Attachment Orders

Non-Essential personal possessions can be seized and sold against a persons debt

(replacement system for poinding and warrant sales)

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Benefits Deductions/ Rent Direct

Payments against a tenant's rent arrears are automatically deducted from their benefits payment

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Conclusion

Landlords must get the rent in but should legal action/ eviction be the default option for doing this?

Why is there such variation in the use of the eviction process and so little relation to the landlords performance on rent collection?

There are a range of alternative options for pursuing debts. Are these effective and could they entirely replace the use of eviction?