

Research report

Evictions by social landlords in Scotland 2009-10

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Shelter
Scotland

Summary

- This Shelter Scotland report looks at the number of evictions¹ across Scotland from the social sector looking at both local authorities and Registered Social Landlords (RSLs) for the period April 2009 – March 2010.
- Across Scotland in 2009/10, evictions in the social rented sector as a whole are down by 33%. This reduction is a significant improvement on 2008/09 figures. The fact that this comes at a time of more difficult financial circumstances suggests strongly that the reduction is due to explicit changes in policy and practice rather than changes in the environment.
- Local authorities have seen a 29% reduction in evictions while RSLs have reduced the number by 38% compared to last year. There has also been a reduction in the number of tenants taken to court and the number of decrees granted.
- The vast majority – around 95% - of eviction actions are for rent arrears and are often a symptom of wider debt and money problems or housing benefit issues.
- In 2009/10 social landlords issued over 75,000² Notice of Proceedings for recovery of possession (NOPs). This suggests that eviction or the threat of eviction is still being used as a mechanism for rent collection which we argue is an expensive and unproductive way to communicate with tenants who are struggling with debt issues.
- Despite a significant reduction at a national level there remains a great deal of regional variation across different social landlords, with some actually seeing an increase in their evictions. The wide spectrum of eviction rates shows the potential that all social landlords have to change their approach to tenants with arrears and how much impact a change in policy and procedures can have. It also shows that, despite improvements, more work needs to be done to ensure consistency across Scotland.
- Social landlords still evicted 2,204 tenants in 2009/10. Apart from the ongoing social and financial problems for these individuals and families, these evictions, even at a conservative estimate, would have cost landlords a minimum of £13m.
- 14 of the 26 local authorities with housing stock saw a reduction in the number of evictions, and, importantly, saw no increase in their total arrears. In 2009/10 local authorities saw their arrears fall from £37.7m to £34.4m and RSLs saw a fall from £42.6m to £42.2m. This challenges the traditional argument that reducing evictions will lead to increases in arrears.
- The introduction of legal protection for social tenants in arrears, through the Pre-Action Requirement checklist in the Housing (Scotland) Act 2010, is a very positive step

¹ For the purpose of this report, 'eviction' includes post-decree abandonments as per the Scottish Government statistics. A post-eviction decree means that the landlord has been granted decree for eviction by the court and the tenant has decided to flee the property before being forcibly removed.

² In 2009/10, local authorities issued 57,068 NOPs and RSLs issued 21,911 NOPs.

forward in reducing eviction in Scotland. This legislation will be commenced in 2011, and builds on existing good practice based on good communication between tenants and landlords, focusing on early intervention.

- The successful implementation of Pre-Action Requirements (PARs) will require good guidance from the Scottish Government and will be an appropriate place to collate and disseminate good practice examples from both councils and housing associations.
- While a lot of progress has been made to reduce eviction numbers and the use of eviction to manage arrears, eviction is still common and, for the majority of tenants, a disproportionately harsh penalty. It is important that social landlords try to prevent homelessness wherever possible and a key part of that is ensuring that eviction is only used as a genuine last resort.
- Over the past few years Shelter Scotland has campaigned for social landlords to reduce the number of evictions, particularly for rent arrears. In reaction to our first report 3 years ago, landlords questioned if there was more they could do since they '*only evict tenants as an absolute last resort*'³. Since 2007/08 evictions have fallen by 38% across the sector which shows this was clearly not the case. The recent fall in evictions also shows the potential for ongoing improvements and we hope that these trends continue in the future.
- As eviction rates are going down, there is an increasing body of expertise around alternatives to eviction and tenancy sustainment from leading social landlords. These examples should be captured by the Scottish Government and collated as guidance to help prevent evictions.

³ <http://news.bbc.co.uk/1/hi/scotland/7786599.stm>

1. Introduction

This report, the third in a series of Shelter Scotland reports looking at evictions in the social-rented sector across Scotland, draws on Scottish Government and Scottish Housing Regulator (SHR) statistics for the period 1 April 2009 to 31 March 2010. The report considers official statistics for evictions, in particular the number of actions for repossession started, number of cases going to court at a national and local level and 'technical evictions'. It also looks at regional variations, best practice and the policies behind the statistics.

Shelter Scotland has been campaigning over the past few years for the high numbers of social sector evictions to be reduced and for a fundamental change in the approach to rent arrears management and tenancy sustainment. The majority of all social sector evictions are for rent arrears and we believe that eviction is, in most cases, a blunt and ineffective tool to deal with individuals and families often struggling with debt and other complex financial and social issues. Leaving aside evictions for antisocial behaviour which only constitute in the region of 5% of the total⁴; eviction and the threat of eviction is used too frequently as a mechanism for collecting rent and in many cases simply displaces the problem rather than solving it. Eviction compounds many of the issues that have contributed to the mounting of arrears and heaps additional stress onto individuals and families. Forcing someone to leave their home should only ever be a last resort.

In 2008 Shelter Scotland produced a report highlighting that there were nearly 4,000 evictions by social landlords in 2007/2008 and urging the Scottish Government and all social landlords to do more to try and reduce that number⁵. In the second report, published in 2009⁶, Shelter Scotland highlighted the devastating impact of evicting families with children but also the economic costs for social landlords. This report also highlighted research showing that evicting a single person would cost the social landlord £15,000 at a conservative estimate, and, if that person went on to be homeless, the costs can rapidly rise through ongoing temporary accommodation and support costs. Post-eviction, there are also financial implications of conducting homeless assessments, void properties and re-letting. In addition to costs for local authorities, the high volume of eviction actions being heard in court, the majority of which do not end in eviction, clog up court services and mean expensive ongoing legal costs.

⁴ According to Scottish Government figures, 96% of the evictions carried out in 2009/10 by local authorities were for rent arrears, the remaining being largely for antisocial behaviour. Figures from 2008/09 show that 93% of RSL evictions were for rent arrears.

⁵ 'Research: Evictions by social landlords in Scotland' (Dec 2008)

http://scotland.shelter.org.uk/_data/assets/pdf_file/0003/152517/Evictions_2007-2008.pdf

⁶ 'Briefing: Eviction of children and families. The impact and the alternatives' (November 2009)

http://scotland.shelter.org.uk/_data/assets/pdf_file/0004/223672/Evictions_Nov09_Shelter.pdf

With local authority arrears currently standing at £34.4m⁷ and RSL arrears at £42.2m⁸, the payment of rent must remain a priority. The payment of rent is vital for effective housing management and a key obligation of any tenancy agreement. Shelter Scotland believes that a clear policy focusing on helping tenants retain their tenancy and resolving arrears as early as possible can reduce arrears and evictions at the same time.

Background

Against this backdrop, it has become increasingly apparent that the majority of evictions are not in the best interests of tenants, landlords or taxpayers and more can and should be done to avoid them where possible. Forcing someone to leave their home should only ever be used as a last resort. In many eviction cases this ultimate sanction is disproportionate to the debt owed and can simply displace and compound existing social and financial problems. Since the publication of the first Shelter Scotland eviction report in 2008, there have been a series of national and local developments in policy and practice which have focused on reducing evictions where possible and changing policy and practice to focus on communication and tenancy sustainment.

The introduction of Section 11 notifications through the Homelessness etc. (Scotland) Act 2003 came into force in April 2009 placing a duty on RSLs, mortgage lenders and private landlords to notify their local council if they initiate legal proceedings to repossess a property. The background to this legislation is the high number of homeless applicants annually who were previously private or RSL tenants who lost their tenancy⁹. Section 11 has now been in force for eighteen months and in the period April 2009 – March 2010 there were 14,116 Section 11 notifications issued from a mixture of housing associations, private landlords and creditors¹⁰. It is hoped that these notifications are helping to prevent homelessness, although it is unclear at this stage how universally they are being applied.

This focus on repossessions led to the formation of the Scottish Government Repossessions Working Group who met through 2009 to consider the rights of homeowners in repossession cases. The resulting legislation was the Home Owner and Debtor Protection Act which came into force in September 2010. This legislation brought in enhanced protection for owners at the risk of losing their homes and consistency for lenders on the protocol for repossession cases. It represents a significant legislative step

⁷ Scottish Government Housing Management Statistics 2010

<http://www.scotland.gov.uk/Publications/2010/09/27112110/9>

⁸ Scottish Housing Regulator RSL Annual Statistical return 2010

http://www.scottishhousingregulator.gov.uk/stellent/groups/public/documents/webpages/shr_statisticstables2009-10.hcsp#TopOfPage

⁹ 13% of homeless applicants in Scotland in 2009/10 previously held a council or RSL tenancy.

Scottish Government Annual Homelessness Statistics (August 2010) Table 21b

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/hmlss0910>

¹⁰ Scottish Government Annual Homelessness Statistics (August 2010) Table 40

<http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/hmlss0910>

forward in repossession cases that will help people to agree repayment terms for their debt and more importantly, to keep their homes.

Pre-Action Requirements in the Housing (Scotland) Act 2010

In the final report of the Repossessions Working Group there was a recommendation that the Scottish Government should investigate what protection was in place to protect tenants in the social rented sector from eviction for rent arrears¹¹. The Scottish Government took forward this recommendation in January 2010 consulting a range of stakeholders and holding a formal consultation in March 2010¹². The consultation laid out the significant cost and negative implications of unnecessary evictions and the proposed format of this protection mirrored that brought in through the Homeowner and Debtor Protection Act. More than three quarters of the 93 respondents agreed that the introduction of legal protections for social sector tenants with rent arrears would help reduce evictions¹³.

The Scottish Government produced a consultation report¹⁴ and then brought forward the recommendations as primary legislation at Stage 2 of the Housing (Scotland) Bill. The recommendations were accepted by Parliament and will be commenced in 2011. The legislation lays out the steps that all social landlords must take before taking a tenant to court for rent arrears. The very high number of court actions currently initiated which do not result in eviction suggests that more could be done at an earlier time to resolve debt management issues, sort out Housing Benefit errors or back payments or to agree a repayment plan. This check list focuses on engagement and early communication between tenants and landlords and Shelter Scotland believe that these Pre-Action Requirements will not only reduce the number of evictions by social landlords, but also reduce the number of expensive court actions raised and ensure a consistent standard across all social landlords.

This legislation is an extremely positive step forward and should be welcomed by social landlords. The successful implementation of this legislation will require detailed guidance from the Scottish Government and support for social landlords who need to change their policy and practice and we look forward to its publication in early 2011.

¹¹ 'Repossessions group: final report' Scottish Government (June 2009) <http://www.scotland.gov.uk/Resource/Doc/274765/0082205.pdf>

¹² 'Eviction of Tenants in the Social Rented Sector: Protection of Tenants with Rent Arrears' Scottish Government (March 2010) <http://www.scotland.gov.uk/Resource/Doc/308168/0097017.pdf>

¹³ 88 respondents to the consultation answered this question and 69 answered the question 'Do you think that a pre-action requirement would help to protect tenants from eviction?' - 'yes' or 'yes with conditions' <http://www.scotland.gov.uk/Resource/Doc/318858/0101791.pdf>

¹⁴ <http://www.scotland.gov.uk/Publications/2010/07/16125553/0>

Best Practice

In addition to these developments led by the Scottish Government, some progressive social landlords have audited their own practice and changed their approach to the management of arrears by reviewing existing policies. Stirling Council's pioneering approach led it to audit its 2007/08 evictions showing the £117,000 spent on evicting 23 tenants cost nearly three times the £33,000 due in arrears¹⁵. This led to a thorough evaluation of policies around arrears management and evictions which has, over the past two years, resulted in a far fewer evictions and reduced arrears. Similarly, Glasgow Housing Association (GHA), Scotland's largest landlord has also been implementing significant changes in the past few years to the way it approaches rent arrears and has focused on increased personal contact with tenants. GHA has seen evictions fall from 424 cases in 2008/09 to 187 in 2009/10, a reduction of 56%.

Both these cases show the potential all social landlords have to address their practice and ensure that everything possible is done to avoid eviction. This was echoed in the responses to the Scottish Government consultation where a majority of respondents thought more should be done to share best practice and to encourage all social landlords to consider their eviction rates. The consultation responses also gave a range of ideas and policies that are currently being implemented to manage or reduce rent arrears¹⁶. These included looking at housing benefit processes, working more closely with other organisations/departments, considering the range of repayment plans, maximising the ways tenants can pay rent and providing money and debt advice support. Many social landlords also emphasised the importance of pre-tenancy support in the prevention of arrears, focusing on good communication with tenants and early intervention if arrears should arise. These, and other best practice examples, are adding to the growing body of expertise around tenancy sustainment and evidence in support of reducing evictions which should be centrally collated and disseminated to all social landlords.

¹⁵

<http://minutes.stirling.gov.uk/pdfs/servicedp/Reports/SD20090827CallInItem08ManagingRentArrearsWithoutEvictions.pdf>

¹⁶ 'Eviction of Tenants in the Social Rented Sector: Protection of Tenants with Rent Arrears an Analysis of Consultation Responses' particularly Q. 3 & 4.

<http://www.scotland.gov.uk/Resource/Doc/318858/0101791.pdf>

2. Evictions in Scotland 2009/10

The statistics for the period 1 April 2009 to 31 March 2010 show a significant reduction in the number of evictions for social rented tenants. Across the sector, the number of evictions has fallen by 33%.

The number of evictions has fallen from 3,297 in 2008/09 to 2,204 in 2009/10. The fact that this comes at a time of more difficult financial circumstances suggests strongly that the reduction is due to explicit changes in policy and practice rather than changes in the environment. Beyond this significant 33% reduction in the number of evictions (including post-decree abandonments), there is also a reduction in the number of court actions and decrees granted, each down by around 20%.

Table 1 gives the combined totals for eviction actions for all social landlords and the percentage change from the previous year.

	Councils	RSLs	Total	Percentage change from 2008/09
Taken to court	11,782	4,153	15,935	-19%
Decree granted	4,613	1,633	6,246	-20%
Eviction occurred*	1,262	942	2,204	-33%
Technical evictions**	470	261	731	-47%***

Source: Housing Statistics for Scotland 2010, Scottish Government (August 2010), Annual Performance & Statistical Return (APSR), Scottish Housing Regulator (September 2010).

* Including post-decree abandonments
 ** Where a new post-decree tenancy has been granted at the same property
 *** Councils provided no technical evictions data in 2008/09 so this figure is for RSLs only.

The data shows there has also been a reduction in the number of “technical evictions”, where a new post-decree tenancy is created in the same property because an agreement has been reached between the landlord and the tenant. This progress across a number of areas is very positive. It is, however, important to note that there were still 15,935 eviction cases taken to court by social landlords last year with three quarters of these by local authorities. This very high volume of court actions represents a significant cost to landlords but also places the stress of an eviction court case on nearly 16,000 households.

There were 2,204 evictions by social landlords in 2009/10 and at a conservative estimated cost of £6,000¹⁷ per case this is an extremely expensive process costing a minimum of £13million. In addition, social landlords issued over 75,000¹⁸ Notice of Proceedings for recovery of possession (NOPs) in the same time period, which suggests that eviction or the threat of eviction is still being used routinely as a mechanism for rent collection.

Figure 1 shows the number of evictions carried out from 2006/07 to 2009/10 showing the proportion carried out by both RSLs and local authorities. There were 3,255 evictions in 2006/07 which rose to a peak of 3,573 the following year. Significantly, over the past two years there has been a year on year drop in total evictions in the social sector from 3,297 in 2008/09 to 2,204 in 2009/10; a reduction of 33% in the last year. It is worth noting that in 2008/09 local authorities saw evictions fall by 15% whereas RSLs saw a small increase of 3%. This year it is RSLs which have made the greatest progress with a fall in evictions of 38% with councils seeing a smaller reduction of 29%. It is important that the reductions this year are relatively balanced across RSLs and councils which suggests that both sectors are prioritising this policy area.



Local authority evictions 2009/10

There has been a significant policy focus on reducing evictions at both national and local level over the past few years and local authorities across Scotland have seen evictions fall from 1,773 in 2008/09 to 1,262 in 2009/10. This is a 29% reduction which means an additional 500 households kept their homes this year. This downward trend is significant

¹⁷ Research by Community Finance Solutions in 2006, suggests that every eviction costs a social landlord £6,000 [Community access to money: social landlords reaping the benefits](http://www.crisis.org.uk/policywatch/bkpage/files/howmanyhowmuch_full.pdf). Crisis research from 2003 put the cost of eviction between £15,000 and £83,000 for a single person http://www.crisis.org.uk/policywatch/bkpage/files/howmanyhowmuch_full.pdf and SCSH research from 2007 put the cost of eviction at between £12-23,000 <http://www.scshe.co.uk/information/briefings/07%20Tenancy%20Failure%20Briefing.pdf>

¹⁸ In 2009/10, local authorities issued 57,068 NOPs and RSLs issued 21,911 NOPs.

and seems to represent a shift in policy and practice by a number of councils towards early intervention and tenancy sustainment.

While a fall in the overall number of evictions is very positive, there is huge regional variation in local authority performance from a 78% reduction in eviction by West Dunbartonshire Council to a 45% increase in eviction by Dundee City Council. This disparity is unlikely to reflect regional circumstances and economic factors; rather it is much more to do with significant variation in practice and the management of arrears.

Table 2: Eviction/abandonment action initiated by local authorities in 2009-10¹⁹

	2007-08	2008/09	2009/10	Percentage change from 2007/08 to 2009/10
Scotland	2,089	1,773	1,262	-40%
Aberdeen City	245	221	171	-30%
Aberdeenshire	36	33	41	14%
Angus	14	28	34	143%
Clackmannanshire	25	26	13	-48%
Dundee City	85	71	103	21%
East Ayrshire	179	104	95	-47%
East Dunbartonshire	22	23	13	-41%
East Lothian	15	14	10	-33%
East Renfrewshire	10	6	6	-40%
Edinburgh, City of	230	263	180	-22%
Falkirk	110	76	58	-47%
Fife	63	73	56	-11%
Highland	26	25	34	31%
Midlothian	60	49	17	-72%
Moray	28	5	7	-75%
North Ayrshire	69	54	44	-36%
North Lanarkshire	410	302	167	-59%
Orkney	4	1	1	-75%
Perth & Kinross	10	10	6	-40%
Renfrewshire	170	146	55	-68%
Shetland	3	1	6	100%
South Ayrshire	30	21	21	-30%
South Lanarkshire	97	70	59	-39%
Stirling	27	27	3	-89%
West Dunbartonshire	29	49	11	-62%
West Lothian	92	75	51	-45%

¹⁹ I have removed the following local authorities from this table because they no longer have housing stock following whole stock transfers: Argyll & Bute Council, Dumfries & Galloway Council, Eilean Siar, Glasgow City Council, Inverclyde Council and The Scottish Borders Council. These figures are for evictions and post-eviction decree abandonments.

In total, 17 of the 26 local authorities with housing stock saw a fall in the number of evictions from 2008/09 to 2009/10 and 3 saw no change. There are 6 local authorities that have seen an increase in evictions, these were: Aberdeenshire Council, Angus Council, Dundee City Council, Highland Council, Moray Council and Shetland Council²⁰.

Table 2 shows the total number of evictions for each local authority with housing stock over the past 3 years and shows the majority of councils have seen a drop in their evictions each year. The table highlights the spectrum of performance by local authorities and how varied eviction practice is. Certain councils have shown a large reduction such as North Lanarkshire which carried out 135 fewer evictions in 2009/10 than the previous year and over 3 years has seen a 59% reduction. Similarly, City of Edinburgh Council evicted 83 fewer households and Renfrewshire Council evicted 91 fewer than the previous year. These reductions in the space of a year highlight the potential for all social landlords to re-evaluate their practices to ensure that eviction is truly a last resort. For landlords such as Dundee City Council, it is important that they look into why its evictions have increased by 45% and what needs to be changed to bring its practice more in-line with national trends of reducing evictions.

Local authorities took 11,782 cases to court and secured 4,613 decrees against tenants which resulted in 1,262 evictions or post-decree abandonments shown in Table 3. This is a court action to eviction conversion rate of 11% and in real terms represents a considerable investment of both time and money for councils.

	2007/08	2008/09	2009/10	Percentage change from 2008/09
Taken to court	13,382	13,323	11,782	-12%
Decree granted	5,063	5,246	4,613	-12%
Eviction occurred	2,089	1,773	1,262	-29%
Technical evictions	-	-	470	-

It is important to note that councils issued over 57,000 NOPs which is an extremely high number – about 1 in 6 local authority tenants receiving an NOP in 2009/10²¹. This suggests that the threat of eviction is still being used too frequently as a mechanism for rent recovery. Apart from making receipt of a NOP meaningless to tenants, this suggests that local authority processes are still too mechanistic. From work Shelter Scotland has

²⁰ Although it should be noted that for both Moray and Shetland Council, the percentages are disproportionately high because the numbers in each case are so small.

²¹ In 2009/10 local authority rented stock totalled 323,100 units and issued 57,068 NOPs. <http://www.scotland.gov.uk/Topics/Statistics/Browse/Housing-Regeneration/HSfS/KeyInfoTables>

done with a number of councils, it is clear that the eviction process can kick in too early, with an eviction notification or NOP being 'triggered' on the housing management system by a fixed number of weeks arrears, sometimes as low as two weeks. While it is vital to address arrears as early as possible to stop them accumulating, serving an NOP at this point can be futile and it would be far better for arrears to trigger face-to-face discussions and early interventions to tackle repayment. Mechanistic issuing of NOPs can result in cases being brought against tenants who have housing a benefit claims pending or backdated payments due which should have been identified before resorting to legal action. Shelter Scotland often sees eviction actions being brought against tenants with very low arrears where the cost of carrying out the eviction is more than the debt owed²².

RSL evictions 2009/10

The number of evictions carried out by Registered Social Landlords in 2009/10 has dropped significantly since last year. This is important as, in 2008/09, a fall in evictions by local authorities was not shared by RSLs. However, by 2009/10 RSLs had 'caught up'. The 38% reduction from 1,524 evictions to 942, reflects an increased focus on eviction procedures and practices over the past few years and a change in emphasis in the management of arrears by some RSLs. There has also been a significant fall in the number of cases going to court for eviction and the number of decrees obtained. Collectively this data suggests that landlords are working with tenants to try to resolve the debt issue before court action is necessary and that across the board the threat of eviction is being used less frequently. This does still mean however, that last year nearly 1,000 households were evicted from their homes by RSLs, many of whom will have become homeless as a result. Across the board RSLs have also seen a reduction both in the number of tenants taken to court for rent arrears and the number of decrees granted.

Table 4: Eviction actions by RSLs 2009/10				
	2007/08	2008/09	2009/10	Percentage change from 2008/09
Taken to court	6,657	6,385	4,153	-35%
Decree granted	2,903	2,572	1,633	-37%
Eviction occurred	1,484	1,524	942	-38%
Technical evictions	510	490	261	-47%

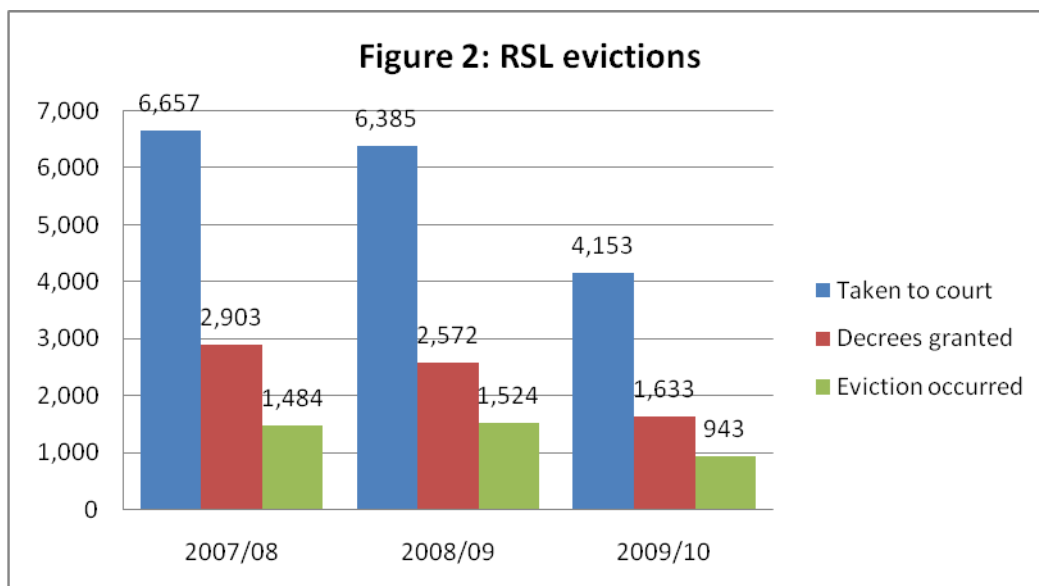
Table 4 above shows RSL data for eviction actions started, decrees granted, evictions occurred and the number of technical evictions from 2007/08 to 2009/10. It charts a steady reduction in all areas over the past 2 years. This table also shows that RSLs took over 4,000 tenants to court which still represents a significant financial and resource cost,

²² Shelter Scotland was recently involved with an eviction case being pursued by a local authority where the arrears were £188 and the court costs were £257.

not to mention the potential impact on these tenants. Of the 4,153 cases taken to court, 22% end in eviction, compared to the local authority rate of 11%. This highlights the persistent use of court action by local authorities, for cases that have no merit and do not warrant the use of eviction. The Pre-Action Requirement legislation has been brought in to try and cull the number of eviction cases that proceed to court only to be resolved or dismissed without an eviction.

Once again there is significant variation across different RSLs who vary in size and geographical presence. Some of the larger housing associations have seen big reductions in their evictions. Glasgow Housing Association, Scotland's largest landlord with more than 63,000 units, has seen its evictions fall by more than a half from 424 in 2008/09 to 187 in 2009/10. Similarly, Dumfries and Galloway Housing Partnership which has more than 10,000 units, has seen a 41% fall in evictions and Castle Rock Edinvar Housing Association which has housing in 8 local authority areas, has seen a 25% reduction. These reductions again, show the potential that all landlords have to re-evaluate their practices to further reduce evictions and to improve procedures.

Figure 2 shows that over the past 3 years there has been a steady fall in evictions but also a fall in the number of cases taken to court and the number of decrees granted. However, it also shows that despite this reduction, RSLs took more than 4,000 households to court, mainly for rent arrears, to seek possession of their homes. Despite 77% of these cases not resulting in an eviction, there is still a significant financial and resource implication for RSLs in this volume of court actions on top of the stress and disruption for the tenants.



3. Eviction and rent arrears

There has been concern from some social landlords that reducing the number of evictions would lead to growing arrears and in turn an increased rent arrears debt mounting up. It is important to note that while nationwide there has been a 29% reduction in local authority evictions, there has also been a 9% reduction in the total arrears figure, with a fall from £37.7m to £34.4m.

Table 5: Relationship between evictions and rent arrears 2008/09 – 2009/10

	% change in evictions 2008/09 – 2009/10	% change in rent arrears 2008/09 – 2009/10	% change in number of current tenants with arrears 2008/09 – 2009/10	% change in number of former tenants with arrears 2008/09 – 2009/10
Scotland	-29%	-9%	-6%	-13%
Aberdeen City	-23%	-8%	4%	-14%
Aberdeenshire	24%	7%	12%	1%
Angus	21%	-21%	-2%	5%
Clackmannanshire	-50%	-13%	-57%	-2%
Dundee City	45%	7%	-2%	22%
East Ayrshire	-9%	-25%	-30%	-8%
East Dunbartonshire	-43%	0%	8%	-11%
East Lothian	-29%	-21%	-16%	-39%
East Renfrewshire	0%	14%	-10%	4%
Edinburgh, City of	-32%	43%	-2%	0%
Falkirk	-24%	-8%	10%	16%
Fife	-23%	0%	6%	5%
Highland	36%	-19%	-67%	-59%
Midlothian	-65%	-6%	-1%	-47%
Moray	40%	0%	13%	-2%
North Ayrshire	-19%	57%	-5%	-1%
North Lanarkshire	-45%	-7%	-2%	3%
Orkney	0%	n/a	n/a	n/a
Perth & Kinross	-40%	13%	12%	10%
Renfrewshire	-62%	-57%	-14%	-4%
Shetland	500%	0%	-28%	-45%
South Ayrshire	0%	18%	-4%	22%
South Lanarkshire	-16%	-8%	24%	-13%
Stirling	-89%	-50%	-39%	-12%
West Dunbartonshire	-78%	-8%	-2%	-17%
West Lothian	-32%	0%	-10%	22%

Table 5 shows that of the 26 councils that have housing stock²³, 14 saw a reduction in the number of evictions they carried out but saw no rise in their arrears and 11 saw a reduction in eviction **and** their total arrears figure. Certain local authorities have seen a large fall in both. For example, East Lothian Council saw a 29% fall in its evictions between 2008/09 and 2009/10 and a 21% fall in its total arrears. It also achieved a 16% fall in the number of current tenants with arrears and 39% fall in the number of former tenants in arrears. This suggests that changes in the approach to tenants with arrears has resulted not only in a better outcome for tenants but also a reduction in the overall arrears level for councils. What is also interesting to note is that Stirling Council which banned eviction from June 2009 to June 2010 has also seen a fall in the number of current and former tenants with arrears which suggests that eviction or the threat of eviction has little impact on arrears levels or tenants ability/likelihood of paying their rent.

Of the 14 councils that reduced the number of evictions in 2009/10, 7 not only saw a reduction in eviction numbers, but also in their total arrears and the number of current tenants and former tenants with arrears. The relationship between arrears and levels of eviction is pivotal and it is very positive to see that some local authorities that have achieved a reduction in their evictions have undergone such a change in their policy towards tenants with arrears, or potential arrears, that they have also seen a reduction in the amount owed.

²³ The following local authorities do not appear on this table following whole stock transfers to housing associations meaning they control no social housing: Argyll & Bute Council, Dumfries & Galloway Council, Eilean Siar, Glasgow City Council, Inverclyde Council and Scottish Borders Council.

4. Conclusions

Shelter Scotland is pleased to see such a significant reduction in social sector evictions, especially considering the recession and tough economic environment. In response to our first eviction report in 2008²⁴ which criticised high eviction numbers, social landlords consistently claimed that eviction was only ever a ‘last resort’²⁵. The steady decline in evictions over the past 2 years by both local authorities and RSLs shows an inconsistent application of ‘last resort’ and that there has been and remains, room to improve on practices and processes.

It is positive to see the overall reduction in eviction actions which suggest a change in emphasis from eviction to tenancy sustainment and the positive management of arrears. From our own work with clients and social landlords but also from best practice case studies, it is evident that good communication, early engagement and positive advice and assistance to tenants in arrears can, in the majority of cases, remove the need for eviction which is better for both tenant and landlord. Reducing evictions is also an important part of a social landlord’s responsibility to help prevent homelessness where possible. The introduction of pre-action requirements as part of a pre-eviction process for the management of arrears will help to build on existing good practice and help landlords change their internal processes.

We are still concerned by the regional variation and lack of consistency in eviction rates and more must be done to tackle the rising eviction numbers that some social landlords are experiencing. As part of the ongoing development of tenancy sustainment practices and policy around the management of arrears, Shelter Scotland would like to see the following measures:

- All social landlords to audit their own practice around eviction to review policy and see where changes and improvements could be made. The huge reduction that some landlords are seeing in their eviction actions shows how much potential there is to change practice – even amongst those landlords who already feel they are only using eviction as ‘a last resort’.
- The Scottish Government to produce detailed guidance to accompany the commencement of the Pre-Action Requirements as part of the Housing (Scotland) Act in 2011. For some social landlords, and in particular those landlords who’s poor practice is reflected in their eviction figures, the introduction of this pre-court checklist will mean changes to current practice. Detailed guidance, templates and best practice examples will help to make this transition more successful.

²⁴ ‘Evictions by social landlords in Scotland’ (December 2008)

http://scotland.shelter.org.uk/_data/assets/pdf_file/0003/152517/Evictions_2007-2008.pdf

²⁵ <http://edinburghnews.scotsman.com/topstories/Three-Capital-residents-a-day.4800058.jp>

- An outcome in the forthcoming Social Housing Charter relating specifically to evictions or tenancy sustainment. The Scottish Housing Regulator (SHR) has a key role to play in ensure eviction is only ever used as a last resort, and an outcome in the Charter would be a useful guide for landlords and a good framework for inspection for the new Regulator.

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For further information contact Fiona King on 0344 515 2456 or

fiona_king@shelter.org.uk