

Case study 142

What Works in Tackling Poverty

SWERAEI – South-West Edinburgh Rent Arrears Early Intervention

What are case studies?

Case studies share what people and organisations have learned from delivering or developing a project or programme. They can help you to see what has worked on the ground and can give you ideas about how to tackle problems. They can also signpost you to people and organisations you may want to talk to.

SWERAEI

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In a nutshell

The South-West Edinburgh Rent Arrears Early Intervention (SWERAEI) project is a pilot partnership that was formed in 2009. This was in response to local concern over the prevalence of rent arrears and the tendency for engagement with tenants to take place later, and in some cases too late, in the recovery process. The overarching aim has been to better identify, engage and support vulnerable tenants at the earliest opportunity before debts or other tenancy management issues become insurmountable and to avoid the commencement of legal proceedings which could result in eviction and possible homelessness. Focusing specifically on the South-West area of the City, partners are:

- Edinburgh Housing Advice Partnership
- The City of Edinburgh Council South-West Neighbourhood Office
- Prospect Community Housing Association
- Cyrenians Homelessness Prevention Service.

The Issues

In the social rented sector, rent arrears can lead to homelessness, either by eviction or by the threat of eviction. For a Social Landlord, eviction is neither good business nor good practice in line with their commitment to improve the lives of residents and their communities. The costs of rent arrears, eviction and potential homelessness are high economically and socially:

- In 2009/10 Scottish local authorities reported rent arrears levels in excess of £34m with Social landlords issuing over 75,000 Notice of Proceedings for Recovery and Possession of tenancies due to rent arrears – evicting 2,204 households ¹
- The financial implications of a failed tenancy have been estimated at anywhere between £15,000 and £83,000 taking into consideration 'hard costs' such as loss of rental income, eviction costs, solicitors fees and 'other costs' e.g. NHS services, police and criminal justice ²
- Rent arrears are often a symptom of wider social and financial difficulties. With an estimated 84% of all financially excluded people living in social housing ³, the focus of the arrears recovery process therefore falls disproportionately on deprived communities
- The financial cost of legal action only compounds tenant's growing debt
- A forced move away from settled community life can result in potential disruptions to family life, friends, schooling, medical and other support
- The experience of homelessness can have long term consequences not only for stress related problems and health (in its widest sense) but also future economic prospects not least through the impaired educational achievement of children. ⁴

¹ Shelter; Evictions by Social Landlords in Scotland, 2009/10

² Crisis; How Many How Much, 2003

³ Joseph Rowntree Foundation; Financial Inclusion in the UK : Review of Policy and Practice, July 2008

⁴ Communities & Local Government; Cost Effectiveness of Preventing Homelessness, July 2010

The approach to the Issues

In line with the City of Edinburgh's Homelessness and Housing Advice and Information strategies the prevalence of rent arrears was identified as a key concern in the South-West of the city. A steering group was formed where an agreement was reached to focus intervention on tenants who were disengaged from more 'mainstream' arrears management approaches. The overall aim was not only to sustain more tenancies but to reduce rent arrears in tandem through early intervention approaches.

Partnership

Co-operation between information, advice, support services and landlords has been central to the South-West Edinburgh Rent Arrears Early Intervention (SWERAEI) project. The aim was to break down the artificial separation between housing, financial and social issues. A rounded partnership approach was identified early on as a powerful tool in supporting people to address the wider financial barriers that threaten tenancies:

- A move away from centralised housing management with Housing Officers working more pro-actively in and around communities to forge relationships with tenants and other advice and support services
- A neighbourhood South-West hub-Community Help and Advice Initiative (CHAI) - offering a broad range of immediate information and advice on rent arrears, debt and income maximisation
- Cyrenians Homelessness Prevention Service (HPS) offering more dedicated one to one support and mediation for tenants with wider money management or personal problems that pose a threat to their tenancy
- Work shadowing between CHAI, Cyrenians HPS and front-line Housing Officers to promote informed and active referrals / signposting.



Evidence of success

Whilst the support of Edinburgh Housing Advice Partnership has resulted in positive trends city wide these are significantly greater in the South-West where the dedicated early intervention SWERAEI project is in operation:

Area	2008-9	2009-10	Difference
Notice of Proceedings Issued			
City	1159	944	-19%
South West	407	253	-38%
Cases Lodged in Court			
City	1273	753	-41%
South West	443	216	-51%
Decree for Eviction Granted			
City	681	492	-28%
South West	277	168	-39%
Evictions Carried Out			
City	263	175	-33%
South West	98	55	-44%

- The trend continues into 2010/11 where the cases lodged in court in the South-West have been further reduced by 25%
- High levels of non engagement with tenants in 2008/09 prior to cases being lodged in court were one of the main reasons for the formation of SWERAEI. By 2009/10 the City of Edinburgh Council South-West Neighbourhood Office reported non engagement falling to a low of 31%. In 2010/11 this has fallen further to only 19%
- 195 people engaged with the project in 2009/10 rising to 318 people in 2010/11
- Rent arrears for year end 2008/09 totaled £415,218. In the first year of the project, 2009/10, this reduced by just under 7% to £385,884. Figures for 2010/11 are pending.

SWERAEI client case study

A man in his thirties with addiction and mental health issues was referred to the project with rent arrears. He was facing the threat of eviction. A CHAI assessment revealed that he was living on a lower income than entitled to as he had been unable to complete the Disability Living Allowance (DLA) application. He was referred to Cyrenians HPS where a personal advisor (PA) supported him with court appeals and in claiming DLA, which he was awarded a few weeks later.

The PA further accompanied him to his GP to review and stabilise his drug use which in turn helped to stabilize his financial outgoings. Co-ordinating with the landlord, rent arrears repayments were agreed and the gas and heating in his home reconnected. With CHAI and Cyrenians support to get his finances in check the man felt able to redecorate his home for the first time in 10 years. He is now working with LEAP (Lothian & Edinburgh Abstinence Programme) with a view to coming off drugs completely.

Lessons learnt

1. The SWERAEI project and its success is essentially hinged on the strength of a 'no frills' partnership with a common goal. This 'back to basics' approach can be underestimated and undervalued
2. In order to try and encourage typically non-engaging tenants to take up the offer of impartial information and advice, it was essential to disassociate marketing materials from traditional landlord mailings
3. Having an alternative to traditional appointments, telephone or internet contact has been another key to success. A neighbourhood approach where people can engage on their doorstep or drop-in to the CHAI hub makes the project more accessible, inclusive and personable
4. Evolving the CHAI service to include a basic income maximisation check for all referrals has developed organically from the focus on early intervention. This has increased efficiency of benefit support and helped to reduce unnecessary and preventable arrears
5. A change in mind set for front line staff has been necessary in order to achieve the dual goal of sustaining more tenancies whilst keeping rent arrears at a minimum. It has been essential to make referrals on the basis of *need* rather than purely as an *escalation*.



One great thing

Building trust between partners is vital to the success of a venture such as the SWERAEI project. The relationship between landlord and advice/support services can easily become adversarial – especially where they have often been on opposite sides at court. A programme of work shadowing has been central to breaking down barriers:

- There is a new found mutual appreciation of the processes and challenges that each partner faces in their respective functions helping to build personal as well as organisational bonds
- Front line housing staff have a better appreciation for how different benefits link together and how creating or boosting entitlement can help prevent rent arrears occurring in the first place
- Crucial to the success of the partnership has been to break down of the artificial separation between housing advice/support and money advice. A change in culture across functions has been necessary in order to achieve the dual goal of sustaining more tenancies whilst keeping rent arrears at a minimum. Achieving positive outcomes has been as much about this change in culture as it has been attributable to an increase in resources.

Why would this approach work well elsewhere in Scotland?

Rent arrears is a widespread problem across Scotland, and statistics show that the focus of landlords' management efforts is often at the later, legal action stages which has widespread social and economic implications. An early intervention approach, such as that taken by the SWERAEI project is essentially built on a common goal with the coming together of landlord and advice/support agencies in a spirit of genuine partnership. In many areas the building bricks of these partnerships will already be on the ground. Having a local neighbourhood focus can allow for a concentration of effort on aligning cultures as well as better allocating of resources.

What next?

Edinburgh Housing Advice Partnership and Cyrenians Homelessness Prevention Service are already committed to rolling out the SWERAEI project model in the East of the City in 2011. Working in a new location and with a range of new local stakeholders will throw up different challenges and dynamics. There is confidence however that the model and its successes are fully transferable as long as there is the same level of commitment and *buy-in* as has been seen in the South-West. Whilst that there has been substantial benefit for tenants through income maximisation, the partnership have not focused enough resource on capturing this as an indicator of success. Learning from the experience of delivering the model in South West Edinburgh therefore, more robust systems for recording specific financial gain for tenants will be implemented in the planned roll out to East Edinburgh

