



Ministry
of Justice



Mortgage and Landlord Possession Statistics Quarterly, England and Wales

April to June 2015

Ministry of Justice
Statistics bulletin

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Introduction

This quarterly bulletin presents statistics on mortgage and landlord possession actions in the county courts of England and Wales in April to June 2015. The statistics provide summary figures on the volume and progression of cases that follow the court process of possessing a property.

The statistics published here report on total county court caseloads that are used to assist the planning of court resources both nationally and locally. For previous publications of Mortgage and Landlords Possession Statistics, please see:

www.gov.uk/government/collections/mortgage-and-landlord-possession-statistics

Court Caseload

A mortgage or landlord possession action starts when a mortgage lender or landlord completes and submits a claim to the courts to repossess a property. The most common reason for repossession is arrears of mortgage or rent. The court process of possessing a property broadly follows four stages:

1. A claim for a mortgage or landlord possession being issued by a mortgage lender or a landlord;
2. An order being made by the county court. This can either be an outright order that the property is to be recovered by a specific date, or a suspended order that is suspended as long as the defendant complies with conditions specified in the order;
3. If the defendant fails to leave the property by the date given in the order or does not meet the terms of a suspended order, the order may be enforced by a warrant of possession. This authorises the county court bailiff to evict the defendant from the property. The bailiff then arranges a date to execute the eviction; and
4. Repossession by a county court bailiff. Repossessions may occur without county court bailiffs, through less formal procedures, so the actual number of repossessions is usually greater than the number carried out by county court bailiffs.

This report also includes UK wide total mortgage repossession figures from the Council of Mortgage Lenders (CML). These are not directly comparable to the other figures in this report, which cover England and Wales only.

Figures for each of these four processes are presented in the Excel tables and CSV files that accompany this publication.

The next publication of Mortgage and Landlord Possession Statistics Quarterly, England and Wales is scheduled to be published on 12 November 2015, covering the period July to September 2015.

Case progression

This bulletin includes estimates of the percentage of claims issued in a specific quarter or year that will progress to an order, warrant or repossession when the full amount of time has been allowed to pass for those claims to progress through the county court system. These figures are different from the court caseload figures described above which show the total number of orders, warrants or repossessions by county court bailiffs in that quarter, irrespective of when the claim was issued.

The estimated percentages include upper and lower estimates around them (a confidence interval) reflecting the uncertainty inherent in any estimation of the future. Claims from more recent periods will inherently have had less time for the case to be processed so there is more uncertainty around the final estimate, resulting in a wider confidence interval (Please see A Guide to Civil and Administrative Justice Statistics¹ for more information on how these figures are calculated).

As supplementary information, we also provide the percentage of claims issued in a quarter or year that have actually progressed to an order being made, a warrant being issued, or a repossession being carried out. Caution should be exercised when interpreting these figures for recent quarters and/or years: the information contained in the bulletin is based on the data available at the point when the database was extracted; consequently a proportion of claims made in more recent quarters are still awaiting progression to the next stage of court action. Claims from earlier periods will have had longer for the case to be processed than those from more recent periods so a lower proportion of these earlier claims are likely to be still awaiting an order, warrant or repossession.

Following last quarter's publication of the paper requesting user feedback on our proposed changes to how case progression is measured and presented, we are now collating the responses and will publish the results in September.

Seasonal Adjustment

This publication reintroduces seasonally adjusted series for all mortgage and landlord possession actions. Seasonal adjustment aims to remove regular seasonal patterns in a time series to show how it changes from quarter to quarter and give a clearer picture of the longer term trends. Possession actions tend to vary due to seasonal effects- since these

¹ www.gov.uk/government/statistics/guide-to-civil-and-administrative-justice-statistics

seasonal effects follow a regular annual pattern, their impact on the series can be removed by seasonally adjusting the data. Please see A Guide to Civil and Administrative Justice Statistics² for more information on how these figure are calculated

² www.gov.uk/government/statistics/guide-to-civil-and-administrative-justice-statistics

Key Findings

This report presents key statistics on mortgage and landlord possession claims in county courts in England and Wales for the second quarter of 2015 (April to June). It includes summary figures of volume and progression of cases that follow the court process of possessing a property. All figures for the current quarter are provisional.

Mortgage possession

- In April to June 2015, 4,849 mortgage possession claims in county courts were recorded, down 55% on the number of mortgage possession claims issued in the same quarter last year and the lowest quarterly figure since records began (in their current form) in 1999. This follows the overall downward trend seen since 2008.
- There were 3,429 orders for possession, 5,644 warrants of possession and 1,358 repossessions by county court bailiffs in April to June 2015; down 57%, 49% and 55% respectively compared to the same quarter last year. These figures represent the lowest quarterly number of mortgage possession orders, warrants and repossessions since records began (in their current form) in 1999 for orders and 2000 for warrants and repossessions – these also follow the overall downward trend seen since 2008.

Landlord possession

- In April to June 2015, 36,212 landlord possession claims in county courts were recorded, down 6% from the same quarter in 2014. This is the lowest number of claims observed in a quarter since April to June 2012.
- The profile of types of landlord possession claim (e.g. social landlord, private landlord and accelerated claims) has changed over time. In April to June 2015, the majority of landlord possession claims (58%) were social landlord claims although this proportion has fallen from 83% in 1999 to 64% in 2014 – in contrast, more than a quarter of claims made in April to June 2015 (28%) were accelerated claims and this proportion has risen from 7% in 1999 to 22% in 2014,
- There were 29,390 orders for possession and 18,267 warrants of possession in April to June 2015; down 9% and 3% respectively; there were 10,361 repossessions by county court bailiffs in the same period, up 4% on the same quarter last year.

Section 1 - Mortgage possession actions

The number of mortgage possession actions³ in court has increased since 2002, peaked in 2008, and decreased since then (Figure 1 and Table 1). The total number of properties repossessed⁴ has followed a similar trend.

The fall in the number of mortgage possession actions since 2008 coincides with lower interest rates⁵, a proactive approach from lenders in managing consumers in financial difficulties and other interventions from the government, such as the Mortgage Rescue Scheme. Other factors that may have contributed to the rapid fall in the number of mortgage possession claims and orders since 2008 include the introduction of the Mortgage Pre-Action Protocol (see Annex B on policy changes for more information). Additionally, the downward trend in recent years coincides with a decrease in the proportion of owner-occupiers⁶.

The estimated proportion of claims progressing to an order, warrant or repossession by county court bailiffs also increased between 2002 and 2010 but has been falling since.

From 2010 to 2014, estimated proportions of claims leading to orders, warrants and repossessions have shown a steady decrease.

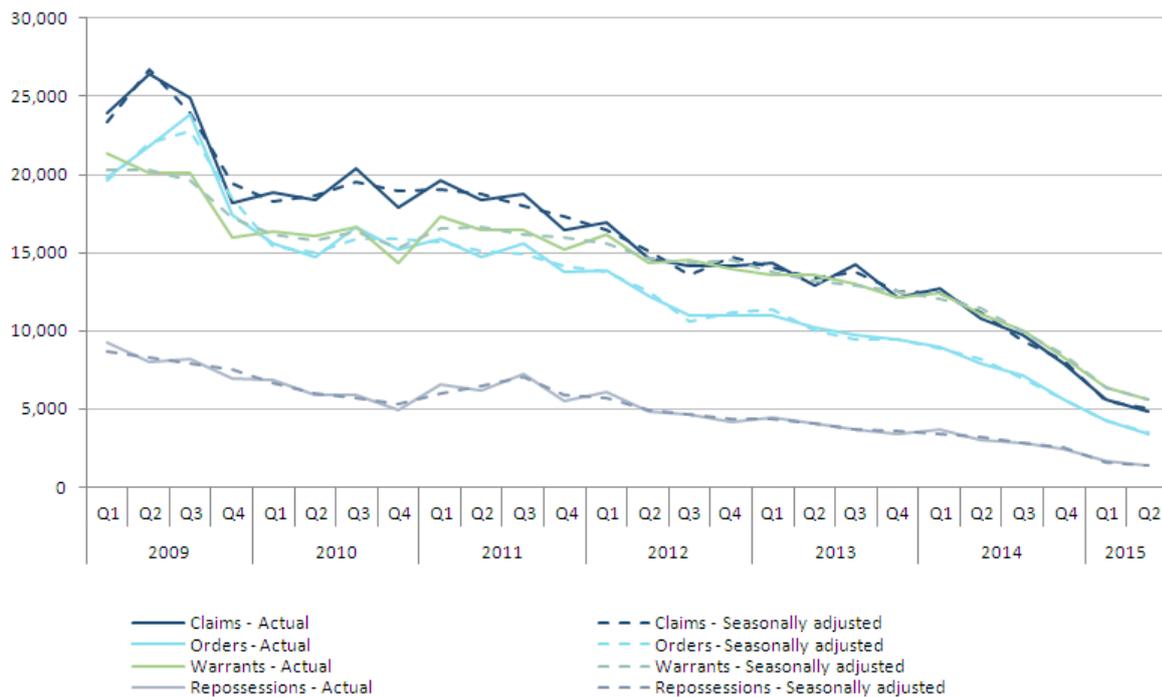
³ Actions includes claims, orders, warrants of possession, and repossession by county court bailiffs

⁴ Including those not repossessed by county court bailiffs

⁵ At the end of September 2008, the base rate set by the Bank of England was 5%. By the end of March 2009 it was 0.5%, where it stayed for the rest of the period covered in this bulletin (see www.bankofengland.co.uk/statistics/Pages/default.aspx.)

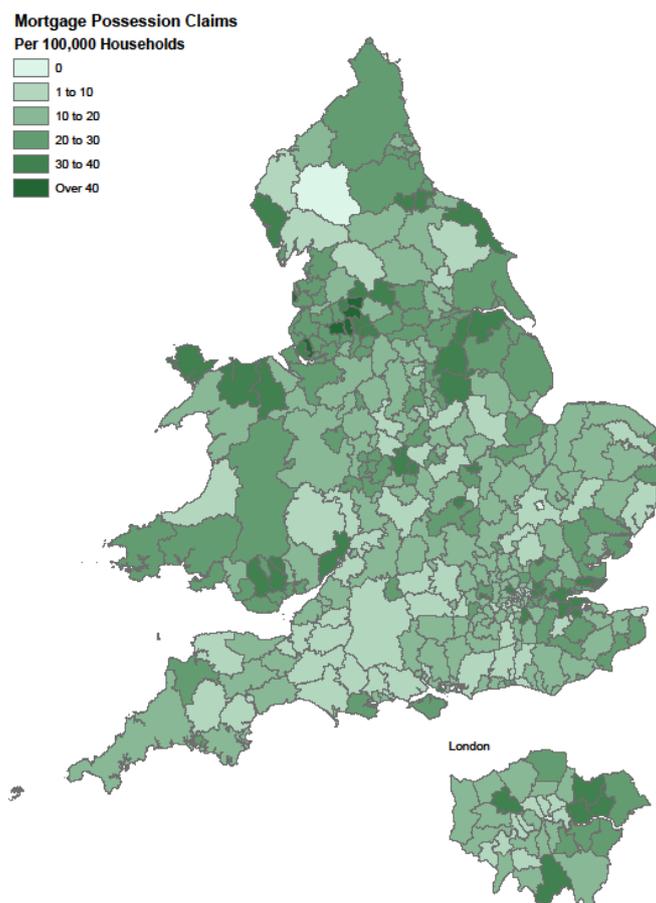
⁶ As stated in the English Housing Survey: www.gov.uk/government/organisations/department-for-communities-and-local-government/series/english-housing-survey

Figure 1: Mortgage possession actions (actual and seasonally adjusted) in England & Wales, 2009 Q1 to 2015 Q2



Claims issued: A possession claim is created when a claimant begins a legal action for an order for possession of property by making a claim that is then issued in a county court. There were 4,849 mortgage possession claims issued in April to June 2015, down 55% on the same quarter in 2014. After seasonal adjustment, the number of claims was 5,045, down 9% on the previous quarter (table 8).

Map 1: Mortgage Claims in England & Wales by Local Authority, 2015 Q2^{7,8}



The number of mortgage claims per 100,000 households by local authority ranged from zero (City of London, Eden and Cambridge) to 53 (Rossendale). There were five other areas with more than 40 mortgage possession claims per 100,000 households (Knowsley, Bolton, Burnley, Bury and Blackpool).

Orders⁹: The court may grant an order following a judicial hearing which can be either for immediate possession (outright order) or suspended. There were a total of 3,429 orders in April to June 2015, down 57% on the number of orders in the same period in 2014. Seasonally adjusted figures show a 17% decrease compared to the number of orders made in January to March 2015 (from 4,246 to 3,520).

Of mortgage possession orders made in April to June 2015, 43% were suspended. Between 46% and 50% of orders are suspended each year - this proportion has remained generally stable since 2006.

⁷ Household figures are based on the projections provided by the [Department for Communities and Local Government](#) (using ONS 2012-based methodology) and [StatsWales \(Welsh Government\)](#) (using ONS 2011-based methodology). Please see Annex C for more information

⁸ The Isles of Scilly have been excluded from analysis due to low numbers

⁹ Between 2007 and 2009 changes to the method of data collection led to an over-estimate of the total number of orders and warrants. Please see [A Guide to Civil and Administrative Justice Statistics](#) for details.

Based on the fact that 25% of claims lodged this quarter have reached the order stage, it is estimated that 66% of claims issued in April to June 2015 will progress to an order being made in time although this figure could range between 59% and 74%¹⁰.

Warrants of possession⁶: Having received an order, or if the terms of a suspended order are broken, the claimant can apply for a warrant of possession. There were 5,644 warrants of possession in April to June 2015, almost half the number seen in the same period in 2014 (11,121). Seasonally adjusted figures show a 12% decrease in the number of warrants on the previous quarter from 6,375 to 5,637.

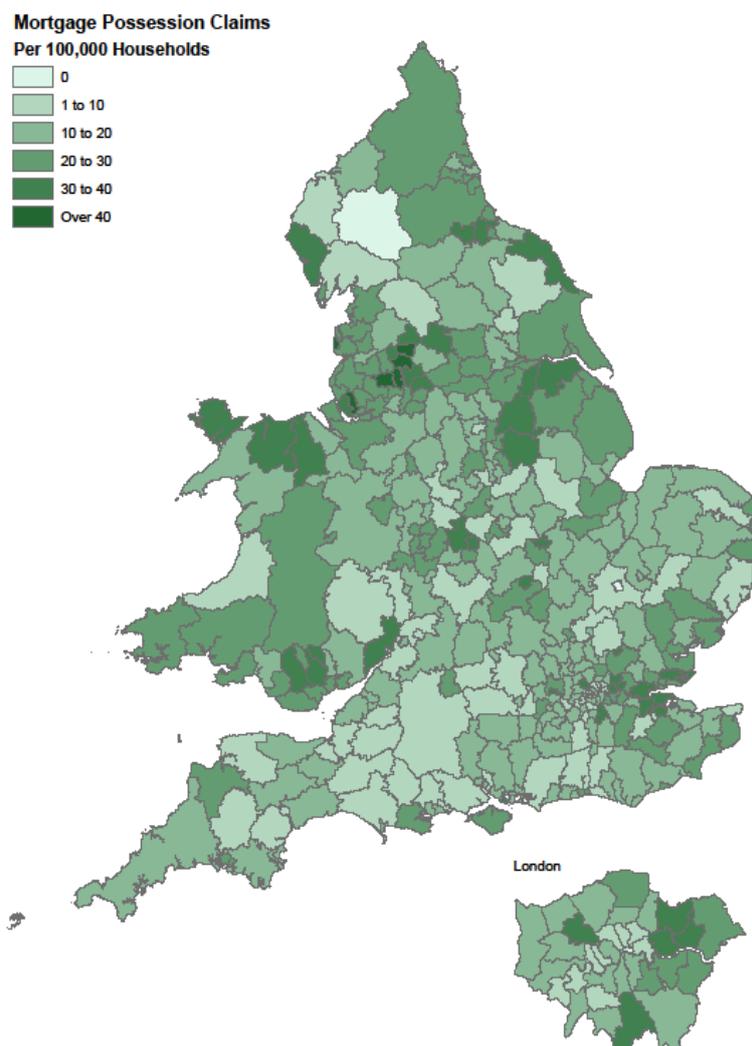
Based on the fact that 3% of claims lodged this quarter have reached the warrant stage, it is estimated that 40% of claims issued in April to June 2015 will progress to a warrant being issued, however this figure may range between 34% and 46%.

Repossessions in England and Wales by county court bailiffs: Once a warrant has been issued, county court bailiffs can repossess the property on behalf of the claimant. There were 1,358 repossessions by county court bailiffs in April to June 2015, down 55% on the same quarter in 2014. Seasonally adjusted figures show a 15% decrease on the previous quarter from 1,607 to 1,370.

It is estimated that 20% of the claims issued in April to June 2015 will lead to repossessions; however this figure may range between 15% and 26%. So far to date, only 20 of those 4,849 claims made in April to June 2015 have progressed to repossession by county court bailiffs.

¹⁰ A general description of how these estimates were calculated is contained in the Introduction. Please see [A Guide to Civil and Administrative Justice Statistics](#) on this website for a detailed methodological description.

Map 2: Mortgage Repossessions by County Court Bailiff in England & Wales by Local Authority, 2015 Q2^{11,12}



Sixty-one local authorities show no repossessions by county court bailiffs in April to June 2015 whilst the highest number of repossessions per 100,000 households was 27 (Rossendale). There were three other areas with more than 20 mortgage possession repossessions by county court bailiffs (Fenland, Hyndburn and Blackpool).

All repossessions in the UK¹³: UK-wide, there were 3,100 repossessions in total in January to March 2015. This figure includes repossessions carried out by county court bailiffs and also other types of repossessions.

¹¹ Household figures are based on the projections provided by the [Department for Communities and Local Government](#) (using ONS 2012-based methodology) and [StatsWales \(Welsh Government\)](#) (using ONS 2011-based methodology). Please see Annex C for more information

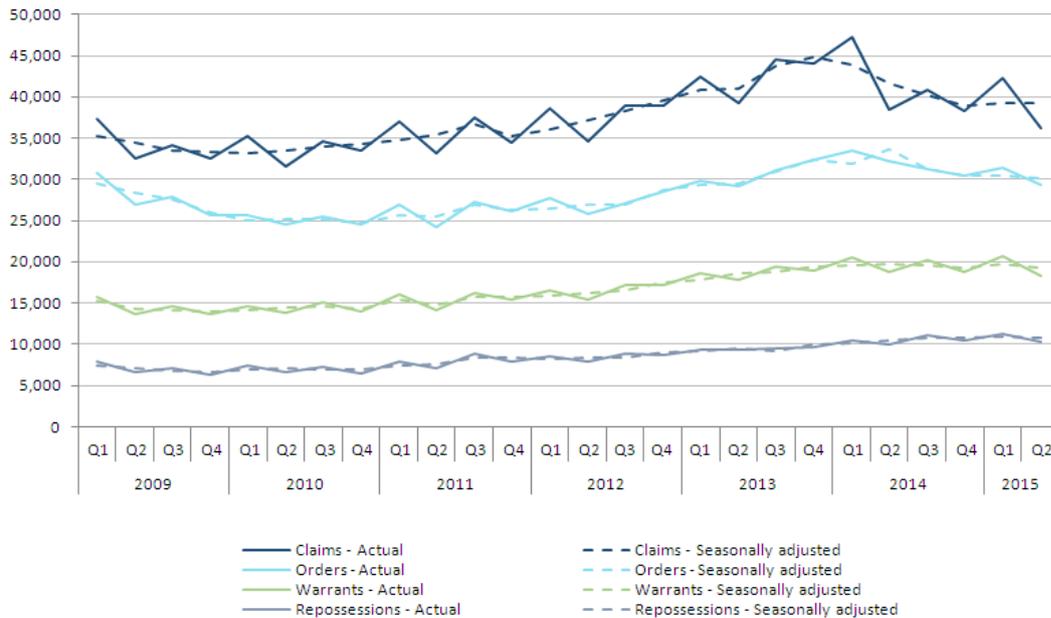
¹² The Isles of Scilly have been excluded from analysis due to low numbers

¹³ Information on actual mortgage repossessions is provided by the Council of Mortgage Lenders (CML) and is presented in this bulletin with a delay of three months. Please also note this figure relates to repossessions made in the United Kingdom whereas all other statistics in this bulletin relate to England and Wales. It should also be noted that these figures are rounded by the CML to the

Section 2 - Landlord possession actions

Annually, landlord possession claims decreased between 2002 and 2010 and subsequently increased until 2013. However in 2014, this figure fell (Figure 2 and Table 3).

Figure 2: Number of landlord possession actions (actual and seasonally adjusted) in England & Wales, 2009 Q1 to 2015 Q2

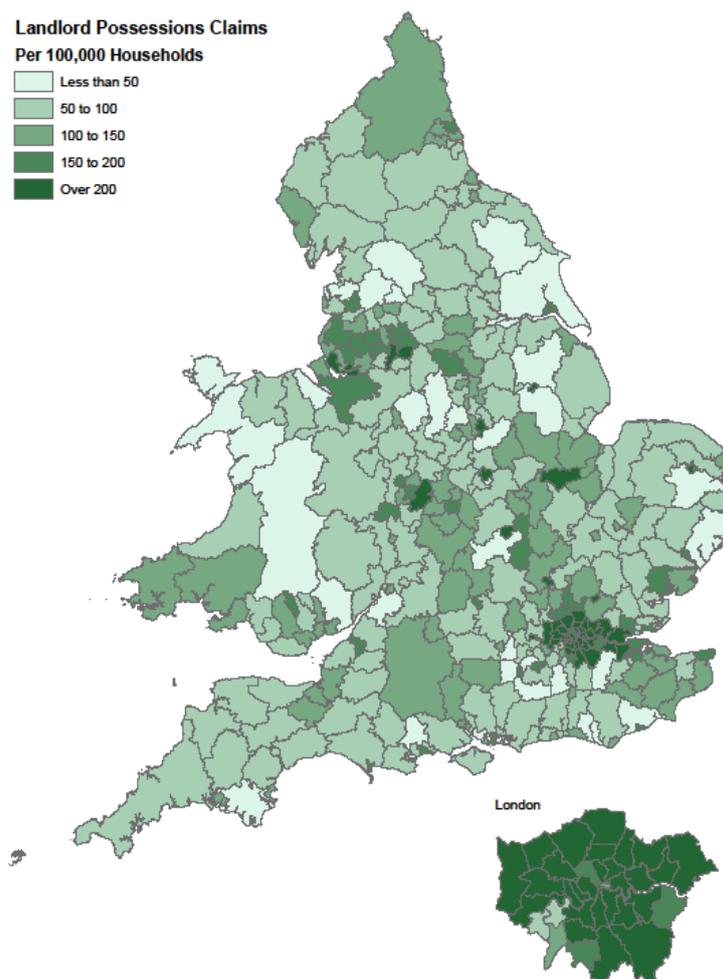


Claims issued: A possession claim is created when a claimant begins a legal action for an order for possession of property by making a claim that is then issued in a county court. There were 36,212 landlord possession claims issued in April to June 2015, down 6% on the same quarter in 2014. After seasonal adjustment, the number of claims was 39,243 in April to June 2015, relatively unchanged from the previous quarter (39,202).

Within landlord possession claims, there are three types of claim: social landlord, private landlord and accelerated claims. Accelerated claims can be used by both private and social landlords under certain circumstances and are usually quicker than normal evictions. In April to June 2015, the majority of landlord possession claims (21,160 or 58%) were social landlord claims, whilst 5,038 (14%) were private landlord claims and 10,014 (28%) were accelerated claims. The proportion of claims made using the accelerated procedure has increased from 7% in 1999 to 22% in 2014, whereas the proportion of claims from social landlords has fallen from 83% in 1999 to 64% in 2014. The proportion of claims made by private landlords increased from 9% in 1999 to 17% in 2010, before falling to 14% in 2014.

nearest hundred. For the most recent quarterly update on actual mortgage repossessions, please see the CML website: www.cml.org.uk/.

Map 3: Landlord Claims in England & Wales by Local Authority, 2015 Q2^{14,15}



When observing landlord claims (accelerated, social and private) by local authority, Pendle show the lowest number (21) per 100,000 households Whilst the London borough of Newham shows the highest (552 per 100,000 households). London boroughs account for all but one of the 20 local authorities with the highest proportion of landlord claims (Luton being the only exception).

Orders: The court may grant an order following a judicial hearing which can be either for immediate possession (outright order) or suspended. There were a total of 29,390 landlord possession orders made in April to June 2015, down 9% on the number of orders in the same period in 2014. Seasonally adjusted figures show a 1% decrease (from 30,515 to 30,161).

In April to June 2015, 40% of landlord possession orders being made were suspended. The proportion of suspended orders in 2014 was 43%, maintaining the flat trend seen since 2010.

¹⁴ Household figures are based on the projections provided by the [Department for Communities and Local Government](#) (using ONS 2012-based methodology) and [StatsWales \(Welsh Government\)](#) (using ONS 2011-based methodology). Please see Annex C for more information

¹⁵ The Isles of Scilly have been excluded from analysis due to low numbers

It is estimated that 72% of claims issued in April to June 2015 will lead to an order being made in time, although this figure could range between 69% and 75%.

Warrants of possession: Having received an order, or if the terms of a suspended order are broken, the claimant can apply for a warrant of possession. There were 18,267 warrants of possession in April to June 2015, a decrease of 3% on the same period in 2014. Seasonally adjusted figures show a 2% decrease compared to the last quarter, from 19,762 to 19,268.

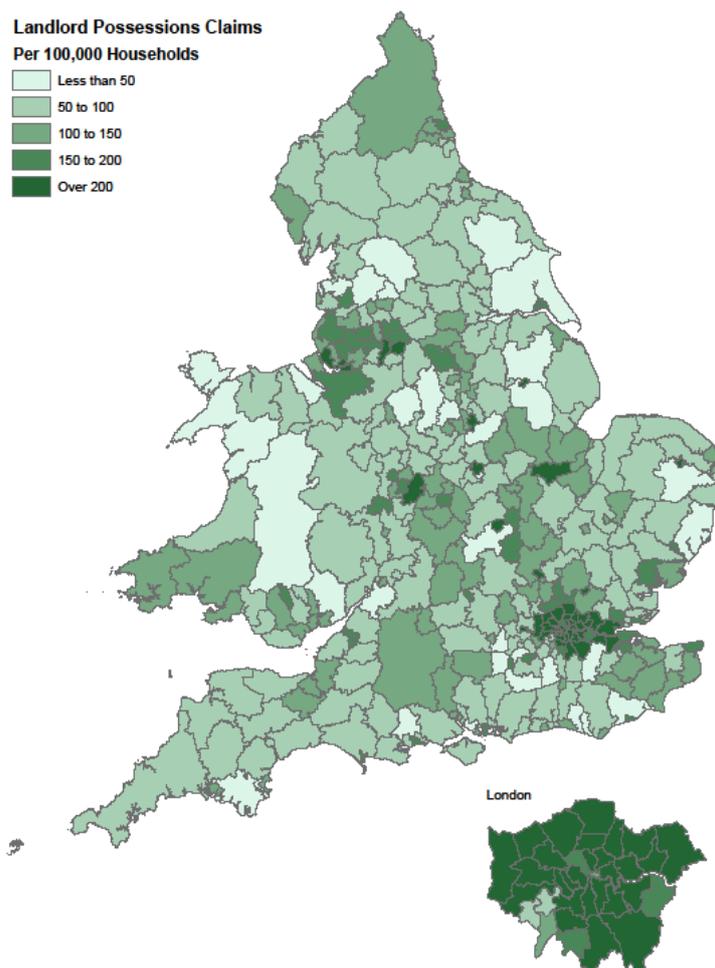
It is estimated that 40% of claims issued in April to June 2015 will lead to a warrant, although the final figure could range between 35% and 44%.

Repossessions by county court bailiffs: Once a warrant has been issued county court bailiffs can repossess the property on behalf of the claimant. There were 10,361 landlord repossessions by county court bailiffs in April to June 2015, up 4% on the same period in 2014. Seasonally adjusted figures show a 1% decrease compared to last quarter, from 10,892 to 10,788.

It is estimated that 21% of claims made in April to June 2015 will lead to repossessions by county court bailiffs, although this figure could range between 18% and 25%.

The trend in repossessions by county court bailiffs appears to be in contradiction to that seen in claims, orders and warrants – this can be attributed to the time it takes for claims to be processed through to the repossession stage. The number of landlord possession claims peaked in January to March 2014 – as a result, the continuing increasing trend in repossessions as shown in Figure 2 is most likely due to those claims working their way through the system.

Map 4: Landlord Repossessions by County Court Bailiff in England & Wales by Local Authority, 2015 Q2^{16,17}



There were no landlord (social, private and accelerated) repossessions by county court bailiffs in Ryedale, Hart, City of London and Purbeck local authorities. The London borough of Newham had the highest number (274 per 100,000 households in the area) and London local authorities account for all but three of the 20 boroughs with the highest proportion of landlord repossessions (Thanet, Slough and Luton being the only exceptions).

¹⁶ Household figures are based on the projections provided by the [Department for Local Government and Communities](#) (using ONS 2012-based methodology) and [StatsWales \(Welsh Government\)](#) (using ONS 2011-based methodology). Please see Annex C for more information

¹⁷ The Isles of Scilly have been excluded from analysis due to low numbers

Annex A - Further information

Supplementary tables and CSV datasets are available alongside this bulletin, allowing users to analyse the data themselves.

The following tables are available, showing data for county courts in England and Wales:

- Table 1: Mortgage possession workload in the county courts of England and Wales, 1987 – 2015 Q2
- Table 2: Mortgage possession claims that lead to orders, warrants, and repossessions in the county courts of England and Wales, 1999 – 2015 Q2
- Table 3: Landlord possession workload in the county courts of England and Wales, 1990 – 2015 Q2
- Table 4: Landlord possession claims that lead to orders, warrants, and repossessions in the county courts of England and Wales, 1999 – 2015 Q2
- Table 5: Landlord possession claims in the county courts of England and Wales by type of procedure and landlord, 1999 – 2015 Q2
- Table 6: Mortgage and Landlord possession workload in the county courts of England by type of procedure and landlord, 1999 – 2015 Q2
- Table 7: Mortgage and Landlord possession workload in the county courts of Wales by type of procedure and landlord, 1999 – 2015 Q2
- Table 8: Seasonally adjusted possession actions in the county courts of England and Wales, 2009 – 2015 Q2

The CSV datasets contain local authority and court-level breakdowns of claims, orders, warrants and county court bailiff repossessions for England and Wales, for the full amount of time that data are available. Where the value is between 1 and 5, the value is suppressed and shown as “-” to protect the confidentiality of those involved in the claim, order, warrant or repossession. For this reason, the national total number of claims, orders etc. from these datasets will not match the published totals provided in the Excel tables, although the differences are generally small.

For more information, please refer to the separately downloadable **Guide to local authority and court-level information**, which can be found in the CSV zip folder, which accompanies this publication.

Annex B: Policy changes

New Bailiff Laws

New laws came into effect on 6 April 2014 to bring an end to bad and aggressive bailiff behaviour, while making sure businesses, local authorities and others can still fairly enforce debts owed to them. These reforms are part of a wider package under changes to the Tribunals, Courts & Enforcement Act 2007.

With roughly 4 million debts collected each year, in future only bailiffs who have been trained and received certification will be allowed to practise.

Bailiffs will be banned from entering homes at night and from using physical force against debtors. The changes will also prevent bailiffs from entering properties where only children are at home and includes further measures to protect vulnerable people. Bailiffs will be prevented from taking vital household essentials from debtor's property, such as a cooker, microwave, refrigerator or washing machines.

A new set of fixed fees for debtors has also been introduced, to end the previous situation where bailiffs were setting their own fees – sometimes at very high levels – and adding these to the amount people in debt had to pay.

Introduction of Mortgage Pre-Action Protocol

A Mortgage Pre-Action Protocol (MPAP), approved by the Master of the Rolls, for possession claims relating to mortgage or home purchase plan arrears came into effect on 19 November 2008. The protocol applies to mortgage arrears on:

- First charge residential mortgages and home purchase plans regulated by the Financial Service Authority under the Financial Services and Market Act 2000;
- Third charge mortgages for residential property and other secured loans regulated under the Consumer Credit Act 1974 on residential property; and,
- Unregulated residential mortgages.

The Protocol gives clear guidance on what the courts expect lenders and borrowers to have done prior to a claim being issued. The main aims of it were to ensure that the parties act fairly and reasonably with each other in any matters concerning the mortgage arrears, to encourage more pre action contact between lender and borrower and to enable efficient use of the court's time and resources.

The introduction of the MPAP coincided with a fall of around 50% in the daily and weekly numbers of new mortgage repossession claims being issued in the courts as evidenced from administrative records. As orders are typically made (when deemed necessary by a judge) around 7 weeks (using 2011 data) after claims are issued, the downward impact on the number of mortgage possession orders being made was seen in the first quarter of 2009.

It has not been possible to adequately quantify the long term impact of the MPAP. This reflects the lack of a good comparator (although the MPAP was not introduced in Scotland, the big lenders in Scotland also operate south of the border and so lender behaviour is likely to be the same as in England and Wales), and the existence of other factors such as changing economic conditions, other measures introduced shortly after the MPAP, and lenders desire to minimise their losses.

More details about the protocol can be viewed using the link:

www.justice.gov.uk/guidance/courts-and-tribunals/courts/procedure-rules/civil/contents/protocols/prot_mha.htm

Annex C: Maps

The household projections used to produce the maps are based off the Department for Communities and Local Government 2012-based projections (which cover all local authorities in England) www.gov.uk/government/collections/household-projections and StatsWales' 2011-based projections (which cover all local authorities within Wales) <https://statswales.wales.gov.uk/Catalogue/Housing/Households/Projections/Local-Authority/2011-Based> . Both are the latest datasets available for the areas they cover.

In addition to this, the boundary lines were drawn using the Great Britain local authority districts (LADs) from the ONS Geoportal (<https://geoportal.statistics.gov.uk/geoportal/catalog/main/home.page>) which contains the digital vector boundaries for LADs in Great Britain as of December 2014. Therefore, the maps created may not reflect any boundary changes that may have occurred in 2015.

Annex D: Explanatory notes

The United Kingdom Statistics Authority has designated these statistics as National Statistics, in accordance with the Statistics and Registration Service Act 2007 and signifying compliance with the Code of Practice for Official Statistics. Designation can be broadly interpreted to mean that the statistics:

- meet identified user needs;
- are well explained and readily accessible;
- are produced according to sound methods, and
- are managed impartially and objectively in the public interest.

Once statistics have been designated as National Statistics, it is a statutory requirement that the Code of Practice shall continue to be observed.

The statistics in this bulletin relate to cases in the county courts in England and Wales. Calendar year statistics are also provided.

Revisions

The statistics in the latest quarter are provisional, and are therefore liable to revision to take account of any late amendments to the administrative databases from which these statistics are sourced. The standard process for revising the published statistics to account for these late amendments is as follows:

An initial revision to the statistics for the latest quarter may be made when the next edition of this bulletin is published. Further revisions may be made when the figures are reconciled at the end of the year. If revisions are needed in the subsequent year, these will be clearly annotated in the tables.

Slight errors (of less than 5 cases) from the January to March issue of this publication have been corrected. These figures include: mortgage warrants for 2014 Q4 (and subsequently the annual total), landlord warrants for 2014 Q4 (and subsequently the annual total) and landlord possessions for 2014 Q4 (and subsequently the annual total).

For more information please see the **Guide to Civil and Administrative Justice Statistics**.

Symbols and conventions

The following symbols have been used throughout the tables in this bulletin:

- .. = no data available
- = Between one and five. Low numbers are suppressed to prevent

individuals being identified
(r) = Revised data
(p) = Provisional data

Contact points for further information

Current and previous editions of this publication are available for download at:

www.gov.uk/government/collections/mortgage-and-landlord-possession-statistics

Press enquiries should be directed to the Ministry of Justice press office:

Hugo Biggs

Tel: 0203 334 3514

Email: hugo.biggs@justice.gsi.gov.uk

Queries on the wider policy implications of these statistics should be directed to the Department for Communities and Local Government's press office:

Rhodri Jones

Email: Rhodri.Jones@communities.gsi.gov.uk

Queries on statistics shown for 'Properties taken into possession' and other related statistics should be directed to the Council of Mortgage Lenders' press office on 020 7438 8922.

Other enquiries about these statistics should be directed to:

Justice Statistics Analytical Services

Alison Colquhoun

Ministry of Justice

7th Floor

102 Petty France

London SW1H 9AJ

Email: statistics.enquires@justice.gsi.gov.uk

Other National Statistics publications, and general information about the official statistics system of the UK, are available from <http://statisticsauthority.gov.uk/about-the-authority/uk-statistical-system>

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