



## Tackle inequality so people have a fair chance

### INTEGRATED IMPACT ASSESSMENT TEMPLATE

<b>Title of proposal:</b>  Housing Revenue Account Rent and Service Charges 2024/25	Age	Race	Sex	Gender reassignment	Disability	Religion or Belief	Pregnancy and Maternity	Sexual Orientation	Marriage and Civil Partnership	<b>Description of potential mitigation</b>
<p><b>Equality impact: (✓ all that apply. The assessment should also consider impact on council employees and carers where applicable)</b></p> <p>Annually the Council reviews it's rent and service charges to take account of inflation and other factors impacting the charges to tenants.</p> <p>Rental increases will be applied to all 18,193 properties and therefore will not disproportionately impact a particular group or persons.</p> <p>The equality impact therefore relates to the increases proposed in relation to service charges. However, consideration is given to the cumulative impact of both the rent and service charges.</p>	✓				✓					<p>Increases in rent and service charges are subject to Government policy (The Rent Standard). The maximum increase for 2024/25 is 7.7% and this is the proposed level of increase.</p> <p>The Rent Standard also requests registered providers to endeavour to limit service charge increases to within the same formula but allows flexibility to cover the recovery of the service cost.</p> <p>In Gateshead 72.2% of tenants are in receipt of welfare benefit either Housing Benefit or Universal Credit. The proposed increases in rent are in line with Government Policy and should therefore be met by housing benefit.</p>



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<p>The Council does not know the full protected characteristics of all its tenants. We do know that a number of our tenants are older/younger and have disabilities so have identified these as being the most relevant to this impact assessment.</p>										<p>In addition to this there are services available to assist tenants:</p> <ul style="list-style-type: none"> <li>• Advice and Support Team - helping people to maximise their income.</li> <li>• Debt Advice Team – helping people manage their debts.</li> <li>• Rent and Income Team – helping people sustain their tenancies.</li> </ul>
<p><b>Age:</b> There are 1,365 properties within sheltered accommodation which predominately has a minimum age of 60 (85 Void at time of preparation) that are likely to be disproportionately impacted due to the additional service charges associated with this type of accommodation. There were 330 tenants who are not in receipt of welfare benefits.</p> <p>The table inserted at the end of the assessment demonstrates most tenants (97.5%) will see overall increases in rent and service charges of below £9 per week. In sheltered accommodation 99.1%.</p>		<p>Any reduction in the cost of a service is passed onto the tenant.</p> <p>As most of the proposed increase relates to the rent this is something that will impact all tenants equally and therefore specific mitigation is not considered appropriate.</p>								
<p><b>Disability:</b> Demand for adaptations in council homes remains high, with a large proportion of residents defining themselves as having a disability.</p> <p>In the last two years the Council has brought forward housing to specifically support people with disabilities and this has been enhanced by a further number of units in 2022/23.</p> <p>These properties have benefited from Homes England investment and as such are let on affordable rents with the service charges incorporated into the rent and will therefore be subject to an inflationary increase of 7.7%</p>		<p>The charges in these schemes are welfare benefit eligible and therefore given increases are in line with the Government policy they should be met by benefits where tenants are eligible.</p>								



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<p><b>Health impact: (eg physical, mental health, wellbeing, substance misuse)</b></p> <p>The income raised through increasing rents and service charges to cover costs associated with their provision and the increasing cost of delivering HRA services will continue to ensure the sustainability of the HRA and will enable continued investment in the housing stock including the development of new social housing to continue to meet the needs of Gateshead residents.</p> <p>The Health and Wellbeing Strategy identifies clear outcomes to support the delivery of “Gateshead Thrive”. Housing is identified as one of the wider determinants of health and can play a vital role in the long-term health and wellbeing of an individual.</p> <p>The Asset Management Strategy underpinned by the HRA business plan outlines the priorities for investment in the stock which includes not only maintaining standards required by legislation but also additional investment in ensuring there is adequate resources to adapt and build new housing to meet the needs of those with disabilities and ensure older persons housing is for this purpose.</p> <p>The Council’s Homelessness and Rough Sleeping Strategy 2022-2027 aims to eradicate rough sleeping in Gateshead, make homelessness a rare and one-off occurrence, and achieve positive outcomes for anyone who is homeless. The HRA will help to support delivery of this strategy through the provision of much needed new affordable homes, and in contributing to the delivery of services to support and realise sustainable tenancy solutions for vulnerable people.</p>	<p>Any council tenants experiencing a negative impact on their health or wellbeing due to financial difficulties with increased rent and service charges, can access support from the specialist housing teams (advice and support, debt advice and rent and income) or from referrals to other partners as appropriate.</p>
<p><b>Socio Economic impact: (eg neighbourhood, ward, area of deprivation, household group, income, wealth)</b></p> <p>The rental increase proposed applies to all tenancies regardless of their socio-economic status or location.</p> <p>Some service charges are discretionary and therefore subject to individual decisions whilst others are mandatory and part of the tenancy agreement.</p>	<p>See above regarding welfare support.</p>



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<p>Analysis of tenant impact has indicated that it is those tenants not in receipt of benefits who will experience the increase in rent and service charges the most, as the proposed increases for 2024/25 will not be offset by the benefits system but will need to be paid for from their household income.</p>	
<p><b>Environmental impact: (does the proposal impact on climate change and the Council’s commitment to be carbon neutral by 2030? Is the proposal in line with the Council’s Environmental Policy? Does the proposal increase natural resource use? Does the proposal increase waste? Does the proposal increase pollution? Does the proposal impact on wildlife? Does the proposal increase car use? Does the proposal increase energy use?)</b></p> <p>The proposed increase enables the HRA to continue to be sustainable. Increases in inflation impact the costs associated with the delivery of the Housing services including net zero carbon targets.</p>	
<p><b>Cumulative impact: (consider impact based on successive budgetary decisions relating to the proposal or is the proposal part of wider budgetary considerations that may collectively have an impact on service users, and is potentially at odds with the Thrive agenda)</b></p> <p>Some tenants are also Care Call recipients and the inflation on the charges will impact tenants in receipt of this service. The proposed impact of this has been built into this tenant impact assessment to ensure the cumulative impact is understood. The HRA rent and service charge proposals do not however include the request to approve these charges as they are general fund charges and part of the wider budget process.</p> <p>The Council collects water rates on behalf of Northumbrian Water. No assumption has been made in the tenant impact assessment regarding increases in water charges as this is not determined by the Council.</p>	<p>Clients who are assessed for the provision of care call equipment will undergo a financial assessment to determine their ability to pay, and nobody will be asked to pay more than they are able to afford.</p> <p>A separate IIA has not been developed for the Care Call service charges proposals as this is an inflationary increase only.</p>
<p><b>Summary of consultation/data/research undertaken to inform the assessment: (eg feedback and engagement with service users, trade unions, employees, partners, public, benchmarking, case studies)</b></p>	



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A report to the Strategic Housing Board outlined the following:

- Rental increases and the potential to vary the amount of the increase together with the impact of that on the business plan and the income to the HRA.
- Key principles applied in calculating the service charges increases including a full listing of the charges.

Discussions took place with officers in the Council's Energy Team regarding the potential changes arising from wholesale prices and NEPO forecasts together with changes in the district heating tariffs.



**Signed: (completing officer) Kristina Robson – Corporate Finance Manager**

**Date: 30/01/2024**

**Service Director: (approved) John Shiel**



**Date 12/02/2024**



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#### All Tenants Impact

Summary of Movement	Service Charges only	Rent only	Overall charge		Service Charges only	Rent only	Overall charge
No change/reduction	11,303	-	189		62.1%	0.0%	1.0%
Increase up to £2.99	6,783	-	171		37.3%	0.0%	0.9%
Increase between £3.00 & £4.99	80	14	18		0.4%	0.1%	0.1%
Increase between £5.00 & £6.99	1	8,918	5,018		0.0%	49.0%	27.6%
Increase between £7.00 & £8.99	-	9,198	12,345		0.0%	50.6%	67.9%
Increase between £9.00 & £10.99	3	43	396		0.0%	0.2%	2.2%
Increase Over £11.00	23	20	56		0.1%	0.1%	0.3%
<b>Total Tenants</b>	<b>18,193</b>	<b>18,193</b>	<b>18,193</b>		<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

#### Sheltered Schemes

Summary of Movement	Warden Charge	Other Service Charges	Rent	Overall Charge		Warden Charge	Other Service Charges	Rent	Overall Charge
No change	20	1,086	-	65		1%	78%	0%	5%
Increase up to £2.99	1,375	308	-	136		99%	22%	0%	10%
Increase between £3.00 & £4.99	-	1	-	-		0%	0%	0%	0%
Increase between £5.00 & £6.99	-	-	999	81		0%	0%	72%	6%
Increase between £7.00 & £8.99	-	-	396	1,032		0%	0%	28%	74%
Increase between £9.00 & £10.99	-	-	-	79		0%	0%	0%	6%
Increase Over £11.00	-	-	-	2		0%	0%	0%	0%
<b>Scheme Tenants</b>	<b>1,395</b>	<b>1,395</b>	<b>1,395</b>	<b>1,395</b>		<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>