



Housing Revenue Account Budget (including Capital Programme) 2019/20 to 2021/22

Full Council: 20th February 2019

Assistant Mayor for Housing: Cllr Andy Connelly

Lead director: Chris Burgin

Useful information

■ Ward(s) affected: All

■ Report authors: Chris Burgin, Director of Housing & Stuart McAvoy, Principal Accountant

1. Purpose

1.1 The purpose of this report is for Full Council to consider and approve the proposed Housing Revenue Account (HRA) budget for the 3 years from 2019/20 to 2021/22.

1.2 The budget will be set by Full Council in the context of the government requirement that rents are reduced by 1% p.a. for the four year period from 2016 to 2020. The proposed budget includes the final year of the four-year rent reduction.

2. Summary

2.1 The government's decision to implement a 1% p.a. rent reduction over a four year period has placed the HRA under significant pressure to deliver a balanced budget. A number of other external pressures and changes also brought about by central government place the HRA at further risk including the impact of increasing Right to Buy sales, the introduction of Universal Credit and inflationary pressures. All of these create a period of significant uncertainty in setting the budget for the HRA.

2.2 Despite these pressures and uncertainties, this report recommends that the budgets for the three years from 2019/20 to 2021/22 are set as balanced budgets, with the limited use of reserves to fund specific schemes.

2.3 Consultation on the proposals within this report has been carried out with the Tenants and Leaseholders Forum and the housing Scrutiny Commission.

3. Recommendations

3.1 Taking in to account the views of housing Scrutiny Commission and the Tenants and Leaseholders Forum it is proposed;

- i) To approve the Housing Revenue and Capital budgets for 2019/20
- ii) To note the financial pressures on the HRA and comment on the proposals for delivering a balanced budget;
- iii) To note the equality assessment of the proposed revenue and capital reductions required to present a balanced budget;
- iv) To approve the approach to continue to implement the 1% reduction in rent;
- v) To approve the increase in service charges of 2% (excluding district heating and communal cleaning), and increase in garage rent of 3.7% for 2019/20;
- vi) To approve the proposal for Hostel rents to remain unchanged;
- vii) Note that the scheme of virement (included within the General Fund Revenue Budget report which is also on your agenda) applies also to the HRA budget with total expenditure and total income acting as budget ceilings for this purpose;

- viii) Note that the capital strategy in that report applies also to the HRA;
- ix) Agree that the delegations and determinations applicable to the main capital programme (and approved by the Council on 30th November 2017) shall also apply to the capital programme in this report.

4. Report

4.1 Rents & Service Charges

4.1.1 The HRA operates in a self-financing environment. Spending priorities are made in the context of needing to achieve the right balance between investing in, maintaining and improving the housing stock, providing landlord services to tenants, building new homes and supporting and repaying housing debt of £212m.

4.1.2 The HRA budget is set by modelling future levels of income and expenditure. Following the Government's summer budget statement in July 2015 all housing associations and councils were required to decrease rents by 1% each year for 4 years, compared with the previous national policy of increasing rents by CPI+1%. 2019/20 represents the final year of rent reductions and is expected to result in £0.7m less income than 2018/19. Over the 4-year period annual income will have fallen by £3.1m solely as a result of the rent reduction policy.

4.1.3 The government is consulting on proposals to allow councils to increase rents by CPI+1% for the 5 years from 2020/21. Whilst any decision in relation to rents beyond 2020 would be taken by Council at the appropriate time, the planning assumption for the second and third years of this proposed budget is that rents would increase by CPI+1%. The damage to the rental income stream from 4 years of rent reduction have impacted on the ability to invest in existing properties and build new social housing across the city; an increase in rent is likely to be required going forward in order to rectify this.

4.1.4 The 1% mandatory rent reduction does not apply to service charges and garage rents. This report proposes an increase in service charges for 2019/20 (excluding heating and cleaning charges) of 2% which will raise an additional £40k a year. It is proposed to increase garage rents by 3.7% (August CPI+1%) which would increase the average weekly rent to £9.09.

4.1.5 Hostel rents are also not covered by the mandatory rent reduction and are periodically re-set to ensure that they are aligned with the actual cost of running the service. This re-basing took effect in 2018/19 and it is proposed that rents remain unchanged for 2019/20.

4.2 Revenue Cost Pressures

4.2.1 Central Government's decision to reduce rent by 1% p.a. over a four year period has placed the HRA under significant pressure to deliver a balanced budget. A number of other external pressures and changes place further burdens upon the HRA. Table 1, below summarises all known pressures and budget growth requirements within the HRA:

Table 1: Revenue Cost Pressures	2019/20 £000	2020/21 £000	2021/22 £000
1% Rent Reduction	735	735	735
Right to Buy Rent Loss	1,459	2,962	4,417
Interest on RTB Receipts	570	720	100
Employee Cost Inflation	976	1,754	2,550
Running Cost Inflation	619	1,102	1,600
Spend to Save	300	300	300
District Heating	350	350	350
Contributions to GF Services	209	209	209
Van Racking	150	0	0
Bad Debt	100	200	200
Capital Expenditure Funded From Revenue	1,347	1,400	883
Total Cost Pressures	6,815	9,732	11,344

Right to Buy

Sales of properties through Right to Buy can give discounts to tenants of up to 70% of the property value. From 2012 the government 'reinvigorated' the scheme by increasing the maximum discount, such that it is now £80,900 compared with £24,000 for Leicester in 2012. Sales have increased as a result, with a loss of over 850 properties in the last 2 years alone. The HRA loses rental income from properties sold in this way, and the economies of scale that come from managing a large portfolio are gradually being eroded. Over the next 3 years it is forecast that rental income will be lower by £4.4m as a result of 1,200 Right to Buy sales.

Interest on RTB Receipts

The capital receipts from the sale of properties under Right to Buy must be used within 3 years or be paid over to central government with 3 years of backdated interest. The Council has faced significant limitations in being able to spend these receipts within the HRA, largely due to the fact that they can only be used to fund up to 30% of the cost of replacement housing, combined with the heavily restricted borrowing capacity to fund the remaining 70%. The uptake by Registered Providers has been limited due to the fact that they cannot combine RTB receipts with other funding from Homes England. The government has recently announced the end of the borrowing cap, which is expected to result in a significant rise in new social rented housebuilding nationally, and also potentially in acquisitions of existing properties. Locally, the scale of the backlog of receipts, coupled with limited land availability and the challenge of financing the other 70% of the cost, are such that some may ultimately have to be repaid. Provision has been made within reserves to fully fund the punitive interest that will become payable.

Inflation

Employee costs are forecast to rise by £2.6m, based on a provisional grading structure for 19/20 (following the review of the Local Government Services pay spine), subsequent annual pay increases of 2%, and known increases to pension contributions. Material costs have been rising, perhaps linked to Brexit uncertainty, and available forecasts indicate that provision should be made for increases of 4% per year, increasing annual spend on running costs by £1.6m.

Spend to Save

Two areas have been identified in which increased current revenue expenditure can reduce future costs. Funding for both of these schemes will come from reserves through the Invest-to-Save Transformation Fund. (1) Currently, asbestos is removed from damaged decorative coatings within void properties as and when deterioration is identified. From 2019/20 we will start to remove all asbestos containing materials from void bungalows at the same time, eliminating the need for asbestos being removed during a person's tenancy. Adding £50k to the revenue budget will save the HRA in the long-term by preventing the need for multiple surveys and visits to the same property. If successful, we will look to include all property types in subsequent years. (2) The introduction of pro-active maintenance of communal areas will cost £250k but will result in a subsequent reduction in the number of repair requests.

District Heating

Within previous years in-year revenue underspends have been used to fund the required programme of repairs to the heating network. A permanent increase of £350k to the annual maintenance budget is required, to ensure that funding is available for necessary maintenance.

Contributions to General Fund Activities

The HRA makes contributions towards the cost of those services provided by the General Fund for which the HRA benefits. In 19/20 a charge of £63k will be introduced for dealing with domestic noise complaints, along with £114k for the investigation and enforcement work, such as fly-tipping, undertaken by City Wardens. An increase of £32k will apply to the existing contribution for dealing with antisocial behaviour.

Van Racking

The effective use of vans within the Repairs and Maintenance function relies on there being appropriate racking to store materials. Whilst the intention was to fund a racking scheme from the 18/19 underspend, procurement delays mean that this will now take place in 19/20, with provision of £150k being made as part of this budget.

Universal Credit and Bad Debt

The Department for Work and Pensions has commenced the roll out of Universal Credit (UC) nationally which combines 6 different benefits into a single monthly amount. UC full service commenced in Leicester in June 2018, with claimants expected to manage their UC claim and job search activities online. Tenants will migrate on to UC over the coming years, at an estimated rate of 173 council tenants each month. Based on experience elsewhere it is estimated that UC will result in an increase in rent arrears of £1.26m by 2023, an increase of 86.5%. The experience of other authorities where the roll-out is at a more advanced stage is that the number of tenants in arrears increases significantly, as does the average debt per tenant. This budget provides for an increase of £0.1m for debt write offs and increases to the provision for bad debt.

The council has taken steps to mitigate this risk by recruiting to 4 new posts, Rent Management Advisors, to support tenants apply for Universal Credit, manage their claim and pay their rent. Neighbourhood Housing Officers have also visited over 800 tenants who we believe may move onto Universal Credit quickly to establish whether

they have support needs that the Rent Management Advisors can assist with. The Department of Work and Pensions has granted the council Trusted Partner status. One of the benefits of this is that we can automatically apply for managed rent payments directly to us, for those tenants that are vulnerable or are likely not to pay their rent.

Capital Expenditure Funded From Revenue

Despite the pressures on rental income, it is important that an appropriate level of investment in the dwelling stock is undertaken. These schemes are detailed in full in section 4.4, below. The extent to which these schemes are funded from revenue resources represents a pressure towards which corresponding savings must be found.

4.3 Revenue Savings

4.3.1 The proposals within this report meet the identified budget gap of £6.8m in 2019/20 rising to £11.3m in 2021/22. Table 2, below, summarises the proposed budget reductions, with a detailed list included at Appendix C.

Table 2: Additional Income & Reductions in Expenditure	2019/20 £000	2020/21 £000	2021/22 £000
Rent & Service Charges	(63)	(2,522)	(4,754)
Approved in Previous Year's Budget Report	(1,543)	(2,001)	(2,001)
Budget Re-Basing	(2,228)	(2,228)	(2,228)
Staffing Costs	(320)	(320)	(320)
Interest on Borrowing	(1,641)	(1,641)	(1,641)
Contribution from Reserves	(1,020)	(1,020)	(400)
Total Savings Identified	(6,815)	(9,732)	(11,344)

Rent & Service Charges

As outlined in section 4.1, the additional income shown here reflects service charge increases and the planning assumption that rents will be increased by CPI plus 1% for the years from 2020/21. Additional rental income will also be received from the programme of acquiring and building new properties. In total these proposals would deliver £4.8m of additional income by 2021/22.

Previous Year's Approvals

The budget report to Council in February 2018 included savings associated with staffing pay protection coming to an end, changes to the apprenticeship scheme, reductions in costs linked to properties lost through Right to Buy, and letting properties at Formula Rent at the point they become void. These approvals will deliver £2.0m of savings by 2020/21.

Budget Re-Basing

An exercise was undertaken in 2018/19 to identify historical budgets that did not reflect current income and expenditure. As part of the period 3 budget monitoring process an amount of £2.2m was moved to reserves, and these same budgets can now be declared as permanent savings.

Staffing Costs

Administration support posts have been held vacant throughout 2018/19 with no negative impact on service delivery. It is proposed that these vacant posts now be deleted to deliver savings of £0.2m. A further £0.1m will be saved from reduced contributions towards the staffing cost of the Technical Services Review Team.

Interest on Borrowing

The HRA pays interest on its outstanding debt, whilst earning interest on the cash balances it holds (with the interest rate on debt being much higher than that on cash balances). Within 2018/19 a tranche of Council debt was repaid meaning that the HRA benefits on the net interest payable by £1.6m.

Contributions from Reserves

Whilst the use of reserves cannot be described as a saving, they provide the resource to fund revenue cost pressures. The specific pressures being funded from reserves are the two spend-to-save schemes, van racking, and the interest cost on RTB receipts. The use of reserves is appropriate since these areas do not represent on-going cost pressures.

4.3.2 The table below demonstrates that the HRA revenue budget savings proposed for the 3 years will meet the amount required to balance the budget. Appendix A shows a high level breakdown of the proposed HRA revenue budgets for the next 3 years.

Table 3: HRA 3-Year Revenue Summary	2019/20 £000	2020/21 £000	2021/22 £000
Budget Pressures	6,815	9,732	11,344
Savings & Reductions Identified	(5,795)	(8,712)	(10,944)
Funding From Reserves	(1,020)	(1,020)	(400)
HRA Net Revenue Budget	0	0	0

4.4 Capital Expenditure Requirement

4.4.1 The capital expenditure requirement in 2018/19 is £17.3m. This increases to £31.0m in 2019/20 before falling back to £17.6m in 2020/21 and £17.1m in 2021/22.

Appendix B shows the proposed capital programme for the next 3 years. Increases in capital expenditure will support the following schemes:

Installing Sprinkler Systems

Following the installation of a sprinkler system in Maxfield House in 2018/19, a further 4 tower blocks will have systems retro-fitted at a cost of £1.35m. This will be funded from the Major Repairs Reserve.

Fire Door Replacements

Fire risk assessments and audits have identified an increased number of fire doors requiring replacement, over and above the existing programme. Recent tests have also identified specific types of fire doors which fall short of the required safety standards, and all such doors in communal areas will be replaced, adding £0.15m to the capital programme.

Property Acquisitions

The Council is able to buy back a limited number of properties that were previously sold under Right to Buy, funding 50% of the cost using receipts from property sales. The scheme was added to the capital programme in 18/19 to the value of £880k. This is now being added as a permanent scheme, being funded from revenue. A further £4m is being added for acquiring properties and land to meet local housing need by increasing the number of properties available at an affordable rent within the city. This will be funded from Right to Buy receipts (£1.2m) and reserves (£2.8m).

Goscote House Demolition

The decision to demolish Goscote House was made on 24th April 2018, with a forecast date for demolition towards the end of 2019/20. Provision through reserves has already been made for the £3m cost of demolition, of which £0.2m is within the current capital programme.

Property Conversions

Overcrowding is an issue within some properties, so work will be undertaken in 2020/21 to deliver a mix of loft conversions and extensions at a cost of £0.5m.

Parking – Spend to Save

£250k will be added to the capital programme for a one-off scheme to demolish garages on the St. Matthews estate, utilising the surrounding land to create much-needed car parking for residents. The cost of maintaining the garages and the up-keep of land will be reduced, leading to long-term savings. Funding for this scheme will come from the Invest-to-Save Transformation Fund.

District Heating Maintenance

In addition to the maintenance budget, an on-going capital budget is required to ensure the effective operation of the heating network. A programme of work has identified an annual capital requirement of £725k. This includes but is not limited to: regular upgrades to the 'Building Energy Management' system to ensure the network is operating at maximum efficiency; the upgrading of the pumps and heat exchangers in the sub stations; and the cyclical upgrading of the boilers in the 14 sheltered schemes.

Re-roofing

Analysis of the remaining life of roofs has identified that a greater number of properties will need to be re-roofed over coming years than the current budget allows for. An increase of £450k is required to meet this need for 19/20 and 20/21, rising to £600k in 21/22, which will support the replacement of an additional 250 roofs over the 3-year period.

Neighbourhood Hubs

Refurbishment work to the Mowmacre Neighbourhood Housing Office will cost in the region of £450k in 19/20. Further budget requirements are likely to arise from capital improvements to staffing bases and these will be considered on an on-going basis.

New Build Housing

Phase 1 of a programme of new build council housing will be undertaken within the HRA during 2019/20 increasing the provision of affordable dwellings. 50 properties

will be built on back-land sites and small open spaces at a cost of £6.2m. £1.9m will be funded from retained RTB receipts, £2.2m from reserves, with £2.1m of additional borrowing.

4.4.2 A saving of £100k will be delivered in 2019/20 through a reduction to the re-wiring programme, by undertaking a greater number of upgrades rather than full re-wires. In addition, the currently planned work on creating neighbourhood hubs will be completed during 2019/20 leading to the deletion of the existing £100k annual budget. Boiler replacements are currently undertaken by external contractors, but a pilot has demonstrated that the in-house Gas team have the capacity to carry out a small proportion of these at a lower cost, saving £75k.

4.4.3 The funding of the proposed capital programme is shown in the table below. This results in an increase in funding from revenue of £1,347k in 19/20, £1,400k in 20/21 and £883k in 21/22, reflecting the pressure identified at paragraph 4.2.

Table 4: Funding of HRA Capital Programme	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
Funded From Revenue	15,734	17,081	17,134	16,617
Funded From Reserves	1,090	8,319	0	0
Funded From Right to Buy Receipts	440	3,540	440	440
Funded from Borrowing	0	2,100	0	0
	17,264	31,040	17,574	17,057

4.4.4 Authority for amendments to the HRA capital programme is in line with that for the corporate programme as set out in the report to Council on 30th November 2017.

4.5 HRA Reserves and Borrowing

4.5.1 Drawing down on reserves in an attempt to avoid the need to make savings is only viable as a short-term approach to meeting any budget shortfall. Reserves are better utilised in meeting one-off costs, to support the delivery of long-term efficiencies and in the replenishment of dwelling stock to increase the long-term financial viability of the HRA.

4.5.2 At the end of 2018/19, the total HRA uncommitted reserves are forecast to be £5.1m. This is the amount available to support unplanned one-off expenditure or to meet in-year deficits.

4.5.3 Until recently, borrowing within the HRA was restricted by a debt cap. From 31st October 2018 this restriction was removed, enabling the HRA to borrow in the same way as the rest of the Council. Additional borrowing will only be undertaken where it can be shown to be affordable and sustainable. The £2.1m of additional borrowing in 19/20 is for the provision of new housing which will bring with it a new stream of income to fund the borrowing cost.

5. Financial, legal and other implications

5.1 Financial implications

5.1.1 This report is exclusively concerned with financial issues.

Colin Sharpe, Head of Finance (37 4081)

5.2 Legal implications

5.2.1 The Council is obliged to set a budget for an accounting year that will not show a deficit (S76 Local Government and Housing Act 1989).

5.2.2 The Council is also required to ring-fence the HRA to ensure that only monies received and spent for obligations and powers under the Housing Act 1985 can be paid into and out of the HRA (S75 and Schedule 4 Local Government and Housing Act 1989).

Jeremy Rainbow - Principal Lawyer (Litigation) – 37 1435

5.3 Climate Change and Carbon Reduction implications

5.3.1 Housing is responsible for a third of Leicester's overall carbon emissions. As such, addressing emissions from housing is vital to meet Leicester City Council's target to reduce city wide carbon dioxide emissions to 50% of the 1990 level by 2025, in order to prevent dangerous climate change.

5.3.2 The programme of maintenance for existing housing properties, continued use of the district heating scheme, and the building of new properties all provide opportunities for meeting our emissions reduction target, and achieving high standards in our housing. It should be noted that the demolition of Goscote House may have implications for the district heating network, and work is ongoing to investigate these implications.

Aidan Davis, Sustainability Officer, Ext 37 2284

6. Background information and other papers:

None

7. Summary of appendices:

Appendix A: Proposed HRA Budget 2019/20 to 2021/22

Appendix B: Proposed HRA Capital Programme 2019/20 to 2021/22

Appendix C: Proposed Revenue Savings

Appendix D: Leicester average rents comparison

Appendix E: Other charges and payments 2018/19

Appendix F: How priorities were assessed for Expenditure

Appendix G: Feedback from consultation with Tenants' and Leaseholders' Forum

Appendix H: Minutes of the Housing Scrutiny Commission

Appendix I: Equality Impact Assessment (EIA)

8. Is this a private report (If so, please indicated the reasons and state why it is not in the public interest to be dealt with publicly)?

No

9. Is this a “key decision”?

No, as the decision will be taken by full Council.

**Proposed HRA Revenue Budget
2019/20 to 2021/22**

Proposed HRA Budgets (2019/20 to 2021/22)	2018/19 Current Budget £000	- 2019/20 -			- 2020/21 -			- 2021/22 -		
		2019/20 Budget Pressures £000	2019/20 Savings & Reductions £000	Proposed 2019/20 Budget £000	2020/21 Budget Pressures £000	2020/21 Savings & Reductions £000	Proposed 2020/21 Budget £000	2021/22 Budget Pressures £000	2021/22 Savings & Reductions £000	Proposed 2021/22 Budget £000
Income										
Dwelling & Non-Dwelling Rent	(74,900)	2,294	(421)	(73,027)	1,603	(2,811)	(74,235)	1,455	(2,182)	(74,962)
Service Charges	(4,536)	0	(373)	(4,909)	0	(48)	(4,957)	0	(50)	(5,007)
Total Income	(79,436)	2,294	(794)	(77,936)	1,603	(2,859)	(79,192)	1,455	(2,232)	(79,969)
Expenditure										
Management & Landlord Services	18,523	482	(1,882)	17,123	350	0	17,473	358	0	17,831
Repairs & Maintenance	25,198	1,804	(1,064)	25,938	654	(58)	26,534	827	0	27,361
Interest on Borrowing	9,545	570	(1,641)	8,474	150	0	8,624	(620)	0	8,004
Charges for Support Services	4,926	1	(414)	4,513	1	0	4,514	1	0	4,515
Contribution to GF Services	5,510	317	0	5,827	106	0	5,933	108	0	6,041
	63,702	3,174	(5,001)	61,875	1,261	(58)	63,078	674	0	63,752
Capital Funded From Revenue	15,734	1,347	0	17,081	53	0	17,134	(517)	0	16,617
(Surplus) / Deficit Before Reserves	0	6,815	(5,795)	1,020	2,917	(2,917)	1,020	1,612	(2,232)	400
Funding From Reserves	0	0	(1,020)	(1,020)	0	0	(1,020)	0	620	(400)
Contributions To Reserves	0	0	0	0	0	0	0	0	0	0
(Surplus) / Deficit	0	6,815	(6,815)	0	2,917	(2,917)	0	1,612	(1,612)	0

Appendix B

HRA Capital Programme 2019/20 to 2021/22

All of the schemes listed for 19/20 are immediate starts.

	2018/19 Capital Programme £000	Proposed 19/20 Programme £000	Proposed 20/21 Programme £000	Proposed 21/22 Programme £000
New Capital Schemes				
Property Conversions	0	0	500	0
Parking - Spend to Save	0	250	0	0
District Heating Maintenance	0	725	725	725
New Build Housing - Phase 1	0	6,200	0	0
	0	7,175	1,225	725
Investment in Council Housing				
Kitchens & Bathrooms	4,000	4,000	4,000	4,000
Boilers	3,500	3,425	3,425	3,425
Re-wiring	1,860	1,760	1,760	1,760
Re-roofing	300	750	750	900
Soffits & Facia	350	350	350	350
Windows and Doors	150	150	150	150
Door Entry	150	150	150	150
Property Acquisitions	880	4,880	880	880
Goscote House Demolition	200	2,800	0	0
	11,390	18,265	11,465	11,615
Environmental and Communal Works				
Communal Improvements & Environmental Works	750	750	750	750
Disabled Adaptations	1,200	1,200	1,200	1,200
Fire Risk Works	850	1,000	1,000	1,000
Safety Works including Targeted Alarms	300	300	300	300
Sprinkler Systems	450	1,350	0	0
Loft Insulation	100	100	100	100
Waylighting	150	150	150	150
Sheltered Housing Improvements (ASC)	100	100	100	100
Supporting Neighbourhood Hubs	100	550	0	0
Concrete Paths Renewal	100	100	100	100
CCTV	300	0	0	0
	4,400	5,600	3,700	3,700
Policy Provisions				
Affordable Housing	1,474	0	1,184	1,017
	1,474	0	1,184	1,017
Total Capital Programme				
	17,264	31,040	17,574	17,057

Appendix C

Proposed Revenue Savings 2019/20 to 2021/22

Service description	2019/20 £000	2020/21 £000	2021/22 £000
Rent and Service Charges			
Dwelling Rent Increases	0	(2,139)	(4,298)
Garage Rent Increases	(3)	(11)	(20)
Service Charge Increases	(39)	(79)	(120)
Buy-Back Rental Income	(21)	(43)	(66)
New Build Rental Income	0	(250)	(250)
	(63)	(2,522)	(4,754)
Approved in Previous Year's Budget Report			
Staffing Review Pay Protection	(212)	(212)	(212)
Apprenticeship Scheme	(446)	(446)	(446)
Training Centre of Excellence	(20)	(20)	(20)
Repairs - Materials	(10)	(20)	(20)
Repairs - Staffing Reduction linked to RTB sales	(300)	(300)	(300)
Repairs - Electrical Testing	(90)	(90)	(90)
Repairs - PAT & Contractors	(40)	(40)	(40)
Repairs - Team Leader	0	(48)	(48)
Energy Efficiency Improvements	(25)	(25)	(25)
Formula Rent	(400)	(800)	(800)
	(1,543)	(2,001)	(2,001)
Budget Re-Basing			
Rental Income	(813)	(813)	(813)
Corporate Recharges	(414)	(414)	(414)
District Heating	(550)	(550)	(550)
Leaseholder Income	(331)	(331)	(331)
Decorating Allowance	(20)	(20)	(20)
Neighbourhood Housing Offices	(100)	(100)	(100)
	(2,228)	(2,228)	(2,228)
Other			
Admin Staffing	(200)	(200)	(200)
Contribution to Technical Services Review Team	(120)	(120)	(120)
Net Interest on Debt	(1,641)	(1,641)	(1,641)
Contribution from Reserves	(1,020)	(1,020)	(400)
	(2,981)	(2,981)	(2,361)
Total Savings Identified	(6,815)	(9,732)	(11,344)

Appendix D

Rent Comparison Figures

Property type	HRA* 2018/19	Formula Rent ** 2018/19	Housing Association 2016/17***	Private Sector (LHA rate) 2018	Private Sector (city wide)**** 2017/18
	£	£	£	£	£
Room only	-	-	-	£61.38	£76.85
Bedsit (studio)	£53.48	£63.38	£58.76	-	£84.46
1 bed	£62.65	£67.67	£69.02	£86.30	£105.69
2 bed	£73.94	£77.98	£81.96	£109.32	£126.92
3 bed	£81.77	£86.63	£90.28	£126.58	£152.31
4 bed	£93.78	£97.97	£106.50	£163.16	£230.31
5 bed	£100.84	£105.83	£110.65		
6 bed	£126.39	£111.86	£124.50		

* LCC Income Management Team

** LCC Finance

***Homes Communities Agency SDR (6 beds = 6+ beds)

**** Valuation office (4/5/6 beds = 4+ beds)

Other Service Charges and Payments – Proposed 2019/20 Charges

There are a number of charges associated with providing services to tenants as part of their rent.

- (i) Use of Guest Room (Sheltered Housing Schemes)
The current charge for use of the guest room at Sheltered Housing Schemes is £10 per night and it is proposed this remains the same.
- (ii) Replacement Rent Swipe Cards
The current charge for a replacement swipe card is £5.00 and it is proposed this remains the same.
- (iii) Other HRA Properties
There are 8 properties in the HRA that have a protected rent. In line with the requirement to reduce rents the rents will be reduced by 1%.

Payments

- (iv) Disturbance Allowance
Disturbance allowances are paid when a full property electrical rewire is required and carried out to an occupied LCC-owned property. A disturbance allowance can also be paid where it is necessary to undertake major works in an occupied property. The disturbance allowance is currently £155 per dwelling. This was increased by 25% in 2011/12 and it is proposed this remains the same.
- (v) Decorating Allowances
Decorating allowances are paid to new tenants. The amount paid is based on the condition of the property in relation to decoration and is paid on a per room basis. Current proposed allowances are set out below.

Allowance amounts:-

Bathroom	£45.00
Kitchen	£56.25
Lounge	£67.50
Dining Room	£67.50
WC (where separate)	£22.50
Halls (flats/bungalows)	£45.00
Hall/Stairs/Landing	£78.75
Large Bedroom	£67.50
Middle Bedroom	£56.25
Small Bedroom	£36.00

How Priorities are Assessed for HRA Expenditure

1. The overall aim of Leicester City Council's Housing Division is to provide a decent home within the reach of every citizen of Leicester. This appendix sets out how we can best meet our five major priorities for investment in our 20,667 council homes and their neighbourhoods. These plans support the Administration's manifesto pledge of building pride in our neighbourhoods and stronger communities.
2. The priorities are:
 - Providing Decent Homes
 - Making our communities and neighbourhoods where people want to live and keeping in touch with our tenants
 - Making Leicester a low carbon city by improving the energy efficiency of homes
 - Providing appropriate housing to match people's changing needs
 - Making Leicester a place to do business by creating jobs and supporting the local economy
3. We have made a commitment to our tenants to provide our services in an economic and effective way. One of the City Mayor's programme of Spending Reviews therefore covers the Housing Revenue Account. The Housing Transformation Programme began in 2013 and since then all housing associations and council owned housing providers are required to decrease rents by 1% each year for 4 years. Given the significant reductions in income, to deliver a balanced budget each year until the end of 2020/21, changes to service delivery have been required to make savings. It is proposed that the Executive consider the continued outcome of work on the HRA Spending Review. Where this work proposes changes to services to tenants the Tenants' and Leaseholders' Forum is consulted and the proposals are considered by the Housing Scrutiny Commission.

Priority one – Providing Decent Homes

Why this is a priority and what is our planned approach to achieving this?

4. Nearly one in six homes in Leicester is a council house, flat, maisonette or bungalow. It is crucially important that we look after these assets, not just for current tenants but for those who will live in them for many years to come. When we plan the Housing Capital Programme we must consider what investment will be needed over at least the next 40 years, not just the next three or four years.

We must ensure we do not let the programmes for essential items with long life spans fall behind, for example roofs, boilers, wiring, kitchens and bathrooms.

5. Providing decent homes is not just about 'bricks and mortar', it can also lead to improvements in educational achievement and health, help tackle poverty and reduce crime.
6. The Government's Decent Homes target was met in 2011/12. However, to meet the standard on an on-going basis further investment for major works is required.
7. Major works are planned for all council housing following an assessment of condition, age, tenant priorities and other criteria set as part of the Decent Homes Standard.
8. The Government's current definition of a Decent Home is one that satisfies all of the four criteria:
 - It meets the current statutory minimum standard for housing;
 - It is in a reasonable repair;
 - It has reasonably modern facilities and services; and
 - It provides a reasonable degree of thermal comfort

The Government's green paper "A new deal for social housing" was published in August 2018. This document stated the Government were considering a review of the Decent Homes Standard so the current criteria may change in the future, for which we will need to respond to.

9. As well as achieving the Decent Homes Standard we also address tenants' priorities. The majority of tenants see improvements made within their home as a priority and the priority element for improvement is kitchens and bathrooms. Our current commitment is to refurbish all kitchens and bathrooms by 2036.
10. From time to time major refurbishment or redevelopment projects are required. The current ones are the kitchen and bathroom refurbishment programme, St Peters tower block refurbishment, central heating and boiler upgrades and the electrical improvement programme.
11. It is crucial we continue to repair and maintain homes. There has been a reduction in the number of outstanding jobs that are out of category. At the end August 2017 there were 547 outstanding jobs. At the end of August 2018 this had reduced by 237 to 310.
12. Improvements have been made to our processes to reduce the length of time homes are vacant to ensure that new tenants are rehoused into suitable

accommodation as quickly as possible and loss of income is minimised. At the end of June 2016, the average re-let times for normal voids was 59.4 days, at the end of June 2018 this had been reduced to 48.5 days.

13.

14. Below are some of the main criteria used to plan major works in Council properties:

Component for replacement	Leicester's replacement condition criteria	Decent Homes Standard minimum age
Bathroom	All properties to have a bathroom for life by 2036	30 - 40 years
Central heating boiler	Based on assessed condition from annual service	15 years (future lift expectancy of boilers is expected to be on average 12 years)
Chimney	Based on assessed condition from the Stock Condition Survey / Housing Health and Safety Rating System	50 years
Windows and doors	Based on assessed condition from the Stock Condition Survey / Housing Health and Safety Rating System	40 years
Electrics	Every 30 years	30 years
Kitchen	All properties to have an upgraded kitchen by 2036	20 – 30 years
Roof	Based on assessed condition for the Stock Condition Survey / Housing Health and Safety Rating System	50 years (20 years for flat roofs)
Wall finish (external)	Based on assessed condition from the Stock Condition Survey / Housing Health and Safety Rating System	80 years
Wall structure	Based on assessed condition from the Stock Condition Survey / Housing Health and Safety Rating System	60 years

Achievements in 2018/19 and proposals for 2019/20

15. In 2018/19 £25,198k has been invested in maintaining our homes and a further £17,264k for improvements through the Capital Programme.

Programmed element	Achievements and proposals
Kitchens and bathrooms	We expect to have installed 800 kitchens / bathrooms in 2018/19. During 2019/20 we are expected to install a further 800 kitchens / bathrooms. As at the 1 st April 2018 73% of all council properties have had either a Leicester Standard kitchen or bathroom.
Rewiring	We expect to have rewired 850 homes in 2018/19 and a further 850 during 2019/20
Central heating boilers	Investment is calculated to replace boilers every 15 years based on condition data from the annual gas service. We expect to have replaced 1,280 boilers in 2018/19 and a further 1,280 2019/20
Roofing and chimneys	We expect to have installed 90 new roofs in 2018/19 and 125 in 2019/20
Central heating systems	We have 162 properties without any form of central heating. In these cases tenants have refused to have central heating installed. Provision is made in the programme to install central heating on tenant request or when these properties become vacant.
Windows and doors	Excluding properties in Conservation Areas where there are often restrictions on the use of UPVC, we have 51 properties that do not have UPVC double glazed windows. In these cases tenants have refused our previous offers of installing double glazing. Provision is made in the programme to install windows / doors on tenant request or when these properties become vacant. Future investment will be targeted at installing secondary glazing to properties in Conservation Areas.
Structural works	Investment is required to address any structural works identified each year. As well as dealing with structural problems such as subsidence, issues such as woodwork treatment and failed damp proof courses are also dealt with when identified

Soffits, fascia's and guttering	By replacing these items with UPVC we reduce long term maintenance costs. During 2018 we anticipate replacing 102 soffits, fascias and gutters and a further 125 in 2019/20. Our priorities have changed in terms of this type of work and we are looking to significantly increase the number of roofs replaced over the next 10 years. Substantial cost savings can be achieved by grouping the replacement of soffits, fascias and guttering whilst replacing roofs
Condensation works	Investment is required to target those properties that have been identified as being more susceptible to condensation related problems because of their construction type or location. A multi option approach is adopted along with the use of thermal imaging technology to produce property specific solutions. In 2018/19 we expect to complete work on 740 properties and a further 745 in 2019/20. Advice to tenants is also important as their actions can alleviate condensation problems, for example opening windows when cooking.
Safety and fire risk work	Investment is required to implement the planned programme of fire safety measures, as agreed with the Fire Service (see point 16.)
St Peters Tower Block refurbishment, including lifts	A major programme is coming to an end to refurbish four tower blocks in St Peters. This work has involved fitting new bathrooms and kitchens, installing individual heat meters to give tenants more control over heating bills, removing asbestos, upgrading pipework and risers for district heating and providing new lifts. The total cost of this project is £10.3m and is due for completion in April 2019.
E communications for repairs service	During 2018 we procured new mobile working software and handheld devices which have recently come into use within the repairs service. This will lead to efficiencies and an improved service to tenants

16. We expect to carry out approximately 90,000 responsive repairs during 2018/19.

17. Fire safety is of paramount importance to us as a landlord. We have policies and procedures in place to reduce the risk of fires, for example our Assistant Housing Officers carry out regular fire inspections to properties with communal areas such as flats, maisonettes and houses in multiple occupation. All these buildings have their own fire risk assessments and people are provided with a personal evacuation plan in case a fire starts. We have a no tolerance policy on items left in communal areas. If found these are removed so evacuation routes

remain clear and combustible items are not left to encourage the spread of fire. Our fire safety work includes implementing recommendations made by the fire service. None of our 6 tower blocks contain external cladding, which contributed to the spread of the fire at Grenfell Tower in 2017, nor do they have gas supplies. During a 2018 a decision was made to draw up plans to demolish Goscote House. The reason for this is that, although it is currently safe to live in, the projected longer term structural costs of keeping it safe would be unviable. The tower blocks in St Peters have or will be having passive fire protection upgraded as part of the refurbishment work already taking place. This includes communal fire doors and emergency lighting. St Leonards Court has passive fire protection measures in place. The installation of a second lift at St Leonards Court is scheduled for completion during 2019/20. We have agreed to fit sprinkler systems at our 5 storey tower blocks. Work on the first of these is scheduled to begin in late 2018 and this should be concluded by the summer of 2019. It is expected that the work to the remaining 4 blocks will be completed by 2021.

Priority two – Making our communities and neighbourhoods places where people want to live and keeping in touch with our tenants

Why this is a priority and what is our planned approach to achieving this?

18. Creating sustainable communities is about more than housing, it means cleaner, safer, greener neighbourhoods in which people have confidence and pride.
19. The environmental works and communal areas fund helps deliver significant environmental improvements on estates, such as landscaping, new security measures, community facilities, pocket parks, fencing and communal area improvements. Tenants and ward councillors help decide where this money should be spent, based on their local needs and priorities. These schemes have helped improve the overall image, appearance and general quality of life within our estates.
20. As part of the Council's Transforming Neighbourhood Services programme housing office services are now in shared buildings within local communities.

Achievements in 2018/19 and proposals for 2019/20

21. In 2018/19 the budget for environmental and communal works was £750,000. It was shared across the city in all neighbourhood housing areas. Works included parking improvements, resurfacing courtyards, improving the security of estates by the installation of gates and removal of bushes. Specific examples are:

- Creating a new car park on Kashmir Road, St Matthews
- Improvements to shrubbed areas in St Peters

- Additional security to Thurncourt Road shops
 - Providing new bin areas to flats in Rowlatts Hill
 - Improvements and increased parking in New Parks
 - Improvements to external appearance of flats in Beaumont Leys
 - Communal painting, new doors for the bin stores, fencing and security lighting improvements to blocks of flats in Mowmacre
22. The Leicester to Work scheme (see also priority 5) carries out painting, clearing of alleyways, removal of graffiti and other works to improve the look of the local environment.
23. The programme of upgrading door entrance schemes will continue based on condition surveys. We expect to upgrade 7 door entrance schemes during 2018/19 and a further 17 in 2019/20.
24. We continue to provide our housing management service with local teams so that our staff know the neighbourhoods and communities in which they work. Housing Officers are out and about on their 'patches' and our craft workforce is fully mobile.
25. District Managers attend ward community meetings and other local forums. We work closely with the police and are involved in the local Joint Action Groups.
26. We publish an Annual Report to tenants and information is also communicated through the Your Leicester electronic newsletter and the Council's Twitter and Facebook accounts.
27. The Customer Services Centre runs a telephone advice line during working hours where tenants can report repairs and tenancy issues. Out of hours emergency calls are taken by an external provider. Last year the Customer Service Centre received 188,436 calls during the working day on the tenants' advice line. 123,371 were about repairs, 38,163 were to discuss tenancy management issues and 26,902 to discuss rent payments. A further 15,433 calls were made out of hours.
28. We are now working on a programme to provide greater on-line access to our services, through the Council's website. Examples of what this will enable tenants to do include:
- Making a rent payment
 - Setting up a direct debit
 - Viewing their rent account
 - Reporting a repair and enabling them to select a convenient date and time for the appointment
 - Reporting anti-social behaviour

29. We respond vigorously to reports of anti-social behaviour and have CCTV on many parts of our estates. In 2017/18 we received 846 reports of anti-social behaviour that were investigated and where necessary action was taken against perpetrators. This was 122 more reports than the previous year. In the first 3 months of 2018/19 we had received a total of 259 reports.

30. We work closely with the Tenants' and Leaseholders' Forum which has representatives from across the city. During 2018 / 19 the topics the Tenants and Leaseholders' Forum have discussed include:

- Annual report to tenants
- Channel Shift
- Repairs service
- Homelessness
- Universal Credit
- Voids and Property Lettings
- Grounds Maintenance
- The review of the Conditions of Tenancy
- These 2019 / 20 HRA budget proposals

The Tenants' and Leaseholders' Forum have also been consulted on this year's HRA budget proposals.

Priority three – Making Leicester a low carbon city by improving the energy efficiency of homes

Why is this a priority and what is our planned approach to achieving it?

31. The council and its partners have committed to cut carbon emissions by 50%, relative to 1990 levels by 2025. Part of this target was to reduce residential CO2 emissions from 651,000 tonnes in 2006 to 530,000 tonnes by 2012, a reduction of 121,000 tonnes. Council housing accounts for approximately 16% of all residential housing in the city. Therefore, its pro rata contribution towards carbon reduction target is 20,268 tonnes. Through the Housing Capital Programme CO2 emissions from council houses reduced by 58,523 tonnes between 2005 and March 2017. This means that we have already exceeded our target by 180%.

32. This has been achieved by window replacements, new central heating installations, new energy efficient boilers and controls, internal and external wall and roof insulation and solar panels.

33. The most cost effective opportunities for carbon savings in the council stock are diminishing now that all properties have double glazed UPVC windows and all

cavity walls have been insulated. However, any further reductions will help towards the city target and will improve energy efficiency for individual tenants and reduce fuel poverty.

34. There are three areas of energy efficiency work to prioritise as funds become available. These are:

- Completing external wall insulation on all suitable properties (we have 1,194 left to do)
- Installing individual meters for tenants on district heating schemes (2,460 properties)
- Doing specialist work on the hardest to heat houses. For example, those properties with small wall cavities which are not suitable for typical wall installation programmes. There are 1,205 of this type.

Achievements in 2018/19 and proposals for 2019/20

35. During 2018/19 we continued our programme of installing more efficient boilers as boilers need replacing, increasing loft insulation to 250 mm and putting in double glazed windows and doors as demand arises. This work will continue in 2019/20.

36. Approximately 2,891 properties are on our district heating scheme. These tenants can control the heat in their radiators. However, without individual heat meters they cannot be charged exactly for the heating and hot water they use. A pilot scheme of installing 50 meters showed that, on average, tenants saved 33% when they could see the link between their heating and hot water consumption and the bill they pay.

37. We have been installing heat meters to our homes as part of the St Peters tower block scheme. 340 properties have been fitted with meters under this scheme. heating. In 2019/20 will be looking at options to install meters in other district heated properties. To do this we will be starting a procurement exercise to invite submissions from contractors about various heat meter designs and solutions. Once this has been completed an evaluation will take place on the option for the best way forward.

Priority four – Providing appropriate housing to match people’s changing needs

Why is this a priority and what is our planned approach to achieving this?

38. Leicester is a city with relatively low household incomes. For many, renting from the council or a housing association is the only hope of a decent and settled home. In September 2018 there were 6,010 households on the Housing Register.
39. Right to Buy sales reduce the number of council houses available at an affordable rent. Since 2012, when the government increased the maximum discount and reduced the qualifying period, Right to Buy sales have increased. In 2017/18 we sold 409 homes. During the first quarter of 2018/19 we sold 106. It is estimated that we will have sold between 400 and 450 by the end of 2018/19.
40. The Housing and Economic Development Needs Assessment 2017 identified that Leicester’s net affordable housing need is 786 additional affordable housing homes per year to meet current and future demand from households who cannot afford to enter the private housing market. The city’s average annual new supply of affordable homes has been less than a quarter of this need over the past 10 years.
41. Issues affecting our ability to provide new affordable housing include:
 - The Government’s long-standing cap on the amount of borrowing we can raise within our Housing Revenue Account. This has very recently been removed.
 - The limited land available in the city for residential development (including for Affordable Housing.) The council has been reviewing its landholdings and, as part of its new Local Plans process, inviting others to put forward sites in any ownership which might be suitable for development.
 - The Government’s requirement that funds available to invest in the new supply of Affordable Housing from either Homes England’s programme or from Right to Buy receipts can only meet a portion of the total costs of new supply. Homes England funds and Right to Buy receipts cannot be used together towards the funding of any dwelling. The balance of the costs must be funded by other means.

Current projections show that we expect to achieve a total of 352 new Affordable Housing homes between 2018 – 22. Regular monitoring reports to show progress are taken to the Affordable Housing Programme Board.

42. Each year the Capital Programme funds the adaptations of tenants existing homes where Adult Social Care and Children's Services identify the current tenant or family members needs those adaptations.
43. The service also works closely with Children's Services to help looked after children, foster families, children leaving care and other vulnerable families.
44. By giving priority through the Housing Register the council continues to seek to reduce overcrowding and address other priority needs, many of which can have an impact on health and mental health.
45. The Supporting Tenants and Residents (STAR) service provides one-to-one support for council tenants who might otherwise lose their homes. Priority is given to support those in rent arrears, those who have been previously homeless and those who have other problems which means they are not coping or complying with tenancy conditions.
46. Housing Officers undertake a programme of Welfare Visits to tenants who may be vulnerable. This is an opportunity for us to check whether the tenant is coping in their home and where appropriate we sign post or refer people to support services. This is a preventative measure to help sustain tenancies, ensure people are safe, well and enables us to act before a crisis point is reached. Between April and June 2018 over 800 Welfare Visits took place to tenants who we had identified might claim Universal Credit in the early roll out of the new benefit. This was to put in place any support they might need to make and maintain their claim for Universal Credit.

What will we achieve in 2018/19 and what are we proposing for 2019/20?

47. The Affordable Housing Programme delivered 81 new homes in 2017/18 and it is predicted a further 79 for 2018/19.
48. In 2018 a decision was made to set up a Housing Company, Housing Leicester Ltd, to further enable the supply of new affordable housing in the city. Although owned by the Council, this is a private company. A Housing Company provides additional opportunities to build new accommodation for social or affordable housing, for market price sale and private sector renting. Initially 2 phases of development have been identified for the Housing Company up until 2021, which would provide up to circa 400 new units of accommodation. Following the lifting of the HRA borrowing cap, the strategy of how the Company is best used will be reviewed.

49. This year it is expected that work will be done in 1170 homes (minor work to 948 properties, under £500 and major work to 222 properties, over £500) to make them more suitable for existing council tenants with disabilities or for those who have waited a long time on the Housing Register. This work will continue in 2019/20 in response to assessments by Adult Social Care.
50. Vacant council and housing association properties are advertised through Leicester HomeChoice. Last year 251 council tenants transferred within the stock to homes better suited to their need and 757 households became new council tenants. A further 283 households obtained housing association tenancies. Up until the 3rd September 2018 39 tenants transferred properties, there were 174 new tenants and 59 obtained housing association tenancies.
51. The Income Management Team continues to ensure rent is paid and tenants with arrears are given support to clear their debt. In 2017/18 99.65% of rent was collected, which is a high percentage rate when compared with other similar sized authorities. Total rent arrears, at the end of 2017/18, stood at £1,442,250, £19,104 less than the previous year. The team works closely with the Housing Benefits service and makes referrals for Discretionary Housing Benefit. In 2017/18 £359,939 in Discretionary Housing Benefit payments were made to council tenants. Only 41 tenants were evicted for rent arrears in 2017/18, the lowest number in the last 3 years. There are now greater challenges to collect rental income with the introduction of Universal Credit in Leicester in June 2018. The rent costs of the new benefit are now paid directly to the claimant and therefore tenants will be responsible for paying the rent themselves, unlike having their housing benefit paid directly to the council. Other authorities, where this has already been introduced, have seen a substantial increase in their level of rent arrears. The council has taken steps to mitigate this risk by recruiting to 4 new posts, Rent Management Advisors, to support tenants apply for Universal Credit, manage their claim and pay their rent. Neighbourhood Housing Officers have also visited over 800 tenants who we believe may move onto Universal Credit quickly to establish whether they have support needs that the Rent Management Advisors can assist with. The Department of Work and Pensions has granted the council Trusted Partner status. One of the benefits of this is that we can automatically apply for managed rent payments directly to us, for those tenants that are vulnerable or are likely not to pay their rent.
52. By mid-September the Rent Management Advisors had received a total of 316 referrals and most of these tenants have only required general advice or short-term support whilst they make their initial UC claim. Around 35 have been identified as requiring more long-term support, which the officers are providing.

53. In June we started a 3-month pilot of co-locating Income Management Team Officers in the 3 Job Centre Plus sites (JCP). This is so we can meet with our tenants at the same time they have their first meeting with their work coach. We use this opportunity to advise on their responsibility to pay their rent themselves and establish whether they need any support to manage their claim, for which a referral to a Rent Management Advisor is made. This working arrangement has proved successful and there has been positive feedback from both our officers and DWP staff working in JCP.
54. Around 400 Universal Credit claimants have been seen by Income Management Officers and 34% of these were council tenants. Other enquiries have included those from JCP staff (work coach), private sector and housing association tenants. In these circumstances our officers have provided housing related advice or signposted to other services available.
55. As a result of this success, and the fact we expect to see more council tenants apply for Universal Credit, we are extending the co-location pilot for a further 3 months. The team will be giving a presentation at the Job Centre's team meeting to increase the number of council tenants they refer to the co-locating officers and using this opportunity to upskill JCP staff with knowledge around housing.
56. Generally, the relationship and partnership working with the DWP has been excellent and not just restricted to the co-location activity. We have been able to discuss complex cases with work coaches to support tenants in sometimes challenging and difficult situations. The Income Management Team also have access to the Derby Service Centre that is responsible for the back office processing of UC claims and are able to elevate complex cases for quick resolutions.

Priority five – Making Leicester a place to do business, by creating jobs and supporting the local economy

What is our planned approach for achieving this?

57. Contracts are placed through the corporate procurement unit which takes steps to use council spending to stimulate the local economy. All contracts have local labour clauses.
58. The service will continue the excellent record of training craft apprentices so they can develop the skills and knowledge to join the workforce and help maintain the stock. Many steps are taken to encourage women and people from ethnic minority backgrounds to join the craft workforce.

59. The Council's Leicester to Work initiative provides opportunities to the long term unemployed and work experience for school students, graduates and ex-offenders.

Achievements in 2018/19 and proposals for 2019/20

60. The total value of our contracts, funded through the HRA is £14.6m in 2018/19. The Housing Division employs a workforce of over 850 staff funded through the HRA.

61. 43 Apprentice Maintenance Technicians completed their apprenticeships in 2018 and 30 of these successfully achieved permanent employment with Leicester City Council. This scheme will be reviewed regularly to ensure it meets the needs of the service and the apprentices.

62. Housing's Neighbourhood Improvement scheme continues to help the long term unemployed by giving pre-employment training and a period of work experience. During 2017/18 38 people were employed on 6-month fixed contracts as Neighbourhood Improvement Officers and up until September 2018 a further 20. Their work on our estates includes painting, clearing overgrown areas, tidying unsightly spots, cleaning UPVC windows and removing rubbish.

Tenants' and Leaseholders' Forum meeting

6th December 2018

Feedback on the proposed HRA Rent Setting and Budget for 2019/20

Tenants and Leaseholder Forum- Consultation feedback-

On the 6th December 2018 the Tenants' and Leaseholders' Forum were presented with this report and the proposals for the Housing Revenue Account rent setting and budget for 2019 / 20. The Forum was consulted on these proposals and they have provided the following feedback.

The Forum thought this was a fair budget and money was being used to address some of the issues they had previously raised.

They appreciate the financial pressures faced by the Council, as a result of the 1% rent reduction, Right to Buy, inflation and Universal Credit. They stated the Council should continue to look at their internal processes to see where further savings could be made, for example, improved void times.

The Forum accepted the proposed 1% rent reduction for 2019 / 20 was a Government requirement, for which the Council has no control. However, they wanted it noted that they had concerns about the impact of rent increases on tenants in future years, when this restriction is lifted.

The Forum members felt the proposed 2% increase related to service charges seemed reasonable. However they felt it was difficult to comment further because the financial impact would vary for each tenant, dependant on the services they received.

Members thought that although the proposed 3.7% increase for garage rents would raise average rents to £9.09 a week, they thought this was still relatively cheap. The Forum requested that the Council considers looking at the future use of garages on estates, many are small in size and cannot fit modern day vehicles, so they are not used.

The Forum members supported the Spend to Save proposals, particularly investment in the maintenance of communal areas. The condition of communal areas has previously been raised at Forum meetings, so they thought this investment will help to resolve some of these.

The Forum stated they understood the additional investment required to maintain the district heating system, but asked whether some of these costs could be charged to the District Heating contractor.

The Forum members raised concerns about the additional proposed contributions to the General Fund. They felt that access to the domestic noise team was limited, particularly during the evenings and at weekends. Therefore, if contributions from the Housing Revenue Account were to be made the service should be improved. They also felt the contributions to the City Warden service were too high and felt that tenants living on outer estates do not benefit from this service.

Members were in favour of investment in van racking and believe this will allow operatives to carry more equipment and parts, which in turn will mean more repairs are carried out at the first visit to tenants.

The Forum was concerned about the increase in rent arrears, directly as a result of Universal Credit, and noted the proposal to increase the bad debt provision by £0.1m as a result of this. However, as Universal Credit is a Government initiative they suggested that officers should write to the Department of Work and Pensions to seek compensation for this debt.

In terms of the proposed Capital Investment the Forum made particular comment on the following proposals:

Installing sprinkler systems and fire door replacement

The Forum agreed this was essential investment. However, they questioned why the council was paying for this work. One Forum member had attended a presentation from the previous Housing Minister who stated the Government was making money available for local authorities for fire precaution work as a result of the Greenhill tragedy, but this has not materialised. The Forum agreed that they would write to their MP's to raise their concerns about local authorities having to fund this work.

Buying back council properties

The Forum was in favour of this proposal but raised concerns that people who had previously benefited from Right to Buy discounts would be making a further profit on the sale of their home at the market price.

Loft conversions and extensions to address overcrowding

Forum members thought this was a brilliant idea, which would be cheaper than re-housing. It also meant people could stay within their community. They asked officers to consider moving tenants out on a temporary basis whilst major work was carried out on properties.

Demolition of garages on St Matthews

The Tenant Forum member for St Matthews commented on this proposal stating this work needed because the garages were full of asbestos and some were in a poor condition. This proposal was therefore supported.

Refurbishment work to Mowmacre Neighbourhood Housing Office

The Forum questioned and raised concerns about the cost of this work. They felt work should be undertaken to see whether these costs could be reduced.

New Build

Members stated new council housing was definitely needed and supported the proposed HRA investment from reserves and borrowing.

Communal improvements and environmental works budget

The Forum stated they were pleased that funding in this area was remaining, and no reductions were being proposed. They wanted to re-iterate that local tenant representatives and groups should continue to be involved in identifying projects for this budget and consulted on proposals being considered.

Kitchen and bathroom budget

Again, the Forum members were pleased that funding in this area was remaining as this work was one of the key priorities for tenants.



HOUSING SCRUTINY COMMISSION

Held on Monday 17th December 2018

Housing Revenue Account 2019/20 to 2021/22

I am writing as chair of Leicester City Council Housing Scrutiny Commission, following our meeting of 17th December 2018 to consider the three-year Housing Revenue Account (HRA) budget for the next three years.

I would firstly like to refer to the response of the tenants and leaseholders, who met for two hours earlier this month to consider the department's HRA proposals. The comments are important because they come from those who directly use the council's services and are in the best position to see how well those services are performing. The Scrutiny Commission echoes the tenant representatives' comments supporting the proposals and agreed to note:

- The financial pressures on the HRA
- The proposed rent reduction of one per cent and the increases in service charges and garage rents
- The proposal for unchanged hostel rent levels.

This budget does mark a watershed for the department in that it will include the last year of a four-year programme of reducing rents by one per cent each year. These reductions were at the direction of government.

From the second year of the proposed programme the adjustment of the Government's rent cap will (for now) allow for increases in rents and the Commission acknowledged that rents would be likely to rise by Consumer Price Index (CPI) plus one per cent – the highest allowed under current government rules.

We note that the tenant representatives suggested that they might want to comment on future rent proposals, but that will be for another time. Meanwhile the Commission recognises the negative impact on the department's plans for building new homes out of HRA funds and improving the housing stock and the environment of estates across the city.

Many programmes have been cut back over the last three years. However, they were pleased to note the 12-month pay-back period for the installation of new LED lighting in communal areas and in walkways. This was an environmentally and economically strong programme and is being continued.

Looking at the capital programme, we particularly welcomed the plans to build 50 new homes across six sites. The Commission also welcomed the evidence presented about improving fire safety across all estates, but particularly within the high-rise blocks in the city.

The Commission understands the reasons for demolishing Goscote House but will be keen to see proposals for redevelopment on the site. The commitment to investing in the stock through kitchen, bathroom and boiler replacements was welcomed.

The Commission also supported the contributions being made to General Fund programmes aimed at improving living conditions on the council's estates, including enforcement programmes relating to anti-social behaviour, fly-tipping and litter. This was also appreciated by the tenant representatives.

The draft budget included further allowances for debt arising from the roll-out of the Universal Credit (UC) system. Members shared officers' concerns about the potential impact of switching to the new system, but also noted that there was good joint-working with the Department of Work and Pensions (DWP) at local level.

Members may wish to review that operation in the future. They also indicated scrutiny will continue to take an interest in the issues of voids – their numbers and the times taken to bring them back into occupation, the effectiveness of the repairs and maintenance programme and the impact of mobile technology.

Yours sincerely

Cllr Paul Westley

Chair, Leicester City Council Housing Scrutiny Commission

Equality Impact Assessment (EIA) Template: Service Reviews/Service Changes

Equality Impact Assessment (EIA) Template: Service Reviews/Service Changes

Title of spending review/service change/proposal	Housing Revenue Account Budget 2019/20 to 2021/22
Name of division/service	Housing
Name of lead officer completing this assessment	Helen McGarry, Business Change Manager, Ext 454 5129 helen.mcgarry@leicester.gov.uk
Date EIA assessment completed	
Decision maker	Full Council
Date decision taken	20 th February 2019

EIA sign off on completion:	Signature	Date
Lead officer	Charlotte McGraw	20 th October 2018
Equalities officer	Hannah Watkins	20 th October 2018
Divisional director	Chris Burgin	20 th October 2018

Please ensure the following:

- (a) That the document is understandable to a reader who has not read any other documents, and explains (on its own) how the Public Sector Equality Duty is met. This does not need to be lengthy, but must be complete.
- (b) That available support information and data is identified and where it can be found. Also be clear about highlighting gaps in existing data or evidence that you hold, and how you have sought to address these knowledge gaps.
- (c) That the equality impacts are capable of aggregation with those of other EIAs to identify the cumulative impact of all service changes made by the council on different groups of people.

1. Setting the context

Describe the proposal, the reasons it is being made, and the intended change or outcome. Will current service users' needs continue to be met?

The Housing Revenue Account Budget report is proposing a 1% reduction in council home rents in 2019 / 20. The budget is being proposed in the context of the Government requirement that rents are reduced by 1% p.a. for a four year period from 2016 to 2020. This means it is expected that there will be £0.7m less income to the Housing Revenue Account in 2019 / 20 as a result of this rent reduction. Over the 4 year period annual income for the Housing Revenue Account will have fallen by £3.1m purely as a result of the rent reduction policy. The report recommends that the budgets for the three years from 2019 / 20 to 2021 / 22 are set as balanced budgets, with the use of reserves to fund specific schemes. The Housing Revenue Account is facing further burdens as a result of increased Right to Buy sales, inflation, repair requirements to the district heating system, additional contributions to General Fund activities, the impact of Universal Credit and the ongoing need to fund capital expenditure from revenue. As well as the 1% rent reduction for 2019 / 20 the changes the report is recommending are:

- Increasing service charges by 2% (excluding district heating and communal cleaning) and garage rents by 3.7%
- Increasing the provision for bad debt and debt write offs as a result of the impact of Universal Credit - £0.1m
- Increasing capital expenditure from £17.3m in 2018 / 19 to £31.0m in 2019 / 20 before falling back to £17.6m in 2020 / 21 to fund:
 - Installation of sprinkler systems in 5 tower blocks - £1.35m
 - Fire door replacements - £150k
 - Property Acquisitions - £4.88m
 - Demolition of Goscote House - £3m
 - Property conversions to address overcrowding - £0.5m
 - Demolition of garages in St Matthews to create additional parking spaces - £250k

- District heating maintenance - £725k
- Border House reconfiguration – cost to be confirmed
- Extending the re-roofing programme - £450k
- Improvements to sheltered housing – cost to be confirmed
- Neighbourhood Hub- Refurbishment work at Mowmacre Housing Office - £450k
- New build housing - £6.2m
- Investment in “spend to save” activities where spend now will reduce ongoing spend in the future:
 - Removal of all textured coatings in void properties so asbestos does not have to be removed when the property is tenanted - £50k
 - Pro-active maintenance of communal areas to reduce subsequent repair requests - £250k
- Additional contributions to the General Fund:
 - To address domestic noise complaints - £70k
 - The investigation and enforcement work undertaken by City Wardens, e.g. fly tipping - £100k
 - Dealing with anti-social behaviour - £75k
- It is recommended that savings are achieved through:
 - The deletion of vacant administration posts £0.2m saving
 - Increasing the number of re-wiring upgrades rather than full re-wires - £100k saving

- o Carrying out a small proportion of boiler replacements in house - £75k saving

The main service need of tenants is that they have a suitably sized, Decent Home, maintained through an effective repairs service with quality tenancy and estate management services. Current service user needs will continue to be met with the recommendations being made.

2. Equality implications/obligations

Which aims of the Public Sector Equality Duty (PSED) are likely be relevant to the proposal? In this question, consider both the current service and the proposed changes.

	Is this a relevant consideration? What issues could arise?
<p>Eliminate unlawful discrimination, harassment and victimisation How does the proposal/service ensure that there is no barrier or disproportionate impact for anyone with a particular protected characteristic</p>	From this equality impact assessment no significant impacts have been identified.
<p>Advance equality of opportunity between different groups How does the proposal/service ensure that its intended outcomes promote equality of opportunity for users? Identify inequalities faced by those with specific protected characteristic(s).</p>	The proposals continue to commit to the provision of decent homes to council tenants and equality of opportunity for people to have decent homes to live in. The standard of accommodation in council owned properties is higher than in some areas of the private sector.
<p>Foster good relations between different groups Does the service contribute to good relations or to broader community cohesion objectives? How does it achieve this aim?</p>	Maintaining properties and making improvements on estates creates an environment where people are satisfied with their homes and the area they live in, reducing the likelihood of anti-social behaviour and community tensions.

3. Who is affected?

Outline who could be affected, and how they could be affected by the proposal/service change. Include current service users and those who could benefit from but do not currently access the service.

The proposal to reduce rents will affect all Leicester City Council tenants across the city. Approximately 30% of tenants are in receipt of full housing benefit at present and will continue to have any rent payable covered by their benefit entitlement. We currently have approximately 650 tenants in receipt of Universal Credit. These tenants will have their housing costs covered by the new benefit, even though the majority will be responsible for paying the full rent themselves. The positive impact of having to pay less rent will affect approximately 70% of tenants who are in receipt of partial or no housing benefit or Universal Credit. The impact of the rent reduction will be dependent on the tenants' financial situations rather than any protected characteristic. Service charges are added to rent when improvement work has been completed in a property or extra services are provided, for example, new central heating systems. All tenants who pay these charges will need to pay 2% more each week for these. The charge will depend on what improvement work has taken place over time at each property. Work is carried out as a result of the condition of a property through the capital programme and is therefore not based on a persons' protected characteristic. Approximately 30% of tenants are in receipt of full housing benefit and they will continue to have any service charge payable covered by their benefit entitlement. Tenants in receipt of Universal Credit will also continue to have the cost of service charges included in their housing cost element of the benefit. The negative impact of having to pay more for service charges will affect approximately 70% of tenants who are in receipt of partial or no housing benefit or Universal Credit. The impact of the service charge increase will be dependent on tenants' financial situations rather than any protected characteristic. Council owned garages are rented out to members of the public generally, not just council tenants. The charge is not covered by housing benefit or Universal Credit. We currently have around 1300 garages available for rent, so the proposed 3.7% increase could impact upon 1300 people, dependant on how many garages are actually let at any one time. Our protected characteristic profiling information in relation to people renting garages is currently limited, so it is not known whether there will be a bigger impact on a particular group. However, the impact is more likely to be as a result of a person's financial situation and ability to pay the extra rent rather than as a result of having a particular protected characteristic. Currently single people, couples and families with 2 or less children are able to claim Universal Credit if they have a change in their working situation. As the managed migration of Universal Credit tenants commences during 2019 families with more than 2 children and those people who have not yet had a change in their working situation will be transferred onto Universal Credit. The proposal to increase bad debt provision to mitigate the impact of rent arrears as a result of Universal Credit is not related to a persons protected characteristic, but as a result of their financial situation. Tenants above pension age are not required to apply for Universal Credit and will remain on existing benefits, therefore they will not be affected by this proposal.

The Housing Capital Programme generally benefits all tenants in the city. Projects to improve individual properties are decided on their condition to meet health and safety regulations, rather than a protected characteristic of a tenant. Decisions on the Capital Programme are based on the age of properties, the predicted lifespan of when items will need to be replaced and health and safety regulations. The impact for tenants will generally be positive as properties and areas are improved.

- Installation of sprinkler systems to tower blocks – the tower blocks are located in Centre area of the city where we know we have a higher proportion of tenants from a BME background. However, the proposal is being made as a result of health and safety concerns. All tenants will benefit from this work, not just those with a protected characteristic of tenants
- Fire door replacements – this proposal relates to properties across the city to meet health and safety requirements, all tenants effected will benefit from this work, not just those with a protected characteristic of tenants
- Buying back council properties – this proposal is being made to support an increase in affordable housing in the city and not based on the protected characteristic of tenants. However, dependant on the type of properties bought, single people, families and those with disabilities, in housing need on the Housing Register, will benefit from being re-housed
- Demolition of Goscote House – We know there is a higher proportion of BME tenants living in the tower block. However, the proposal is being made as a result of future health and safety concerns. All tenants within the block will be impacted upon as they will need to be re-housed.
- Conversions to address over-crowding - this proposal is to address individual overcrowding situations of tenants, irrespective of their protected characteristic
- Demolition on St Matthews – we know there is a higher proportion of BME tenants living in St Matthews. However, this proposal is to address parking issues on the estate for which all tenants, irrespective of their protected characteristic will benefit
- District heating maintenance – 2,891 of our council tenants are on the district heating scheme across the city. However, a large number of these are located in the Centre area of the city. We know there is a higher proportion of BME tenants living in this area. However, this proposal is to address maintenance issues of the heating system for all tenants receiving this service, irrespective of their protected characteristic.

- Border House reconfiguration – this proposal is put forward to improve the temporary accommodation we provide to homeless families, irrespective of their protected characteristic. Future homeless people with children will benefit from improved temporary living conditions. However, disruption may be caused to families whilst the re-configuration work is taking place
- Re-roofing programme - this proposal relates to properties across the city to meet health and safety requirements, all tenants effected will benefit from this work, not just those with a protected characteristic of tenants
- New build housing - this proposal is being made to support an increase in affordable housing in the city and not based on the protected characteristic of tenants. However, dependant on the type of properties built, single people, families and those with disabilities, in housing need on the Housing Register, will benefit from being re-housed
- Improvements to sheltered accommodation – this proposal has been identified as a result of visits to similar schemes run by other organisations. In general this accommodation is available to tenants over the age of 50. These people will benefit from the changes made but may be disrupted whilst the work is taking place.

The “spend to save” proposals are taking place as a result of issues related to void properties and communal areas of properties across the city, rather than as a result of a persons protected characteristic.

All tenants, irrespective of their protected characteristic will be impacted upon by the proposal to increase contributions to the General fund. It will enable all tenants to continue to access these services, if the need arises.

The report notes that services have not been impacted upon by administration posts being vacant. Therefore, tenants, irrespective of the protected characteristic will not be impacted upon by the full deletion of the posts.

Re-roofing work is identified through an evaluation of the stock condition and not based on the protected characteristic of a tenant. It has been identified that there is scope to increase re-wiring upgrades, rather than full rewires. Those properties requiring a re-wire will still have this work completed as we have a legal obligation to do this through health and safety regulations.

The proposal to make savings by carrying out a small number of boiler replacements in-house is an internal organisational change. There are no proposals to reduce this service to tenants. The only change tenants may see is that this work is carried out by council employees, rather than contracted services, this is irrespective of their protected characteristic. Staff working within the Gas Service team or external contractors may see a change to their work or team structures.

4. Information used to inform the equality impact assessment

What **data, research, or trend analysis** have you used? Describe how you have got your information and what it tells you. Are there any gaps or limitations in the information you currently hold, and how you have sought to address this, e.g. proxy data, national trends, etc.

Tenant profiling information has been collected and analysed from the Northgate IT system (Appendix 1). This includes information on ages, ethnic origin, disability, gender, sexuality and religion. There are gaps in data in relation to gender re-assignment, marriage and civil partnership, pregnancy and maternity and sexual orientation. There is also little information collected specifically about impairments. An action within Housing's Equality Action Plan is to increase the monitoring data we collect and over time the profiling information available will increase.

5. Consultation

What **consultation** have you undertaken about the proposal with current service users, potential users and other stakeholders? What did they say about:

- What is important to them regarding the current service?
- How does (or could) the service meet their needs?
- How will they be affected by the proposal? What potential impacts did they identify because of their protected characteristic(s)?
- Did they identify any potential barriers they may face in accessing services/other opportunities that meet their needs?

A meeting of the Tenants' and Leaseholders' Forum took place on the 6th December 2018 and they were presented with the proposals for the Housing Revenue Account rent setting and budget for 2019 / 20. The feedback they provided is contained within Appendix G of the budget report.

No potential impacts were identified for those with a protected characteristic. Neither were there any potential barriers identified as a result of the proposals.

6. Potential equality Impact

Based on your understanding of the service area, any specific evidence you may have on service users and potential service users, and the findings of any consultation you have undertaken, use the table below to explain which individuals or community groups are likely to be affected by the proposal because of their protected characteristic(s). Describe what the impact is likely to be, how significant that impact is for individual or group well-being, and what mitigating actions can be taken to reduce or remove negative impacts.

Looking at potential impacts from a different perspective, this section also asks you to consider whether any other particular groups, especially vulnerable groups, are likely to be affected by the proposal. List the relevant that may be affected, along with their likely impact, potential risks and mitigating actions that would reduce or remove any negative impacts. These groups do not have to be defined by their protected characteristic(s).

Protected characteristics	Impact of proposal: Describe the likely impact of the proposal on people because of their protected characteristic and how they may be affected. Why is this protected characteristic relevant to the proposal? How does the protected characteristic determine/shape the potential impact of the proposal?	Risk of negative impact: How likely is it that people with this protected characteristic will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact? These should be included in the action plan at the end of this EIA.
Age¹	People living in sheltered housing are generally over the age of 50 and therefore any improvements	People over 50 may be disrupted whilst improvements to sheltered housing is taking place	Effective communication as to changes taking place and interim changes to service provision, if required. Some tenants may need

¹ Age: Indicate which age group is most affected, either specify general age group - children, young people working age people or older people or specific age bands

	to this type of accommodation will benefit these people		to be temporary re-housed whilst the work is being carried out.
Disability²	People with a disability living in inappropriate housing may benefit from being re-housed as a result of the buying back of council properties and new build. However, this is dependent on the type of properties that become available for rent	No group will be proportionally impacted upon by this proposal	Not applicable
Gender Reassignment³	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Marriage and Civil Partnership	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Pregnancy and Maternity	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable

² Disability: if specific impairments are affected by the proposal, specify which these are. Our standard categories are on our equality monitoring form – physical impairment, sensory impairment, mental health condition, learning disability, long standing illness or health condition.

³ Gender reassignment: indicate whether the proposal has potential impact on trans men or trans women, and if so, which group is affected.

Race⁴	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Religion or Belief⁵	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Sex⁶	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Sexual Orientation⁷	No potential impact	No group will be proportionally impacted upon by this proposal	Not applicable
Summarise why the protected characteristics you have commented on, are relevant to the proposal?			
All protected characteristics have been commented on because work to improve the environment of estates, including grounds maintenance will have an impact on all tenants. However, for these there is no disproportionate impact on any group. Work will continue to be prioritised on the condition of estates, irrespective of tenants living in our properties. There may be delays for			

⁴ Race: given the city's racial diversity it is useful that we collect information on which racial groups are affected by the proposal. Our equalities monitoring form follows ONS general census categories and uses broad categories in the first instance with the opportunity to identify more specific racial groups such as Gypsies/Travellers. Use the most relevant classification for the proposal.

⁵ Religion or Belief: If specific religious or faith groups are affected by the proposal, our equalities monitoring form sets out categories reflective of the city's population. Given the diversity of the city there is always scope to include any group that is not listed.

⁶ Sex: Indicate whether this has potential impact on either males or females

⁷ Sexual Orientation: It is important to remember when considering the potential impact of the proposal on LGBT communities, that they are each separate communities with differing needs. Lesbian, gay, bisexual and transgender people should be considered separately and not as one group. The gender reassignment category above considers the needs of trans men and trans women.

non-urgent work and services but no particular group will be disadvantaged more than another. All urgent and priority services will continue to be provided.

Summarise why the protected characteristics you have not commented on, are not relevant to the proposal?

N/A

	Impact of proposal: Describe the likely impact of the proposal on children in poverty or any other people who we consider to be vulnerable. List any vulnerable groups likely to be affected. Will their needs continue to be met? What issues will affect their take up of services/other opportunities that meet their needs/address inequalities they face?	Risk of negative impact: How likely is it that this group of people will be negatively affected? How great will that impact be on their well-being? What will determine who will be negatively affected?	Mitigating actions: For negative impacts, what mitigating actions can be taken to reduce or remove this impact for this vulnerable group of people? These should be included in the action plan at the end of this EIA.
Other groups			
Children in poverty	Children living in over-crowded conditions may benefit from the proposals to convert to address overcrowding.	There may be disruption in the home whilst conversion work is taking place	Provide temporary accommodation whilst conversion work is taking place, if necessary.
Other vulnerable groups	Homeless people may benefit from buying back council properties and new build housing as it will result in more affordable housing being available to house people. Homeless families will potentially benefit from the re-configuration of Border House by	Homeless families living in Border House may see disruption as a result of re-configuration work being carried out.	Effective communication as to changes taking place and interim changes to service provision, if required. Accommodation families in alternative temporary accommodation, if appropriate.

	making the temporary accommodation more suitable to their needs		
Other (describe)	Council staff and some external organisations may be impacted upon by the proposal to carry out a small number of boiler replacements in house	An organisational reviews may be required to enable the changes in structures to take place	Full equality impact assessments will take place as part of the organisational review process, if this is required to change working practices
<p>7. Other sources of potential negative impacts</p> <p>Are there any other potential negative impacts external to the service that could further disadvantage service users over the next three years that should be considered? For example, these could include: other proposed changes to council services that would affect the same group of service users; Government policies or proposed changes to current provision by public agencies (such as new benefit arrangements) that would negatively affect residents; external economic impacts such as an economic downturn.</p> <p>The Government is consulting on proposals to allow councils to increase rents by CPI +1% for the 5 years from 2020 / 21 so there is still uncertainty around the long-term income we will be able to generate from tenants' rents.</p> <p>The Government is also consulting on their Housing Green Paper "A new deal for social housing". If proposals are implemented this will have a resource implication on the Housing Revenue Account, especially if there are additional requirements placed on social landlords to meet the Decent Homes Standard.</p>			
<p>8. Human Rights Implications</p> <p>Are there any human rights implications which need to be considered (please see the list at the end of the template), if so please complete the Human Rights Template and list the main implications below:</p>			
<p>The budget proposals continue to support the Human Right of protection of property / peaceful enjoyment</p>			
<p>9. Monitoring Impact</p> <p>You will need to ensure that monitoring systems are established to check for impact on the protected characteristics and human rights after the decision has been implemented. Describe the systems which are set up to:</p>			

- monitor impact (positive and negative, intended and unintended) for different groups
- monitor barriers for different groups
- enable open feedback and suggestions from different communities
- ensure that the EIA action plan (below) is delivered.

Monitoring systems in place include:

- Monitoring and analysing complaints received
- Feedback received from Tenants and Residents Associations and the Tenants' and Leaseholders' Forum
- Progress on actions resulting from the equality impact assessment will be monitored and reviewed by the Senior Management Team within Housing.

10. EIA action plan

Please list all the equality objectives, actions and targets that result from this Assessment (continue on separate sheets as necessary). These now need to be included in the relevant service plan for mainstreaming and performance management purposes.

Equality Outcome	Action	Officer Responsible	Completion date
Identify worsening situations for tenants as a result of the implementation of proposals	Monitoring information to be provided to the Senior Management Team as part of Housings' Equalities Action plan report	Senior Management Team	Six monthly monitoring reports
Actions are progressed to mitigate the potential negative impacts that are associated with the budget proposals	Effectively communicate proposed improvements to Sheltered Housing tenants.	Suki Supria	TBC
	Provide temporary accommodation whilst improvement work is taking place, if necessary	Suki Supria	TBC
	Provide temporary accommodation to households where conversion work is taking place to address overcrowding, if necessary	Caroline Carpendale	TBC

	<p>Effectively communicate proposed accommodation changes to people temporary housed in Border House. Offer alternative temporary accommodation to homeless families, if necessary</p> <p>If necessary, undertake an organisational review to support the provision of an in-house boiler replacement service, to include an associated equality impact assessment</p>	Martin Clewlow	TBC
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Human Rights Articles:

Part 1: The Convention Rights and Freedoms

Article 2: Right to Life

Article 3: Right not to be tortured or treated in an inhuman or degrading way

Article 4: Right not to be subjected to slavery/forced labour

Article 5: Right to liberty and security

Article 6: Right to a fair trial

Article 7: No punishment without law

Article 8: Right to respect for private and family life

Article 9: Right to freedom of thought, conscience and religion

Article 10: Right to freedom of expression

Article 11: Right to freedom of assembly and association

Article 12: Right to marry

Article 14: Right not to be discriminated against

Part 2: First Protocol

Article 1: Protection of property/peaceful enjoyment

Article 2: Right to education

Article 3: Right to free elections

Profiling information – council tenants

Breakdown by age band

Age of Applicant	Number of Tenants	Percentage of Tenants
16 to 19	18	0.08%
20 to 24	466	2.26%
25 to 34	2,635	12.75%
35 to 44	3,989	19.30%
45 to 54	4,033	19.52%
55 to 64	3,280	15.87%
65 to 74	2,558	12.38%
75+	2,181	10.55%
Not known	1,507	7.29%
Total	20,667	100%

Breakdown by disability

Disabled	Number of Tenants	Percentage of Tenants
Yes	177	0.86%
No	20,490	99.14%
Total	20,667	100%

Breakdown by ethnic origin

Ethnicity	Number of Tenants	Percentage of Tenants
Asian	2,174	10.51%
Black	1,943	9.40%
Chinese	21	0.10%
Mixed / Dual Heritage	263	1.27%
White	9,260	44.81%
White of European origin	336	1.63%
White of Irish origin	143	0.69%
Other Ethnic Origin	888	4.30%
Not known	5,639	27.29%
Total	20,667	100%

Breakdown by religion

Religion	Number of Tenants	Percentage of Tenants
Atheist	214	1.04%
Buddhist	10	0.05%
Christian	1,711	8.28%
Hindu	254	1.23%
Jain	2	0%
Jewish	3	0%
Muslim	1,219	5.90%
Sikh	55	0.27%
No Religion	1,735	8.40%
Other	245	1.19%
Not known	15,219	73.64%
Total	20,667	100%

Breakdown by sexuality

Sexuality	Number of Tenants	Percentage of Tenants
Bisexual	115	0.55%
Gay female / lesbian	28	0.14%
Gay male	28	0.14%
Heterosexual / straight	4,909	23.75%
Other	136	0.66%
Prefer not to say	774	3.75%
Not known	14,677	71.01%
Total	20,667	100%

Breakdown by Gender

Gender	Number of Tenants	Percentage of Tenants
Male	8,362	40.47%
Female	10,857	52.54%
Prefer not to say	4	0.02%
Transgender	0	0.00%
Not Known	1,444	6.97%
Total	20,779	100%