
Housing Revenue Account Budget (including Capital Programme) 2014/15

Report to Council February 26th 2014
Report of Assistant Mayor for Housing

Lead director: Ann Branson

Useful information

■ Ward(s) affected: All

■ Report authors: Ann Branson Director of Housing - 375101

Pete Coles Principal Accountant Housing - 374077

1. Recommendations to Council

- 1.1 To approve the Housing Revenue Account (HRA) budget for 2014/15 as given in Appendix A, including the efficiency savings and growth items detailed in sections 5.1.9 and 5.1.10.
- 1.2 To agree a rent increase of 3.2% and a service charge increase of 3% (excluding gas charges).
- 1.3 To approve the HRA Capital Programme for 2014/15 and the draft programme for 2015/16 and 2016/17, as set out in Appendix E.
- 1.4 To note the rules regarding scheme approvals and variations, detailed in section 5.1.14.

2. Why it is needed

- 2.1 Members are required to approve the increase to rents and service charges to be applied from 1st April 2014 so the authority can comply with the statutory requirement to give tenants at least a month's notice of any variation in their rents and service charges.
- 2.2 The HRA funds capital work to meet the following key priorities :-
- a. provide quality rented homes;
 - b. create thriving safe communities so neighbourhoods are attractive and safe places where people want to live;
 - c. make Leicester a low carbon city and reduce fuel poverty;
 - d. provide appropriate housing to meet peoples' changing needs; and
 - e. make Leicester a place to do business.

This report sets out spending programmes to achieve these aims (Appendices E & F).

3. Options:

- 3.1 Two options for rent increases are set out in Appendix B together with the impact on the revenue raised: a 3.2% increase (RPI); or, a 4.7% increase (formula rent).
- 3.2 In 2011/12 the Housing Revenue Account moved to the 'self-financing' regime and Government subsidy ended. As part of the transition the government considered the HRA Business Plan which extrapolated the costs associated with the management and maintenance of the stock over 30 years. Assumptions were made about right to buy sales and the income that would come from rents, which was assumed would rise in line with a formula. The HRA debt was then set accordingly. The 'formula' rent for 2014/15 year would require a rise of 4.7%.
- 3.3 Rent rises below formula could result in under funding of the 30 year Business Plan subject to changes in other assumptions within the model. The HRA Business Plan will be refreshed during 2014/15.

4. Tell us how this issue has been externally scrutinised as well as internally

- 4.1 The proposals have been discussed with the Tenants Forum and Housing Scrutiny Commission, both support the proposals. See Appendix G.

5. Financial, legal and other implications

5.1 Financial implications - Rod Pearson - Head of Finance, Adult Social Care and Housing

2014/15 Rent Increase

- 5.1.1 The Government commenced 'rent restructuring' in 2002/03. Under the formula rents system HRA rents are intended to rise at a faster rate than Housing Association rents with the aim of achieving a conversion in rent levels by 2015/16.
- 5.1.2 There is no statutory obligation for the HRA to comply with rent restructuring, however there is a 'limit rent' (or rent cap) imposed by the Government to restrict rent increases greater than the formula rent. The rent cap is imposed through the award of housing benefit whereby housing benefit is not paid on rents which exceed the rent cap.
- 5.1.3 The Government's expectation, when setting Leicester's debt under self-financing, was that rents would increase by $RPI + 0.5\% + \text{the convergence factor}$. For 2014/15 the convergence factor is 1%. Lower rent increases will reduce the funding available to the HRA and unless expenditure is also cut accordingly this could affect the sustainability of the HRA including the Council's ability to continue to meet the Decent Homes Standard.
- 5.1.4 Appendix B shows the impact of different rent increases for different types of property. It also shows the additional income generated for each 0.5% increase in rent. Two options for rent increases are shown: 3.2% (September 2013 RPI) and 4.7% (rent restructure formula rent – September 2013 RPI + 0.5% + 1%).
- 5.1.5 The maximum rent increase before the rent cap is reached is $RPI + 0.5\% + £2$. If applied to average rent this would increase the weekly rent from £71.16 to £75.79, a rise of 6.51%. Each 0.5% increase would bring in an additional £379k to the HRA.
- 5.1.6 Appendix C gives comparative information on rent levels in different rental sectors in the Leicester area including housing associations and the private rented sector. HRA rents are below comparable housing association rents and are considerably lower than the lowest 30% of the private rented sector.

Impact on HRA of Welfare Reform

- 5.1.7 Currently 60% of the HRA's rent and service charge income is paid directly to the HRA in housing benefit. During 2013/14 two welfare reform measures were introduced: the weekly benefit cap on households (£350 per week for singles or £500 per week for couples and families) and; the under-occupancy penalty for working-age tenants (also called the 'bedroom tax'). The 2014/15 budget increases the amount set aside to cover the rise in rent arrears and write-offs that is expected to occur as a result of these welfare reform changes.
- 5.1.8 In October 2013 Universal Credits commenced (direct payment of housing benefit to tenants) for a small number of new tenants. The proportion of tenants on Universal Credit will increase over the next four years as it is rolled out to all tenants. Under Universal Credit the Council will no longer receive housing benefit directly and the Council will have to recover all rent and service

charges directly from tenants. The Council currently receives £49m directly in housing benefits and collects £34m directly from tenants. Once Universal Credit is completely rolled out the Council will need to collect all £83m directly from tenants.

5.1.9 Efficiency savings

- (i) To fund the proposed 2014/15 growth items a number of efficiency savings have been identified. These are set out in the table below and are included in the draft budget presented in Appendix A.

	14/15 £k
Capital Programme	1,100
Repairs and maintenance:	
Responsive Repairs (budget £9m)	890
Voids (budget £6m)	400
Housing support services (budget £2.5m)	100
	1,390
Tenancy Management	90
Total savings identified to date	2,580

- (ii) Savings identified to date are as a result of efficiency savings and have not resulted in any reductions in staff or a reduction in services to tenants.
- (iii) Further savings of £1m still need to be identified to balance the budget in 2014/15 and a further £2m in 2015/16. These are included in the draft budget at Appendix A and are shown as savings anticipated after review. A programme of review is now underway to identify these savings.
- (iv) The Council faces a continued period of substantial funding reductions. As part of the council's budget strategy a programme of spending reviews is to be carried out across the Council to identify the potential for further savings. Housing Revenue Account services will be included in the review programme

5.1.10 Growth items

- (i) Approval is sought for the inclusion of the following growth items in 2014/15 which are included in the draft budget presented in Appendix A:

2014/15 £k

Revenue	
Painting Programme	250
Grounds maintenance - overhaul of outside spaces	250
	500

Capital	
Conversion of Lower Hastings St hostel & flats	500
CCTV renewal (analogue to digital)	300
Concrete Paths (new programme)	100
Elevated walkways	100
Braunstone - conversion of 3 bed homes to 2 bed	300
External wall insulation	250
New door entry systems	100
	1,650

Total	2,150
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- (ii) The draft budget proposes increased payments for other city council services, amounting to £1.6m per year. £0.7m of this relates to a fairer share of the costs of the STAR service (which have increased) and costs of running the city council as a whole. A further £0.9m is a contribution to the costs of supporting neighbourhood services which are located on housing estates. The city council as a whole is under huge pressure as a consequence of government cuts, and needs to find savings of around £60m by 2017/18.
- (iii) Like many authorities, the Council is looking at areas where the HRA can legitimately make a fair contribution to costs which were previously funded by Government grant. In this way, it is hoped that some measure of protection can be given to services that tenants value. The city council is having to look at the cost of all its service provision, and in particular is looking at providing services more efficiently: should the cost of services for which tenants contribute be reduced, the amount charged to the HRA will be reduced correspondingly.

5.1.11 Gas Charges

- (i) Heating and hot water is provided to 2,800 tenants through the Leicester District Energy Company (LDEC). Gas service charges will be reviewed during

5.1.12 Other Rents and Service Charges (excluding gas)

- (i) The cost of maintaining communal areas, waylighting and door-entry systems is recovered from tenants through service charges. This mostly affects tenants in flats. The HRA receives additional rent income from garages. The increase in these charges is at the discretion of the Council; however Government guidelines are that increases should not exceed RPI plus 0.5%. Using September 2013 RPI this would give an increase of 3.7%. The recommended increase for 2014/15 is 3%. This is reflected in the draft budget 2014/15 at Appendix A. A 3% increase would produce additional income of £82k from service charges and £10k from garages rents.
- (ii) The recommendations for the levels of other charges and payments to be applied in 2014/15 are given in Appendix D.

5.1.13 Debt Repayment and the HRA Capital Programme

- (i) There is no statutory requirement for the HRA to repay its debt, however prudent accounting practice requires an appropriate annual charge to be made to the HRA for the 'consumption' of assets. This requirement is satisfied as the proposed level of annual capital investment funded directly from revenue (over £23m) is substantially in excess of what would be regarded as a prudent charge to revenue for either debt repayment or depreciation (e.g. 4% of the HRA 'borrowing cap' of £224.2m is about £9m); therefore there is no necessity to allow for any debt repayment in 2014/15. This maximises the funding available for the HRA Capital Programme (subject to HRA balances remaining at a minimum of £5m to cover unforeseen expenditure or shortfalls in income).
- (ii) Appendix F gives details of how priorities were assessed for HRA expenditure. Appendix E gives the proposed HRA Capital Programme for 2014/15 and draft programmes for 2015/16 and 2016/17.

5.1.14 Scheme starts and approvals

- (i) The HRA capital programme will be subject to the same rules regarding scheme approvals and variations as the rest of the Council's capital programme. The programme is split into two parts:
 - (a) "immediate starts", being schemes which have authority to commence once Council has approved the programme;
 - (b) "policy provisions", where the purpose of funding is defined but money will not be released until specific spending proposals have been approved by the Executive.

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). There is discretion as to the amount of rent set but this is constrained by this requirement to balance the budget. Under the new self-financing system there are limits placed upon the amount the Council can borrow for the HRA. These are set out in determinations made by the Secretary of State pursuant to s171 Localism Act. The limit is termed borrowing headroom.

- 5.2.2 The Council decision is also constrained by the requirement to ring-fence the HRA (s75 and Schedule 4 Local Government and Housing Act 1989) which are in essence that only monies received and spent for the obligations and powers under the Housing Act 1985 can be paid into and out of the Housing Revenue Account.

5.3 Climate Change and Carbon Reduction implications

The growth item for solid wall insulation will have a positive impact on the city-wide carbon target, as it will enable more properties to be done whatever level of matched funding is attracted under Eco. For example, the Braunstone housing scheme is for 450 homes to have solid wall insulation which could deliver a saving of 16,000 tonnes of carbon dioxide. Solid wall insulation is identified as a key measure in Climate Change- Leicester's Programme of Action.
Carol Brass Environment Manager

5.4 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

The equality impact assessment is shown in Appendix H.

Equality Impact Assessment

The HRA budget proposes a rent increase of 3.2% and as the report sets out, there are a number of positive outcomes that will arise as a result of this increase: targeted improvements for disabled (home adaptations), elderly (LeicesterCare alarms) and young residents (new play equipment), and a continued programme of works to improve the quality/environment of the council's housing stock that could benefit all protected characteristics.

The main negative impact of the proposed increase is a potential financial one for those tenants whose rent is not fully covered by housing benefit, whereby their ability to pay this increased rent and maintain their housing tenancy is dependent on their financial circumstances, family circumstances, and whether they are subject to bedroom occupancy rates (the 'bedroom tax'). This potential negative impact could affect all protected characteristics.

For tenants likely to be negatively affected financially, there are a number of mitigating actions in place to assist them in ensuring that their housing tenure is not jeopardised: direct support and guidance on how to maintain their tenancy (tenancy management services and support services such as STAR); changes to the Allocations Policy enabling tenants to move to more suitable accommodation in terms of affordability; adapting 3 to 2 bed property in highest affected areas to increase available supply of more suitable accommodation in terms of bedrooms required. Tenants experiencing

financial hardship as a result of welfare reforms are also able to apply for discretionary housing payments available from Revenues and Benefits.

Irene Kszyk, Corporate Equalities Lead

6. Background information and other papers:

Files held by Director of Housing and Director of Finance

7. Summary of appendices:

Appendix A: Proposed HRA budget

Appendix B: Impact of rent increase proposals by property type

Appendix C: Comparison of average rents in Leicester

Appendix D: Recommendations for other charges and payments 2014/15

Appendix E: Proposed Housing Capital Programme

Appendix F: How priorities were assessed for Expenditure

Appendix G: Summary of Tenants views.

Appendix H: Equality Impact Assessment

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”?

Yes, it covers major expenditure and affects all wards in the City

Housing Revenue Account - 2014-16 Budget
Rent increase 3.2%, Service Charge increase 3%

	2013/14 Forecast	2014/15 Budget	2015/16 Budget
Expenditure	£k	£k	£k
<u>Repairs & Maintenance</u>	29,063	29,479	29,884
Less savings identified to date		(1,390)	(1,390)
Savings anticipated after review		(500)	(1,400)
Growth items		250	250
	29,063	27,839	27,344
<u>Tenancy Management</u>	11,480	11,634	11,761
Less savings identified to date		(90)	(140)
Savings anticipated after review		(500)	(1,300)
Growth items		250	250
	11,480	11,294	10,571
<u>Capital Programme (revenue financed)</u>	23,669	22,753	24,564
Less savings identified to date		(1,100)	(1,100)
Savings anticipated after review			(250)
Growth items		1,650	3,750
	23,669	23,303	26,964
Other Expenditure			
Bad debt provision	800	1,200	1,400
Interest Charges	9,833	9,010	8,827
Other services to tenants	10,552	12,337	12,525
	21,185	22,547	22,752
Total HRA Expenditure	85,397	84,982	87,630
Rents and service charges	82,886	85,059	87,814
Financing from reserves for capital programme	2,511	0	0
Total Income	85,397	85,059	87,814
Overall surplus/(deficit)	0	77	183
Working balance b/fwd	5,000	5,000	5,077
Working balance c/fwd	5,000	5,077	5,260

Impact of rent increase by property type

Property Type	2013/14 Average weekly Rent	3.20%		4.70%		Difference in weekly rent 3.2% vs 4.7%
		Average rent increase	New average rent	Average rent increase	New average rent	
	£	£	£	£	£	£
Bedsit	52.50	1.68	54.18	2.47	54.97	0.79
1 bed flat	58.95	1.89	60.84	2.77	61.72	0.88
1 bed house	63.80	2.04	65.84	3.00	66.80	0.96
2 bed flat	69.76	2.23	71.99	3.28	73.04	1.05
2 bed house	73.26	2.34	75.60	3.44	76.70	1.10
3 bed flat	77.37	2.48	79.84	3.64	81.00	1.16
3 bed house	79.45	2.54	81.99	3.73	83.18	1.19
4+ bed house	92.41	2.96	95.37	4.34	96.75	1.39

All Stock	71.16	2.28	73.44	3.34	74.51	1.07
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Based on 50 week rent year

Rent scenarios - additional income generated

Rent rise	Increase in rental income £m	Additional income received £m
3.2%	2.112	-
3.7%	2.491	0.379
4.2%	2.870	0.758
4.7%	3.249	1.137
5.2%	3.628	1.516
5.7%	4.007	1.895
6.2%	4.386	2.274

Comparison of 2013/14 Average Rents in Leicester

Property Type	HRA £		Housing Association £		Private Sector (LHA rate) £
Bedsit	52.50		59.00		
1 bed flat	58.95	[71.41	[91.98
1 bed House	63.80	[[
2 bed flat	69.76	[84.27	[114.00
2 bed house	73.26	[[
3 bed flat	77.37	[92.59	[131.04
3 bed house	79.45	[[
4+ bed house	92.41		105.95		166.77
All stock	71.16				

Notes:

1. All rents are shown on a 50 week basis.
2. The Private Sector rents are from the current 'Local Housing Allowances' for Housing Benefit purposes (April 2013). They show rents at the lower-end of the private market, since they are based on a survey of all local private sector rents and are then set at a level which is 30% up from the lowest rent.
3. Council housing is the cheapest in the city.
4. All council housing now reaches the 'Decent Homes Standard' while 41% of private rented homes in the city fail to meet this standard (source: 2009/10 Private Sector Stock Survey).
5. Leicester City Council's homes have an energy efficiency ("SAP") rating of 83.1 as at 1st April 2011. This compares to a private sector equivalent rating of 42.0 (source: 2009/10 Private Sector Stock Survey).
6. The housing association rents are from the Housing Association Statistical Data Return 2013 to the Homes and Communities Agency. They are an average of the average rents for each house type from each housing association in Leicester.

Other Service Charges and Payments – proposed 2014/15 charges

The Housing Division administers a number of charges associated with providing services to tenants as part of their rent. Officers propose the following for Members' consideration:

(i) Use of Guest Room (Sheltered Housing Schemes)

The current charge for use of the guest room at Sheltered Housing Schemes is £9.30 per night. It is recommended this is increased to £10.00 per night.

(ii) Replacement Rent Swipe Cards

The current charge for a replacement swipe card is £3.00. It is recommended this is increased to £5.00 to better reflect the cost to the council of replacing the card.

(iii) Pre-sale questionnaires from solicitors and mortgage providers.

The Housing Division receives a large number of requests from mortgage providers and solicitors for information in connection with property type/condition and tenancy history. An appropriate charge is levied to recover the cost to the council of providing this information. Requests in connection with tenants' statutory rights under Right to Buy legislation is excluded from this charge. The charge is currently £106 and it is proposed this remains the same.

(v) Other HRA Properties

There are 8 properties in the HRA that have a protected rent. In these cases it is proposed to increase their rents by 3.2% in line with September 2013 RPI.

(vi) Other Charges

This includes garages, cleaning of communal areas, waylighting, concierge/door entry and cable television services. It is proposed to increase all other charges by 3%.

Payments

(vi) 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. For 2014/15 it is proposed that no increase is applied, but to review the amounts paid to reflect the size of the dwelling.

(vii) 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. The allowances are paid through a voucher scheme with a major DIY chain. Current charges are set out below. They were increased by 25% in 2011/12 and it is proposed that no increase is applied in 2014/15.

Allowance amounts:-

Bathroom	£50
Kitchen	£62.50
Lounge	£75
Dining Room	£75
WC (where separate)	£25
Halls (flats/bungalows)	£50
Hall/Stairs/Landing	£87.50
Large Bedroom	£75
Middle Bedroom	£62.50
Small Bedroom	£40

HRA Capital Programme 2014-17

		2014-15	2015-16	2016-17
		£k	£k	£k
<u>Decent Homes</u>				
	Kitchens & Bathrooms	6,300	6,000	6,700
	Central Heating Boiler Replacements	3,500	4,500	4,200
	Rewiring	2,400	2,600	2,300
	Re-roofing	295	475	243
	Structural Works/Damp Proof Courses	400	400	400
	Soffits & Fascia	500	500	500
	New Central Heating	200	200	200
	Condensation Initiatives	400	425	425
	Window & Door replacement	250	250	250
	Door Entry Systems - upgrades	350	350	350
New	Door Entry Systems - new	100	0	0
		14,695	15,700	15,568
<u>Business Investment</u>				
	E Communications Repairs Service (Mobile Working)	230	100	0
	Housing Information System Retendering	0	0	0
	Technological Advancements	100	200	200
New	CCTV renewal	300	0	0
		630	300	200
<u>Environmental and Improvement Works</u>				
	St Peter's Tower Block Refurbishment	1,320	1,320	1,320
	Environmental Works/Communal Area Improvements	1,028	1,242	1,242
	Disabled Adaptations	1,400	1,200	1,200
	Supported Housing Improvements (ASC)	100	100	100
	LeicesterCare Alarms	10	10	10
	General Safety Works	520	520	520
	Fire Risk Works (Communal Works)	400	950	400
	Exchange Redevelopment	200	200	0
	Waylighting	150	150	150
Growth	Elevated Walkways	250	150	150
	Neighbourhood Transformation	100	100	0
	Playground Equipment	50	50	50
	Investment in shops	50	50	50
New	Concrete Paths renewal	100	100	100
New	Braunstone 3-bed to 2-bed conversion	300	0	0
	Energy initiatives to ensure minimum SAP of 75	500	550	550
	Loft Insulation	150	150	150
		6,628	6,842	5,992

2014-15 2015-16 2016-17

		£k	£k	£k
	<u>Increasing Affordable Housing</u>			
	Affordable Housing Programme 2013-16	2,210	0	0
<i>New</i>	Lower Hastings Street hostel conversion	500	0	0
		2,710	0	0
	Total Immediate Starts	24,663	22,842	21,760
	<u>Policy provisions</u>			
	Additional Environmental Works	500	0	0
<i>Growth</i>	Match Funding for ECO (External Wall Insulation)	350	500	500
	Total Policy Provisions	850	500	500
	Total Capital Expenditure	25,513	23,342	22,260
	Financed by:			
	Revenue	23,303	23,342	22,260
	Borrowing (Affordable Housing Prog 2013-16)	2,210		
		25,513	23,342	22,260

How priorities were assessed for HRA Expenditure

1. The overall aim of Leicester City Council's housing services is to provide a decent home within the reach of every citizen in Leicester. This appendix sets out how we can best meet our five major priorities for investment in our 21,935 council homes and their neighbourhoods. These plans support the City Mayor's priorities of looking after our built and natural environment, supporting communities and neighbourhoods and making Leicester a low carbon city and a place to do business. They have been discussed with our tenants.

The priorities are:

- Providing Decent Homes
- Making our communities and neighbourhoods into places 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.

We have also made a commitment to our tenants to provide our services in an economic and effective way. As part of the City Mayor's Spending Review, we will challenge ourselves on all areas of expenditure, seeking comparisons with best practice across the country. The first priority is to consider responsive repairs, voids and planned maintenance. Next year the focus will be on looking at tenancy management, rent collection, Home Choice, grounds maintenance and other services provided to tenants. We will be involved in reviews being carried out in other parts of the Council to look for cross council efficiencies, e.g. with our fleet and stores. A review of the charges made to the HRA for services to tenants has identified increased costs of £1.6m. Efficiencies of £2.5m have already been identified with no loss of service to tenants.

Growth Proposals		2014/15 £k
Revenue		
Painting Programme		250
Grounds maintenance - overhaul of outside spaces		250
		500
Capital		
Conversion of Lower Hastings St hostel & flats		500
CCTV renewal (analogue to digital)		300
Concrete Paths (new programme)		100
Elevated walkways		100
Braunstone - conversion of 3 bed homes to 2 bed		300
External wall insulation		250
New door entry systems		100
		1,650
Total		2,150

Leicester's Housing Service has a long history of delivering continuous improvement and has a national reputation as being at the forefront of innovation and service delivery. Strong partnership and consultative working with tenants and other organisations has been the key to the improvement and progress achieved to date.

Priority One – Providing Decent Homes

Why is this a priority and what will we achieve in 2013/14

2. Nearly one in six homes in Leicester is a council house, flat or maisonette. It is crucially important that the City looks 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 3 or 4 years and not let the programmes for essential items with long life spans fall behind, e.g. boilers, wiring, kitchens and bathrooms.
3. Providing quality 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.
4. The Government's decent homes target was met in 2011/12, however, to meet the standard on an on-going basis future investment for major works is required.
5. Major works are planned for all Council properties following an assessment of condition, age, tenant priorities and other criteria set as part of the Decent Homes Standard.
6. The Governments definition of a decent home is one that satisfies all of the following four criteria:
 - it meets the current statutory minimum standard for housing;
 - it is in a reasonable state of repair;
 - it has reasonably modern facilities and services; and
 - it provides a reasonable degree of thermal comfort.
7. As well as achieving the Decent Homes Standard we also take on board tenants priorities. The majority of tenants see improvements made within their home as their priority and the priority element for improvement is kitchens and bathrooms. As of October 2013, 12,701 (58 %) of all council properties have had either a 'Leicester standard' kitchen or bathroom.

8. Below are some of the main criteria we use 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 2030	40 years / 30 years
Central Heating Boiler	Based on assessed condition (from annual service)	15 years (future life span of new boilers is expected to be on average 12 years)
Chimney	Based on assessed condition (from Stock Condition Survey/HHSRS)	50 years
Windows & Doors	Based on assessed condition (from Stock Condition Survey/HHSRS)	40 years
Electrics	Every 30 years	30 years
Kitchen	All properties to have an upgraded kitchen by 2030	30 years / 20 years
Roof	Based on assessed condition (from Stock Condition Survey/HHSRS)	50 years (20 years for flat roofs)
Wall finish (external)	Based on assessed condition (from Stock Condition Survey/HHSRS)	80 years
Wall structure	Based on assessed condition (from Stock Condition Survey/HHSRS)	60 years

9. We have a total of 322 Craft operatives (out of which 131 work primarily on Day to Day Responsive Repairs) & 75 Apprentices. In 2012/13 we completed a total of 99,496 repair jobs.
10. In 2012/13 over 75% of repairs had been completed within the time agreed with the tenant and over 80% had been completed on the first visit.
11. 86.6% of tenants rated their satisfaction with the Repairs & Maintenance Service as positive (as at September 2013).

What do we want to achieve in future?

12. We want to continue to maintain the Council Housing stock to the decent homes standard and undertake other works that ensure the long-term sustainability of the housing stock.

How can housing capital investment support this priority in the future?

13. We will have a focused programme of capital investment based on a whole life assessment of our stock.

Programmed Element	Investment Required
Kitchen & Bathroom	Investment is calculated to ensure all council homes have a new kitchen and bathroom by 2030. We plan to install 1,120 in 2014/15.
Rewiring	Investment is calculated to ensure that by 2020 all wiring is less than 30 years old. All current wiring is tested for safety. We plan to rewire 1,650 homes in 2014/15.
Central Heating Boiler	Investment is calculated to target 600 energy inefficient back boilers in the next 3 years.
Roofing / Chimneys	Investment is calculated at a level to maintain the decent homes standard. We estimate we will deal with 70 properties in 2014/15.
Central Heating	We have 320 tenants who have chosen not to have central heating installed. Provision is made in the programme so when these properties become vacant or tenants choose to have central heating we can install. We will also connect individual properties in St Matthews to the District Heating system.
Windows & Doors	Investment is required to replace any windows and doors that are not yet uPVC double glazed and also there are 2,000 windows that were fitted before our own window factory was operating that have some quality issues and may need to be replaced. We calculate we will work on 75 properties in 2014/15.
Structural Works	Investment is required to address any structural works identified each year. We estimate that the effects of climate change could increase the number of structural works required by up to 350 properties a year.
Soffits, fascias & guttering	By replacing these items with uPVC ones there will be no items that require painting, thus reducing long term maintenance costs. We now have a planned 13 year programme. We will work on 400 properties in 2014/15.
Condensation Works	Investment is required to target those properties that have been identified as being more susceptible to condensation related problems as a result of their construction type or location. A multi option approach is being adopted along with the use of thermal imaging technology to produce property specific solutions. We calculate we will work on 450 properties in 2014/15.
Safety works and Fire risk works	Investment is required to respond to newly identified needs. A planned programme of fire safety work has commenced, based on fire assessments carried out jointly with the Fire Service.

For 2014/15 onwards it is proposed to increase the budget for investing in full refurbishment of elevated walkways to reduce maintenance costs.

14. From time to time particular investment is required in one-off projects

Programmed Work	Investment Required
St Peters Tower Block refurbishment including lifts	Investment is required to remove asbestos at four tower blocks in St Peters. Once asbestos is safely removed work will be done to upgrade pipework and risers for district heating and new lifts installed. New kitchens and bathrooms will be installed through the kitchen & bathroom programme. The total cost of this project is £9.98m and it will be carried out over 4 years. The work begun on the first tower block, Framland House, in November 2012. 340 properties will benefit from this project.
e-communications for repairs service	We are investing in software and new hand held devices that ensure we can efficiently allocate repair and maintenance jobs to craft operatives.

How can revenue spending support this priority in the future?

- Provide a cost effective repairs service that completes repairs right first time.
 - Reduce the number of responsive repairs undertaken and increase planned maintenance.
15. Responsive day to day repairs are a priority for tenants and so we are always looking for ways to improve performance and capacity. Our aim is to provide a quicker and more responsive service that reduces complaints and expenditure on out of hours services and overtime.
 16. A two year Responsive Repairs improvement programme commenced in March 2013. This is aimed at improving the service to our customers and improve the efficiency of the service. To date this programme has delivered savings of almost £250,000 in 2013/14 and identified further efficiencies of £890,000 for 2014/15. Major changes to the way we provide the Repairs Service will be considered during 2014/15.
 17. For next year it is proposed to begin a small painting programme of high priority internal and external work.

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

Why is this a priority and what will we achieve in 2013/14?

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 to deliver significant environmental improvements on estates such as landscaping, new security measures, community facilities, pocket parks, fencing and communal area improvements. Tenants and Tenant Group representatives and Ward Councillors help decide where this money should be spent, based on their local needs and priorities. These schemes have helped to improve the overall image, appearance and general quality of life within our estates
20. In 2012/13 £1.020M will be spent shared equally between all 6 Management areas. In Braunstone, local representatives, Tenant Associations and councillors chose to invest in

the remodelling of stock, changing a small number of 3 bed houses to 2 and also 4 bed houses to 3 in order to address poor layout property design and small cramped bathrooms. The fund also invested in the creation of front walls along key arterial routes around the City, enhancing the visual perception of the area.

21. Parking schemes are being developed to address local parking issues in St Matthews and Humberstone areas
22. Bike Shelters are being installed for tenants living in the West Court area of the City with pushchair shelters being installed in St Peters.
23. Further work is being undertaken to externally clad a number of flatted blocks in the Beaumont Leys area
24. Environmental works are using the new Leicester at Work Scheme (see priority 5) including painting, cleaning of alleyways, removal of graffiti and other works to improve the look and feel of the local environment.
25. New equipment is being installed at four playgrounds, at Ashthorpe Road Braunstone, Cedar Wood Close Northfields, Hillsborough Road Eyres Monsell, and Montrose Road Aylestone.

What do we want to achieve in future?

- Continue to make all our housing estates attractive and safe places, where people want to live.
- Continue to prevent and reduce Anti-Social Behaviour in local neighbourhoods.
- Continue to invest in neighbourhood services and look for efficiencies in delivery of local services

How can housing capital investment support this priority in the future?

26. Area Plans are developed in partnership with tenants to identify local environmental and communal areas improvements. The total environmental works budget will continue to be allocated pro-rata on the number of properties within each area and will be approved by the Director of Housing in consultation with the Assistant City Mayor for Housing. Plans will also be developed to link to employment opportunities and skills enhancement opportunities in the local area (see priority 5).
27. Demolition of phase 1 of The Exchange is due to occur early in 2014 with the west wing being demolished first. The new Eyres Monsell retail centre is due for completion very soon. Demolition of the East Wing is dependent on all retail leases being terminated. The latest that the demolition will occur is 2017.
28. The programme of upgrading door entrance schemes will continue based on our conditions surveys. In 2013/14 we will upgrade properties in Rowlatt's Hill, Saffron, St Matthews and St Marks. For next year it is proposed to increase the budget for installing door entry systems in blocks that don't currently have them.

How can revenue spending continue to support this priority in the future?

29. We will continue to provide our services with locally configured teams so that our staff know the neighbourhoods and communities in which they work. Estate Management

officers are out and about on their 'patches' and craft workers are also based locally. This will be reviewed in 2014/15 as part of the HRA Spending Review.

30. We will continue to invest in new neighbourhood services around the City. Public consultation is helping define what needs to be done.
31. For next year it is proposed to introduce a programme of changing planting areas from bushes and shrubs to more attractive grass bulbs and trees. As well as being more attractive, the annual maintenance costs will reduce slightly.
32. We publish an Annual Report to tenants.
33. We run a telephone advice line in working hours where tenants can report repairs and tenancy issues and an out of hours emergency line. Each year the telephone service received over 250,000 calls during the working day with a further 25,000 calls taken by the out of hours telephone service
34. We respond vigorously to reports of anti-social behaviour and have CCTV on many parts of our estates. Last year Housing received a total of 1,124 reports of Anti Social Behaviour that were then investigated and where necessary appropriate action taken against perpetrators.
35. We support local Tenants and Residents Associations and the Tenants Forum.

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

Why is this a priority and what have we achieved in 2013/14?

36. Leicester City Council and its partners have committed to cut carbon emissions by 50%, relative to 1990 levels by 2025. Part of this target is to reduce residential CO2 emissions from 651,000 tonnes in 2006 to 530,000 tonnes by 2012, this is a reduction of 121,000 tonnes. Council Housing accounts for 18% of all residential housing in the city therefore its pro-rata contribution towards the carbon reduction target is 21,780 tonnes. Through the Housing Capital Programme CO2 emissions from council houses has reduced by 44,146 tonnes between 2006 and March 2013, exceeding its pro-rata contribution two-years ahead of target.
37. 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.
38. 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.
39. We are also concerned about fuel poverty. The national Standard Assessment Procedure (SAP) is used to rate the overall energy efficiency of homes. The higher the SAP rating the more energy efficient a home is, resulting in potentially lower fuel bills. Leicester City Council's homes have an average SAP rating of 85.3 as of 31st March 2013. This level is within the top quartile for all unitary authorities and compares with an average SAP rating in private sector residential properties of 42 (2009/10 Private Sector Stock Survey). In the Midlands the recommended SAP rating for affordability is 74 . We have therefore been

making additional investments to tackle the 3,391 homes that were below this because these will be more difficult to heat homes. The number of properties below SAP 75 is now 2,370 a reduction of 1,021.

40. 2,800 tenants and leaseholders have district heating. This year the Leicester District Energy Company have installed combined heat and power boilers in existing boiler houses and laid pipes to link them together. Other Council buildings near the pipework will link in. Combined heat and power boilers generate electricity with heat as a by-product and help the scheme to provide significant carbon reductions of 12,000 tonnes per annum by the end of 2014.
41. Because the gas for the district heating boilers is bought in bulk on the wholesale market, district heating tenants enjoy lower gas prices.

What do we want to achieve in future?

- Aim to ensure no properties have a SAP rating of below 75.
- Tenants to receive energy advice so they maximise the benefits of their physically efficient homes.
- Maximise the funding opportunities to reduce energy costs for tenants and reduce carbon emissions.

How can housing investment support this priority in the future?

42. We will continue to invest funds in basic efficiency measures across all stock, for example by installing more efficient boilers, increasing loft insulation to a minimum of 250mm and putting in double glazed doors and windows in all properties. We will continue the planned programme of work on the 2370 council properties with a SAP rating below 75.
43. We will continue to seek new ECO funded schemes to continue the very popular external wall insulation work. Braunstone is the next priority area. This work came to halt this year when government changed the details of the scheme for getting contributions from utility companies.
44. For 2014/15 it is proposed to increase the budget for external wall insulation so that more properties can be done whatever level of matched funding is attracted.
45. Where capital works have been undertaken to improve energy efficiency and reduce carbon we propose to offer energy advice to Council tenants. A project by a social landlord in Worthing showed that where tenants also receive energy efficiency training tenants saw an additional 25% reduction in their fuel bills compared with only relying on the impact of the capital works. A post of Tenants Energy Adviser is being recruited. The results of the metering pilot for 50 tenants on the District Heating Scheme will be available during the year.

Priority Four – Providing Appropriate Housing to match people's changing needs

Why is this a priority and what will we achieved in 2012/13?

46. 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 home. As at 5th November 2013 there were 9,912 households on the Housing Register. The main issue for

households applying for social housing is overcrowding, there are 3,194 households (32%) on the Housing Register living in overcrowded conditions. This includes 620 households who are severely overcrowded i.e. needing 2 or more extra bedrooms to meet their needs.

47. Right to Buy reduces the amount of social rented housing and in April 2012 the government greatly increased the discount for sales to tenants. Over the last five years we lost an average of 90 houses a year. The estimated loss for the next five is 170 pa.
48. The Strategic Housing Market Assessment Update 2010 identified that Leicester's net affordable housing shortfall is 1,055 homes per year for the next 7 years to meet current and future demand from households who cannot afford to enter the private housing market.
49. Over the last 5 years the Council has enabled the development of 963 new social rented and affordable rented homes, mostly built by Housing Associations, but including 146 Council houses. These are 1, 2, 3, 4 bedroom and larger houses, to meet the needs identified in the Housing Market Assessment. The Housing Development team are working to achieve the target of 393 new homes between 2013 to 2015 which forms part of the City Mayor's plan.
50. All relets of adapted housing from both the Council and the Housing Associations are matched to applicants on the Housing Register who need adapted housing and in 2013/14 we allocated 18 wheelchair adapted Council properties of which 13 were our newly built stock. Currently there are 106 such applicants on the Housing Register with 80 cases having been awarded the highest priority. 42 of these cases have been waiting in excess of 2 years. To address this, when a suitable property becomes vacant that may meet the needs of the applicant, it is considered for adaptation.
51. Each year the Capital Programme funds the adaptation of tenants existing homes where Adult Social Care identify that the current tenant needs those adaptations. Unlike in the private sector, (Disabled Facilities Grants) there is no backlog of work. In 2013/14, £1.4m was allocated for this work.
52. 71 dwellings within the Council stock are designated for letting to people nominated by Adult Social Care, who arrange additional support. We also have 394 Sheltered Housing flats which are let to people over 50. Further suitable properties are being identified with ASC officers as part of the programme of work of the Supported Living Programme Board. Where alterations are needed these are jointly funded by ASC and the HRA.
53. In addition, we make provision to enable redevelopment and new build schemes (e.g. at Eyres Monsell, The Exchange redevelopment), or provide affordable rent grants to HomeCome or Housing Associations or selling land at a discount.
54. The introduction of the 'bedroom tax' has highlighted the shortage of 2 bedroom council houses.

What do we want to achieve in future?

- Aim to ensure there are sufficient wheelchair adapted homes to meet demand from the Housing Register.
- Provide a timely response to requests for adaptations of existing homes as assessed by Adult Social Care.

- Provide suitable supported and general needs housing to meet the need for housing for people identified by Adult Social Care's Supported Living Programme (people with physical disabilities, mental health problems, learning difficulties and older people).
- Reduce severe overcrowding.
- Find the best way for the HRA to enable new affordable housing.
- Support our tenants to keep their tenancies.
- Increase the number of 2 bedroom homes

How can housing capital investment support this priority in the future?

55. Leicester's Affordable Housing Strategy sets out the ways in which the Council can continue to enable new affordable housing to be built in the City. The HCA's funding programme for the Leicester and Leicestershire Housing Market Area for 2011-2015 does not include sufficient funds for us to achieve the same amount of new supply of affordable housing as we have managed to deliver over the last few years so other ways of working have been identified. .
56. The HRA will use borrowing headroom of £5m over the next 3 years to fund new Council housing. A proportion of right to buy receipts will be reinvested in new housing, either by the council or through housing associations. Council land is made available. Further new Council housing is due to start in 2014 and will produce 93 new homes on the sites of the old Saffron Depot, Hamelin Road garages and at Laburnum Road allotments.
57. £1m of HRA investment, using RTB receipts and council land can provide 12 houses. Identification of efficiency savings in the HRA Spending Review may make more investment in new houses possible.
58. The Capital Programme will continue to fund small scale work to support the conversion of general needs housing to low level supported housing and fund Disabled Adaptations where recommended by Adults Social Care for existing tenants.
59. For 2014/15 it is proposed to increase the investment in converting homes in Braunstone from 3 bedroom to 2 bedroom where this will also improve bathroom layout.
60. Goscote House is being used to house tenants whilst the tower blocks in St Peters are being refurbished to complete in March 2016. Major investment will be need in Goscote House after this. It is proposed to look at the feasibility of converting existing bedsits on the lower floors to 2 bed flats.

How can revenue spending support this priority in the future?

61. We will continue to advertise our vacant properties on Leicester Homechoice. All areas of the City and dwelling types continue to attract great demand. We provide debt advice to tenants and offer other sorts of support through our locally based STAR service.
62. We will continue to work with those tenants who will be affected by the new housing benefit and council tax systems and other welfare reforms, to help them to afford to stay in their homes or move to somewhere smaller. The Income Management Team was increased last year and STAR work with tenants had been refocused to give high priority to those at most risk of losing their home due to debt

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

Why is this a priority and what will we achieved in 2012/13?

63. A workforce of over 800 staff is funded by the HRA. We also employ contractors to undertake a large amount of capital work, who in turn create employment. On all new contracts we include local labour clauses.
64. The Housing Division has been creating apprenticeships for 25 years; originally in single trades and for the last 8 years the multi-skilled apprentice maintenance technician (AMT). We have achieved national recognition in improving representation in the construction field. There are currently 80 apprentices working and training in Housing Services. In 2012/13 we expect to spend £1.85 million on the apprenticeship scheme.
65. The Housing Neighbourhood Improvement project was established last year, as part of the Council's Leicester to Work initiative. This involved setting up a Sector Based Work Academy (SBWA) in partnership with Leicester College and the Job Centre Plus. SBWAs are one of the Government's 'Get Britain Working' programmes, designed to help those who are ready for work and receiving benefits into secure employment. The scheme provides pre-employment training, a period of work experience and a guaranteed job interview with the Housing Division. So far we have successfully employed 41 people through this scheme, each undertaking a six month fixed term employment contract as Neighbourhood Improvement Operative. Their work involves grounds maintenance based duties, which improve the look and feel of our estates. We also support them to apply for jobs within the Council, with one person successfully starting their 5 year AMT apprenticeship with Housing this year. We plan to continue funding this successful work, creating 30-40 fixed term contracts per year and continually improving the local areas where our tenants live.
66. The Division also currently works in partnership with InTraining and Job Centre Plus to provide work experience opportunities for unemployed people. This involves clients undertaking neighbourhood improvement work for 8 weeks, whilst still in receipt of Job Seekers Allowance (JSA). We are able to have up to 10 clients with us at any one time. We also take on graduates for up to 1 year to provide work experience.
67. The Division has worked with the Probation Service for several years, providing work experience for their referrals, usually grounds maintenance work on housing estates. We also work with the Leicester Youth Offending Service to create work experience opportunities for young people who are required to undertake reparation work.
68. All HRA shops were offered the opportunity to be painted during the year. The shopping parade at Netherhall is currently being refurbished.

What do we want to achieve in future?

- Create work experience and job opportunities within the local economy.
- Contribute to tackling local worklessness.
- Maintain all shopping precincts on estates so they have thriving businesses that meet the needs of the local community.

How can housing capital investment support this priority in the future?

69. Across all departments, the Council is currently updating the way we communicate with local suppliers, and actively encouraging dialogue with local small and medium businesses (known as SME's). The council procurement rules have recently been

revised specifically to stimulate the local economy with the hope that this has a positive impact on local employment.

70. We will ensure our shop premises for local businesses are well maintained and explore opportunities for new facilities and employment. For example, the current redevelopment at The Exchange includes work with a private developer to provide 6 new modern shops. It is proposed to refurbish shops at Home Farm Square Beaumont Leys, Bewcastle Grove and Marwood Road Mowmacre Hill.

How can revenue spending support this priority in the future?

71. Within the Housing Revenue Account Repairs and Maintenance Budget we will continue our excellent record of training local apprentices so that they can develop the necessary skills and knowledge to enable them to join our workforce and help maintain our stock.
72. We will continue to fund the Leicester at Work Scheme and support other work experience initiatives.

Priority Six – Operational Investment

Why is this a priority?

73. We are continuously looking at ways of improving efficiency and have to invest to meet changes in technology.

What do we want to achieve?

74. To continue to invest in new IT and other technology where this will help to provide effective services in most economic way.

How can capital investment achieve this priority in the future?

75. We are retendering our IT system, the existing Open Housing System contract expires in 2014 with development work commencing in 2012 and implementation during 2013/14. The total cost of the scheme is £1.4m. The current system contains data relating to all the activities of the Housing Division e.g. Housing Stock Repairs & Maintenance, Rent accounts etc. The new system aims to make the department more efficient and remove peripheral systems.
76. We are investing in alterations and IT to improve operational efficiency at both Central and Leycroft Road Stores.
77. Changeover to digital reception has meant installing new digital receiving aerials across the city. The programme will be completed next year.
78. In 2014/15 it will be necessary to contribute to the renewal of the Council's CCTV recording equipment.

Summary of Tenants views: after consultation

Tenants and Leaseholders Forum Feedback

The Tenants and Leaseholders Forum made up of 13 tenant and 2 leaseholder representatives has been regularly consulted on the draft proposals for the Housing Revenue Account and Capital Programme for 2014/15.

The propositions were initially presented to the Forum in December 2013 with the opportunity given to scrutinise the propositions within Forum meetings and on invite to the Council Scrutiny hearing on 10 December 2013.

Forum members then had the Christmas and New Year period to present and discuss the budget proposals with their local areas and to provide final feedback to Cllr Andy Connelly (Assistant Mayor for Housing) and Ann Branson (Director of Housing) during the Forum's meeting on 09 January 2014.

At the meeting on 09 January 2014, attended by representatives covering 9 areas of the City, feedback from Forum members on the proposed rent rise was supported by most representatives. Two representatives expressed concern that tenants also had other financial pressures, but did not oppose the proposed rise. Members of the forum were supportive of the Capital Programme proposals and welcomed the growth proposals and appreciated the ongoing effort being made to make efficiencies within the Division

Equality Impact Assessment for Service changes / Budget proposals

WHAT IS AN EIA?

An EIA is a tool which will help you assess whether there are any positive or negative equality impacts on people affected by proposed changes. This EIA form is for use in two circumstances (service changes and budget proposals):-

- (a) Service change involves redesigning or reshaping, (and in some cases the removal of) current service provision – whether directly provided by Council officers or commissioned by the Council for provision by an external provider.
- (b) Budget proposals should arise from service changes that you are considering throughout the year in light of the current financial climate. The EIA for budget proposals should cover the same issues as considered for service changes.

Our public sector equality duty requires us to ensure that we do not discriminate against any protected group or person with protected characteristics (see below) covered by the Equality Act 2010 when taking decisions that affect them. Potential negative impacts that we disregard or ignore could mean discrimination. We also have a duty to actively promote positive impacts that advance equality of opportunity. The protected characteristics covered by the Equality Act 2010 are:

- Age
- Disability
- Gender reassignment
- Pregnancy and maternity
- Race
- Religion or belief
- Sex
- Sexual orientation.

The EIA template has a series of questions that you need to answer in order to identify any positive or negative equality impacts arising from the work you are doing. If there are negative impacts, this does not mean we cannot go ahead. Decision makers must have “due regard” to the findings and consider (if they do decide to go ahead) whether any mitigating actions can be taken to address negative impacts.

WHY IS AN EIA REQUIRED?

An EIA helps us assess whether we are meeting our public sector equality duty: eliminating discrimination and promoting equality of opportunity.

For example: Providing equality of access to services or other opportunities (such as employment related issues) because of barriers some groups may experience which may not be in place for others (language, information, or location).

The action plan identifies what steps we can reasonably take as a consequence of the EIA findings.

An EIA also enables us to identify where we do not have the data or information necessary to equality impact a decision. The EIA action plan enables us to map out how and when this data gap will be addressed.

WHEN DO WE NEED AN EIA?

The first thing to do is to assess whether there is any equality impact. This can be done by filling in a **screening questionnaire** as soon as you start your project/report. Answer the screening questions in order to determine whether an EIA is needed.

HOW IS AN EIA CARRIED OUT?

Before you start: If you are not sure whether you need to do an EIA, fill in the screening questionnaire to determine whether you need to complete one. The screening questionnaire is not obligatory, but will help.

What to do: When an EIA is required:

Step 1 The proposal

This part is at the start of the planning process. It sets out the service user profile, the proposed change to the service, and potential equality impacts arising as a result of the proposal.

Step 2 Consultation

This part highlights the outcome of consultation with service stakeholders about the service change proposal and likely equality impacts.

Step 3 The recommendation

The final part of the EIA identifies any changes made to the original proposal in Step 2 as a result of consultation and further consideration.

Completing the form requires you to consider the impact on **service users**, with the exception of a single question about staff. In order to assess the equality impact of staffing changes, complete the separate **EIA template for organisational reviews** which presents the 'before' and 'after' staff profiles of services affected.

NB Any Actions you identify through completing this EIA, you must add to the Action Plan at the end.

Equality Impact Assessment for service changes / budget proposals

Name of service	Housing
Lead officer and Contact details	Chris Burgin, head of Service, Ext 296102 e-mail chris.burgin@leicester.gov.uk
List of other(s) involved	Equality officer: Finance officer:

What is this EIA about?

(Please tick✓)

Budget proposal for existing service or service contract to achieve savings	<input checked="" type="checkbox"/>
Budget proposal for new or additional service expenditure	<input type="checkbox"/>
Commissioning a new service or service contract	<input type="checkbox"/>
Changing or removing an existing service or service contract	<input type="checkbox"/>

Step 1: The proposal (how you propose to change the service)

Question 1:

What is the proposal/proposed change?
<p>The Housing Revenue Account (HRA) budget report is proposing a 3.2% average rent increase for council tenants across the city for 2014/15. This will contribute towards a total income of £85.3m to the HRA budget. The income will be spent on:</p> <ul style="list-style-type: none">• Repairs and maintenance• Tenancy management• Funding for the HRA Capital Programme• Support Services/Central Charges• Interest charges & bad debt provision <p>The report is also proposing a 3% general increase in service charges, which will impact upon council tenants and approximately 660 leaseholders across the city. It is proposed that £22,753,000 will be invested in Leicester Council homes and estates during 2013/14, through the Capital Programme.</p>
Who will it affect and how will they likely be affected?
<p>Question 2 gives a demographic breakdown of Leicester City Council tenants. The proposals will affect all Leicester City Council tenants across the city. With the proposed budget, the repairs and maintenance and tenancy management services will be maintained for all tenants. A capital programme will be resourced to meet our service priorities, agreed by the Tenants' and Leaseholders'.</p> <p>Most tenants in receipt of full housing benefit will continue to have any rent increase covered by their benefit entitlement. Therefore, there will be no requirement for them to pay any more. We know that 37% of tenants receive full housing benefit. The negative impact of having to pay more rent will affect 63% of tenants who are in receipt of partial housing benefit or none at all.</p>

NB Any Actions you identify through completing this EIA, you must add to the Action Plan at the end.

In addition to this we know that just under 2300 tenants are affected by the Welfare Reforms that has been implemented since April 2013. These people previously receiving full, partial or no Housing Benefit. For these people any rent increase may not be covered by their Housing Benefit entitlement. This will particularly affect people of a working age, those that are under occupying properties and larger families. This could disproportionately affect households from some BME backgrounds where larger families are more likely.

The impact will be dependent on tenants' financial situation, family circumstances and bedroom occupancy rates.

Despite the proposed rent increase our research shows that council rents still remain lower than registered social landlords operating in the city and lower than those charged by private landlords.

The Housing Capital Programme generally benefits all tenants and residents in the city. Projects to improve individual properties are decided on their condition or to meet health and safety regulations, rather than a protected characteristic of a tenant.

Over the next 3 years we are proposing that a substantial amount of money is invested in the refurbishment of the 5 St Peter's tower blocks. This will affect 440 properties in this area of the city. We know that about 50% of tenants in the Centre area of the city are of a BME background and therefore this project will have the greatest impact on this protected group. The proposed £50 000 investment on play equipment will benefit children living on our estates.

Investment in disabled adaptation will benefit our tenants with a disability, to enable them to live more independently in the home. We currently have 265 tenants identified as having a disability. We know there is an under recording in this area, so the investment proposal will impact on a larger number of tenants with a disability than currently identified.

The budget proposes an ongoing investment of £10,000 in Leicestercare Alarms. These alarms help and support vulnerable and older people to remain safely in their homes. We know that 39% of our tenants are over the age of 55, therefore, this proposal could impact on over a third of our tenants.

Question 2:

What is the equality profile of current service users?

Age

Age of applicant	Number of Tenants	% of Tenants
Under 18	31	0.1%
19 to 24	864	3.9%
25 to 44	8,079	36.7%
45 to 54	4,313	19.6%
55 to 74	5,803	26.4%
75+	2,775	12.6%
Unknown	145	0.7%

Ethnic Origin

Ethnicity	Number of Tenants	% of Tenants
Asian	2,348	10.7%
Black	1,808	8.2%
Chinese	26	0.1%
Mixed/Dual Heritage	278	1.3%
White	11,740	53.3%
Other Ethnic origin	385	1.7%
Not given / Unknown	5,425	24.6%

NB Any Actions you identify through completing this EIA, you must add to the Action Plan at the end.

Disability

Disability	Number of Tenants	% of Tenants
Yes	265	1.2%
No	1,283	5.8%
Unknown	20,462	93.0%

Sexuality

Sexuality	Number of Tenants	% of Tenants
Bisexual	30	0.1%
Gay (female / lesbian)	7	0.0%
Gay (Male)	5	0.0%
Heterosexual / straight	1,267	5.8%
Other	42	0.2%
Prefer not to say	176	0.8%
Unknown	20,483	93.1%

Religion

Religion	Number of Tenants	% of Tenants
Atheist	64	0.3%
Bahai	0	0.0%
Buddhist	3	0.0%
Christian	468	2.1%
Hindu	43	0.2%
Jain	1	0.0%
Jewish	0	0.0%
Muslim	286	1.3%
No religion	476	2.2%
Other	76	0.3%
Prefer not to say	123	0.6%
Sikh	10	0.0%
Unknown	20,457	92.9%

Do you anticipate any changes to your service user profile as a result of your proposal/proposed change? If yes, how will it change?

No

What are the main service needs and/or issues for those receiving the service because of their protected characteristic?

	Service needs and/or issues by protected characteristic
Age	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p> <p>Some older people require help and support such as an alarm system to enable them to remain safely in their homes.</p>
Disability	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p>

NB Any Actions you identify through completing this EIA, you must add to the Action Plan at the end.

	<p>Some disabled people may require adaptations to their properties to enable them to live more independently in their homes.</p> <p>Some disabled people may experience harassment or discrimination because of their disability and may need to access appropriate support and advice from Tenancy Management Officers and Floating Support services such as STAR.</p>
Gender reassignment	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p> <p>Some people may experience harassment or discrimination because they are transgender and will need to access appropriate support and advice from Tenancy Management Officers.</p>
Pregnancy and maternity	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p>
Race	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p> <p>Some people may experience racial harassment or discrimination and may need to access appropriate support and advice from Tenancy Management Officers.</p> <p>Welfare Benefit reforms may have a disproportionate effect on households from some BME communities where larger families are more likely and therefore make any increases in rent or charges less affordable.</p> <p>50% of tenants in the Centre area of the City are of a BME background and properties in this area are more likely to have service charges attached to them. It could be that people in receipt of partial or no housing benefit in this area of the city will be negatively impacted upon the greatest.</p> <p>Some people may struggle to understand the changes proposed and access appropriate support, particularly where their first language is not English</p>
Religion or belief	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p> <p>Some people may experience harassment or discrimination because of their religion and may need to access appropriate support and advice from Tenancy Management Officers.</p>

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Sex (gender)	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service and quality tenancy and estate management services and supporting advice services.</p> <p>Some people may experience harassment or discrimination because of their gender and may need to access appropriate support and advice from Tenancy Management Officers.</p>
Sexual orientation	<p>The principle provision is that of a suitably sized and located decent home, maintained through effective and a timely repairs service along with quality tenancy and estate management services and supporting advice services.</p> <p>Some people may experience harassment or discrimination because of their sexual orientation and may need to access appropriate support and advice from Tenancy Management Officers.</p>

Question 3:

Will the proposal have an impact on people because of their protected characteristic? Tick the anticipated impact for those likely to be affected and describe that impact in the questions 4 & 5 below.

	No impact ¹	Positive impact ²	Negative impact ³	Impact not known ⁴
Age		√	√	
Disability		√	√	
Gender reassignment		√	√	
Pregnancy and maternity		√	√	
Race		√	√	
Religion or belief		√	√	
Sex (gender)		√	√	
Sexual orientation		√	√	

Question 4:

Where there is a positive impact, describe the impact for each group sharing a protected characteristic. How many people are likely to be affected?

The proposals within the HRA budget will have a positive impact for all our tenants through the ongoing maintenance and improvement of our housing stock. This will ensure homes are provided to a decent standard for current tenants and people accessing council housing in the future.

The proposals will have a positive impact for those tenants in receipt of full Housing Benefit, who will not be impacted upon by Welfare Reforms (up to 37% of tenants). The proposed

¹ The proposal has no impact (positive or negative) on the group sharing a protected characteristic.

² The proposal addresses an existing inequality experienced by the group sharing a protected characteristic (related to provision of services or facilities).

³ The proposal disadvantages one or more of the group sharing a protected characteristic.

⁴ There is insufficient information available to identify if the group sharing a protected characteristic will be affected by the proposal.

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rent increase will be covered by their housing benefit entitlement, so these tenants will not need to pay anything extra.

The HRA budget report proposes an additional spend of £300,000 to convert under occupied properties from 3 to 2 bedroom. This will have a potential positive impact on potentially vulnerable tenants in the Braunstone area (12% of our housing stock) of the city impacted by the Welfare reform changes, by reducing any personal Housing Benefit eligibility gap due to under occupation.

The budget proposes an ongoing investment of £10,000 in Leicestercare Alarms. These alarms help and support vulnerable and older people to remain safely in their homes. We know that 39% of our tenants are over the age of 55, therefore, this proposal could impact on over a third of our tenants.

The budget also proposes funding to support Green Energy initiatives both to improve the energy efficiency of the stock by installing further external wall insulation and by taking advantage of new green technologies where available. This investment will positively impact across all protected groups.

Over the next 3 years we are proposing that a substantial amount of money is invested in the refurbishment of the 5 St Peter's tower blocks. This will affect 440 properties in this area of the city. We know that about 50% of tenants in the Centre area of the city are of a BME background and therefore this project will have the greatest impact on this protected group. The proposed £50 000 investment on play equipment will benefit children living on our estates.

Investment in disabled adaptation will benefit our tenants with a disability, to enable them to live more independently in the home. We currently have 265 tenants identified as having a disability. We know there is an under recording in this area, so the investment proposal will impact on a larger number of tenants with a disability than currently identified.

Question 5:

Where there is a negative impact, describe the adverse impact for each group sharing a protected characteristic. How many people are likely to be affected?

The negative impact of having to pay more rent will affect 60% of tenants who are in receipt of partial housing benefit or none at all.

In addition to this we know that just under 2300 tenants are affected by the Welfare Reforms that has been implemented since April 2013. These people previously receiving full, partial or no Housing Benefit. For these people any rent increase may not be covered by their Housing Benefit entitlement. This will particularly affect people of a working age, those that are under occupying properties and larger families. This could disproportionately affect households from some BME backgrounds where larger families are more likely.

The impact will be dependent on tenants' financial situation, family circumstances and bedroom occupancy rates.

How can the negative impact for each group sharing a protected characteristic be reduced or removed?

Ensure there is a process of early indicators which will monitor tenants with protected characteristics who fall into arrears.

Ensure relevant information is provided and publicised.

Tenancy Management Officers to support tenants at an early stage to maximise income and reduce expenditure and provision in the proposed budget to increase debt advisors in the Income Management Team to address the likely increase in rent arrears cases due to Welfare Reform.

Targetted use of Council support services (including STAR) in the early approach to supporting vulnerable and impacted tenants specifically around advice options, income collection and income maximisation.

Changes to the Allocations Policy that give greater priority to help people move to more suitable accommodation on the grounds of affordability.

Targetted use of the capital funding of £300,000 adapting 3 to 2 bed property in the highest affected areas and to those vulnerable and most adversely affected by budget changes and

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wider Benefits changes.

Question 6:

Which relevant stakeholders were involved in proposing the actions recommended for reducing or removing adverse impacts arising from the proposal?

Leicester City Council staff

What data/information/analysis have you used to inform your equality impact findings?

Analysis of Registered Social Landlords and private landlords rents 2012

Statistical information and reports contained within Housing Services IBS computer system

Supplementary information

Question 7:

Is there other alternative or comparable provision available in the city? Who provides it and where is it provided?

Yes, properties can be rented across the city from Registered Social Landlords and private landlords.

Can this alternative or comparable provision help reduce or remove the negative impacts identified in Question 5? If not, why not?

No, our research shows that despite the proposed rent increase Leicester City Council rents remain lower than Registered Social Landlords and private sector rents. Tenants will also be affected by Welfare Reforms in other tenure types.

Would service users negatively affected by the proposal be eligible to use this alternative or comparable provision? Would it meet their identified needs?

People are eligible to apply for Registered Social Landlords or private rented accommodation. However, as their rents are higher than Leicester City Council they may be in a worse financial situation.

Question 8:

Will any particular area of the city be more affected by the proposal than other parts of the city? What area and why?

Properties in the Centre area of the city tend to have proportionally more services charges attached to their properties, due to their design, 50% of tenants in the Centre area of the City are of a BME background. It could be that people in receipt of partial or no housing benefit in this area of the city will be negatively impacted upon the greatest, needing to pay all or part of the proposed service charge increase.

Question 9:

Is it likely that there may be other sources of negative impacts affecting service users over the next three years that need to be considered? What might compound the negative effects of this proposal? Describe any additional negative impacts over time that could realistically occur.

More tenants could be affected by Welfare Reform as these are fully implemented and Universal Credit is introduced. This could mean more tenants find themselves in a position where their housing benefit does not cover future rent increases.

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Question 10:

Will staff providing the service be affected by the proposal/proposed changes? If yes, which posts and in what way?

All existing budget proposals incorporate service efficiencies with no current direct impact upon permanent staff.

Date completed

Step 2: Consultation on the proposal

Question1:

**What consultation on the final proposal has taken place?
When, where and who with?**

Consultation has taken place with the Tenant & Leaseholder Forum on the 7th November 2013. The Tenants Forum is the formal elected representative body for tenants and leaseholders. This group is presently made-up of 11 tenants and 1 leaseholder representative from across the city being Chaired and vice Chaired by two of the Tenant members. This is made up of 7 females and 5 males. The ethnicity breakdown of the group is 4 Black, 2 Asian, 6 White, Three representatives represent the areas of, Rowlatts Hill & Humberstone and two representatives cover the areas of, Beaumont Leys & Mowmacre, New Parks, Braunstone, Saffron and Centre.

Further consultation events considering the HRA Budget have taken place on the 21st November 2013 at which the group considered the HRA budget generally following a detailed presentation about the budget from Senior Management this then followed a round table workshop considering the prioritisation areas of the HRA budget. This information was then used by Senior Management to shape and finalise the Draft HRA budget proposal for 2014/15.

This finalised proposal was then posted to all Tenant Forum representatives on the 2nd December for individual consideration in advance of a further meeting that took place on the 5th December. At this meeting the proposal was presented by the Director of Housing and the Assistant Mayor Councillor Connelly. Tenant Forum representatives had the opportunity to question the Director and the Assistant Mayor. Representatives were then asked to consult locally with tenants, tenant representatives and leaseholders in their own geographical areas. They were then asked to reconvene on the 9th January 2014 to feedback their own and collective opinions they have received throughout the consultation period.

The Draft HRA Budget was made publically available as part of the presentation of this report to the Housing Scrutiny Commission on the 10th December 2013. At this the Assistant Mayor Councillor Connelly presented the key aspects of the budget to the commission representatives (made up of several Councillors that represent the electorate across a number of geographical areas that include Council Housing). This meeting is held in front of public that wish to attend and documentation presented at the Commission is made public on the Leicester City Council website and this information is available to all members of the public and tenants.

On the 9th January 2014 the Tenant Forum provided feedback to the Director and the Assistant Mayor on the Budget proposal. This information was then collated and considered by the Director and Assistant Mayor. This information was also then presented to the

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Housing Scrutiny Commission on the 14th January as part of Leicester City Council's political scrutiny process.

The Draft HRA Budget is then to be submitted to Full Council for consideration and sign off.

Question 2:

What potential impacts did consultation stakeholders identify?

- Potential inability of tenants being able to afford to pay their rent, linked to the rent increase and other general financial pressures (including the bedroom tax and welfare benefit changes)
- The ongoing need for investment in Adaptations in Council properties to support older people living in their own homes
- The need for more targeted Investments in Housing stock to ensure all tenants and leaseholders including those with protected characteristics have quality housing
- The need for more Energy Efficiency improvements to stock to ensure all tenants and leaseholders including those with protected characteristics have energy efficient properties
- The need for more investment in estate environments to ensure all tenants and leaseholders including those with protected characteristics nice environments in which to live
- Targetted assistance from Floating Support teams to those in most need, including those with protected characteristics
-

What positive equality impacts were identified? For people with which protected characteristics?

- Investments in Housing stock through Capital Programme investment on Roofing, Central Heating, Boilers, Tenant Adaptations . This will have a positive impact on all protected groups and non protected groups
- Investments in Housing through individual projects including the Tower Block improvement project (£3m), 50% of tenants in the Centre area of the city are of a BME background and therefore this project will have the greatest impact on this protected group
- Investment in Energy Efficiency (including external wall insulation) of our Council Housing stock again ensuring that energy bills are positively impacted by these measures. This will have a positive impact on all protected groups and non protected groups
- Investment in Council estates through the ongoing investment/budget of Environmental budget of over £1m improving the condition and look of the estates will have a positive impact on all protected groups and non protected groups
- Building New Homes. This will have a positive impact on all protected groups and non protected groups
- Ongoing targeted provision of Individual Floating support to vulnerable people will have a positive impact on all protected groups and non protected groups. The HRA budget report also proposes a spend of £1.4m towards supporting vulnerable tenants via Supporting Tenants and Residents (STAR). This will have a positive impact on all vulnerable tenants across the city, by providing support to live independently, particularly those within the protected characteristic groups.

What negative equality impacts were identified? For people with which protected characteristics?

- Rent increase will place additional pressures on tenants and leaseholders that are required to pay (ie/ not in receipt of full Housing benefit) this will apply equally to all

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tenants and leaseholders. The negative impacts are not based on a persons' protected characteristics, but on their property type and financial situation. Although some tenants will have to pay more rent during 2014/15 this is balanced by the benefit of services being maintained, funding for STAR and investment in the capital programme.

- Government Welfare Reforms – The introduction of the 'Bedroom tax' and the pending introduction of further welfare reforms and potential reduction in benefit incomes

Question 3:

Did stakeholders indicate how positive impacts could be further promoted? How?
<ul style="list-style-type: none"> • Positive promotion of the Capital Investment programme, Energy Saving projects , Environmental improvement schemes through the City Housing News that is published 3 times a year and sent to all tenants and Leaseholders
Did stakeholders indicate how negative impacts could be reduced or removed? How?
<ul style="list-style-type: none"> • Keep the rent increase to a minimum • Continue to invest in the Income Management Team who are able to practically assist anyone getting behind with their rent, ensuring that the person gets appropriate money and debt advice, advice on maximising their income and are supported to timely apply for benefits they are eligible for including Housing Benefit and Discretionary Housing Benefit and personal benefits. • Continue to invest in the STAR Floating support service to enable vulnerable people to be supported. Ensure that a very targetted approach is adopted ensuring those in most need of support and help are prioritised • Support Tenants to be able to move where they decide to do this both through the use of Mutual Exchange (paying for and across LCC housing stock (Leicester Homechoice) and in to private accommodation when appropriate • Continue to invest in Energy Efficient measures in the Capital Programme that improve the Housing stock and help negate raising fuel costs and bills

Date completed

Step 3: The recommendation (the recommended decision on how to change the service)

Question 1:

Has your recommended proposal changed from the proposal in Step 1 as a result of consultation and further consideration?

Yes ☒ No ☐ If 'no', go to Question 2.

If yes, describe the revised proposal and how it will affect current service users?
Original consideration was given to the extent of the rent increase. Two main proposals were drawn up, increasing the rent in line with the 'formula' rent for 2014/15 year which would require a rise of 4.7% and also 3.2% in line with RPI (as at September). The final proposal after consultation with all stakeholders was to recommend the lower increase of 3.2%. This is in line with the negative impacts identified by tenants
What are the equality implications of these changes? Identify the likely positive and negative impacts of the final proposal and the protected characteristic affected.
Rent increase will place additional pressures on tenants and leaseholders that are required to pay (ie/ not in receipt of full Housing benefit) this will apply equally to all tenants and leaseholders.
How can any negative impacts be reduced or removed?
By taking the decision to recommend the lower rent increase this should reduce the negative impact identified for all tenants and leaseholders

Question 2:

Are there any actions⁵ required as a result of this EIA?

Yes ☐ No ☒

If yes, complete the action plan on the next page.

Date completed7th January 2014.....

Step 4: Sign-off

This EIA completed by	Name	Signature	Date
Lead officer	Chris Burgin		15/1/14
Countersigned by Equalities Officer	Irene Kszyk		14/1/14
Signed off by Divisional Director	Ann Branson		15/1/14

Completion - Keep a copy for your records, and **send an electronic copy** of the completed and signed form to the [Corporate Equalities Lead](#) for audit purposes

⁵ Actions could include improving equality information collected or identifying the actions required to mitigate adverse impacts identified in the EIA.

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EIA Action Plan

Please list all the equality objectives, actions and targets that result from the Equality Impact Assessment. These should be included in the relevant service plan for performance management purposes.

Equality Objective	Action required	Target	Officer responsible	By when?
Example: To know equality profile of all service users.	Example: collect monitoring data on disabled users (currently not being provided)	Example: To have data for first performance review	Example: Joe Smith	Example: Start collection of data in April 2013
Tenants are supported at an early stage to maximise income and reduce expenditure	Income Management Team who are responsible for the collection of the rent receive up to date training on existing benefit entitlements	Updated Benefits training is completed for all Tenancy Management Officers working in IMT	Mike Watson	April 2014
	An up to date list of Money Advice Services in the County available to tenants is created for tenants and is distributed where necessary	Leaflet is produced and available for distribution	Mike Watson	March 2014
	An up to date contact list of appropriate and available Floating Support services is distributed to IMT staff	Criteria evaluated	Mike Watson	April 2014
Vulnerable tenants and	Floating Support service	Criteria evaluated	Mike Watson/Cath Lewis	April 2014

tenants impacted by proposals receive appropriate support	referral mechanisms are checked to ensure criteria is appropriate to targeted support for those most in need			
Positive promotion of the Capital Investment Programme	A summary and highlights article is written and distributed to tenants and leaseholders using available mechanisms including through the City Mayor, Press release, City Housing News and Link	Article is completed and issued for possible inclusion	Simon Nicholls	April 2014
Tenants living in properties where they are not under occupying.	Promotion of the Free Mutual Exchange Service that LCC pay for on behalf of tenants to assist them find a suitable sized property	Article run in City Housing News promoting the Mutual Exchange service	Suzanne Collins	April 2014

Summary Equality Impact

Equality Impact Assessment

The HRA budget proposes a rent increase of 3.2% and as the report sets out, there are a number of positive outcomes that will arise as a result of this increase: targeted improvements for disabled (home adaptations), elderly (LeicesterCare alarms) and young residents (new play equipment), and a continued programme of works to improve the quality/environment of the council's housing stock that could benefit all protected characteristics.

The main negative impact of the proposed increase is a potential financial one for those tenants whose rent is not fully covered by housing benefit, whereby their ability to pay this increased rent and maintain their housing tenancy is dependent on their financial circumstances, family circumstances, and whether they are subject to bedroom occupancy rates (the 'bedroom tax'). This potential negative impact could affect all protected characteristics.

For tenants likely to be negatively affected financially, there are a number of mitigating actions in place to assist them in ensuring that their housing tenure is not jeopardised: direct support and guidance on how to maintain their tenancy (tenancy management services and support services such as STAR); changes to the Allocations Policy enabling tenants to move to more suitable accommodation in terms of affordability; adapting 3 to 2 bed property in highest affected areas to increase available supply of more suitable accommodation in terms of bedrooms required. Tenants experiencing financial hardship as a result of welfare reforms are also able to apply for discretionary housing payments available from Revenues and Benefits.

Irene Kszyk, Corporate Equalities Lead