



Equality Relevance Assessment

1. Policy details	
Policy title	2017/18 Housing Revenue Account Budget and Rent Level
Policy lead officer	Alistair Shaw – Head of Housing, Customer and Building Services
Date relevance considered	25/01/2017
2. Does the council have control over how this policy will be implemented?	
YES	<input checked="" type="checkbox"/> X
NO	<input type="checkbox"/>
3. Do you have evidence or reason to believe that this policy will, or may potentially:	
General Duties	Level of impact (high, medium or low)
Reduce or increase discrimination, victimisation or harassment against people covered by the equality protected characteristics?	Low
Reduce or increase equality of opportunity between people who share an equality protected characteristic and those who do not?	Low
Provide opportunity to improve good relations between those who share an equality protected characteristic and those who do not?	Low
4. Equality impact assessment required? (All high and medium policies MUST be impact assessed)	
YES	<input type="checkbox"/>
NO	<input checked="" type="checkbox"/> X
5. Decision rationale	
<p>The purpose of this assessment is to act upon the recommendation of a previous full EQIA completed on proposed Housing Revenue Account (HRA) budget, rent and service charges to be applied in 2017/18 (conducted on 20/12/11) which stipulated that any future amendments to the proposed rent strategy or associated service budgets or charges must be screened for relevance to equality.</p> <p>The Equality and Human Rights Commission (EHRC) Public Sector Advice Note on Public Duties and Financial Decisions also outlines a duty to consider the impact of fiscal planning decisions. The impact for tenants of the ongoing UK Government Welfare Reform Act roll-out, with a particular and ongoing focus on Universal Credit, places a duty of care and an ethical obligation as a responsible landlord on the council to consider the socio-economic impact of financial decisions on the local economic climate. In particular, there is a duty to consider the needs of those vulnerable to financial hardship or poverty as a result of these decisions.</p>	

Previous related rent setting proposals seeking formal committee approval and EQIA screened for relevance are as follows:

- Approval for the rent strategy consulted on with tenants setting out 3% increases from 2012-17;
- Approval for the HRA budget and a rent freeze in 2013/14;
- Approval for the HRA budget in 2014/15;
- Approval for a freeze in Garage and Garage site rents in 2013/14;
- Approval for the HRA budget, a 3% rise in rent and garage rents in 2015/16;
- A 3% increase in service and support charges for Sheltered Housing properties and a 3% increase in rents, service and support charges for Homeless properties for 2015/16;
- Approval for the HRA budget, a 3% rise in garage rents in 2016/17; and
- A 3% rise in service and support charges for Sheltered Housing properties for 2016/17, and a 3% increase in rents and service and support charges for homeless properties for 2016/17.

This assessment deals with the proposals for 2017/18 which are as follows:

- The 2017/18 HRA Budget as set out in the report;
- A rent rise of 3% in 2017/18 in accordance with the previously agreed strategy;
- A 3% rise in garage rents in 2017/18 in accordance with the previously agreed strategy;
- Approves an increase of 3% in service and support charges for Sheltered Housing properties for 2017/18 in accordance with the previously agreed strategy; and
- Approves a 3% increase in rents and service and support charges for Homeless properties for 2017/18 in accordance with the previously agreed strategy.

Rent Levels

As the Rent Strategy has been fully consulted on with the public at large, individually and via community groups, and the HRA and rent levels being proposed for 2017/18 remain in line with the approved strategy then no further issues arise from this proposal. The previous EQIAs completed for the HRA budget each year since 2012, the associated Capital Programme and the Rent Strategy and any amendments sufficiently cover any potential equality related issues and have been widely consulted on.

The Council has undertaken significant investment in its housing stock over recent years. The 3% increase will enable delivery of a balanced HRA revenue budget, and will allow high quality and responsive housing services to be maintained for our tenants and ensure continued investment in our housing infrastructure, improving existing homes and meeting the commitment to 1,000 new affordable homes.

It is expected that more new homes will be delivered in 2017/18. Delivering affordable, socially rented accommodation built to a high standard of specification helps the council meet some of the rising demand for such accommodation within the community and increases housing options for vulnerable people. By investing significantly in our existing stock to meet SHQS and EESSH standards, regenerating local communities, and investing in energy efficiency improvement works, the service will mitigate the effects of rent increases through improving the energy efficiency of older properties that cost more to heat – working towards the outcome of helping vulnerable tenants avoid the threat of fuel poverty.

If the rent proposal is approved then the average weekly rent in West Lothian will increase by 3% for individual tenants. The average weekly rental in for homes for 2017/18 will be £70.23 and for garages £6.05 as illustrated in the table below:

	2016/17 (£)	Increase (£)	2017/18 (£)	Increase (£)
Average Weekly Rent	68.19	2.04	70.23	3.00
Average Weekly Garage Rent	5.87	0.17	6.05	3.00

Service and Support Charges

It is proposed that service charges for Sheltered Housing properties will be increased by 3% in 2017/18, consistent with the policy agreed by Council in January 2013. A 3% increase for support charges in relation to Homeless Properties for 2017/18 is also proposed.

Other Factors

As there is no change proposed to the agreed Rent Strategy for subsequent years from 2014-2017, the existing EQIA which has considered these years is still applicable but will include this screening for the proposed 2017/18 HRA and Rent Levels.

As a result of either a freeze or minimal uprating for most working-age benefits from 2016 to 2020, the financial situation for benefit tenants will become more challenging in the coming year. However unlike rents in the private sector, through the Local Housing Allowance limits, if council rents go up by 3%, the eligible rent on which the Housing Benefit calculation is based will also go up by 3%, so those on full benefit will not suffer further financial detriment. Someone entitled to full Housing Benefit with a £100 rent whose rent increases to £103 will see their benefit increase to £103.

Those on part benefit, who may have to pay a portion of their rent just now, will see that amount increase, and those already subject to under occupancy charge (bedroom tax) who currently have their £100 Housing Benefit award reduced by £14, will see their £103 award reduced by £14.42 – as a result there continues to be pressure on our Discretionary Housing Payment cash which WLC utilises to mitigate this shortfall. The HCBS focus on rent arrears from a preventative standpoint should assist those who are negatively impacted by the 3% rise as officers are working in partnership with the Advice Shop to maximise income and improve budgeting skills.

The ongoing effect of general economic conditions and Welfare Reform changes, including direct housing benefit payments to tenants and universal credit, continue to present risk and uncertainty to all social landlords. Recent developments related to Scottish Government additional powers on housing benefit may over the course of 2017/18 assist to reduce this risk.

The Council continues to actively pursue housing arrears. We continue to focus effort on reducing arrears, and while the context for this focus remains a challenge, at time of assessment the council has achieved a year on year reduction in arrears. A corporate approach to debt continues to be taken forward, to ensure resources are most appropriately targeted and that services are working in partnership to break the cycle of debt in complex and high level arrears cases where tenants have instances of multiple debts.

- **No assessment required – process ends**
- **Assessment required – continue to next section**