



# **EQUALITY ANALYSIS**

**Housing Revenue Account Budget for 2013/14  
and  
Housing Revenue Account Capital Programme 2013/14 – 2014/15**



## LONDON BOROUGH OF HAVERING EQUALITY ANALYSIS

Housing Revenue Account Budget for 2013/14 and Housing Revenue Account Capital Programme 2013/14 – 2014/15

---

### SCOPE OF PROPOSAL

1. **What is the scope and intended outcomes of the activity being assessed; in terms of both the Council's organisation and staffing, and services to the community?**

- 1 (a) **Organisation and Staffing**

N/A

- 1 (b) **Services to the Community**

The budget will enable the Council to manage the stock to a reasonable standard and to deliver the next phase of the Council's Decent Homes programme. It further sets rents, service charges and other charges for Council tenants for the year 2013/14.

### PEOPLE AFFECTED

2. **Which individuals and groups are likely to be affected by the activity?**

- 2 (a) **Staff Individuals and Groups**

N/A

- 2 (b) **Community Individuals and Groups** (*including voluntary organisations*)

Protected Characteristics/groups affected:

- (1A) Age - Elderly
- (1B) Age - Young Vulnerable Adults
- (2) Gender

Socio-economic groups affected:

- (1) Families
- (2) Adults
- (3) Low income and/or lone parents (mothers and fathers)

## DATA AND INFORMATION

- 3. What data/information do you have about the people with ‘protected characteristics’ (age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sexual orientation) or other socio-economic disadvantage (e.g. disabled and part-time workers, low income and/or lone parents (mothers and fathers), looked-after children, other vulnerable children, families and adults) among these individuals and groups? What information do you have about how they will be affected by the activity? Will you be seeking further information in order to assess the equalities impact of the activity? How is this information being used to influence decisions on the activity?**

### **3 (a) Staff**

N/A

### **3 (b) Community**

The information and data held on the protected characteristics/groups, and those who may have other socio-economic disadvantage is extensive and up to date.

Most of the information was gathered from the 2011 Census, which provides information on Havering’s:

- Demographic profile
- Diversity profile
- Socio-economic profile

The information on how they will be affected has been highlighted in:

- The 2011 Census; Key statistics and data for homes, Housing and Public Protection
- Homes and Housing resident profile data
- Welfare Reform Impact Assessment

No further information will be sought as the Homes and Housing Resident profiling data on rents and service users along with the 2011 Census Report for Homes, Housing and Public Protection is comprehensive enough.

Both reports break down and outline the key demographic, diversity and socio-economic changes in Havering that will have a significant impact on the Council’s tenants and the services provided to and for them.

The information gathered is broken down and the analysis used to inform decisions and highlight;

- (1) Household Tenures
- (2) Economic Inclusion

- (3) Social Inclusion
- (4) Areas of Deprivation

## CONSULTATION

4. **If no data and information is available about the groups likely to be affected by the activity, how would you inform your EA? Will you be considering carrying out some consultation to inform your EA?**

**4 (a) Staff**

N/A

**4 (b) Community**

There is enough information and data provided from the 2011 Census and tenant profile from Housing services on the groups to inform the EA, so consultation is not required for the EA.

## LIKELY IMPACT

5. **Based on the collected data and information, what will be the likely impact of the activity on individuals and groups with protected characteristics or other socio-economic disadvantage?**

**5 (a) Staff**

N/A

**5 (b) Community**

Likely impact of the proposed budget on Protected Characteristics.

(1A) Age (Elderly) - The 65+ population in Havering is expected to grow the fastest overall in the future, increasing by 16% by 2021. The fastest growth is in the 90+ age population, expected to increase by 70% by 2021.

The Increase in the Support service charges and for Careline and Telecare support services will affect the elderly, as there was an error in the calculation for the services. Therefore, if the undercharge is to be corrected, the transitional arrangements proposed to amend charges over time will be increased by RPI inflation plus 0.5% equating to an increase of 3.1%. This is a price increase from £0.84 a week to £0.87 a week. This increase will affect both council and non-council tenants alike.

The proposed development of an affordable housing scheme consisting of nine bungalows for older people at one of the sheltered schemes in the borough will meet the needs of older people across the borough, helping them to live more independent lives.

(1B) Age (Young Vulnerable Adults) - There is no data to determine the resident profile of the occupants in the hostels, but anecdotal, the occupants are said to be mainly young male.

There is a proposal to increase service charges for hostel residents by 3.1%. These services have not been reviewed, so it is recommended that a full review of the budgets for hostels be undertaken and a strategy put in place too.

(2) Gender - of Havering's population, 52% (123,023) are female and 48% (114,209) are male. The council's tenant profile shows that the female tenants make up 63% (7464) of the profile base and the male tenants 37% (4383) of the profile base.

This will mean that the increases proposed for rent charges and services charges for tenants will affect more females than males. National statistics also state that women still earn much less than men at local, London wide and national level.

#### Likely impact of the proposed budget on group with socio-economic disadvantage.

There is no specific analysis of socio-economic disadvantage on just council tenants, the analysis is generic and based on all the community groups within Havering.

(1) Families – Havering's household composition is mainly pensioners and married couples with dependent children. The budget does propose a decrease in heating and hot water charges for council tenants which were increased in 2007 to cover increased cost of gas used and to recover previous years under recovery costs.

This could help prevent fuel poverty from occurring, as in order to heat their home to an adequate standard of warmth; a household needs to spend more than 10% of its income on total fuel use (Centre for Sustainable Energy, 2010).

(2) Adults – of all the London Boroughs, Havering has the largest increase in unemployed age 16-24 (103% compared to London 44%) and never worked (274% compared to London 123%) as stated above under disability.

(3) Low income and/or lone parents (mothers and fathers) – 43.9% of Havering residents are considered to be lone parents not in employment which is higher than England and Wales at 40.6%.

The majority of lone parents in Havering are women (92.1% or 6,638 female lone parents), compared to 7.9% (569) male lone parents. As women still earn less than men at local and national levels, the increase in rents and service charges will have a greater affect on them.

It is possible due to the fact that women are likely to be the main claimant of benefits in a household with children, and therefore may be eligible for higher rates of housing benefit due to their status of being a lone parent. These

benefits are likely to be subject to changes such as the benefit cap due to new Localism Bill 2011 and the Welfare Reform Bill.

**6. What is the likely impact on arrangements for safeguarding children and/or safeguarding vulnerable adults?**

**6 (a) Vulnerable children**

N/A

**6 (b) Vulnerable adults**

There are a lot of cross cutting functions within Housing services and Social Services when it comes to supported housing and vulnerable adults.

There will be impacts on vulnerable adults from the Housing Revenue Account (HRA) budget, as the budget does deal with services and service charges that affect council tenants who may be vulnerable adults as well.

The impact will be on:

- Providing sheltered accommodation for the elderly, hence the proposals to build nine bungalows and improve the conditions of the accommodation by improving some of the internal facilities like the bathroom.
- Supported services for the elderly like; the mobile support service, Telecare line and Careline.
- Increasing the service charge for homeless households accommodated in Council hostels.

In 2012 the Housing Needs and Strategy Manager reviewed the Vulnerable People's Protocol to ensure it was meeting current legislations. The protocol has been circulated and shared within Housing services, and Social services and all parties involved have signed up to use and abide by the protocol.

**PREVENTING DISCRIMINATION**

**7. If any negative impact is identified, is there a way of eliminating or minimising it to reasonable level? If not, how can the negative impact be justified?**

**7 (a) Staff**

N/A

**7 (b) Community**

The proposed increases are essentially dictated by central government through their rent restructuring formula.

The council's target rent has been below government guidelines. In order to correct this, best practice and guidance dictates that rents need to increase by

an amount above the basic annual increase of amount of RPI + 0.5%. The government has however capped the steepness of the annual increase to no more than £2 a week above the RPI + 0.5% increase.

A comparative analysis of local and London wide rents reveals that Havering's rents in 2013/14 will be the lowest in London. Therefore, tenants will continue to enjoy the lowest rents across the capital.

The increased income of rent rises will be used to increase the HRA contribution to the HRA capital programme to directly deliver a greater number of decent homes in 2013/14.

The aim of the Council, in respect to service charges, is to ensure that those receiving the service are paying for them. Service charges for 2010/11 and 2011/12 have been reviewed and we are almost in position where the cost of each service can be fully recovered from the service charges raised.

The capital programme makes available resources to bring forward works to make the remaining sheltered bedsits with shared bathrooms / showers fully self contained. This will advantage the section of the community aged 65+.

## **PROMOTING EQUALITY**

### **8. How will the activity help the Council fulfil its legal duty to advance equality of opportunity in the way services are provided?**

#### **8 (a) Staff**

N/A

#### **8 (b) Community**

Any local authority that owns housing stock is obliged to maintain a HRA. The HRA is a record of revenue expenditure and income in relation to an authority's own housing stock. The items to be credited and debited to the HRA are prescribed by statute.

It is a ring-fenced account within the authority's General Fund, which means that local authorities have no general discretion to transfer sums into or out of the HRA.

Section 76 Local Government and Housing Act 1989 places a duty on local housing authorities:

- to produce, and make available for public inspection, an annual budget for their HRA.
- to review and if necessary, revise that budget from time to time and
- to take all reasonably practicable steps to avoid an end-of-year deficit. The proposed HRA budget fulfils these requirements.

One of the central driving aims of the Council is to achieve the Decent Homes Standard for its stock and through the HRA Business Plan, to achieve this goal whilst maintaining a good quality Housing service.

The Localism Act 2011 has changed the financial system for the management of council housing. Government has provided freedom and independence for the management of council housing finance, in return for a one off payment of the national housing subsidy debt (and a premium for the treasury). The new system started in April 2012 so the HRA budget now looks very different from budgets in previous years.

There is more freedom now to direct resources to the best and most effective management of the Council's housing stock. However, some aspects remain centrally controlled by Government such as rent setting, and the use of capital receipts which will ensure that public bodies legally carry out all its activities as set out by the Public Sector Equality duty which will "eliminate discrimination, promote equality, and foster good relations between groups".

## **SPECIFIC NEEDS**

### **9. What actions will you be taking in order to maximise positive impact and minimise negative impact from the activity?**

#### **9 (a) Staff**

N/A

#### **9 (b) Community**

Of note, there are no adverse equalities implications and risks of the budget to any of the protected characteristics or socio-economic groups. Detailed below is the framework which the budget is set against and the impact:

A self financing business plan has been produced which shows the Council is able to maintain and improve its stock and provide good quality housing services throughout the life of the plan.

The HRA budget has been designed to maintain a decent level of service, and inject further resources into a programme of capital investment in the housing stock that will eventually achieve the Decent Homes standard for the housing stock.

64.3% of Havering council tenants are in receipt of Housing Benefit. The proposed rents and service charges eligible for housing benefit are within the housing benefit caps for Havering, therefore those in most financial hardship, which can include particular protected characteristics or socio-economic groups will be protected.

For example, the proposed rent free weeks for 2013/14 are week commencing 26 August 2013, the two weeks commencing 23 December 2013, and the week commencing 31 March 2014.



These weeks coincide with public holidays, which might be of help to families with children of school age, by leaving a bit more money to spend on the household bills during these periods.

The rent restructuring formula was introduced by government in 2002/03. This provides a target rent for each property. There are many Council's with rents below target, including Havering, which must meet the target rent by 2015/16.

The fact is that to achieve this target, rent has to increase by an amount above the basic annual amount of RPI + 0.5% increase. Applying the formula will increase the rent from around £81.21 a week in 2012/13 to £85.72 a week in 2013/14.

The increased income from this rent rise will be used to increase the HRA contribution to the HRA capital programme to directly deliver a greater number of decent homes in 2013/14 in line with the Council tenants' number one priority as stated in the tenant survey undertaken in the summer of 2012.

In carrying out service reviews the Council is able to reduce the service charge for services listed below due to the efficiencies made in the cost of the services:

- |                                  |        |       |
|----------------------------------|--------|-------|
| • Caretaking services            | -£0.08 | -2.3% |
| • Bulk refuse collection service | -£0.04 | -8.1% |
| • Neighbourhood wardens          | -£0.02 | -2.4% |
| • Grounds maintenance            | -£0.18 | -7.0% |

An analysis was carried out on the Heating and hot water charges which were increased in 2007 to cover cost of gas over the previous years. Due to this analysis the Council can now reduce these charges for 2013/14 as follows:

- |                         |        |        |
|-------------------------|--------|--------|
| • Heating and hot water | -£1.33 | -12.3% |
| • Hot water only        | -£2.20 | -24.3% |

## **MONITORING AND REVIEW**

### **10. Once implemented, how often do you intend to monitor the actual impact of the activity?**

#### **10 (a) Staff**

The budget will be monitored on an annual basis by the Head of Resources (Housing).

#### **10 (b) Community**

There are a number of ways which council tenants and the community in general can feedback and monitor the impact of the budget, these are:

- complaints and compliments

- customer surveys through the repairs and maintenance system, capital works programmes, customer diversity surveys
- face to face contact
- See my data (internet webpage)

## **SIGN OFF AND PUBLICATION**

11. **When completed, the Equality Analysis needs to be signed off by the Head of Service. Once signed off, it should be forwarded to the Directorate Equality Analysis Web administrator to publish it on the council's website.**

**HEAD OF SERVICE**

**Name:**

**Date:**

**Signature:**