



London Borough of Enfield

Report Title	HRA Budget and Rent Setting Report 2024-25
Report to	Cabinet
Date of Meeting	21 st February 2024
Cabinet Member	Cllr George Savva (Social Housing) and Cllr Tim Leaver (Finance & Procurement)
Executive Director / Director	Fay Hammond, Executive Director – Resources and Joanne Drew, Strategic Director of Housing and Regeneration
Report Author	Olga Bennet - Director of Finance (Capital) Claire Eldred - Head of Finance HRA
Ward(s) affected	All
Key Decision Number	KD5670
Classification	Part 1 Public
Reason for exemption	

Purpose of Report

1. This report sets out the proposed HRA 30-Year Business Plan, the detailed HRA Revenue Budget for 2024/25 and the ten-year Capital Programme for investment in current stock and development and regeneration. In this context the annual rent increase for Council tenants and service charges for tenants and leaseholders is proposed.

Recommendations

Recommend Cabinet to:
Recommend to Council to approve:

- I. The detailed HRA Revenue Budget of £81.1m for 2024/25 as shown in paragraph 53
- II. The 10-year HRA Capital Programme of £900m and borrowing requirements to deliver 3,500 council led homes
- III. A rent increase of 7.7% in line with Government guidelines noting the social, affordable and shared ownership rent levels for the HRA properties in 2024/25
- IV. The level of service charges for 2024/25 for those tenants and leaseholders receiving eligible services at an average increase of 11%. These include enhanced services in response to resident feedback that will be implemented from April 2024 and new services that will be subject to resident consultation, as set out from paragraph 24
- V. The charges for garages, parking bay and community halls rents as set out from paragraph 41

Note:

- VI. The heating charges for 2024/25 for those properties on communal heating systems (both electric and gas) as set out in paragraph 36

Background and options

2. This report is presented to Council on annual basis for the following reasons:
 - To ensure that a balanced 30-Year HRA Business Plan is approved by Council.
 - To ensure that the HRA Budget is set by the Council and that this budget does not put the HRA into deficit.
 - To set the affordable and social rent and service charge levels for HRA properties, in line with the Governments Social Housing Rent Policy. This decision must be taken early enough for the tenants to be advised of the change at least 4 weeks prior to the date of that change.
3. In October 2017, the government announced its intention to set a long-term rent deal for both local authority landlords and housing associations. This would permit annual rent increases on both social rent and affordable rent properties of up to CPI + 1% from 2020, for a period of at least five years.
4. This policy recognised the need for a stable financial environment to support the delivery of new homes and to enable registered providers to plan ahead, this policy came into effect from 1st April 2020. Proposals from April 2025 have yet to be announced.

Executive Summary

5. The key changes for Housing since the 2022/23 Rent Setting report which have had implications on the Business Plan:
 - Update on the economic position
 - CPI update, including rent increase
 - Revised 10-year capital programme to secure ongoing delivery of new homes and investment in existing homes
 - Enhanced and new service charges to improve the environment and security on estates
 - Revenue budget update, including savings proposals

Relevance to the Council Plans and Strategies

6. Develop affordable homes, ensure we set fair rents, improve existing housing stock to create a lifetime of opportunities in Enfield, providing Good Homes in well-connected Neighbourhoods, and Sustaining Strong and Healthy Communities.

Economic update

7. Like all social housing providers whether they be housing associations or Councils, the HRA is facing significant challenges driven from five main factors:
 - Inflationary pressures
 - Rent caps in previous years
 - Costlier and delayed development programme arising from higher construction cost inflation and building safety regulatory changes
 - interest rate rises
 - changes in regulatory requirements in decent homes
8. These factors have had a significant impact on the HRA business plan's affordability to deliver the current plans.

Assumptions

9. HRA 30-year Business Plan – the overarching assumptions in the HRA Business Plan are as follows:

Item	Assumption	Information
Inflation on supplies and services	6.7% Consumer Prices Index (CPI) increase for 2024/24, 5% for 2025/26, then 2%	Based on September CPI of 6.7%
Salaries	3.5% Pay Award	In consultation period
Rent – Existing council housing tenants	CPI +1% (7.7%) for 2024/25, 5% for 2025/25, then 2% (CPI) ongoing	In line with rent policy
Rents – Council new build affordable homes	CPI +1% (7.7%) for 2024/25, 5% for 2025/26, then 2% (CPI) ongoing	London Affordable Rents - (BCHL) Social Rents - (AHP)

Repairs & Maintenance cost increases	6.7% Consumer Prices Index (CPI) increase for 2024/25, 5% until 2025/26, then 2%	The investment programme and new homes delivery will reduce the average cost of repairs per property
Investment Capital Programme	Annual amounts based on the updated estimated cost of replacing components, kitchens, roofs, windows, bathrooms etc. in the year that they fall due for replacement.	Budget reflects a programme approach to meet regulatory requirements
Capital Programme – Estate Renewal and Development	Costs of current Programme included in the Business Plan based on the latest capital monitoring information.	3,500 new homes built into the plan over the next 14 years
RTB Sales	40 for 2024/25 then 20 per annum from 2025/26 onwards	Actual RTB sales at period 8 in 2023/24 shows 59 sales
Operation of the Governments RTB One for One Replacement scheme	The Council will operate the scheme in accordance with Government guidelines. The RTB receipts are currently match funded by the HRA on a 40:60 basis.	Retention agreement entered into to allow a further 5 years to spend the receipts
Interest rate on borrowing	4.8% on new debt in 2023/24 and long term 5%	Reflects actual debt costs and Treasury Management Strategy
Interest rate on balances	4.8% in 2023/24 and long term 5%	Estimated 7-Day London Inter Bank Bid (LIBID) rate
Repayment of Debt	Introduction of formal annual voluntary revenue provision for the repayment of borrowing	

Proposed Rent Charges for HRA Properties 2024/25

10. The Rent Standard published by the Regulator of Social Housing set out that Councils could set a maximum actual rent increases of CPI + 1% per annum until 2024/25 based on the preceding September published CPI.
11. Rent increases from financial year 2025/26 onwards are assumed in line with the Government's long-term CPI target of 2%.
12. Under current regulations the Consumer Price Index (CPI) for September 2023 determines the increase in the rent for social rent properties which was 6.7%. In following the rent standard, the rents will increase by 7.7% (CPI+1%) in 2024/25.
13. The table below shows examples of the rents for 2024/25 for different HRA property types and sizes across the borough. It should be noted that these will vary for each tenant. The new rents will be operative from 1st April 2024 (the first Monday in the month) and apply to circa 10,000 properties on social rents.

Social Rents	Average Rent 2023/24	Average Rent 2024/25	£ Increase	% Increase
	£	£	£	%

Bedsit	93.77	100.99	7.22	7.70%
1 Bed Flat	99.40	107.05	7.65	7.70%
1 Bed House	112.49	121.15	8.66	7.70%
2 Bed Flat	109.81	118.27	8.46	7.70%
2 Bed House	125.13	134.77	9.64	7.70%
3 Bed Flat	121.59	130.95	9.36	7.70%
3 Bed House	137.09	147.65	10.56	7.70%
4 Bed Flat	129.01	138.94	9.93	7.70%
4 Bed House	143.88	154.96	11.08	7.70%
5 Bed House	157.05	169.14	12.09	7.70%
6 Bed House	181.79	195.79	14.00	7.70%
Average Rent	114.83	123.67	8.84	7.70%

14. Within the formula rent calculation there is the ability to charge up to 5% more on the base social rent levels for specific reasons, for example, a new build council house, these rents exclude service charges. This will continue to apply to handovers that qualify for this flexibility.
15. In October 2016, Cabinet agreed Affordable Rent levels to apply to all New Homes built or acquired by the Council. The Rent Setting Policy agreed that 'When the Council builds or acquires new or additional properties then consideration will be given to letting these at the higher affordable rent level inclusive of service charges. Affordable rents are based on Local Housing Allowance (LHA) rates and median income in Enfield.
16. Rents for re-provision in regeneration projects will be charged at re-based social rent levels, plus the 5% tolerance recognising the wider financial benefits of living in a home with a higher thermal comfort rate.
17. As part of the GLA grant conditions all future development schemes will be charged the 'London Affordable Rent' or 'Social Rents' instead of 'Enfield Affordable Rent'. Tenants currently on Enfield Affordable rents will remain and increased as part of the Social Rent Policy.
18. The Enfield Affordable Rents, which applies to circa 172 properties, are inclusive of service charges and have been increased in line with the Governments rent cap which is 7.7%, the rents for 2024-25 are as follows:

Enfield Affordable Rent	Rent 2023/24	Rent 2024/25	Increase per week
	£	£	£
1 bed	182.08	196.10	14.02
2 bed	220.77	237.77	17.00
3 bed	240.12	258.61	18.49
4 bed	257.19	276.99	19.80

19. The Mayor of London introduced the London Affordable Rent on all new schemes funded with Greater London Authority (GLA) grants. These affordable rents will only be applicable on properties delivered through the BCHL GLA programme which have received grant.

20. The London Affordable Rents, which apply to circa 203 properties exclude service charges. and have been increased in line with the Governments rent cap which is 7.7%, the rents for 2024-25 are as follows:

London Affordable Rents	Rent 2023/24	Rent 2024/25	Increase per week
	£	£	£
Bedsit and one bedroom	180.12	193.99	13.87
Two bedrooms	190.70	205.38	14.68
Three bedrooms	201.30	216.80	15.50
Four bedrooms	211.89	228.21	16.32
Five bedrooms	222.47	239.60	17.13
Six or more bedrooms	233.07	251.02	17.95

21. When purchasing a shared ownership home, you need to pay rent to the Landlord (the Council) for the share you do not own. Its proposed to increase the rent to 7.7% on the share owned by the Council. This rent charge will increase annually based on the RPI for the last 12 months plus up to 0.5%.
22. The private sector rents are shown in the table below, including the Local Housing Allowance which is the maximum that Housing Benefit/Universal Credit will contribute towards housing costs (rate increasing in April 2024). Despite the increase average private sector rents in Enfield are still significantly higher than LHA rates.

Private Sector Rents	Local housing allowance rate	Average private rent
	£	£
1 Bed	264.66	293.87
2 Bed	322.19	376.83
3 Bed	390.08	466.84
4 Bed	506.30	563.16

23. The below table shows the increase in Council owned properties over the next 10 years, based on Council Housing's development programme.

Current stock numbers	10,364
RTB sales	(220)
GLA grant funded & RTB programme	2,669
Expected stock numbers	12,813

Proposed Tenants Service Charges 2024/25

24. Councils are entitled to recover the costs of these services from tenants and ensuring that residents pay only for the services they receive is a priority. Whilst service charges are not governed by the same factors as rent, authorities are required to comply with expectations to help keep charges affordable for tenants with reference to the agreed rent indexation level.

25. Service charges totalling £3.9m, have been set for 2024/25 in accordance with Council policy to recover the costs from all tenants receiving the services. Where new or enhanced services are introduced, an additional charge may need to be made, in this instance the Council should consult with tenants.
26. It is recommended that the following service charges per week are made to those tenants in receipt of the services below:

Tenants Service	Current 2023/24	Proposed 2024/25	Overall change	Reason for change
	£	£	£	
Concierge	11.77	13.52	1.75	Inflation—this rate will be charged for new service provision on request
CCTV	From 0.19 to 2.33	From 0.22 to 2.68	Average 0.19	Inflation
Grounds Maintenance	2.49	3.09	0.60	Enhanced standard recognising the priority to continuously improve the environment on estates
Caretaking Service	From 2.61 to 6.88	From 3.37 to 8.34	Average 1.11	Inflation
Sheltered Caretaking	From 1.80 to 3.95	From 1.92 to 4.21	Average 0.20	Inflation
Sheltered Housing Management Charges	24.68	26.52	1.84	Pay award inflation
Sheltered Cleaning	From 1.01 to 3.34	From 1.08 to 3.56	Average 0.15	Inflation
Landlord Communal Service Charge	From 0.33 to 3.73	From 0.42 to 4.92	Average 0.64	Inflation
Paladin Bins	From 0.14 to 1.50	From 0.16 to 1.71	Average 0.58	Inflation
Lift Maintenance	From 0.57 to 2.89	From 0.61 to 3.08	Average 0.12	Inflation
New Service Charges Proposed				
Aids and Adaptions	M/A	From 1.25 to 1.44	N/A	Ongoing maintenance of the service equipment provided
Resident Engagement	N/A	0.70	N/A	Cost of the Resident Engagement Team
Retrofit comfort plan	N/A	Average 8.08	N/A	New charge for properties that have received retrofit accelerator housing project

27. The table above shows the increases to the service charges from 1st April 2024.

New and enhanced Service charges

28. Grounds Maintenance – Following feedback from residents and members the performance standards of grounds maintenance has been reviewed and enhanced. The additional works will include more frequent cuts in summer, higher standard of shrub maintenance and maintenance of flower beds as well as a targeted planting programme to improve the aesthetic of the green areas.

29. Aids and adaptations – on going maintenance for the equipment installed, including stairlifts and hoists. These costs will be charged to residents in receipts of this service.
30. Resident Engagement – this team provides tenants with an active voice in shaping and improving housing services on what matters to them and the quality of their home environment, including building relationships with our residents. Due to the nature of the service the team provides its proposed to introduce a service charge to cover the cost of the team.
31. Retrofit comfort plan - Following consultation with tenants, this report is proposing to introduce a new service charge for the Retrofit Comfort Plan. The comfort plan improvements include wall insulation and new windows and doors, making the homes more energy efficient. This service charge will be payable from those tenants in receipt of these improvements and ongoing service. This service charge is subject to the Council entering into the Green Homes Loan agreement.
32. Service charges on new properties – a number of new properties are/will be delivered as part of the development programme.
33. The Reardon court extra care scheme will deliver 70 new affordable units. The proposed charges for these properties are set out below and are based on the actual cost of providing the services:

Reardon Court extra care scheme service charges	Charge per week £
Caretaking	6.58
CCTV	3.50
Grounds maintenance	3.09
Lift maintenance	1.45
Sheltered cleaning	1.53
Sheltered Housing Management Charges	13.64
LCSC	3.17
Bins	0.54
Communal energy	6.09

34. The Bury Street West project delivered 50 new homes (25 private sale and 25 affordable). The service charge for these properties have been implemented, however due to the opening of a landscape area following completion of these units, it's necessary to implement an additional charge to maintain this area. These charges will be implemented following consultation with residents.

Item	Charge per week £
Grass @ 18 visits a year	3.11
Wildflower Meadow @ 2 visits per year	0.72
Rain Gardens / Flower Beds @ 2 visits	2.59
Main Shrubs	0.90

35. In response to resident feedback, we are reviewing the security provision on estates. In 2024/25 we plan to pilot a mobile security team which will enable patrols on a flexible need's basis, acting as a rapid response service on our estates as needed. The pilot will run for six months resourced from existing budgets, following which residents will be consulted about extending the service for which a service charge will be recoverable.

Heating Charges

36. The Council has in the region of 1,800 properties in 68 blocks of flats serviced by communal heating systems, this includes a mix of electric and gas.

Electricity Charges

37. The electricity charges are made up of two elements, the non-commodity standing charge and the non-commodity charges of delivering electricity, balancing the grid, all network costs including maintenance and development and Government taxes and levies.
38. This year, we have seen decreases and stabilisation across the energy market, although they are still higher than average. LASER (energy procurement consultants) is continuing to actively hedge future energy volumes to ensure we mitigate the risk as much as possible. The current Housing energy contract was secured until September 2024, which means that an average energy increase will be recharged to tenants. This has seen an average increase of 25% from the 2023-24 charges.
39. It should be noted that whilst prices are increasing, Enfield Council have in the past made significant savings on energy through consortium purchasing via LASER (part of Kent County Council) who are experts in energy procurement. They purchase energy for many public bodies enabling Enfield to benefit not only from their expertise but also from cost and price reductions gained through bulk buying. This continues to be the case even in a market with this level of uncertainty.

Gas Charges

40. The current Gas contract is secured until September 2024, with great uncertainty in the market for the following contract period. Due to the volatile market the proposed average increase from April 2024 will be 38%.

Garages

41. The garages which are let to Council tenants, leaseholders and private tenants are standard lock-up. A non-Council tenant premium is charged on all lets to private tenants, and any Council tenant or leaseholder who rents more than two garages.
42. The garage charges have increased by an average of 7.7% in 2024/25, the charges per week are as follows:

	2023/24 Charges	2024/25 Proposed	Change
	£	£	%
Standard lock-up Garages	15.3	16.48	7.70%
Private Garage Rental	30.06	32.37	7.70%
Private Garage Rental Concessionary	23.78	25.61	7.70%
Garage Storage	30.06	32.37	7.70%
Garage Storage Concessionary	23.78	25.61	7.70%
Parking Bay	9.58	10.32	7.70%

Community Halls

43. The HRA Community Halls hire charges have increased by 9%, the hourly charges are as follows:

Community Hall Hourly Rate	2023/24 Charges	2024/25 Proposed	Change
	£	£	%
Private Hire	36.88	40.20	9%
Charitable	22.13	24.12	9%
Council Housing resident	27.19	29.64	9%
Enfield resident rate	30.06	32.77	9%

44. As approved last year, nursery providers will continue to be charged the private hire rate when operators are charging a commercial rate for childcare.

Leaseholder Service Charges

45. The cost of administration and management for 2024/25 is estimated at £1.2m and it is therefore recommended that the charge is set at £241.29 per leasehold unit per annum to cover this cost.
46. This charge covers the preparation of estimates and actual costs, billing consultation on repairs and improvement works and estate management.
47. At the end of each financial year, the actual cost is determined, and an appropriate adjustment made to the charge.
48. The charges below totalling £5.7m, will vary for each leaseholder depending on the services they receive. Adjustments will be made mid-year to reflect actual charges.

Leaseholder Service	Charge per week 2023/24	Proposed charge per week 2024/25	Change per week	Reason for change
	£	£	£	
Administration & Management Charge	4.36	4.64	0.28	Inflation
Caretaking Service	From 2.61 to 6.88	From 3.37 to 8.34	Average 1.11	Inflation

Communal Electricity	From 0.42 to 5.10	From 0.53 to 6.38	Average 0.69	25% increase in Electricity charges
Concierge	11.77	13.52	1.75	Inflation – this rate will be charged for new service provision on request
CCTV	From 0.19 to 2.33	From 0.22 to 2.68	Average 0.19	Inflation
Grounds Maintenance	2.49	3.09	0.60	Enhanced standard recognising the priority to continuously improve the environment on estates
Paladin Bins	From 0.14 to 1.50	From 0.16 to 1.71	Average 0.58	Inflation
<i>INSURANCE</i>				
1 Bed	5.51	6.06	0.55	Latest estimate from Insurance Company – 10% increase
2 Bed	6.49	7.14	0.65	
3 Bed	7.82	8.60	0.78	
4 beds	8.51	9.36	0.85	
Flat Repairs (Annual Charge)	0.02	0.02	0	No change
Ground Rent (Annual Charge)	0.19	0.19	0	No change
Estate Charge (Annual Charge)	0.25	0.25	0	No change

Insurance

49. It is anticipated there will be an increase of 10% in property Insurance due to higher costs for building materials and inflation.

Under Occupation Project

50. This three-year project started in 2020/21 to ensure best use of Council stock by moving tenants that are under-occupying Council Homes into suitably sized accommodation thereby freeing up larger accommodation. There was an increase in the incentive and flexible bespoke packages including support that meet the needs of tenants.
51. The charges remain at the 2023/24 approved levels, with an additional incentive for four bedroom or larger properties.
52. The incentives offered are as follows:
£1,250 for giving up 1 x room
£2,000 for giving up 2 x rooms
£2,500 for giving up 3 x rooms
£3,000 for giving up a four bedroom or larger property

2024/25 Revenue Budget

53. The table below sets out the base budget for 2024/25 compared to 2023/24 figures.

Category	2023-24 Budget	2024-25 Proposed	Reason for differences
Bad Debts	650	724	The provision has been increased to reflect the cost of living crisis and potential impact on the arrears position
Corporate & Democratic Core	138	93	Recharge has been re-modelled
Cost of Capital	15,817	15,529	Slight reduction in interest payments due to reduction in HRA borrowing levels 0.4%
Depreciation	11,213	5,516	The amount set aside for depreciation has reduced to reflect the actual outturn position
Rent Rates and other Charges	551	397	Reduction in council tax on void properties due to demolitions
Repairs	15,101	17,554	Increase in repairs budget to reflect inflation and regulatory compliance works
Supervision & Management	22,638	26,324	Increase to reflect higher energy costs and pay award
Contribution to reserves	6,843	14,999	Surplus - net revenue cost
Total Expenditure	72,951	81,137	
Dwellings Rents & Service Charges	-64,372	-71,834	Rent increase 7.7% and new properties
Interest on Balances	-205	-298	Increase in interest rates
Rents Shops/Commercial/garages	-3,217	-3,257	Inflation
Leaseholder Service Charges	-5,157	-5,748	Contract inflation
Total Income	72,951	81,137	
Grand Total	0	0	

Efficiency Savings

54. For the Business plan to remain sustainable, efficiency savings are required. A £1m per annum efficiency saving in Management and Maintenance has been built in to the HRA Business plan until 2025/26. The efficiencies will be partly achieved by:

55. The areas of focus include:

- a. Repairs: driving down the administration costs of the service through the mobilisation of Civica CX.
- b. Reviewing the management of voids with a view to bringing this in house.
- c. reviewing staff structures in the management and maintenance areas
- d. reviewing service charges to tenants and leaseholders to fully recover the costs of services
- e. reviewing rent charges on our non-dwelling assets

56. In addition, we are reviewing core and non-core landlord services, with a view to focus on core services provided to our residents – this may lead to reducing the non-core services currently provided.

Capital Finance and Prudential Code

57. The Prudential Code for Capital Finance requires the authority to have regard to affordability, prudence and sustainability when considering its capital

investment plans and to set and keep under review a range of prudential indicators. In December 2017 the prudential code changed, and It is recognised that indicators of affordability are best determined in the light of local constraints around precepts and ring-fenced and statutory funds such as the HRA and Police Fund. Authorities are encouraged to use local indicators that reflect how capital finance is permitted to be financed locally. For example, for those authorities with an HRA, the ratio of financing costs to net revenue budget should be calculated within the HRA ring-fence and an impact on rents calculated.

58. The General Fund Budget report for 2024/25 along with the Treasury Management Strategy report elsewhere on the agenda sets out the background to the prudential code and shows the indicators for the HRA and the General Fund.
59. The financial framework continues to ensure the Business plan remains financially viable and within affordable limits. This framework enables us to assess future investments decisions. The metrics are Interest Cover Ratio (ICR) and Loan to Value (LTV).

Capital Programme

60. The table below sets out the overall capital expenditure planned for the next 10 years. The programme is broken down into three areas detailed below:

HRA Capital Programme	2024/25	2025/26	2026/27	2027/28	2028/29	2028/33 (5 years)	Total
	£m	£m	£m	£m	£m	£m	£m
Investment in existing stock Programme	50.1	51.6	38.4	20.3	20.3	104.2	284.9
Development Programme	49.6	56.0	81.0	102.2	97.8	225.0	611.6
Estate Regeneration Programme	2.0	0.6	0.4	0.1	0.0	0.3	3.4
Total	101.7	108.2	119.8	122.6	118.1	329.5	900.0

61. The 10-year capital programme totalling £900m will be funded as follows:

HRA Capital Programme Financing	2024/25	2025/26	2026/27	2027/28	2028/29	2028/33 (5 years)	Total
	£m	£m	£m	£m	£m	£m	£m
External Grants & Contributions	36.4	43.9	45.4	18.5	0.0	46.4	190.6
Capital Receipts	33.4	15.3	21.8	36.9	22.0	93.6	223.0
Major Allowance Repairs	5.5	9.3	23.6	6.4	6.8	37.3	88.9
Earmarked Reserves	10.4	22.2	0.0	17.5	19.1	95.9	165.0
Borrowing	16.0	17.5	29.0	43.3	70.2	56.5	232.5
Total	101.7	108.2	119.8	122.6	118.1	329.6	900.0

Investment in Existing Stock

62. The investment programme continues to experience challenges arising from the current market conditions. The impact of increased inflation on the planned maintenance sector has been substantial with both labour and material shortages pushing up costs by more than general inflation. The particular pressures that led to the high inflation levels over the past 2 years have subsided, but the sector does not expect prices to reduce in the near future.
63. The updated programme has allocated resources based on a hierarchy of prioritisation with building safety and compliance being the highest ranked priorities, followed by decency as priority 2 and energy efficiency/sustainability priority 3.
64. This programme will move the stock to the desired decency targets as part of a three-year programme meaning targets will be reached in 2025.
65. The 10-year capital programme is as follows:

HRA Capital Programme	2024/25	2025/26	2026/27	2027/28	2028/29	2028/33 (5 years)	Total
	£m	£m	£m	£m	£m	£m	£m
Decency	34.3	36.2	25.7	8.3	8.4	41.8	154.6
Energy Efficiency	0.5	1.5	1.5	1.5	1.5	9.5	16.0
Building Safety	9.4	7.0	2.0	2.1	2.0	10.0	32.5
Statutory Compliance	3.3	2.4	3.6	3.5	3.6	17.8	34.1
Overheads & other investment	2.6	4.5	5.6	4.9	4.9	25.2	47.7
Investment Programme	50.1	51.6	38.4	20.3	20.3	104.2	284.9

Development and Estate Regeneration Programme

66. During 2023/24 the new homes programme experienced challenges arising from the current volatile market conditions. To mitigate these risks going forward, we are reviewing alternative delivery models and in the short term looking to achieve new homes targets by acquiring additional homes already in the pipeline. This also has the benefit of underwriting delivery of existing partnership programmes at a time when progress may be reviewed/paused by partners due to market uncertainty. On existing pipeline schemes, we are reviewing the scope and potential for value engineering.
67. In light of these pressures the financial framework for the development programme has been reviewed. The main changes to the underlying assumptions are included in the Business Plan update report, elsewhere on the agenda.
68. The table below details the schemes on site and the future programme budgets:

HRA Capital Programme	2024/25	2025/26	2026/27	2027/28	2028/29	2029/34 (5 years)	Total
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	£m	£m	£m	£m	£m	£m	£m
AHP Programme	2.2	16.0	19.2	19.9	21.9	18.6	97.8
Joyce & Snells	9.2	18.6	36.8	46.3	43.6	183.7	338.2
Bury Street	0.7	0.0	0.0	0.0	0.0	0.0	0.7
HRA Acquisitions	34.3	19.6	4.5	15.1	11.7	20.9	106.0
Reardon Court	1.5	0.0	0.0	0.0	0.0	0.0	1.5
Upton & Raynham	1.8	1.8	20.5	21.0	20.6	1.9	67.5
Development	49.7	55.9	81.0	102.3	97.8	225.0	611.7
Alma Towers	1.5	0.5	0.4	0.1	0.0	0.3	2.8
Ladderswood	0.3	0.1	0.0	0.0	0.0	0.0	0.4
New Avenue	0.2	0.0	0.0	0.0	0.0	0.0	0.2
Estate Regeneration	2.0	0.6	0.4	0.1	0.0	0.3	3.4
Total	51.7	56.5	81.4	102.4	97.8	225.3	615.1

69. New build development units will be charged at London Affordable Rent levels as part of Building Council Homes for Londoners (BCHL) GLA funding programme and social rents will be charged as part of the new 2021-26 Affordable Homes (AHP) GLA funding Programme. The social rents will be based on the 1999 valuation of the property and will be calculated on a formula rent basis.

HRA Balances

70. The estimated position on balances is set out below:

Reserves	Balance at 01/04/2023	Movement	Balance at 01/04/2024
	£m	£m	£m
HRA Balance	13.6	-8.3	5.3
HRA Insurance	0.5	0.0	0.5
HRA Repairs Fund	0.9	-0.5	0.4
HRA Capital reserve	1.0	-1.0	0.0
HRA Major repairs reserve	0.1	0.0	0.1
HRA Capital receipts	1.3	-1.3	0.0
Total	17.4	-11.0	6.4
HRA RTB one for one receipt	20.2	0.2	20.4
Total Reserves	37.6	-10.9	26.7

Financial Implications

71. The Local Government Act 2003 requires the Chief Finance Officer to report on the robustness of estimates and the adequacy of proposed financial reserves. The 2023/24 HRA estimates have been prepared considering the following:

- The estimated impact of inflationary pressures. Allowance has been made for cost increases over and above the general rate of inflation where these are known;
- The estimated impact of increasing demands on resources where these are unavoidable;
- The estimated impact of underlying costs pressures, evidence by financial monitoring reports in the current year;
- An assessment of key risks and uncertainties; and
- The impact of borrowing requirements on the 30-year business plan.

72. It should be noted the HRA Business Plan remains affordable and sustainable, with a robust budget and prudent balances

Legal Implications

73. Local authorities have the power, under Section 24 of the Housing Act 1985 to determine their own rent levels and must review rents from time to time and make such changes as circumstances require but must charge reasonable rents for tenants in its own housing stock. The financial and budgetary considerations underpinning the recommendations are explained in the body of the report and its annexes

74. In exercising their functions under this section, the Council is required to have regard in particular to any relevant standards set for them under section 193 of the Housing and Regeneration Act 2008 [Standards relating to consumer matters set by the Housing Regulator i.e. maintenance, estate management etc.]. The Council must therefore take account of Government guidance (Guidance on Rents for Social Housing, DCLG, May 2014) and the Rent Standard as set by the regulator of social housing when setting rents.

75. In addition, Part VI of the Local Government and Housing Act 1989 which governs, inter alia, the Council's duties in relation to the Housing Revenue Account places a duty on the Council to secure that the HRA for any year does not show a debit balance. However, there is no absolute duty to prevent a debit balance as this may occur, for example, as a result of unforeseen circumstances. Any debit balance that does occur in any year must be carried forward within the ring-fenced HRA to the following year. Under Section 76 of the Local Government and Housing Act 1989, the Council is required to prepare proposals in January and February each year relating to the income of the authority from rents and other charges, expenditure in respect of repairs, maintenance, supervision and management of HRA property and other prescribed matters. The proposals should be based on the best assumptions and estimates available and should be designed to secure that the housing revenue account for the coming year does not show a debit balance. In the event that the Council, on review, determines that this requirement will not be satisfied then the Council is, by virtue of Section 76(6), required to make such revisions of the proposals as are reasonably practical towards securing that the proposals (as so revised) satisfy those requirements. The duty in relation to best assumptions and estimates referred to in this report applies equally to such revised proposals.

76. The requirement to charge reasonable rents applies to most secure and introductory tenancies, although there are some exceptions for example for affordable rents and tenants with high incomes. Reasonable rents are set by a reference to a formula which is set out in Government Guidance (Ch.2 Guidance on Rents for Social Housing, DCLG, May 2014). The aim of the formula-based approach is to ensure that similar rents are paid for similar properties. The current formula is devised on the basis that rents take account of the condition and location of a property, local earnings, and the number of bedrooms in a property.
77. From 1 April 2016, the Welfare Reform and Work Act 2016 and amendment regulations required registered providers of social housing, including local authorities in England, to reduce social housing rents by 1% a year for 4 years from a frozen 2015 to 2016 baseline and to comply with maximum rent requirements for new tenancies. The reduction applied only to the rent element and not to service charges.
78. The local authority is required to serve a notice of variation on each tenant at least four weeks before the date on which the rent change takes effect in line with sections 102 and 103 of the Housing Act 1985 the local authority must consult with tenants before serving a notice of variation to the terms of a secure tenancy. Where a notice of variation is required, then before serving a notice of variation on the tenant the landlord shall serve a preliminary notice informing the tenant of the landlord's intention to serve a notice of variation, specifying the proposed variation and its effect, and inviting the tenant to comment on the proposed variation within such time, specified in the notice, as the landlord considers reasonable. The landlord (i.e. the Council) shall consider any comments made by the tenant within the specified time.
79. In respect of setting service charges, The Landlord and Tenant Act 1985 sets out the basic rules for service charges, defining what is considered a service charge, setting out requirements for reasonableness and for prior consultation of leaseholders. Section 18 (1) of the Act defines a service charge as 'an amount payable by a tenant of a dwelling as part of or in addition to the rent:
 - a. which is payable, directly or indirectly, for services, repairs, maintenance, improvements or insurance or the landlord's costs of management; and
 - b. the whole or part of which varies or may vary according to the relevant costs.
80. Leasehold service charges are required to be transparent and reflect the actual cost of the services incurred and where they are incurred on the provision of services or the carrying out of works, only if the services or works are of a reasonable standard in accordance with the Landlord and Tenant Act 1985. Where the service charge is payable before the relevant costs are incurred, no greater amount than is reasonable is so payable and after the relevant costs have been incurred any necessary adjustment shall be made by repayment, reduction of subsequent charges or otherwise. The Leasehold Valuation Tribunal may make a determination of reasonableness in this regard.

81. In respect of setting rent for parking spaces and garages the Council is permitted by section 93 of the Local Government Act 2003 to charge for discretionary services provided that taking one financial year with another the income from charges for discretionary services does not exceed the cost of provision. In other words, the Council may not make a profit from the delivery of these discretionary services.
82. The Council is required to act in accordance with the public sector equality duty under the Equality Act 2010 and have due regard to the duty when carrying out its functions, which includes making decisions in the current context. The Council also has a duty to show they have consciously addressed their mind to carrying out an Equality Impact Assessment (EQIA) which includes any decision to increase or introduce charges to tenants. This has been done and a relevant EQIA has been carried out and attached to this report.
Legal imps updated by AOM on 16/01/2024

Equalities Implications

83. The HRA 30-Year Business Plan supports the delivery of high-quality services that promote equality and values diversity. Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines.
84. Work is ongoing to support residents with the increasing cost of living. The council has developed resources and training for housing officers to help signpost residents to employment and skills support initiatives. A Route Map resource has been developed - a page on the Enfield Council Website which provided some information around employment support.
85. The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.
86. Please see Appendix B which provides Equality Impact assessment.

HR and Workforce Implications

87. Additional resources to deliver capital programme and comprehensive developments may be a requirement however there are no requirements to increase the team's capacity to deliver projects in the short term.

Public Health Implications

88. Good quality housing plays an essential role in improving public health and wellbeing. Managing council rental income and mitigating welfare reform is an important part of avoiding debt issues and contributes to the general well-being of residents

Property Implications

89. The majority of the proposals in this report relate to HRA properties, and the implications for these are to be found throughout the report.
90. There are some property implications that relate to corporate properties. These are the halls and youth centres that are managed under the banner of “Community Spaces” in tandem with the HRA community halls. For consistency, the hire charges for the corporate properties will be increased in line with the HRA properties. The charging arrangements for both corporate and HRA halls will be harmonised as part of the review of the charging policy that is identified in this report’s proposals.

Property impls provided by KS on 7/2/24

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Appendices

- Appendix A - 30-year Revenue Budget
Appendix B - Equality Impact Assessment

Appendix A – 30-year revenue budget

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-54
	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m	£m
Dwelling Rents	-68.7	-75.4	-77.9	-82.5	-88.6	-93.1	-96.2	-99.3	-101.7	-103.8	-2,527.2
Service Charges Tenants	-3.9	-4.1	-4.2	-4.3	-4.6	-4.7	-4.8	-4.9	-5.0	-5.1	-123.2
Service Charges Leaseholders	-5.7	-6.0	-6.2	-6.3	-6.4	-6.5	-6.7	-6.8	-6.9	-7.1	-176.0
Voids	0.7	0.8	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.1	25.9
Non Dwelling Rents	-3.3	-3.7	-3.8	-3.8	-3.9	-4.0	-4.1	-4.2	-4.2	-4.3	-107.3
RTB Administration Income	-0.2	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.1	-0.9
Total Income	-81.0	-88.5	-91.3	-96.1	-102.6	-107.5	-110.8	-114.2	-116.9	-119.3	-2,908.7
Responsive Repairs	17.5	18.7	19.6	20.3	21.0	21.7	22.2	22.7	23.3	23.8	590.5
Supervision And Management	15.5	16.5	17.4	18.0	18.6	19.1	19.6	20.0	20.5	20.7	513.8
Special Services	10.5	11.0	11.3	11.5	11.7	11.9	12.2	12.4	12.7	12.9	320.1
Rents Rates Taxes & Other Charges	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	7.9
Bad Debt	0.7	0.8	0.8	0.9	0.9	1.0	1.0	1.0	1.0	1.1	24.1
Depreciation of Fixed Assets Total	5.5	5.9	6.1	6.4	6.8	7.1	7.3	7.5	7.7	7.8	189.1
Debt Management Costs	1.4	1.4	1.6	1.6	1.7	1.7	1.8	1.9	1.9	2.0	58.2
Total Expenditure	51.5	54.7	57.2	59.0	61.1	62.9	64.4	66.0	67.5	68.6	1,703.6
Net (Cost) Of Services	-29.5	-33.7	-34.1	-37.1	-41.5	-44.6	-46.4	-48.3	-49.4	-50.6	-1,205.1
Loan Interest	15.5	16.9	18.0	19.8	21.2	24.1	27.3	28.5	29.1	29.4	692.4
Interest Income	-0.2	-0.3	-0.3	-0.3	-0.3	-0.3	-0.4	-0.4	-0.4	-0.4	-15.9
Notional Cash Interest	-0.5	-1.0	-0.9	-0.9	-1.8	-2.1	-2.3	-2.2	-2.2	-2.3	-613.9
Capital Account Adjustments	14.7	15.6	16.9	18.6	19.1	21.6	24.7	25.9	26.5	26.7	62.6
Net Operating Income / (Expenditure)	-14.8	-18.1	-17.2	-18.5	-22.5	-22.9	-21.7	-22.4	-23.0	-24.0	-1,142.5

Appendix B - Equality Impact Assessment

Section 1 – Equality analysis details

Title of service activity / policy/ strategy/ budget change/ decision that you are assessing	HRA Budget and Rent Setting Report 2024-25
Team/ Department	Council Housing
Executive Director	Fay Hammond/Joanne Drew
Cabinet Member	Cllr George Savva/Cllr Tim Leaver
Author(s) name(s) and contact details	Olga Bennet/Claire Eldred
Committee name and date of decision	Cabinet 21 st February 2024 Council 22 nd February 2024
Date of EqIA completion	15/1/24

Date the EqIA was reviewed by the Corporate Strategy Service	
Name of Head of Service responsible for implementing the EqIA actions (if any)	Harjinder Lota/Neil Wightman
Name of Director who has approved the EqIA	Joanne Drew

Section 2 – Summary of proposal

<p>Please give a brief summary of the proposed service change / policy/ strategy/ budget change/project plan/ key decision</p> <p>Please summarise briefly:</p> <p>What is the proposed decision or change? What are the reasons for the decision or change? What outcomes are you hoping to achieve from this change? Who will be impacted by the project or change - staff, service users, or the wider community?</p>
<p>Any local housing authority that owns 200 or more social dwellings are required to account for them within their Housing Revenue Account (HRA). How social housing rents are set is determined by government.</p> <p>In 2016/17 the government imposed a 1% rent reduction in social housing. This meant that tenants rent reduced in 2015/16 to 2019/20 by 1% each year.</p>

The Rent Standard published by the Regulator of Social Housing set out that Councils could set a maximum actual rent increases of CPI + 1% per annum until 2024/25 based on the preceding September published CPI.

Under current regulations the Consumer Price Index (CPI) for September 2023 determines the increase in the rent for social rent properties which was 6.7%. This report proposes that rents are increased by CPI+1% in line with the rent standard, meaning actual rent increases will be 7.7% for 2024-25.

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

Section 3 – Equality analysis

Age

This can refer to people of a specific age e.g. 18-year olds, or age range e.g. 0-18 year olds.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people of a specific age or age group (e.g. older or younger people)?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will negatively impact all local residents, regardless of their age.

Older People

There are currently approximately 42,000 people aged 65 and over living in Enfield, making up around 13% of the total population. These figures are set to increase by 23% to 52,500 people aged 65 and older by 2025.

Older residents are more likely to under occupy their home; those claiming Housing Benefit, living in a social rented sector tenancy, aged between 16 and pension age will be affected by a reduction in the amount of housing benefit paid to them and the rent increase.

Families, Children and Young People

Around 9% of council tenants are under 35 years of age.

Enfield has relatively high proportions of children and young people under the age of twenty – higher than both London and England averages. According to official Department for Work and Pensions statistics (2021-22) 16% of children under 16 in Enfield live in low-income families.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The council proactively supports tenants who are under occupying their home to move to a smaller, more affordable home; this includes access to pan-London and National mobility schemes. Grants are available for residents who choose to move to a smaller home as well as help with removal costs.

Work is ongoing to support residents with the increasing cost of living. The council has developed resources and training for housing officers to help signpost residents to employment and skills support initiatives. A Route Map resource has been developed - a page on the Enfield Council Website which provided some information around employment support. This currently sits within Tenant Information section of the Council Website. www.enfield.gov.uk/jobsandtraining

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Disability

A person has a disability if they have a physical or mental impairment which has a substantial and long-term adverse effect on the person's ability to carry out normal day-day activities.

This could include: physical impairment, hearing impairment, visual impairment, learning difficulties, long-standing illness or health condition, mental illness, substance abuse or other impairments.

Will the proposed change to service/policy/budget have a **differential impact [positive or negative]** on people with disabilities?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they have a disability or a disabled member of their household.

13.6% of Enfield residents have a declared disability.

The Department for Levelling Up, Housing and English Housing Survey, 2020/21, states that Disabled people are more likely to live in the social rented sector. According to the English Housing Survey 2020/21, over half (55%) of households

in the social rented sector had one or more household members with a long-term illness or disability.

Scope have also highlighted the significant impact of the cost of living crisis on disabled people, in particular rising energy costs.² National research highlights that disabled people are more likely to report feeling worried about the cost of living crisis.

According to ONS survey data collected between April and May 2022 over four in five (82%) of disabled people reported feeling worried about the rising costs of living compared with 75% of non-disabled people. Disabled people were also more likely to be very worried (35%) about the rising costs of living than non-disabled people (22%).

The impact of rent increase on tenants with a disability or who have a disabled member of their household reflect both negative impacts of the welfare benefit system, and access to employment opportunities for disabled people.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

Housing staff working with tenants have received training on welfare benefits and are able to identify and signpost people who may not be in receipt of all benefits available to them.

The work developed to assist residents with the increased cost of living includes career support initiatives available specifically to people with special educational needs, disabilities or mental health challenges.

- IAPT NHS - a free NHS, psychological therapy service -offers a range of support, including talking therapies, cognitive behavioural therapy and support and advice around employment and mental health.
- There are a range of other national and local services in Enfield who can support tenants with mental health challenges.
- London Working or the Work and Health Program, who can provide support for individuals with significant barriers to help them into work and training

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Gender Reassignment

This refers to people who are proposing to undergo, are undergoing, or have undergone a process (or part of a process) to reassign their sex by changing physiological or other attributes of sex.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on transgender people?

Please provide evidence to explain why this group may be particularly affected.

For the first time in 2021, the Census asked a voluntary question on gender identity to respondents aged 16 years or over. People were asked “Is the gender you identify with the same as your sex registered at birth?” and had of the option of selecting “Yes”, or selecting “No” and writing in their gender identity.¹

In Enfield 91.42% of the borough’s residents aged 16 years and over responded to the question.

Gender identity	Enfield population aged 16 years and over	Percentage of residents aged 16 years and over
Gender identity the same as their sex registered at birth	232,329	90.34%
Gender identity different from their sex registered at birth but no specific identity given	1,652	0.64%
Trans woman	518	0.2%
Trans man	486	0.19%
Non-binary	74	0.03%
Another gender identity	58	0.02%
Did not answer	22,065	8.58%

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they have undergone or are undergoing gender reassignment.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team can offer advice and help arrange payments plans where necessary.

Marriage and Civil Partnership

Marriage and civil partnerships are different ways of legally recognising relationships. The formation of a civil partnership must remain secular, where-as a marriage can be conducted through either religious or civil ceremonies. In the U.K both marriages and civil partnerships can be same sex or mixed sex. Civil partners must be treated the same as married couples on a wide range of legal matters.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people in a marriage or civil partnership?

Please provide evidence to explain why this group may be particularly affected.

We don't record the relationship of cohabiting couples who are council tenants.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they are married or in a and civil partnership.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Pregnancy and maternity

Pregnancy refers to the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman

unfavourably because she is breastfeeding.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on pregnancy and maternity?

Please provide evidence to explain why this group may be particularly affected.

We don't record data on whether or not tenants are pregnant, although 52.3% of Enfield's population are female.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they are pregnant.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Race

This refers to a group of people defined by their race, colour, and nationality (including citizenship), ethnic or national origins.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people of a certain race?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of their ethnicity or national origins.

Census 2021 ethnicity data is shown below:

Ethnicity	Estimated population size	Percentage of total population
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Asian or Asian British	37,973	11.5%
Bangladeshi	8,123	2.5%
Chinese	2,611	0.8%
Indian	11,870	3.6%
Pakistani	3,674	1.1%
Any other Asian background	11,615	3.5%
Black, Black British, Caribbean or African	60,512	18.3%
African	36,463	11%
Caribbean	16,990	5.1%
Any other Black, Black British or Caribbean background	7,059	2.1%
Mixed or multiple ethnic groups	19,558	5.9%
White and Black Caribbean	5,165	1.6%
White and Black African	2,994	0.9%
White and Asian	3,818	1.2%
Any other Mixed or multiple ethnic background	7,581	2.3%
White	171,884	52.1%
English, Welsh, Scottish, Northern Irish or British	103,140	31.3%
Irish	5,969	1.8%
Gypsy or Irish Traveller	374	0.1%
Roma	1,121	0.3%
Any other White background	61,280	18.6%
Other Ethnic Group	40,058	12.1%
Arab	2,535	0.8%
Any other ethnic group	37,523	11.4%

This data assists authorities to assess the impact of rent increases in certain race groups and can assist in identifying households that may need additional assistance as a result of the rent increases.

Whilst ethnic diversity is one of our biggest assets, ethnic minorities experience inequality in housing, education, employment, health and criminal justice in Enfield, as is the case across the UK. This needs to be addressed.

Employment opportunities are likely to be lower for people in certain race groups, with the national data summarised below:

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills

and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Religion and belief

Religion refers to a person's faith (e.g. Buddhism, Islam, Christianity, Judaism, Sikhism, Hinduism). Belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who follow a religion or belief, including lack of belief?

Please provide evidence to explain why this group may be particularly affected.

We do not have robust data on the religion of existing tenants of Council homes or on those on our housing register which can be used to consider potential differential impact of the strategy on people of different religions. The 2021 Census showed an average of 26.8% of residents don't specify a religion. Where it is specified the two largest groups represented among tenants are Christians – 46.4% - and Muslim – 18.6%.

It is estimated that the rent increase will have a negative impact on all residents regardless of their religion or beliefs.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Sex

Sex refers to whether you are a female or male.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on females or males?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of their sex.

52.3% of Enfield's residents are female. As females are disproportionality represented in Council housing and on the housing register, this rise may disproportionately impact the female sex.

Females are more likely to be single parents – 94% of single parents on Enfield's Housing Register are mothers. Females are more likely to be on lower incomes and lower paid work than men. National statistics show that in 2019 females earned on average 17.3% less than their male counterparts.

Households requiring a home of 4 bedrooms are more likely to be headed up by a females (mothers) rather than males.

The rent increase will impact all residents regardless of whether they are females or males. However, employment opportunities and income averages are lower for females and therefore they may be at greater risk of struggling to pay the proposed rent increase.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

The Route Map resource which provides some information around employment support, includes specific training and support available to women which includes:

- Smart Works, a UK charity that provides high quality interview clothes and interview training to unemployed women in need.

- Enfield Women’s Centre who can offer advice, information and training to women who would like to build their skills and embark on a career. They run a range of courses throughout the year.

Sexual Orientation

This refers to whether a person is sexually attracted to people of the same sex or a different sex to themselves. Please consider the impact on people who identify as heterosexual, bisexual, gay, lesbian, non-binary or asexual.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with a particular sexual orientation?

Please provide evidence to explain why this group may be particularly affected.

For the first time in 2021, the Census included a voluntary question on sexual orientation for all respondents aged 16 and over. The different sexual orientations that people could choose from included:

- Straight or heterosexual
- Gay or lesbian
- Bisexual
- Other sexual orientation (respondents were then asked to write in the sexual orientation with which they identified)

In Enfield, 90.3% of the borough’s residents aged 16 and over responded to this question.

Sexual orientation	Enfield population aged 16 years and over	Percentage of Enfield residents aged 16 years and over
Straight or heterosexual	226,705	88.15%
Gay or lesbian	2,342	0.91%
Bisexual	2,073	0.81%
Pansexual	944	0.37%
Asexual	74	0.03%
Queer	35	0.01%
All other sexual orientations	151	0.06%
Not answered	24,858	9.67%

It is estimated that the rent increase will have a negative impact on all residents regardless of their sexual orientation.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Councils website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary

Care Experience

This refers to a person who has spent 13 weeks or more in local authority care.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people with care experience?

Please provide evidence to explain why this group may be particularly affected.

It is estimated that the rent increase will have a negative impact on all residents regardless of whether they have been supported by local authority care.

Mitigating actions to be taken

Although the rent increase will negatively impact residents, it is the decision the Council must follow in line with government guidelines. The previous period of rent reductions have affected capacity in the Business Plan to fund services and investment in homes in Enfield and therefore it is a necessary decision.

Socio-economic deprivation

This refers to people who are disadvantaged due to socio-economic factors e.g. unemployment, low income, low academic qualifications or living in a deprived area, social housing or unstable housing.

Will this change to service/policy/budget have a **differential impact [positive or negative]** on people who are socio-economically disadvantaged?

Please provide evidence to explain why this group may be particularly affected.

Enfield is among the most deprived 25% of local authority areas in England, according to the Indices of Deprivation 2019. Within the borough, there are clear differences in household income between the western and eastern parts. Median incomes in the most affluent neighbourhoods are twice those of the least affluent.

People living in the social rented sector tend to have a lower income. According to the English Housing Survey 2020/21, 50% of social renters (almost 2 million households) were in the lowest income quintile.² Social renters are also less likely to be in full-time employment (25%) than owners (50%) and private renters (58%).

The increases vary from £7.22-£14.00 per week for social rents and £14.02-£19.80 per week in LAR, however for c. 74% of tenants their full housing cost is met by either UC or housing benefit.

Mitigating actions to be taken.

Work is ongoing to support residents with the increasing cost of living. The council has developed resources and training for housing officers to help signpost residents to employment and skills support initiatives. A Route Map resource has been developed - a page on the Enfield Council Website which provided some information around employment support. This currently sits within Tenant Information section of the Council Website. www.enfield.gov.uk/jobsandtraining .

Housing staff working with tenants have received training on welfare benefits and are able to identify and signpost people who may not be in receipt of all benefits available to them.

The Council is committed to helping residents who are struggling to pay their bills and have published a wide range of advice on the Council's website. This includes guidance and support to help them manage paying their bills including Council Tax, claim benefits, manage debt and access help with food, fuel and other essentials if required. In addition, the Rent Income Team are able to offer advice and help arrange payments plans where necessary.

Section 4 – Monitoring and review

How do you intend to monitor and review the effects of this proposal?

Who will be responsible for assessing the effects of this proposal?

Metrics concerning social housing delivered by Enfield Council are monitored on a quarterly basis using internal databases. Monitoring information contains demographic data to ensure that the services are not precluding any protected characteristic. This information will be used to monitor and respond to any emerging trends so that our provision is fit for purpose.

^{2 2} Department for Levelling Up, Housing and Communities, [English Housing Survey](#), 2020/21

Section 5 – Action plan for mitigating actions

Any actions that are already completed should be captured in the equality analysis section above. Any actions that will be implemented once the decision has been made should be captured here.

Identified Issue	Action Required	Lead officer	Timescale/By When	Costs	Review Date/Comments
Impact of rent increase will negatively impact on all identified groups of residents	Signpost residents to advice on the council's website using a variety of communication methods i.e. Housing News, public meetings etc	Harjinder Lota/Neil Whiteman	June 2024	N/A	July 2024 include in Council Housing communication plan
	Income recovery team and Council Housing Service to continue to provide advice and assistance to residents.	Harjinder Lota/Neil Whiteman	Ongoing	N/A	July 2024 monitor level of rent arrears