

## PART A - Initial Impact Assessment

**Proposal Name:** Rent Policy increase for council housing rents, garages & commercial property

**EIA ID:** 2398

**EIA Author:** Louise Cassin

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**Proposal Outline:** We have the option to increase rents by September's Consumer Price Inflation (CPI) +1%. This would be the maximum increase allowable under the Regulator's current Rent Standard. August's CPI rate was 6.7% indicating we may have the option to raise rents by around 7.7%.

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**Proposal Type:** Budget

**Entered on QTier:** Yes

**QTier Ref:** # 97

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**Year Of Proposal:** 24/25

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**Lead Director for proposal:** Janet Sharpe (HSG)

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**Service Area:** Housing & Neighbourhoods

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**EIA Start Date:** 17/10/2023

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**Lead Equality Objective:** Understanding Communities

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**Equality Lead Officer:** Louise Nunn

Committees:

Council

## Portfolio

Primary Portfolio:

Neighbourhoods

EIA is cross portfolio:

No

EIA is joint with another organisation:

No

## Overview of Impact

### Overview Summary:

A 7.7% rent increase would impact on the financial cost of living crisis currently being faced by tenants. However, around 70% of tenants would receive some support in meeting those costs through Housing Benefit or Universal Credit. The impact on the remaining tenants could be mitigated by offering additional support – though further work may need to be done to identify how tenants would be supported. Some options e.g. financial support could create an additional pressure on the HRA. Rents for 24/25 would need to be implemented from April 2024 with statutory notifications to all tenants about a change to their rent actioned from February 2024. Rental income is the main source of income into the HRA and can only be used to fund council housing activity. Therefore the level of income received into the HRA through rents each year impacts on council housing service budgets and what can be afforded in the coming year/s. Individual EIAs have been completed for potential saving options that are likely to be needed for 2024/25 as a result. These EIAs detail the any specific impacts on council housing tenants as a result. An initial impact assessment has been completed at this stage based on current rent policy. A full impact assessment will be completed prior to this decision being presented at Full Council in February 2024 and this will reflect any changes that may occur if rent policy is revised by Government between now and then.

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Impacted characteristics:

Consultation and other engagement

Cumulative Impact

Does the proposal have a cumulative impact: No

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Impact areas:

Initial Sign-Off

Full impact assessment required: No

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Review Date: 14/01/2024

Action Plan & Supporting Evidence

Outline of action plan:

Action plan evidence:

Changes made as a result of action plan:

Mitigation

Significant risk after mitigation measures:

Outline of impact and risks:

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Review Date

Review Date:

14/01/2024