


<b>Cabinet</b> 5 January 2016	
<b>Report of:</b> Aman Dalvi – Corporate Director Development & Renewal	<b>Classification:</b> Unrestricted
<b>Housing Revenue Account Rent Setting report 2016/17</b>	

Lead Member	<b>Councillor Rachel Blake, Cabinet Member for Strategic Development</b>
Originating Officers	Chris Holme, Service Head Resources, Development & Renewal Paul Leeson, Finance Manager, Development & Renewal Katherine Ball, Senior Accountant, Development & Renewal
Wards affected	All
Community Plan Theme	<b>One Tower Hamlets</b>
Key Decision?	Yes

## Executive Summary

The Government's Summer budget that was presented to Parliament on 8 July 2015 included several policies that have significant implications for social housing. These included the announcement that rents on social housing properties will be reduced by 1% a year for each of the four years from 2016-17. Although not formally incorporated in legislation to date, the policy is included within the Welfare Reform and Work Bill that is currently being debated by Parliament.

In line with the proposed legislation, this report sets out the rent reduction that will apply to the Authority's rents for four years from 2016/17 to 2019/20. This report also seeks Cabinet approval of the level of the 2016/17 service charge increase for the year ahead in order for the Council to comply with its statutory requirement to notify tenants.

The Council must prepare proposals in January and February each year relating to income from rents and other charges, and expenditure in relation to management and maintenance of its housing stock. A decision is required with regard to rents and service charges in January in order that statutory notice can be given to tenants prior to 1st April implementation.

## **Recommendations**

The Mayor in Cabinet is recommended to:-

1. Note that, under section 21 of the Welfare Reform and Work Bill (which is at Committee Stage in the House of Lords), the Authority must implement a rent reduction of 1% for each of the next four years, starting in 2016/17, and consequently to agree an average weekly rent reduction of 1% to take effect from the first rent week of April 2016.
2. Agree that the element of the rental charge that relates to communal electricity will be removed from the rent (de-pooled) and will be added to the tenanted service charge.
3. Agree that the average weekly tenanted service charge will increase by £0.10 from the first rent week in April 2016, after applying the de-pooling adjustment of communal energy charges referred to in Recommendation 2.
4. Note the risks to the Housing Revenue Account, (HRA) detailed in sections 6 to 8, and note that an updated medium-term financial strategy will be developed for the HRA in response to the various government policies that will have a substantial impact on the HRA.
5. Note that the HRA budget will be presented to Cabinet in February 2016.

### **1. REASONS FOR THE DECISIONS**

- 1.1 The Council must prepare proposals in January and February each year relating to income from rents and other charges, and expenditure in relation to management and maintenance of its housing stock. A decision is required with regard to rents and service charges in January in order that statutory notice can be given to tenants prior to implementation from the first rent week of 2016/17.

### **2. ALTERNATIVE OPTIONS**

- 2.1 Section 21 of the Welfare Reform and Work Bill (which is at Committee stage the House of Lords) requires that, from April 2016, social rents are to be cut by 1% for four years. As this requirement is to be enshrined in legislation, if the Authority did not comply, it would risk the possibility of a legal challenge.

### **3 BACKGROUND**

- 3.1 The Housing Revenue Account (HRA) relates to the activities of the Council as landlord of its dwelling stock. Since 1st April 1990 the Housing Revenue Account has been "ring-fenced". This means that deficits on the Housing

Revenue Account cannot be met from the General Fund. The HRA must remain in balance.

- 3.2 From April 2012, HRA Subsidy was abolished and replaced by self-financing, under which local authorities retain their rental income, but are responsible for meeting all costs relating to council housing.
- 3.3 Under HRA Self-Financing, Local Authorities were able to decide on the level of rent increase that they implemented each year, and although they were expected to have regard to government guidance on the matter, this was not compulsory. However, with the publication of the Welfare Reform and Work Bill, the discretion that Local Authorities previously had in this matter has been removed for the next four years.

#### **4. SOCIAL RENT LEGISLATION**

##### **1% Rent Reduction for Four Years**

- 4.1 As part of the summer budget in July 2015 the Government announced that social rents would be subject to a 1% reduction for four years, starting in April 2016. This announcement was unexpected and came just over a year after the government's 'Guidance on Rents for Social Housing' which - amongst other things - set out a 10 year rent policy of annual rent increases at the rate of the Consumer Price Index (CPI) + 1%.
- 4.2 The 1% reduction will also apply to the 'POD' affordable rents charged on the Council's new-build properties
- 4.3 Local authorities previously had power under section 24 of the Housing Act 1985 to make reasonable charges for the tenancy or occupation of their dwellings. The inclusion of the rent reduction in the Welfare Reform and Work Bill means that local authorities have lost control of their rent setting process for the next four years, with no indication as yet of what the position will be from 2020/21 onwards. As rent is the biggest source of income for the HRA, losing control in this area undermines the principle of HRA Self-Financing, the premise of which was that local authorities would be able to make decisions locally about their HRA 'businesses' and engage in long-term planning.
- 4.6 Section 23(10) of the Welfare Reform and Work Bill states that the Secretary of State may issue a direction that a local authority need not comply with the 1% rent reduction; if "*the Secretary of State considers that the local authority would be unable to avoid serious financial difficulties if it were to comply with section 21*". However, section 23 (12) provides that:

*"The Secretary of State may publish a document about the measures that the Secretary of State considers could be taken by a local authority in order to comply with section 19 and to avoid serious financial difficulties."*

This may indicate that there will be a high threshold with regards to the exercise of the exemption in section 23.

### **Impact on the HRA**

- 4.7 Modelling of the HRA financial position prior to the announcement of the four year 1% rent cut indicated that the Authority had sufficient resources to fund the anticipated capital work investment needed over the 30 year period, as well as its agreed programme of new builds. In addition, projections showed that the level of HRA reserves would increase over the period.
- 4.8 The impact of the 1% rent reduction for each of the next four years was modelled and indicated a loss of rental income over four years of £24 million, and a loss in excess of £400 million over 30 years (this includes inflation). As a result, if no mitigating action is taken, then – on current assumptions - the Authority will not be able to fund all of the anticipated capital works needed over the 30 year period, with a projected shortfall in the region of £130m.
- 4.9 As the September CPI figure is now known it is possible to calculate the precise impact of the 1% rent reduction in 2016/17 compared to that assumed within the HRA Financial Modelling. As the September CPI figure was -0.1%, the impact of a 2016/17 rent cut of 1%, compared to a CPI + 1% rent increase (i.e. 0.9%) is £1.2 million.

## **5. DE-POOLING OF COMMUNAL ELECTRICITY CHARGES**

- 5.1 The Council has previously separated the majority of the elements of the rent that relate to the provision of communal services and recovered the costs of these services via a service charge which makes it more transparent to tenants which services they pay for. This process is known as de-pooling or un-pooling.
- 5.2 Separate service charges mean that the charge paid by a tenant is more closely matched to the service received, similar to that already provided to lessees.
- 5.3 Listed below are the current de-pooled services provided to tenants:
- Heating
  - Hot water
  - Block caretaking
  - Estate caretaking
  - Concierge/CCTV
  - Grounds Maintenance

Apart from block caretaking which is provided to all tenants, not all tenants receive all the amenities.

- 5.4 The above services have already been removed (de-pooled) from the rent charge, leaving communal electricity charges as the final service that is commonly removed from the rent charge by local authorities and billed to tenants separately.
- 5.5 It is proposed that the communal electricity charges are de-pooled from the first rental week of April 2016. Rents will be reduced by the value of the communal electricity charge with a corresponding service charge being levied in its place as appropriate.

## 6. PAY TO STAY

‘Pay to Stay’ – the current (discretionary) scheme

- 6.1 Following a consultation exercise in 2012 social landlords in England were given the ability to charge market or near market rents to households with an income of over £60,000. The Authority has not implemented a discretionary Pay to Stay scheme.

‘Pay to Stay’ – the Housing & Planning Bill

- 6.2 In its Summer Budget 2015, the Government announced its intention to make the ‘Pay to Stay’ scheme compulsory in England. The Housing and Planning Bill (published on 13<sup>th</sup> October 2015, and currently at Committee Stage in the House of Lords) provides some detail of how the scheme will work in practice – this is summarised below.

Mandatory Rents for High Income Social Tenants

- 6.3 Clause 74 of the Bill gives the Secretary of State the power to set the levels of rent that registered providers of social housing ‘must charge’ a high income tenant. The Bill does not define what the rent levels will be; these are to be set out in future rent regulations.
- 6.4 The Government has previously indicated that the policy is ‘likely’ to contain a taper, and the consultation that was published on 9th October 2015 states that: “*A gradual increase in rent for social tenants as their incomes rise may be a fairer system.*” Therefore it seems likely that there will be a taper and that tenants earning just above the threshold may not immediately have to pay market or near market rent.

High Income

- 6.5 Clause 75 relates to ‘high income’ which is to be defined by reference to income thresholds in future rent regulations. In its Summer Budget 2015, the Government indicated that starting income thresholds of £40,000 would apply in London (and £30,000 elsewhere).

## Information about Income

- 6.6 Clause 76 provides that future rent regulations will give registered providers of social housing the power to require their tenants (current and prospective) to declare what their household income is, and that any tenants who do not comply may have their rent raised to the maximum level. Clause 77 permits information to be shared between HMRC and landlords to enable levels of income to be verified.

## Treatment of Additional Income Received

- 6.7 The Policy Costings document published alongside the Summer Budget stated that clause 79 of the Bill requires local authorities to pay the additional rent collected to the Government to contribute towards reducing the deficit.
- 6.8 Clause 79 (5) states that: “*The regulations may provide for assumptions to be made in making a calculation, whether or not those assumptions are, or are likely to be, borne out by events.*” The implication of this is that future rent regulations - and therefore payments made by local authorities to the Government - may be based on assumptions that do not represent the actual position. As there is limited data currently available of how many of the Authority’s tenanted households’ incomes are above £40,000, it may be difficult to challenge future assumptions put forward by the Government.
- 6.9 The government published a consultation document on 9<sup>th</sup> October 2015, requesting views on the income thresholds, and the estimated administrative costs. The consultation states that local authorities will be able to recover any reasonable administrative costs before they are required to return additional income from increased rents to the exchequer.
- 6.10 It is difficult to assess what the costs of administering this policy may be, but possible additional costs that may be incurred are listed below:
- Collecting / recording information on income
  - Dealing with tenancy changes (where required)
  - Pay to Stay rent setting (including affordability checks, support and IT changes)
  - Collection of additional rent – including housing management support / enforcement and transactional costs
  - An increase in bad debts / rent arrears
  - Dealing with appeals from tenants

## Impact on the HRA

- 6.11 A potential side-effect of the Pay to Stay proposals is an increase in Right to Buy applications from households facing a significant rent increase. This in turn would increase the amount of one for one Right to Buy receipts retained by the Authority, leading to additional pressure on the HRA, as under the

terms of the Right to Buy agreement, if the Authority decides to spend one for one receipts itself on replacement social housing, rather than returning them to the Government, then it must contribute 70% of the funding of the schemes.

- 6.12 Until more details are provided, the financial impact on the authority will not be clear, either in terms of the size of the upfront payment(s) that will be due to the Government, or the impact in terms of administering the scheme.
- 6.13 As 80% of the borough's residents earn below £60,000 per annum, it is probable that the income criteria would affect only a small number of the authority's tenants.
- 6.14 The explanatory notes to the Bill state that "*there are approximately 350,000 social rented tenants with household incomes over £30,000 per annum, including over 40,000 with incomes in excess of £50,000 per year.*" Government statistics indicate that there are 4 million social rented homes, therefore a reasonable assumption to make may be that up to 10% of households in social rented accommodation will be affected.
- 6.15 Analysis carried out by Savills in September suggested that 4% of Local Authority and Housing Association tenants may be affected.
- 6.16 Table 1 below shows what the impact may be on the Authority's HRA given a range of scenarios. Given the uncertainties and current lack of detail, this is very indicative modelling at this stage.

	1 Bed	2 Bed	3 Bed	4 Bed	5 bed	TOTAL
<b>Stock numbers/ households</b>	3,927	4,823	2,607	486	83	11,926
<b>2016/17 LBTH Social Rents (reflecting a 1% decrease)</b>	£98	£111	£125	£139	£155	
<b>2015/16 80% of Market rents</b>	£264	£335	£423	£495	£546	
<b>ADDITIONAL RENT TO BE COLLECTED – ASSUMING 80% MARKET RENT LEVIED</b>						
	£'m	£'m	£'m	£'m	£'m	£'m
<b>30% of households affected</b>	9.9	16.5	11.8	2.6	0.5	<b>41.5</b>
<b>25% of households affected</b>	8.3	13.7	9.9	2.2	0.4	<b>34.5</b>
<b>20% of households affected</b>	6.6	11.0	7.9	1.7	0.3	<b>27.6</b>
<b>15% of households affected</b>	4.9	8.2	5.9	1.3	0.4	<b>20.7</b>
<b>10% of households affected</b>	3.3	5.5	3.9	0.8	0.2	<b>13.8</b>
<b>5% of households affected</b>	1.6	2.7	1.9	0.4	0.08	<b>6.9</b>

Table 1– Possible impact of Pay to Stay assuming that 80% of market rent will be charged

	1 Bed	2 Bed	3 Bed	4 Bed	5 bed	TOTAL
<b>Stock numbers</b>	3,927	4,823	2,607	486	83	11,926
<b>2016/17 LBTH Social Rents (reflecting a 1% decrease)</b>	£98	£111	£125	£139	£155	
<b>2015/16 Market rents (100%)</b>	£330	£419	£529	£619	£683	
<b>ADDITIONAL RENT TO BE COLLECTED – ASSUMING MARKET RENT LEVIED</b>						
	£'m	£'m	£'m	£'m	£'m	£'m
<b>30% of households affected</b>	13.9	22.7	16.1	3.6	0.7	<b>56.9</b>
<b>25% of households affected</b>	11.6	18.9	13.4	2.9	0.5	<b>47.4</b>
<b>20% of households affected</b>	9.3	15.1	10.7	2.4	0.4	<b>37.9</b>
<b>15% of households affected</b>	6.9	11.3	8.0	11.8	0.3	<b>28.5</b>
<b>10% of households affected</b>	4.6	7.5	5.3	1.2	0.2	<b>18.9</b>
<b>5% of households affected</b>	2.3	3.8	2.7	0.6	0.1	<b>9.5</b>

*Table 2– Possible impact of Pay to Stay assuming that market rent will be charged*

- 6.17 As can be seen in Tables 1 & 2 above, if the Government makes the assumption that between 4% and 10% of the Council's tenanted households should be paying a higher rent (see paragraphs 6.14 & 6.15), the amount to be levied payment could be between £6.9 million and £18.9 million, depending on whether 80% or full market rent is assumed.
- 6.18 The Bill does not indicate that there will be a clawback mechanism available to local authorities if payments made to the Government are more than the additional amount of rental income that was actually due. Similarly it is not clear what will happen where additional rent owed to the Authority is not collected – the assumption may need to be made that this would be a cost borne by the Authority.
- 6.19 The Pay to Stay policy will come into effect in 2017/18, therefore, it will be prudent to include an annual sum in the HRA Medium Term Financial Plan from 2017/18 onwards to represent the gap between what the Authority will pay to the Government, and what it will be able to collect. This gap may arise (1) because the Government assumes a higher level of additional rent is due than is actually the case, or (2) because the Authority is not able to collect all of the additional rent levied.
- 6.20 The research carried out by Savills in September suggested that, in London, of the estimated 27,000 tenants affected by Pay to Stay, 60% will not be able to afford to pay market rent or exercise the Right to Buy.

## **7. SALE OF HIGH VALUE VOID STOCK**

- 7.1 The government has announced its proposal to extend the right to buy to 1.3 million housing association tenants; the policy is contained in the Housing and



Planning Bill (published on 13<sup>th</sup> October 2015, and currently at Committee Stage in the House of Lords).

- 7.2 The extension of the Right to Buy will have an impact on local authorities as the government intends the policy to be funded from the sale of high value Council stock when it becomes void.
- 7.3 There have been reports that the Right to Buy will be phased in gradually so the government can cope with demand. This may be as a result of indications that the policy will cost more than expected.
- 7.4 Clause 62 of the Housing and Planning Bill refers to local authorities being required to make a payment to the Government, representing the market value of the high value stock that is estimated to become vacant during the year. Local authorities will therefore make upfront payments based on assumptions about the number of their high value properties that will become void. Although Clause 69 includes a duty on the local authority to ‘*consider selling its interest in any high value housing that has become vacant*’, presumably a local authority could choose not to do so, in which case it would need to find an alternative way to finance the payment to the government.
- 7.5 Clause 67 provides that the Secretary of State and a local housing authority may enter into an agreement to reduce the amount paid; such an agreement will require the amount of the reduction to be used for “*the provision of housing or things that facilitate housing*”. There is no further detail about what terms and conditions will be included.
- 7.6 The intention is that monies raised from high value voids will be used to fund the Right to Buy discounts given to Housing Association tenants, provide replacement affordable housing on a one for one basis, and establish a Brownfield Regeneration Fund.
- 7.7 At the moment there is no detail about how this policy will work in practice, or how the receipt from the sale of any local authority stock will be split between the local authority, the government, and/or housing associations. Therefore at this stage, it is not possible to assess the impact that this policy may have on the Authority.
- 7.8 Table 3 below shows thresholds for London as set out by the Conservative Party in an April 2015 press release.

<b>Bed Size</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5+</b>
Market Value Threshold	£340,000	£400,000	£490,000	£790,000	£1,205,000

Table 3 – Possible market value thresholds in London

- 7.9 Initial modelling showed that, out of its total stock of approximately 12,000 dwellings, the Authority currently has 527 properties that are above the London thresholds; this equates to 4.1% of the stock. Table 4 below shows the breakdown.

<b>Bed Size</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5+</b>	<b>TOTAL</b>
No. of 'High Value' properties	40	211	261	12	-	<b>527</b>
% of LBTH properties which are 'High Value'	1.2%	4.4%	10.0%	2.5%	-	<b>4.1%</b>
No. of void properties - 2014/15	123	139	49	7	1	<b>357</b>
Void properties above the market value threshold	-	11	5	-	-	<b>16</b>

*Table 4 – Estimated number of LBTH properties above the 'High Value' threshold – and the number that would have had to be considered for sale in 2014/15*

- 7.10 Table 4 also shows the breakdown of the 357 properties that were void at some point in 2014/15; if this policy had been in place during that year, 16 properties which became void and were above the thresholds in Table 4 would have had to be considered for sale. The total market value of these was £7.7 million (an average of just over £481,000 each).
- 7.11 Research carried out by Inside Housing magazine showed big differences in the estimated impact on local authorities; for example, in London, Camden predicted that 34% of its stock would be classified as 'high-value', whereas Barking & Dagenham, Hillingdon and Croydon all estimated that none of their stock would be classified as 'high-value'.
- 7.12 It is possible that in order to avoid this unequal effect, the Government will decide to set thresholds for each local authority area rather than having absolute values. Such an approach could be seen as being fairer, however, if this were the case then the impact on the Authority may be more substantial than initially modelled.
- 7.13 The Government is currently undertaking an information gathering exercise, and until further detail is forthcoming the impact on the Authority will be unknown.

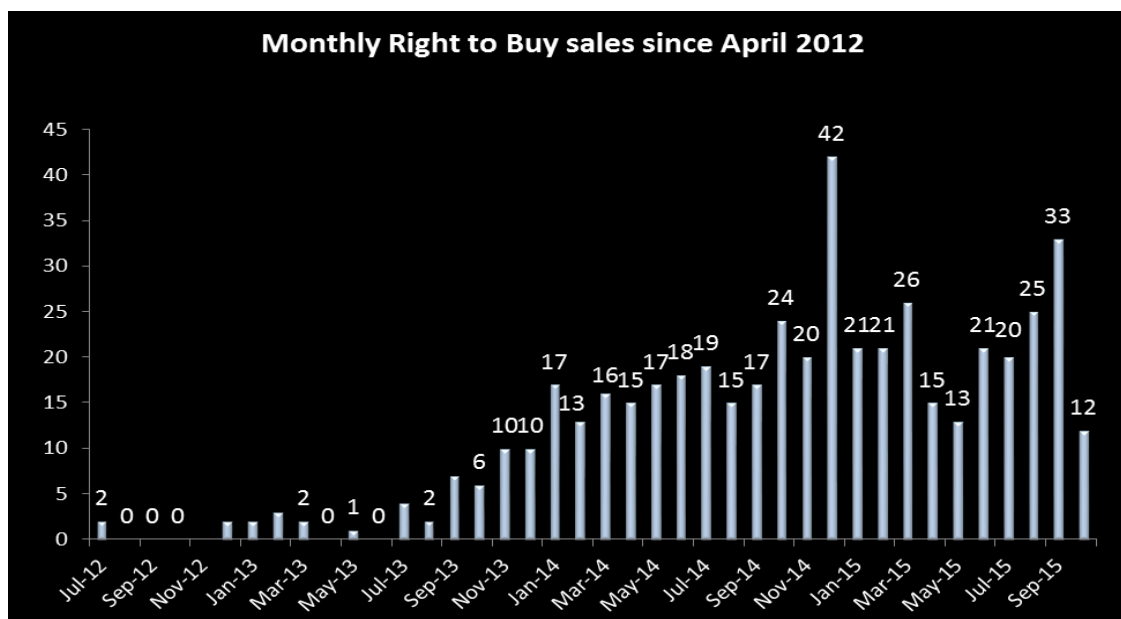
## **8. RIGHT TO BUY**

### Right to Buy Applications

- 8.1 Between April 2012 and the end of October 2015, there were 2,728 Right to Buy applications.

### Right to Buy Sales to Date

- 8.2 Between April 2012 and the end of October 2015 there were 480 RTB sales; Graph 4 shows the number of sales each month since April 2012.



Graph 1 – 480 Right to Buy sales have taken place since April 2012

### Future Right to Buy Sales

- 8.3 The 2015/16 budget assumes that there will be 150 sales in 2015/16, however judging by the current level of sales it is currently anticipated that between 250 and 300 sales will take place this year. This higher level of disposals is incorporated into the reported budget monitoring projections (see paragraph 10.1). Current modelling assumes that there will be 100 RTB sales in 2016/17, and 50 a year thereafter, however these assumptions may need to be increased in the light of the current number of live RTB applications, and the possible impact of Pay to Stay.

### Right to Buy Receipts

- 8.4 The Authority has an agreement with the Secretary of State allowing it to retain a proportion of Right to Buy receipts to be spent on replacement social housing. As at the end of Q2 of 2015/16, the Authority has £36.6 million of one for one retained receipts, the breakdown of which is show in Table 5.

RTB Sales	Quarter Received	Retained one for one Receipts (30%) £	Spend needed on social housing £	Spend Deadline	Council resources needed (70%) £	Cumulative spend needed on social housing £
1	2012/13 – Q1	-	-	-	-	-
2	Q2	-	-	-	-	-
2	Q3	-	-	-	-	-
7	Q4	-	-	-	-	-
1	2013/14 – Q1	-	-	-	-	-
13	Q2	-	-	-	-	-
26	Q3	1,503,000	5,010,000	31/12/16	3,507,000	5,010,000
46	Q4	3,508,000	11,693,000	31/03/17	8,185,000	16,703,000
50	2014/15 – Q1	3,480,000	11,600,000	30/06/17	8,120,000	28,303,000

RTB Sales	Quarter Received	Retained one for one Receipts (30%) £	Spend needed on social housing £	Spend Deadline	Council resources needed (70%) £	Cumulative spend needed on social housing £
51	Q2	4,246,000	14,153,000	30/09/17	9,907,000	42,456,000
86	Q3	7,065,000	23,550,000	31/12/17	16,485,000	66,006,000
68	Q4	6,115,000	20,383,000	31/03/18	14,268,000	86,389,000
49	2015/16 – Q1	4,024,000	13,413,000	30/06/18	9,389,000	99,802,000
78	Q2	6,660,000	22,222,000	30/09/18	15,540,000	122,024,000
<b>480</b>		<b>36,601,000</b>	<b>122,024,000</b>		<b>85,401,000</b>	
<b>PLUS PROJECTED SALES FOR THE REMAINDER OF 2015/16</b>						
50	2015/16 – Q3	4,000,000	13,333,333	31/12/18	9,333,333	135,357,000
50	Q4	4,000,000	13,333,333	31/12/19	9,333,333	148,670,000
		<b>44,601,000</b>	<b>148,670,000</b>		<b>104,069,000</b>	

Table 5 – Summary of current and projected retained one for one RTB Receipts

8.5 At its meeting on 6<sup>th</sup> October 2015 the Mayor in Cabinet agreed a strategy for using the one for one receipts, including the following:

- to return Greater London Authority (GLA) grant and additional borrowing awarded under the Local Growth Fund in relation to new build schemes at Ashington East, Hereford, Locksley, Baroness Rd and Jubilee St, and to re-model the sites, as well as two additional sites at Tent St and Arnold Rd; the intention is that these schemes will use one for one receipts
- to adopt a capital estimate of £27.3 million to purchase up to 85 former social housing leasehold and/or freehold units
- to agree a capital estimate of £7.06 million for a Local Affordable Housing Grant scheme (subject to the Commissioners' approval)

8.6 As the tenure mix on the re-modelled sites is yet to be determined, it is not currently clear how much of the one for one receipts will be used (receipts can only be used to part-fund affordable rented units). The maximum use of one for one receipts if all the schemes listed in paragraph 8.5 were to go ahead in conjunction with the £4.554 million being applied towards the 100 social units being developed on the Poplar Baths / Dame Colet House sites, would total over £54 million (compared to £36.6 million of one for one receipts currently held).

8.7 The level of RTB activity remains high, with 947 live applications as at the end of October 2015. If there are another 100 RTB sales in the remaining two quarters of the year, there could be an additional £8 million of one for one receipts by the end of 2015/16. This would mean that the Authority would have one for one receipts of £44 million, leading to the need to spend a total of over £148 million on replacement social housing by the end of 2018/19 (see Table 5 above).

- 8.8 It is anticipated that if all the schemes outlined at paragraph 8.5 go ahead, most, if not all, of the HRA's borrowing headroom will be needed to contribute towards the remaining 70% that the Authority must fund.
- 8.9 Once the Authority's HRA borrowing has been used, the Authority will have very limited resources available to fund 70% of the cost of replacement social housing from further one for one receipts. Once the HRA is unable to deliver replacement social housing to use up future one for one receipts, the Authority will need to consider one or more of the following options:
- a) consider alternative delivery models that could use the receipts
  - b) pass future one for one receipts to a third party
  - c) return future one for one receipts immediately (to avoid interest charges);

## **9. WELFARE REFORM**

9.1 The main changes that will affect THH tenants are:

- (1) Benefit Cap
- (2) Universal Credit and Direct Payments

### Benefit Cap

9.2 This came into effect in Tower Hamlets on 12<sup>th</sup> August 2013. Under the new rules:

- No family household will receive benefits totalling more than £500 per week
- No single person household will receive more than £350 per week

9.3 In its Summer Budget the Government announced that the Benefit Cap in London will reduce from £26,000 to £23,000.

### Universal Credit

9.4 Universal Credit (UC) is a welfare benefit launched in 2013, which replaces six means-tested benefits and tax credits: Jobseeker's Allowance, Housing Benefit, Working Tax Credit, Child Tax Credit, Employment and Support Allowance and Income Support. Universal Credit can only be applied for online and will be paid monthly directly to only one member of the household, except in exceptional circumstances.

9.5 As part of Tranche 1 of the implementation, from March 2015 Universal Credit was rolled out to new, single applicants in Tower Hamlets. It is estimated that approximately 100 Council tenants are claiming Universal Credit.

9.6 It is not yet known when Universal Credit will be rolled out more widely within the borough, therefore the cumulative impact on the HRA will not be clear until the various reforms all take effect.

- 9.7 Provision was made in the 2015/16 budget for an anticipated increase in the amount of bad debt, but it is now expected that this level of provision will not be fully required as the implementation dates for Universal Credit and Direct Payments have slipped. However, it is recommended to maintain an increased level of provision for bad debts over the next few years as the reforms take effect.

## **10. HRA BUDGET 2015/16 & 2016/17**

- 10.1 The latest HRA budget monitoring for 2015/16 is elsewhere on this agenda; current projections are for a forecast year-end underspend of £0.798m.
- 10.2 The 2016/17 HRA estimates will be considered by Cabinet in February.
- 10.3 Given the uncertainty arising from the recent Housing and Planning Bill, as well as the four year rent cut, it is recommended that the Authority should plan to make initial savings within the HRA of a minimum of £1 million in 2016/17, and an additional £2 million in 2017/18. Modelling shows that this level of savings would mean that the HRA would stay in balance each year, although there would still be a shortfall of £34 million in the funding available to finance the capital programme.

## **11. HRA MEDIUM TERM FINANCIAL STRATEGY**

- 11.1 The cumulative impact of government policies that have come into effect or been announced since April 2012 is on such a scale that it is necessary to carry out a review of the HRA medium term financial strategy. The HRA is now operating in a very different environment; arguably the idea of Self-Financing has – to all intents and purposes – been extinguished by successive policy announcements, particularly the requirement to cut the rent for four years and the loss of stock through the reinvigorated Right to Buy scheme, and, now, the sale of high value void stock.
- 11.2 The Authority will therefore need to reconsider its strategic priorities, and agree a new financial strategy to reflect these.

## **12. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 12.1 The report asks the Mayor in Cabinet to note that, under section 19 of the Welfare Reform and Work Bill (which has recently had its Second Reading in the House of Lords), the Authority must implement a rent reduction of 1% for each of the next four years, beginning in 2016/17, and in view of this to agree an average weekly rent decrease of 1%. This equates to an average rent reduction of £1.11 for 2016/17.

- 12.2 The Government's previous rental policy that was adopted in 2014 for a ten year period, was that the annual rental increase would be set in line with the Consumer Price Index (CPI) +1%. The relevant CPI figure related to that from the September preceding the year of the rent increase. This would have led to a 0.9% rental increase for 2016-17 compared to the 1% decrease that is now to be implemented. As noted in paragraph 4.9, the impact of this is a loss of total rental income of approximately £1.2 million in 2016-17 compared to that which would have been generated under the previous policy.
- 12.3 The cumulative impact on the HRA over the longer term has been estimated to be in the region of £24 million over four years compared to the financial modelling that was undertaken as part of the 2015-16 budget process. This is because after four years of 1% rent cuts the rental base will be substantially lower than it would have been if the previous rent policy of CPI + 1% were still in place.
- 12.4 It should be noted that this report has been written while the Welfare Reform and Work Bill is still being considered by the House of Lords, and therefore in advance of it being adopted within statute. The council's rental increase is approved by Cabinet in January of each year to ensure that the Council's decision making process can be followed, as well as enabling time for the preparation and despatch of rent notifications to ensure that tenants are given the statutory notice of the rent level that will apply for the following financial year.
- 12.5 Recent Government announcements have also set out a number of additional policies that will affect the delivery of social housing. Currently the impact on the Housing Revenue Account is not quantifiable until the specific legislation is adopted and detailed guidance on the proposals is published. However, due to the rent reduction, the possible impact of the Pay to Stay rent policy and the Sale of High Value voids (detailed in sections 6 & 7) it is recommended that the Authority should initially plan to make HRA savings of a minimum of £1 million in 2016/17, and an additional £2 million in 2017/18. However, given the cumulative impact of the various government policies, a revised HRA strategy will also be needed.
- 12.6 The report also asks the Mayor in Cabinet to agree that the communal electricity element within the rent charge will be de-pooled and instead classified as a tenant service charge. This is the final element of the rental charge that has not been depooled and will ensure that the Authority is able to recover all the expenditure that it incurs on communal electricity. The ability to fully recover these charges will be particularly important if energy prices increase in future years. If this charge was not de-pooled from the rent then any increase in costs could not be recovered due to the need to reduce rents by 1% per year. It is estimated that the average annual element of the rental charge that relates to communal electricity charges is approximately £60 per property.
- 12.7 The report requests that an average weekly increase in tenanted service charges of £0.10 is agreed, after applying the adjustment for the depooling of

the communal electricity charges. This increase is consistent with the September Retail Price Index rate of 0.8%.

- 12.8 The HRA Budget report for the 2016-17 financial year will be considered by Cabinet in February. The report will also seek approval for the management fee that will be payable to Tower Hamlets Homes for managing the housing stock on the Council's behalf.

### **13. LEGAL COMMENTS**

- 13.1 The report seeks agreement to rent increases in amounts specified in Recommendation 1. The Council has power under section 24 of the Housing Act 1985 to make reasonable charges for the tenancy or occupation of its houses. The Council is required to review from time to time the rents that it charges for the tenancy or occupation of its dwellings.
- 13.2 The Council may increase the rent for its tenants by giving four weeks' notice. The notice period appears from section 103(4) of the Housing Act 1985, but also from the terms of the Council's standard tenancy agreement.
- 13.3 The Council is subject to an obligation under Part VI of the Local Government and Housing Act 1989 to maintain a housing revenue account (HRA). 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 repair, 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 this regard, the report correctly identifies the effect of Chapter 3 of Part 7 of the Localism Act 2011 regarding self-financing. When determining the rent it will charge, it is reasonable for the Council to have regard to the matters set out in the report, relevant to self-financing and other matters relevant to the likely income to the HRA. The report refers to the new Government rent policy set out in the 'Guidance on Rents for Social Housing'. Whilst the guidance does not have statutory force, the government has stated that it expects local authorities to have regard to it when setting their rent levels for 2015 onwards. The report contains a detailed comparison of the benefits to the Council of setting rents for 2015-2016 using the previous rent policy. This can be seen as a proper exercise of the Council's power under section 24 of the Housing Act 1985 and justification for a departure from the new government rent policy. However the Council should be mindful of the possibility of a legal challenge by way of judicial review in respect of any decision to set rent levels that do not comply with government policy.
- 13.4 Before setting rents as proposed in the report, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those



who don't. Information relevant to these considerations is contained in the One Tower Hamlets section of the report and in Appendix 1.

#### **14. ONE TOWER HAMLETS CONSIDERATIONS**

- 14.1 A detailed equality impact assessment is attached at Appendix 1. This identifies that the rent decrease, which will apply equally to all tenants, will in practice have some differential impacts by reference to the protected characteristics under the Equality Act 2010. For example, a greater proportion of men occupy bedsits than women, when compared to the general population. Any such differential impact is considered to be a proportionate means of maintaining the Housing Revenue Account and continuing to provide housing services in a fair way, for reasons given in the equality analysis in Appendix 1.

#### **15. BEST VALUE (BV) IMPLICATIONS**

- 15.1 Draft estimates for the 2016/17 HRA budget will incorporate any savings agreed by Cabinet, and those necessary to ensure that the HRA remains in balance in 2016/17. The draft estimates will be presented to Cabinet in February.

#### **16. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT**

- 16.1 There are no specific implications arising directly from this report, however the Housing Revenue Account does finance initiatives to promote and maintain a greener environment. These are managed by Tower Hamlets Homes.

#### **17. RISK MANAGEMENT IMPLICATIONS**

- 17.1 With the introduction of Self-Financing, Tower Hamlets is responsible for running its HRA as a viable business, using HRA income in order to fund all HRA expenditure, including the capital works necessary to maintain and improve the housing stock, and the Decent Homes programme.
- 17.2 Various areas of risk and uncertainty are highlighted in sections 4, and 6 to 9. Over the next few months, it will be essential that the HRA medium-term financial strategy be reviewed, and updated to reflect the numerous policy changes and economic conditions.

#### **18. CRIME AND DISORDER REDUCTION IMPLICATIONS**

- 18.1 There are no specific crime and disorder reduction implications arising directly from this report, however the Housing Revenue Account does finance various

crime prevention and safety initiatives which are managed by Tower Hamlets Homes.

## **19. SAFEGUARDING STATEMENT**

19.1 There are no specific safeguarding implications arising directly from this report.

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### **Linked Reports, Appendices and Background Documents**

#### **Linked Report**

- None

#### **Appendices**

- Appendix 1 - Equalities Impact Assessment

#### **Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012**

- None

#### **Officer contact details for documents:**

- n/a

#### **Originating Officers and Contact Details**

<b>Name</b>	<b>Title</b>	<b>Contact for information</b>
Katherine Ball	Senior Accountant (HRA)	020 7364 0997

# Equality Analysis (EA)

## Section 1 – General Information

### Name of the proposal including aims, objectives and purpose:

#### 2016/17 Rent Review

As part of the Welfare Reform and Work Bill currently progressing through Parliament, Social Housing providers are obliged to reduce rents payable by tenants by 1% compared to the rent payable in the preceding year. The Welfare Reform and Work Bill requires a 1% rent cut for four years, starting in April 2016, therefore the 2016/17 rent report notes that for all Council Social Housing stock, average weekly rents will decrease by 1% from 1st April 2016.

In the current economic environment any rent decrease may be considered to have a beneficial effect on social tenants.

Under HRA Self-Financing, the Council is responsible for financing all council housing expenditure from its HRA income streams. The proposed rent decrease will reduce the level of resources available to fund the expenditure necessary to manage, maintain and improve the Council's housing stock, including the capital investment programme that will bring the Council's stock up to the Decent Homes standard and maintain that standard over a 30-year period.

It is estimated that four years of rent cuts will reduce the level of HRA resources by over £20 million over four years, and by over £90 million over 10 years. The Council will need to re-consider its HRA Medium Term Financial Strategy and will need to identify savings in order to ensure that the HRA remains in balance, as legally it must do. This could mean reductions to the provision of HRA services and/or to the capital investment programme. This could severely impact on our ability to achieve Decent Homes as well as services supporting vulnerable residents.

#### Notes:

Under **HRA Self Financing**, there has been a substantial change in the way in which Tower Hamlets' HRA is financed. The annual HRA subsidy system has been abolished, and the Council now retains all HRA income but is responsible for financing all HRA expenditure. The requirement to implement a rent cut for four years is not consistent with the assumptions in the Self-Financing Settlement, which assumed above inflation rent increases throughout the 30 year period (see below).

**Rent Convergence** Under the original proposals announced in 2000, similar properties would be charged similar rents by 2012 (the date was subsequently moved to 2015), regardless of whether the property was owned by the local authority or a social housing provider; this is known as rent convergence. The HRA Self-Financing Final Settlement assumed that Authorities would continue with rent restructuring, and then implement rent increases of RPI (retail price index) + 0.5% each year after that for the remainder of the 30 year period.

The formula for calculating rent increases in order to follow rent restructuring for local authorities was RPI + 0.5% plus £2 per week. The reference point for RPI was the September in the year preceding the start of the financial year to 31 March.

The government ended rent convergence one year earlier than previously anticipated - in 2014/15 rather than in 2015/16 – and last year introduced a 10 year rent policy which linked future rent increases to CPI (consumer price index) + 1%.

The 10 year rent policy has now been superseded by the Welfare Reform & Work Bill.

**Who is expected to benefit from the proposal?**

The rent decrease will directly benefit all tenants in properties to which the rent decrease is applied. (i.e. council tenants).

That said, rent deductions have an impact on local authority housing finances, as all rental income is used to fund housing management services and the Housing Capital Programme. The Housing Capital Programme is the means by which the housing stock is bought up to, and maintained at a Decent Homes standard. If the shortfall in income (resulting from a reduction in rent) is not met, there could be adverse consequences on the scale and speed regarding planned works in housing capital programme and for those tenants who are in non-decent homes.

Is this a policy or function? Policy  Function

Is this a new or existing policy or function? New  Existing

Is the policy or function strategic, developmental or operational/functional?

Strategic  Developmental  Operational/Functional

**Date when the original policy/function was initiated:** Council housing, for which tenants paid a lower market rent, was developed as early as 1919 when council homes were built to meet general needs.

**Date on which the policy/function is to be reviewed:** Rent levels are reviewed on an annual basis. The last rent review was approved by Cabinet in February 2013.

Names and roles of the people carrying out the Equality Analysis:

Andy Simpson – Directorate Equalities Lead  
 Katherine Ball – Senior Accountant (HRA)  
 Aman Berhanu – Resources and Business Support Analyst, Tower Hamlets Homes  
 Beverley Greenidge – Head of Rents, Tower Hamlets Homes  
 James Caspell – Customer Insight Officer, Diversity, Tower Hamlets Homes

**Section 2 – Evidence****Key Findings**

From the perspective of the tenant, the rent decrease will be viewed as having a positive impact. The Equalities Assessment is undertaken from this perspective and has been assessed as not having a disproportional adverse effect on any specific group, although since the reduction is a flat 1% reduction across all stock, those residents in larger properties, with higher rents will see the largest weekly reduction in rent paid

A rent decrease of 1% in Council rents will be in place from 1st April 2016.

Decreases for 2015/16 have been calculated in accordance with the Welfare Reform and Work Bill's proposal to reduce rents by 1%

The actual amount of decrease as a proportion on current rent will vary across property sizes. Smaller properties tend to have a smaller rent decrease than larger units e.g. (studio and one bed units). (See Annex A: Table 10 – Average Increase per dwelling - by bedside).

The rent decrease is applied to all Council dwellings and has no bearing on the profile of the tenants, age, race gender etc. The rent increase does not target or disproportionately affect any group of people based any of the protected characteristics. Despite this, the distribution of various characteristics amongst larger properties is not even, thus meaning that while the variation will be minimal, the impact of this policy in real terms will not be equal.

As at the end of March 2015 there were 12,085 LBTH dwellings, managed by Tower Hamlets Homes (ALMO), housing 14,142 residents. Profile of Council tenants is set out in Annex A: to this document.

In 2013 the median gross income of Tower Hamlets residents was £30,850. (Source: Median household income CACI Paycheck data 2013).

Tenants in rent arrears, would previously have been negatively impacted upon by rent increases, potentially causing those in rent arrears, to potentially fall further behind. Appendix D outlines the breakdown of these residents which the policy may be seen as positively impacting upon. Since a rent deduction is being proposed, this policy will particularly alleviate any residents in arrears

While a rent reduction will impact positively on all tenants, they will also impact on local authority housing finances, since all rental income is used to fund housing management services and the Housing Capital Programme. The Housing Capital Programme is the means by which the housing stock is bought up to, and maintained at a Decent Homes standard. If the shortfall in income (produced by a reduction in rent) is not met, there could be adverse consequences on the scale and speed regarding planned works in housing capital programme and for those tenants who are in non-decent homes.

## Evidence Base

The following evidence was considered to help us to think about the impacts or likely impacts on service users.

### Tenant Profiles

Tenant profile by Ethnicity  
 Tenant profile by Gender  
 Tenant profile by Age  
 Tenant profile by Disability  
 Tenant profile by Religion & Belief  
 Tenant profile by Sexual Orientation  
 Tenant profile by Gender Re-assignment  
 Tenant profile by Marriage/Civil Partnership  
 Pregnancy & Maternity

### Rent Analysis

Average Increase per dwelling - by bedsize (2016/17)  
 Social Rent Cap Levels (Registered Social Landlords)  
 Comparison of Average Rent & Social Rent Cap Levels

Rent Charge Comparison (2016-17)  
 Average actual rent /average rent charge (2016/17)

### Housing Benefit Analysis

Nos. & % Tenants claiming Housing Benefit  
 Housing Benefit by Ethnicity  
 Housing Benefit by Gender  
 Housing Benefit by Age  
 Housing Benefit by Disability  
 Housing Benefit by Religion & Belief  
 Housing Benefit by Sexual Orientation  
 Housing Benefit by Gender Re-assignment  
 Housing Benefit by Marriage/Civil Partnership  
 Housing Benefit by Pregnancy & Maternity

### Property & Tenant Profile Analysis

Stock Profile by bedsize  
 Property Bedsize by Ethnicity  
 Property Bedsize by Ethnicity  
 Property Bedsize by Gender  
 Property Bedsize by Age  
 Property Bedsize by Disability  
 Property Bedsize by Religion & Belief  
 Property Bedsize by Sexual Orientation  
 Property Bedsize by Marriage/Civil Partnership  
 Property Bedsize by Pregnancy & Maternity

### Community and Population Data (Tower Hamlets, 2011 Census)

Borough Population by Ethic group  
 Borough Population by Religion  
 Borough Population by Disability  
 Borough Population by Gender  
 Borough Population by Age

**Section 3 – Consideration of data and research  
Identifying Differential / Adverse Impacts**

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
Race	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of race.</p> <p>People of Bangladeshi origin make up the largest percentage of tenants at 43.61%, people of white ethnicity making up the second largest group at 20.26%. Consequently, the impact of a rent reduction will have a higher impact upon residents of this background. This is generally reflective of the general make-up of the wider Tower Hamlets population, of which those of Bangladeshi origin are the largest group at 32% and White British as the second largest ethnic group at 31%.</p> <p>Whilst all households are affected. Those in larger r properties (5 bed +) are likely to see larger decreases in the total amount of rent paid rent than those in smaller properties. Families of Bangladeshi descent tend to occupy larger family sized accommodation where the actual amount reduced is larger even though the % reduction is 1%, the same as across all properties.</p> <p>Just over 1.56% of all tenants of Bangladeshi origin are housed with 5 bedrooms or more, higher than the TH tenant average of 0.82%, which is a likely to be due to variations in family size.</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of race, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the grounds of race</p>
Disability	P	<p>The rent increase does not have a disproportionately adverse/positive effect on the grounds of disability.</p>

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
		<p>Records indicate that approximately 18.72% of tenants have a disability and will benefit from the 1% rent reduction. This is a little higher than the general population reflected in the 2011 census data which illustrates that 13.58% of residents have conditions which impact upon day to day activities either 'a little' or 'a lot'. This differential is likely to be a result of those with disability being increasingly likely to be within social housing due to being in priority need when making an application.</p> <p>Whilst all households are affected. Those in larger properties (5 bed +) are likely to see larger decreases in the total amount of rent paid rent than those in smaller properties. 0.83% of disabled tenants live in a property with 5 bedrooms or more, similar to the TH Tenant average of 0.82%, outlining there are no disproportionately favourable outcomes for this characteristic</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of disability, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the grounds of disability</p>
Gender	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of gender.</p> <p>Females make up 55% of tenancy holders. Gender is not a consideration in the way the rent increase is applied. Whilst women comprise the greater proportion of those impacted by the rent increase this is because women make up more than half of the tenancy holders,</p> <p>It is noted that the rent decrease is proportionately larger for occupants in larger properties. These tend to be occupied by females. 55.9% of females occupy flats with 5 bedrooms or more, in comparison with 44.1%</p>



<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
		<p>men, with this trend being carried across properties with more than 5 bedrooms.</p> <p>It is noted that the male/female ratio of tenancy holders is the reverse of the wider population, in that the population of Tower Hamlets is 51.5 % men and 48.5 % women (Census 2011). This anomaly is likely to be due to housing acceptance policy favouring applicants in priority need with children or who are pregnant, who are more likely to be women than men.</p> <p>0.83% of all females occupy a 5 bedroom property in comparison to 0.82% of men. The rates for males and females were similar for properties with 6 bedrooms +.showing these is no real favourable outcome</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of gender, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the grounds of gender</p>
Gender Reassignment	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of gender re-assignment.</p> <p>The collection of data is continually improving in this area, however a large percentage of tenants still prefer not to provide this information. Of the data collected 0.14% have declared a re-assignment of gender.</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of gender; the decrease is not considered to have a disproportionate advantage/disadvantage effect on the grounds of gender re-assignment.</p>
Sexual	P	<p>The rent increase does not have a disproportionately adverse effect on tenants of a specific sexual</p>

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
Orientation		<p>orientation.</p> <p>56.07% of tenants indicate a sexual orientation of heterosexual; with a large percentage (26.28%) preferring not to say, however, sexual orientation has no bearing of the application of the rent increase.</p> <p>It is noted that the rent decrease is proportionately larger for occupants in larger properties. These tend to be occupied by heterosexuals. 0% of all gay/lesbian tenants occupy a 5 bedroom property or above, it is expected this is to do with gay men/lesbian women being within smaller family units.</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of sexuality, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the ground of sexuality.</p>
Religion or Belief	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of their Religion or Belief.</p> <p>The 2011 Census revealed that 35% of LBTH citizens are of the Muslim faith, with the second largest faith in LBTH as Christian (27%). The tenant profile information confirms this trend is similar although the percentages differ, with 47.23% of tenants of a Muslim faith and 15.67% of Christian faith. The faith of approx. 29.65% of tenants is unknown as a number chose not to disclose this information.</p> <p>Whilst all households are affected. Those in larger r properties (5 bed +) are likely to see larger decreases in the total amount of rent paid rent than those in smaller properties. Just over 1.50% of all tenants of Muslim religion are housed with properties of 5 bedrooms or more, higher than the TH tenant average of 0.82%. These variations are similar, and tied to variation set out under the 'race' section of this analysis, with families of Muslim religion tend to occupy larger family sized accommodation.</p>

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
		<p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of religion, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the ground of religion.</p>
Age	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of age.</p> <p>The tenant profile data shows that the largest proportion as being those who are over 60 years old, who constitute 30.26% of all tenants. This is significantly higher than the distribution of this group across the borough population, with census data illustrating only 8.4% of all residents as being over 60 years old. Looking at the wider population the rent decrease while favouring those who are over 60, does not do so disproportionately as the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of age, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the ground of age.</p>
Socio-economic	P	<p>There is currently no collection of data from tenant on their socio economic status.</p> <p>Social Housing is generally the preferred option for people on lower incomes. This is reflected in the fact that approx. 69.4% of tenants are in receipt of some Housing Benefit.</p> <p>The Benefits Cap while already is due to be reduced from £26,000 to £23,000 as part of the Welfare Reform and Work Bill. This would suggest that for a number of residents, those in larger more expensive accommodation, while rent will be reduced by 1% the potential level of benefit received to pay for accommodation is likely to decrease also.</p> <p>44.12% of all tenants are currently in some form of rent arrears of which a 1% decrease in rent will positively</p>

<b>Target Groups</b>  What impact will the 'new' or 'significantly' amended policy or function have on specific groups of service users?	<b>Impact – Positive or Adverse</b>	<b>Reason(s)</b> <ul style="list-style-type: none"> <li>• Please add a narrative to justify your claims around impacts and,</li> <li>• Please describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making</li> <li>• Can the negative impact be justified on the grounds of promoting equality?</li> </ul>
		impact upon.
Marriage and Civil Partnerships.	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of marriage or civil partnership.</p> <p>The marital &amp; civil partnership status of approx. 76.7% of tenants is unknown as a number chose not to disclose this information</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of marital/civil partnership status, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the ground of marital/civil partnership status.</p>
Pregnancy and Maternity	P	<p>The rent decrease does not have a disproportionately positive effect on tenants on the grounds of pregnancy or maternity status.</p> <p>The application of the rent increase cannot be affected by the tenant's situation regarding pregnancy or maternity responsibilities.</p> <p>On the basis that the decreased rent charge is applied to the property, not the occupant, i.e. it applies to the tenant regardless of pregnancy/maternity status, the decrease is not considered to have a disproportionate advantage/disadvantage effect on the ground of this characteristic</p>

**Section 4 – Conclusions and Recommendations**

From the analysis and interpretation of evidence in Section 2 and 3 – Is there any evidence of or view that suggests that different equality or other target groups have a disproportionately high/low take up of the service/function?

Yes?  No?

**Section 5 – Action Plan and Monitoring Systems**

<b>Recommendation</b>	<b>Key activity</b>	<b>Progress milestones including target dates for either completion or progress</b>	<b>Officer responsible</b>	<b>Progress</b>
Inform all tenants of Rent change in February.	Mandatory notice February		THH Rent Teams	
Inform tenants in March what they need to pay taking into account their new housing benefit entitlement from April	<p>Work with Housing Benefit to identify new awards.</p> <p>Have all letters checked and ready to be posted prior to the change to ensure tenants know what to pay from April.</p>		THH Rent Teams	
Provide tenants with explanation of the rent change with the offer of support.	Design and prepare insert to be sent out with the mandatory notice in February and with the notice in March. Leaflet to offer support where tenants feel they will struggle with the change.		THH Rent Teams	
Provide adequate staffing levels when notices are sent out in order to deal with increased contact generated.	Create customized rota and reduce annual leave for the selected period to ensure adequate staffing levels.		THH Rent Teams	
Inform front line staff from other departments of the changes in order to manage enquiries.	Provide front line Staff with FAQ's in order to respond to queries and sign post tenants to the relevant department.		THH Rent Teams	

<b>Recommendation</b>	<b>Key activity</b>	<b>Progress milestones including target dates for either completion or progress</b>	<b>Officer responsible</b>	<b>Progress</b>
Identify new impacted cases early as possible to provide advice to tenants on benefits on potential on entitlements	Work with Housing Benefit to identify cases as and when they are impacted and not when they fall into arrears. Hold 'Welfare Reform surgeries' 3 times a week. Book appointments with tenants		THH Rent Teams	
Revisit and monitor all cases affected by BC and BT, provide help, support and advice	<ul style="list-style-type: none"> <li>- Assess if any exemption apply.</li> <li>- Help tenants register to downsize.</li> <li>- Help tenants to apply for DHP where. Applicable.</li> <li>- Make referrals to partner advice agencies for budgeting, income maximisation and debt advice.</li> </ul>		THH Rent Teams	

Have monitoring systems been put in place to check the implementation of the policy/function and recommendations?

Yes?  No?

How will the monitoring systems further assess the impact on the equality target groups?

The above activities will be reviewed alongside measures that are in place to monitor the effectiveness of the rents pilot and impact on target groups.

<b>Name:</b> (signed off by)	
<b>Position:</b>	
<b>Date signed off:</b> (approved)	

**Section 7 Appendix – FOR OFFICE USE ONLY**

**Policy Hyperlink :**

<b>Equality Strand</b>	<b>Evidence</b>
<b>Race</b>	
<b>Disability</b>	
<b>Gender</b>	
<b>Sexual Orientation</b>	
<b>Religion and Belief</b>	
<b>Age</b>	
<b>Socio-Economic</b>	
<b>Other</b>	

<b>Link to original EQIA</b>	<b>Link to original EQIA</b>
<b>EQIAID</b> (Team/Service/Year)	



## Annex A - Tenant Profile by Protected Characteristics

Table 1 - Tenant profile by Ethnicity

<b>Ethnicity</b>	<b>No. of tenants</b>	<b>% of tenants</b>
Unknown	297	2.10%
Any Other Ethnic Group	89	0.63%
Asian Or Asian British:Bangladeshi	6167	43.61%
Asian Or Asian British:Chinese	86	0.61%
Asian Or Asian British:Indian	90	0.64%
Asian Or Asian British:Other Asian	185	1.31%
Asian Or Asian British:Pakistani	61	0.43%
Asian Or Asian British:Unknown	345	2.44%
Asian Or Asian British:Vietnamese	92	0.65%
Black Or Black British:African	309	2.18%
Black Or Black British:Caribbean	361	2.55%
Black Or Black British:Other African	65	0.46%
Black Or Black British:Other Black	179	1.27%
Black Or Black British:Somali	414	2.93%
Black Or Black British:Unknown	22	0.16%
Dual:Asian & White	18	0.13%
Dual:Asian And Black	1	0.01%
Dual:Black African & White	69	0.49%
Dual:Black Caribbean & White	43	0.30%
Dual:Other	42	0.30%
Dual:Unknown	6	0.04%
Prefer not to say	1102	7.79%
White: Other White	614	4.34%
White:Irish	200	1.41%
White:Unknown	420	2.97%
White: British	2865	20.26%
<b>Total</b>	<b>14142</b>	<b>100.00%</b>

Table 2 - Tenant profile by Gender

Gender	No. of tenants	% of tenants
Female	7786	55.06%
Male	6341	44.84%
Unknown	15	0.11%
<b>Total</b>	<b>14142</b>	<b>100.00%</b>

Table 3 - Tenant profile by Age

Age Group	No. of tenants	% of tenants
Under 16	36	0.25%
16 - 19	16	0.11%
20 - 29	999	7.06%
30 - 39	3010	21.28%
40 - 49	3137	22.18%
50 - 59	2520	17.82%
60 - 69	1820	12.87%
70+	2460	17.39%
Prefer not to say	78	0.55%
Unknown	66	0.47%
<b>Total</b>	<b>14142</b>	<b>100.00%</b>

Table 4 - Tenant profile by Disability

Disability	No. of tenants	% of tenants
No disability	10714	75.76%
One or more disabilities	2648	18.72%
Unknown	780	5.52%
<b>Total</b>	<b>14142</b>	<b>100.00%</b>

Table 5 - Tenant profile by Religion &amp; Belief

Religion & Belief	No. of tenants	% of tenants
Unknown	1,752	12.39%
Buddhist	53	0.37%
Christian	2,216	15.67%
Hindu	25	0.18%
Jewish	64	0.45%
Muslim	6,679	47.23%
No religion	827	5.85%

Religion & Belief	No. of tenants	% of tenants
Other	65	0.46%
Prefer not to say	2,441	17.26%
Sikh	20	0.14%
<b>Total</b>	<b>14,142</b>	<b>100.00%</b>

Table 6 - Tenant profile by Sexual Orientation

Sexual Orientation	No. of tenants	% of tenants
Unknown	2,387	16.88%
Bisexual	41	0.29%
Gay	53	0.37%
Heterosexual	7,930	56.07%
Lesbian	12	0.08%
Other	3	0.02%
Prefer not to say	3,716	26.28%
<b>Total</b>	<b>14,142</b>	<b>100.00%</b>

Table 7 - Tenant profile by Gender Re-assignment

Gender Reassignment	No. of tenants	% of tenants
Unknown	8,943	63.24%
Gender reassigned	20	0.14%
Prefer not to say	1,624	11.48%
Gender same as at birth	3,555	25.14%
<b>Total</b>	<b>14,142</b>	<b>100.00%</b>

Table 8 - Tenant profile by Marriage /Civil Partnership

Marriage/Civil Partnership	% of tenants
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\*Insufficient data

Table 9 – Maternity &amp; Pregnancy

Pregnancy & Maternity	% of tenants
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\*Insufficient data

## Annex B – Rent Analysis

**Table 10 - Average change per dwelling – by bedroom size 2016/17**

Bedsize	Average RENT CHARGE 15/16	Average of % Decrease 16/17	Average RENT CHARGE 16/17	Average of £ Decrease 16/17
0	84.52	-1%	83.6	0.8
1	98.28	-1%	97.3	0.9
2	111.16	-1%	110.0	1.16
3	125.01	-1%	123.7	1.31
4	140.15	-1%	138.7	1.45
5	155.99	-1%	154.4	1.59
6	159.34	-1%	157.7	1.64
7	165.82	-1%	164.1	1.72
8	178.33	-1%	176.5	1.83

**Table 11 - Social Rent Cap Levels (Registered Social Landlords)**

Bedroom size	Rent Cap in 2016-17	Rent Cap in 2015-16	Rent Cap in 2014-15	Rent Cap in 2013-14	Rent Cap in 2012-13	Rent Cap in 2011-12
Bedsit & one bedroom	£140.02	£141.43	£137.71	£132.16	£127.57	£119.67
Two bedrooms	£148.24	£149.74	£145.80	£139.92	£135.06	£126.70
Three bedrooms	£156.48	£158.06	£153.90	£147.70	£142.57	£133.74
Four bedrooms	£164.71	£166.37	£162.00	£155.47	£150.07	£140.78
Five bedrooms	£172.94	£174.69	£170.10	£163.24	£157.57	£147.81
Six or more bedrooms	£181.17	£183.00	£178.19	£171.01	£165.07	£154.85



Table 15 - SEXUAL ORIENTATION &amp; PROPERTY BED SIZE

Sexual Orientation by Bedsize	0 bed	1 bed	2 bed	3 bed	4 bed	5 bed	6 bed	7 bed	8 bed	Total
Unknown	21.58%	20.87%	16.24%	14.63%	10.15%	9.32%	0.00%	16.67%	0.00%	16.88%
Bisexual	0.26%	0.50%	0.26%	0.17%	0.15%	0.00%	0.00%	0.00%	0.00%	0.29%
Gay	0.90%	1.01%	0.19%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.37%
Heterosexual	48.32%	52.79%	59.07%	56.11%	55.22%	57.63%	53.85%	66.67%	100.00%	56.07%
Lesbian	0.26%	0.21%	0.03%	0.00%	0.15%	0.00%	0.00%	0.00%	0.00%	0.08%
Other	0.00%	0.03%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
Prefer not to say	28.68%	24.58%	24.17%	29.06%	34.33%	33.05%	46.15%	16.67%	0.00%	26.28%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Table 16 - ETHNICITY &amp; PROPERTY BED SIZE

Ethnicity by Bedsize	0 bed	1 bed	2 bed	3 bed	4 bed	5 bed	6 bed	7 bed	8 bed	Total
Unknown	1.94%	2.29%	2.14%	2.00%	1.64%	1.69%	0.00%	0.00%	0.00%	2.10%
Any Other Ethnic Group	1.03%	0.83%	0.63%	0.46%	0.15%	0.00%	0.00%	0.00%	0.00%	0.63%
Asian Or Asian British:Bangladeshi	40.83%	24.70%	45.91%	53.22%	64.93%	83.90%	84.62%	33.33%	0.00%	43.61%
Asian Or Asian British:Chinese	0.78%	0.62%	0.38%	1.01%	0.30%	0.00%	0.00%	0.00%	0.00%	0.61%
Asian Or Asian British:Indian	0.52%	0.74%	0.82%	0.38%	0.15%	0.00%	0.00%	0.00%	0.00%	0.64%
Asian Or Asian British:Other Asian	1.03%	1.51%	1.29%	1.25%	1.04%	1.69%	0.00%	0.00%	0.00%	1.31%
Asian Or Asian British:Pakistani	0.39%	0.80%	0.30%	0.29%	0.60%	0.00%	0.00%	0.00%	0.00%	0.43%
Asian Or Asian British:Unknown	1.42%	1.57%	2.28%	3.45%	3.28%	5.08%	15.38%	16.67%	0.00%	2.44%
Asian Or Asian British:Vietnamese	0.13%	0.56%	0.84%	0.67%	0.15%	0.00%	0.00%	0.00%	0.00%	0.65%
Black Or Black British:African	5.04%	3.53%	1.90%	1.10%	0.60%	0.00%	0.00%	0.00%	0.00%	2.18%
Black Or Black British:Caribbean	3.75%	3.95%	2.14%	1.91%	1.49%	0.00%	0.00%	0.00%	0.00%	2.55%
Black Or Black British:Other African	0.52%	0.71%	0.42%	0.35%	0.00%	0.85%	0.00%	0.00%	0.00%	0.46%
Black Or Black British:Other Black	1.16%	1.99%	1.25%	0.72%	0.90%	0.00%	0.00%	0.00%	0.00%	1.27%
Black Or Black British:Somali	3.49%	4.84%	2.49%	1.94%	1.49%	1.69%	0.00%	0.00%	100.00%	2.93%
Black Or Black British:Unknown	0.26%	0.18%	0.16%	0.14%	0.00%	0.00%	0.00%	0.00%	0.00%	0.16%
Dual:Asian & White	0.26%	0.33%	0.07%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%
Dual:Asian And Black	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
Dual:Black African & White	0.65%	0.68%	0.58%	0.20%	0.15%	0.00%	0.00%	0.00%	0.00%	0.49%







**Table 22 – PREGNANCY & MATERNITY & PROPERTY BED SIZE**

<b>Pregnancy &amp; Maternity by Bedsizes</b>	<b>0 bed</b>	<b>1 bed</b>	<b>2 bed</b>	<b>3 bed</b>	<b>4 bed</b>	<b>5 bed</b>	<b>6 bed</b>	<b>7 bed</b>	<b>8 bed</b>	<b>Total</b>
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\*Insufficient data

**Table 23 - Stock Profile by Bedsizes**

Bed Size	Social Housing	Council
Beds 0	774	5.47
Beds 1	3,368	23.82
Beds 2	5,739	40.58
Beds 3	3,452	24.41
Beds 4	670	4.74
Beds 5	118	0.83
Beds 6	13	0.09
Beds 7	6	0.04
Beds 8	2	0.01
<b>Total</b>	<b>14,142</b>	<b>100%</b>

## Annex D – Analysis of Tenant Profile & HB Status

HB Status Overview	Full HB	Partial HB	Not in receipt of HB	Total
Number of Council Tenants	5,700	4,112	4,330	14,142
% of council Tenants	40.3%	29.1%	30.6%	100%

Age Group By HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Under 16	0.32%	0.24%	0.18%	0.25%
16 - 19	0.18%	0.07%	0.07%	0.11%
20 - 29	5.60%	5.59%	10.39%	7.06%
30 - 39	18.40%	21.35%	25.01%	21.28%
40 - 49	20.11%	26.29%	21.02%	22.18%
50 - 59	15.35%	19.58%	19.40%	17.82%
60 - 69	14.68%	11.92%	11.39%	12.87%
70+	24.79%	13.96%	10.92%	17.39%
Prefer not to say	0.19%	0.34%	1.22%	0.55%
Unknown	0.39%	0.66%	0.39%	0.47%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Gender by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Female	56.04%	57.30%	51.64%	55.06%
Male	43.91%	42.68%	48.11%	44.84%
Unknown	0.05%	0.02%	0.25%	0.11%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Sexual Orientation by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Unknown	14.35%	14.93%	22.06%	16.88%
Bisexual	0.37%	0.19%	0.28%	0.29%
Gay	0.36%	0.22%	0.53%	0.37%
Heterosexual	57.99%	57.27%	52.40%	56.07%
Lesbian	0.06%	0.02%	0.16%	0.08%
Other	0.05%	0.00%	0.00%	0.02%
Prefer not to say	26.80%	27.36%	24.57%	26.28%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Ethnicity by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Unknown	1.47%	2.24%	2.79%	2.10%
Any Other Ethnic Group	0.60%	0.80%	0.51%	0.63%
Asian Or Asian British:Bangladeshi	42.56%	54.30%	34.83%	43.61%
Asian Or Asian British:Chinese	0.40%	0.71%	0.79%	0.61%
Asian Or Asian British:Indian	0.82%	0.29%	0.72%	0.64%
Asian Or Asian British:Other Asian	1.16%	1.48%	1.34%	1.31%
Asian Or Asian British:Pakistani	0.54%	0.36%	0.35%	0.43%
Asian Or Asian British:Unknown	2.63%	2.80%	1.85%	2.44%
Asian Or Asian British:Vietnamese	0.61%	0.90%	0.46%	0.65%
Black Or Black British:African	1.96%	1.58%	3.05%	2.18%
Black Or Black British:Caribbean	2.54%	1.87%	3.21%	2.55%
Black Or Black British:Other African	0.32%	0.36%	0.74%	0.46%
Black Or Black British:Other Black	1.00%	0.71%	2.15%	1.27%
Black Or Black British:Somali	3.67%	2.16%	2.68%	2.93%
Black Or Black British:Unknown	0.21%	0.10%	0.14%	0.16%
Dual:Asian & White	0.11%	0.10%	0.18%	0.13%
Dual:Asian And Black	0.02%	0.00%	0.00%	0.01%
Dual:Black African & White	0.47%	0.34%	0.65%	0.49%
Dual:Black Caribbean & White	0.28%	0.19%	0.44%	0.30%
Dual:Other	0.28%	0.34%	0.28%	0.30%
Dual:Unknown	0.07%	0.02%	0.02%	0.04%
Prefer not to say	5.47%	6.10%	12.45%	7.79%
White: Other White	5.88%	2.99%	3.60%	4.34%
White:Irish	2.30%	0.80%	0.83%	1.41%
White:Unknown	3.47%	1.95%	3.28%	2.97%
White: British	21.14%	16.49%	22.68%	20.26%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Religion & Belief by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Unknown	11.21%	10.92%	15.33%	12.39%
Buddhist	0.33%	0.39%	0.42%	0.37%
Christian	16.32%	11.79%	18.50%	15.67%
Hindu	0.21%	0.10%	0.21%	0.18%
Jewish	0.63%	0.22%	0.44%	0.45%
Muslim	48.19%	56.42%	37.23%	47.23%
No religion	6.05%	4.43%	6.93%	5.85%
Other	0.35%	0.51%	0.55%	0.46%
Prefer not to say	16.46%	15.20%	20.28%	17.26%
Sikh	0.25%	0.02%	0.12%	0.14%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Disability by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
No disability	67.81%	78.87%	83.28%	75.76%
One or more disabilities	27.98%	15.20%	9.88%	18.72%
Unknown	4.21%	5.93%	6.84%	5.52%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Gender Reassignment by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Unknown	62.72%	63.76%	63.42%	63.24%
Gender reassigned	0.23%	0.07%	0.09%	0.14%
Prefer not to say	11.04%	12.14%	11.45%	11.48%
Gender same as at birth	26.02%	24.03%	25.03%	25.14%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Marriage & Civil Partnership by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
Unknown	78.40%	72.35%	80.83%	77.39%
Co-Habiting	0.05%	0.02%	0.25%	0.11%
Divorced	0.23%	0.12%	0.09%	0.16%
Married	18.60%	26.09%	16.67%	20.19%
Prefer not to say	0.04%	0.15%	0.28%	0.14%
Same-Sex Registered Civil Partnership	0.00%	0.00%	0.05%	0.01%
Separated Marriage/Civil Partnership	0.28%	0.27%	0.35%	0.30%
Single	2.14%	0.73%	1.32%	1.48%
Widowed	0.26%	0.27%	0.16%	0.23%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Pregnancy & Maternity by HB Status	Full HB	Partial HB	Not in receipt of HB	Total
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\*Insufficient data

## Annex E – Analysis of Tenant Profile & Rent Arrears

Rent Arrears	In Arrears	Not in Arrears	Total
Numbers of Tenants	6,239	7,903	14,142
% of Tenants	44.12%	55.88%	100%

Age Group by Rent Arrears	In Arrears	Not in Arrears	Total
Under 16	0.22%	0.28%	0.25%
16 - 19	0.19%	0.05%	0.11%
20 - 29	9.17%	5.40%	7.06%
30 - 39	23.90%	19.22%	21.28%
40 - 49	25.89%	19.26%	22.18%
50 - 59	18.87%	16.99%	17.82%
60 - 69	10.05%	15.10%	12.87%
70+	10.69%	22.69%	17.39%
Prefer not to say	0.56%	0.54%	0.55%
Unknown	0.46%	0.47%	0.47%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Gender by Rent Arrears	In Arrears	Not in Arrears	Total
Female	55.36%	54.81%	55.06%
Male	44.53%	45.08%	44.84%
Unknown	0.11%	0.10%	0.11%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Sexual Orientation by Rent Arrears	In Arrears	Not in Arrears	Total
Unknown	18.64%	15.49%	16.88%
Bisexual	0.27%	0.30%	0.29%
Gay	0.32%	0.42%	0.37%
Heterosexual	54.21%	57.55%	56.07%
Lesbian	0.14%	0.04%	0.08%
Other	0.05%	0.00%	0.02%
Prefer not to say	26.37%	26.21%	26.28%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

## APPENDIX 1

<b>Ethnicity by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
Unknown	2.18%	2.04%	2.10%
Any Other Ethnic Group	0.54%	0.70%	0.63%
Asian Or Asian	47.94%	40.19%	43.61%
British:Bangladeshi			
Asian Or Asian British:Chinese	0.32%	0.84%	0.61%
Asian Or Asian British:Indian	0.61%	0.66%	0.64%
Asian Or Asian British:Other Asian	1.36%	1.27%	1.31%
Asian Or Asian British:Pakistani	0.46%	0.40%	0.43%
Asian Or Asian British:Unknown	2.77%	2.18%	2.44%
Asian Or Asian British:Vietnamese	0.50%	0.77%	0.65%
Black Or Black British:African	2.64%	1.82%	2.18%
Black Or Black British:Caribbean	3.14%	2.09%	2.55%
Black Or Black British:Other African	0.58%	0.37%	0.46%
Black Or Black British:Other Black	1.52%	1.06%	1.27%
Black Or Black British:Somali	3.96%	2.11%	2.93%
Black Or Black British:Unknown	0.18%	0.14%	0.16%
Dual:Asian & White	0.10%	0.15%	0.13%
Dual:Asian And Black	0.02%	0.00%	0.01%
Dual:Black African & White	0.59%	0.40%	0.49%
Dual:Black Caribbean & White	0.42%	0.22%	0.30%
Dual:Other	0.27%	0.32%	0.30%
Dual:Unknown	0.05%	0.04%	0.04%
Prefer not to say	6.60%	8.73%	7.79%
White: Other White	3.67%	4.87%	4.34%
White:Irish	0.91%	1.81%	1.41%
White:Unknown	2.85%	3.06%	2.97%
White: British	15.80%	23.78%	20.26%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<b>Religion &amp; Belief by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
Unknown	13.70%	11.35%	12.39%
Buddhist	0.30%	0.43%	0.37%
Christian	12.37%	18.27%	15.67%
Hindu	0.13%	0.22%	0.18%
Jewis	0.32%	0.56%	0.45%
Muslim	52.09%	43.39%	47.23%
No religion	5.67%	5.99%	5.85%
Other	0.40%	0.51%	0.46%
Prefer not to say	14.81%	19.20%	17.26%
Sikh	0.19%	0.10%	0.14%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<b>Disability by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
No disability	77.59%	74.31%	75.76%
One or more disabilities	16.43%	20.54%	18.72%
Unknown	5.98%	5.15%	5.52%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<b>Gender Reassignment by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
Unknown	63.89%	62.72%	63.24%
Gender reassigned	0.10%	0.18%	0.14%
Prefer no to say	11.04%	11.83%	11.48%
Gender same as at birth	24.97%	25.27%	25.14%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<b>Marriage &amp; Civil Partnership by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
Unknown	75.20%	75.20%	75.20%
Co-Habiting	0.16%	0.16%	0.16%
Divorced	0.27%	0.27%	0.27%
Married	21.51%	21.51%	21.51%
Prefer not to say	0.18%	0.18%	0.18%
Same-Sex Registered Civil Partnership	0.02%	0.02%	0.02%
Separated Marriage/Civil Partnership	0.46%	0.46%	0.46%
Single	1.89%	1.89%	1.89%
Widowed	0.30%	0.30%	0.30%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

<b>Pregnancy &amp; Maternity by Rent Arrears</b>	<b>In Arrears</b>	<b>Not in Arrears</b>	<b>Total</b>
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\*Insufficient data

## Annex F - Community & Population Data

Figure 2 Population by ethnic group, Tower Hamlets, 2011 Census

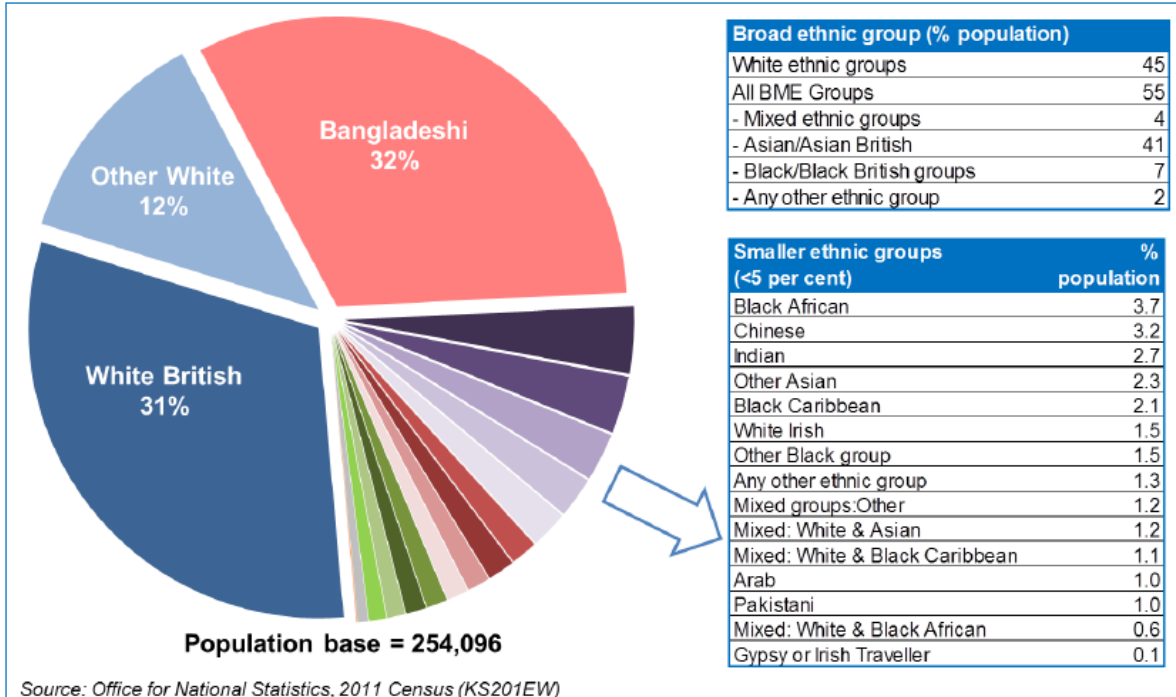


Figure 1 Population by religion, Tower Hamlets, 2011

What is your religion?

This question is voluntary

No religion

Christian (including Church of England, Catholic, Protestant and all other Christian denominations)

Buddhist

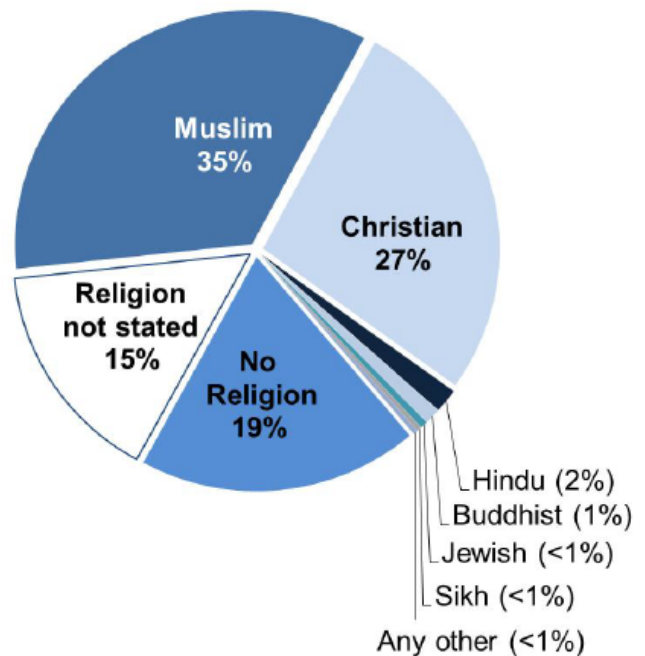
Hindu

Jewish

Muslim

Sikh

Any other religion, write in





**Borough Population by Sex (Census 2011)**

<b>Sex</b>	<b>2011 Number</b>	<b>2011 Percentage</b>
All persons	254,096	100
Males	130,906	51.52
Females	123,190	48.48

**Borough Population by Disability (Census 2011)**

<b>Disability</b>	<b>2011 Number</b>	<b>2011 Percentage</b>
All categories: Long-term health problem or disability	254,096	100
Day-to-day activities limited a lot	17,258	6.79
Day-to-day activities limited a little	17,045	6.71
Day-to-day activities not limited	219,793	86.50

**Borough Population by Age (Census 2011)**

<b>Age</b>	<b>2011</b>	
	<b>number</b>	<b>%</b>
All usual residents	254,096	100.0
Age 0 to 4	18,750	7.4
Age 5 to 7	9,697	3.8
Age 8 to 9	5,834	2.3
Age 10 to 14	13,202	5.2
Age 15	2,660	1.0
Age 16 to 17	4,953	1.9
Age 18 to 19	7,010	2.8
Age 20 to 24	30,818	12.1
Age 25 to 29	40,157	15.8
Age 30 to 44	70,245	27.6
Age 45 to 59	29,337	11.5
Age 60 to 64	5,863	2.3
Age 65 to 74	8,169	3.2
Age 75 to 84	5,611	2.2
Age 85 to 89	1,256	0.5
Age 90 and over	534	0.2