

## APPENDIX 1

**IMPACT ANALYSIS**1. Introduction

A detailed impact analysis (taking account of the Council's duty under section 149 of the Equality Act 2010) is undertaken for all key executive decisions which involve changes in service delivery in year.

These changes inform the budget for the following year. However, most decisions that specifically relate to budget-setting reflect changes that are not linked to specific groups of people but apply equally across the whole borough to all residents. The following are felt to be the main areas where particular groups within the population may be affected.

2. Changes in housing rents and housing-related charges

With effect from 1<sup>st</sup> April 2020, local authorities are able to set their own rent levels, though Government Guidance recommends that rent increases should be not more CPI plus 1%.

On 2<sup>nd</sup> February 2021 the Housing Committee approved the Council's new Rent Setting Policy which in summary stated Housing Rents are to increase by September Consumer Price Index (CPI) plus 1%. For 2021/22 this will equate to an increase of 1.5%.

The increase in rents will impact on all tenants and will also have an impact on the welfare bill as it is anticipated that Housing Benefit payments will increase in proportion to the increase in rental income.

A refreshed Housing Revenue Account (HRA) Business Plan, was presented to the Housing Committee on the 2<sup>nd</sup> February 2021, includes the latest 2021/22 budget estimates.

The Government's Universal Credit programme is to continue to be rolled out across the Borough. Universal Credit replaces a number of benefits with one. The amount due is paid direct to the claimant which is a substantial change for some claimants where housing benefits is paid directly to the landlord such as the Council. The Council is working with tenants and other agencies to ensure a smooth transition.

The budget proposals also include estimates for increases in garage rents which have been taken into account in the budget figures approved by the Housing Committee on 2 February 2021.

It has been previously agreed that garage rents will increase by CPI plus 1%. This results in an increase of 1.5% for 2021/22.

The changes in rent levels will affect all tenants while the changes to garage rents will only affect those specific tenancy types. An Equality Impact Assessment was undertaken for the proposed changes in policy during the 2021/22 budget setting exercise. This indicated that there are no recognised groups within the Equalities Act that would be adversely affected by the change. No further changes would affect this conclusion.

### 3. Liberty Leisure

The budget proposals include a provision for an annual management fee of £845,000 for Liberty Leisure in 2021/22. This is a wholly owned company of the Council which delivers leisure services and events and is responsible sports and arts development and management of the D H Lawrence Birthplace Museum.

The Company was established on 1 October 2016. The cost of borrowing and provision for repayment of debt relating to property and other capital assets remain with the Council which retains ownership of the capital assets of the company. All other costs are included within the management fee payable annually.

As Liberty Leisure is a wholly-owned company, the Council retains overall control. Any changes to service provision must be agreed by the Council. Given the very challenging operational and financial environment due to the Covid-19 pandemic, the 2021/22 management fee has been retained at £845,000 in 2021/22. The Council will be meeting with Liberty Leisure on a regular basis to review the company's cash-flow position, and provide adequate support to mitigate any risk of insolvency. The Council has also applied for financial support from the Government's National Leisure Relief Fund, and will passport these resources on to the company.

### 4. Other changes to the establishment

The budget proposals include estimates for the existing staffing establishment in 2021/22. Any proposed changes to the Council's staffing structures will be reported to the Personnel Committee, before implementation. The Council's policy is to reduce workforce costs in a controlled manner and to avoid compulsory redundancies if at all possible. The Council's voluntary redundancy policy currently includes a temporary increase in entitlement based on an actual week's pay rather than the capped statutory entitlement. On 18 May 2016, the Policy and Performance Committee resolved to extend this temporary policy to the date of new regulations that are not yet implemented.

Any proposed staffing reductions would be drawn from different service areas across the Council, and none of the recognised groups under the Equalities Act should be affected disproportionately.