

# Aberdeenshire Council

## Integrated Impact Assessment

### HRA Revenue and Capital Budget 2024/25

Assessment ID	IIA-001843
Lead Author	Fiona Massie
Additional Authors	Andrew Mackie, Dave Thomson
Service Reviewers	Karlyn Watt, Alexander Macleod
Subject Matter Experts	Suzanne Rhind, Kakuen Mo, Caroline Hastings, Annette Johnston
Approved By	Mary Beattie
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# 1. Overview

This document has been generated from information entered into the Integrated Impact Assessment system.

Housing Revenue Account Revenue and Capital Budget for 2024/25

During screening 5 of 10 questions indicated that detailed assessments were required, the screening questions and their answers are listed in the next section. This led to 3 out of 5 detailed impact assessments being completed. The assessments required are:

- Equalities and Fairer Scotland Duty
- Sustainability and Climate Change
- Town Centres First

In total there are 12 positive impacts as part of this activity. There is 1 negative impact, the impact has been mitigated.

A detailed action plan with 2 points has been provided.

This assessment has been approved by [mary.beattie@aberdeenshire.gov.uk](mailto:mary.beattie@aberdeenshire.gov.uk).

The remainder of this document sets out the details of all completed impact assessments.

## 2. Screening

Could your activity / proposal / policy cause an impact in one (or more) of the identified town centres?	Yes
Would this activity / proposal / policy have consequences for the health and wellbeing of the population in the affected communities?	No
Does the activity / proposal / policy have the potential to affect greenhouse gas emissions (CO2e) in the Council or community and / or the procurement, use or disposal of physical resources?	Yes
Does the activity / proposal / policy have the potential to affect the resilience to extreme weather events and/or a changing climate of Aberdeenshire Council or community?	No
Does the activity / proposal / policy have the potential to affect the environment, wildlife or biodiversity?	No
Does the activity / proposal / policy have an impact on people and / or groups with protected characteristics?	Yes
Is this activity / proposal / policy of strategic importance for the council?	Yes
Does this activity / proposal / policy impact on inequality of outcome?	Yes
Does this activity / proposal / policy have an impact on children / young people's rights?	No
Does this activity / proposal / policy have an impact on children / young people's wellbeing?	No

## 3. Impact Assessments

Children's Rights and Wellbeing	Not Required
Climate Change and Sustainability	Only Some Negative Impacts Can Be Mitigated
Equalities and Fairer Scotland Duty	No Negative Impacts Identified
Health Inequalities	Not Required
Town Centre's First	No Negative Impacts Identified

## 4. Equalities and Fairer Scotland Duty Impact Assessment

### 4.1. Protected Groups

Indicator	Positive	Neutral	Negative	Unknown
Age (Younger)	Yes			
Age (Older)	Yes			
Disability	Yes			
Race		Yes		
Religion or Belief		Yes		
Sex		Yes		
Pregnancy and Maternity		Yes		
Sexual Orientation		Yes		
Gender Reassignment		Yes		
Marriage or Civil Partnership		Yes		

### 4.2. Socio-economic Groups

Indicator	Positive	Neutral	Negative	Unknown
Low income	Yes			
Low wealth	Yes			
Material deprivation	Yes			
Area deprivation	Yes			
Socioeconomic background	Yes			

### 4.3. Positive Impacts

Impact Area	Impact
Age (Older)	Aberdeenshire exhibits an ageing demographic and with a relatively high proportion of sheltered housing accommodation in the portfolio, the Housing Service is aware of the impact of higher energy and cost of living costs on a significant proportion of service users. A continued focus on rent affordability and the delivery of lower than required rent increases will assist with tenancy sustainment within this sector.
Age (Younger)	The continued focus on delivering lower levels of rent increase will help families including children to sustain tenancies, therefore mitigating the risk of tenancies failing as a result of current cost of living pressures. The level of rent increase proposed is lower than required but aims to ensure a balance between affordability and service provision. Tenancies involving younger service users, aged 16 to 24, present a higher risk of failure due to rent arrears and it is anticipated that that continued delivery of an affordable rent will mitigate.

Impact Area	Impact
Disability	The Housing Service have considered the potential impact of higher levels of rent increase within this impact area and consider that a continued focus on maintaining a balance between rent affordability and service provision will benefit by sustaining tenancies.
Area deprivation	The Housing Service is responsible for managing tenancies in areas experiencing deprivation. The proposed balance between rent affordability and service delivery will ensure that tenancies are sustained and investment in such areas continues through continuing levels of capital and revenue expenditure.
Low income	Lower income households are amongst the hardest hit by current cost of living pressures and increasing occurrence of fuel poverty within the population. Survey work undertaken has established that that low income households not in receipt of benefits are amongst the hardest hit with the risk of homelessness proportionately higher. Low income households will therefore benefit through the provision of lower levels of rent increase.
Low wealth	The consultation process has established that the level of savings amongst tenants has been eroded due to cost of living and fuel cost pressures. Peoples propensity to save has been significantly impacted and the proposal to limit rent increases for 2024/25 will therefore assist those within this Impact Area through maximisation of disposable income.
Material deprivation	The Housing Service is responsible for managing tenancies experiencing deprivation and offers assistance to sustain. Those falling within this Impact Area will therefore benefit from maintaining service provision at acceptable levels despite lower than anticipated levels of rent increase proposed.
Socioeconomic background	The proposal to maintain a balance between rent affordability and service delivery will seek to advance opportunity through continuing levels of investment within areas throughout Aberdeenshire and to ensure that tenancy sustainment is maximised. The link between Housing, Health and Wellbeing is well established and the provision of a stable home environment is key to maximising opportunity.

#### 4.4. Evidence

Type	Source	It says?	It Means?
Internal Data	Rent Arrears data, economic data, rent data benchmarking, data relative to cost of living impacts	Impact of cost of living impact on economic wellbeing and rent affordability	Impact on tenants largely centred on cost of living, fuel poverty and rent affordability

Type	Source	It says?	It Means?
Internal Data	HRA Business Plan Review	Outlines the requirements of the HRA Business Plan in respect of rent increases required to deliver Housing Services and Improvements	Highlights to balance required between the need to deliver rent affordability and maintain services
Internal Data	Financial modelling data	Highlights increased levels of borrowing required across a range of rent increase options. Highlights the range of options for consultation with tenants.	Allows for the assessment of rent increase options and provides an indication of implications for tenants to consider.
External Data	Cost of living, economic and associated data.	Highlights concerns in respect of cost of living increases and fuel poverty	Emphasises the impact of cost of living pressures and fuel poverty
External Consultation	Tenant consultation via IBP Research	Provides an indication of the views of tenants, stakeholders and service users across a range of rent increase options together with consideration of cost saving options.	Tenants detail a requirement to maintain service delivery whilst delivering rent affordability - recognises the need to deliver a balanced solution. Service users and other stakeholders provide clear direction in respect of priorities for the Housing Revenue Account.
Internal Data	Statutory and internal KPIs, HRA Business Plan Review, Budget Monitoring data, Scottish Social Housing Charter, Scottish Housing Regulator, Tenant Feedback and Customer Service analysis, stock surveys,	Outlines adjustments required in respect of capital and budgetary spend to ensure HRA Business Plan viability.	Determines baseline HRA Business Plan position and requirements to achieve Business Plan viability.
Internal Consultation	Finance, Housing Management Team (HMT), HRA Business Plan Review Group	The evidence says: Consultation with Finance and the HMT ensures that that the service requirements can be determined in line with the business plan	The evidence says: Consultation with Finance and the HMT ensures that that the service requirements can be determined in line with the business plan

Type	Source	It says?	It Means?
Other Evidence	Evidence Source Universal Credit/ Housing Benefit assistance available to tenants that qualify with help in paying rent	Provides confirmation of support mechanisms in place to support tenants.	Provides confirmation of support mechanisms in place to support tenants.
Other Evidence	Arneil Johnston, Housing Consultants	Analysis of Business Plan to provide Baseline position. Determined that the HRA Business Plan is not currently viable with adjustments required to Capital and Revenue Spend.	Provides independent support for financial modelling undertaken and will allow for further analysis of steps required to achieve viability.

#### 4.5. Engagement with affected groups

A Consultation Strategy was developed by the HRA Business Plan Review Member Officer Working Group in conjunction with IBP Strategy & Research. Workshops, Focus Groups, Telephone and Online surveys targeting tenants, service users and stakeholders provided a clear direction in terms of rent increases and Housing Revenue Account priorities.

#### 4.6. Ensuring engagement with protected groups

Yes, a wide range of stakeholders have been provided with the opportunity to participate with a wide range of options to provide feedback provided, as outlined.

#### 4.7. Evidence of engagement

Survey of a cross section of 1000 tenants utilised, generated from a list of tenants. Tenants selected for telephone survey based on a range of criteria developed in conjunction with the Council's appointed consultants.

Workshop and Focus Group discussions have been held with a wide range of stakeholders and service users, in line with the Consultation Strategy approved by the HRA Business Plan Review Member Officer Working Group.

#### 4.8. Overall Outcome

No Negative Impacts Identified.

Detailed financial modelling and analysis together with comprehensive tenant engagement ensures an important focus on the delivery of an affordable level of rent increase. The aim is to ensure tenancy sustainment, rent affordability and prevention of homelessness.

The HRA Business Plan Member Officer Working Group will continue to consider scenarios for the delivery of services based on consultation findings and the Baseline Business Plan developed in conjunction with Arneil Johnston, Housing Consultants. The implications of Scenario Planning and the delivery of a viable HRA 30-year Business Plan will be subject to a further Integrated Impact Assessment.

#### 4.9. Improving Relations

Engagement with tenants, stakeholders and service users has been central the HRA Business Plan Review process. This process must continue given the requirement to monitor the Plan on an ongoing basis, given ongoing economic pressures.

#### **4.10. Opportunities of Equality**

This exercise has created an opportunity for tenants, service users and stakeholders to engage in the development of rent strategy and the future delivery of services funded by the Housing Revenue Account. The process of review is designed to ensure the delivery of a sustainable delivery of services at an affordable rent incorporating methods designed to maximise involvement in the process.



## 5. Sustainability and Climate Change Impact Assessment

### 5.1. Emissions and Resources

Indicator	Positive	Neutral	Negative	Unknown
Consumption of energy		Yes		
Energy efficiency	Yes		Yes	
Energy source		Yes		
Low carbon transition		Yes		
Consumption of physical resources		Yes		
Waste and circularity		Yes		
Circular economy transition		Yes		
Economic and social transition		Yes		

### 5.2. Biodiversity and Resilience

Indicator	Positive	Neutral	Negative	Unknown
Quality of environment		Yes		
Quantity of environment		Yes		
Wildlife and biodiversity		Yes		
Infrastructure resilience		Yes		
Council resilience		Yes		
Community resilience		Yes		
Adaptation		Yes		

### 5.3. Positive Impacts

Impact Area	Impact
Energy efficiency	Continued investment will take place in 2024/25 into Aberdeenshire Council properties.

### 5.4. Negative Impacts and Mitigations

Impact Area	Details and Mitigation
Energy efficiency	<p>Delayed or reduced capital plan will affect our ability to procure energy efficiency works in our homes.</p> <p>Can be mitigated Yes</p> <p>Mitigation This will reviewed as part of the ongoing work on the HRA Business Plan.</p> <p>Timescale End of 2024</p>

### 5.5. Evidence

Type	Source	It says?	It Means?
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Type	Source	It says?	It Means?
Internal Data	Internal stock condition reports and external analysis of our properties	Identifies current energy efficiency levels in our stock and the improvements that can be realised	Identifies current energy efficiency levels and future works required
Other Evidence	Internal financial and external business plan review	Identifies the financial capacity available for future capital investment.	A number of options will be considered by members and tenants as part of the business plan review.

## 5.6. Information Gaps

Identifying the longer-term implications of inflation on the planned capital programme over 30 years

## 5.7. Measures to fill Information Gaps

Measure	Timescale
Complete review of the HRA business plan	Options to be identified by February 2024 and workshop to be held with members and tenants in Spring 2024 before reporting back to Communities Committee in June 2024.

## 5.8. Overall Outcome

Only Some Negative Impacts Can Be Mitigated.

This will be established as the review progresses.

Impacts are identified over a 30-year basis in keeping with the review of the business plan. This is a report on the annual budget that highlights these longer-term considerations.

## 6. Town Centre's First Impact Assessment

### 6.1. Local Factors

Indicator	Positive	Neutral	Negative	Unknown
Town centre assets		Yes		
Footfall	Yes			
Changes to road layouts		Yes		
Parking		Yes		
Infrastructure changes		Yes		
Aesthetics of the town centre		Yes		
Tourism		Yes		
Public safety		Yes		
Town centre business	Yes			
Cultural heritage and identity		Yes		
Social and cultural aspects	Yes			

### 6.2. Positive Impacts

Impact Area	Impact
Footfall	The report provides budget for maintaining and improving Council Houses. By ensuring there is sufficient budget for maintaining and managing council stock so that it is not in disrepair or void will have a positive impact on areas where these properties are situated.
Social and cultural aspects	The focus on rent affordability will assist with sustaining local communities
Town centre business	The focus on rent affordability aims to benefit tenancy sustainability ultimately assisting local businesses. A lower than anticipated increase in rent will assist with tenant disposable income.

### 6.3. Evidence

Type	Source	It says?	It Means?
External Data	Evidence Source Cost of Living, economic and employability and associated data	Highlights concerns in respect of cost of living increases and fuel poverty	Emphasises the impact of Covid 19 on affordability
Internal Data	Housing Need	Significant levels of housing need across Aberdeenshire	Requirement to increase levels of housing across Aberdeenshire

### 6.4. Overall Outcome

No Negative Impacts Identified.

The lower than anticipated increase in rent will aim to sustain tenancies and in turn local communities.

This is a balanced budget with the need for borrowing requirement.

## 7. Action Plan

Planned Action	Details	
Continuation of work with tenants and service users to ensure that opportunities to engage in the assessment and setting of charges. To work with the Tenant HRA Scrutiny Group to ensure ongoing oversight of the Housing Revenue Account	<b>Lead Officer</b> <b>Repeating Activity</b> <b>Planned Start</b> <b>Planned Finish</b> <b>Expected Outcome</b>  <b>Resource Implications</b>	Andrew Mackie No Wednesday April 06, 2022 Friday December 02, 2022 Enhanced levels of tenant and service user scrutiny in the setting of rent and service charges. Within existing resources.
To ensure that a further Integrated Impact Assessment is produced in conjunction with the continued work of the HRA Business Plan Review Member Officer Working Group.	<b>Lead Officer</b> <b>Repeating Activity</b> <b>Planned Start</b> <b>Planned Finish</b> <b>Expected Outcome</b>  <b>Resource Implications</b>	Andrew Mackie No Thursday February 01, 2024 Monday June 03, 2024 An assessment of impact of a range of scenarios aimed at ensuring HRA Business Plan viability, reflecting the views of tenants, service users and stakeholders. To be delivered within existing resources