



HRA: Rent and Service Charge 2026/27

# Equality Impact Assessment (EqIA) Form

December 2025 – December 2026

<b>Date created</b>	November 2025
<b>Approved by</b>	Executive/SLT
<b>Owner</b>	Assistant Director for Housing and Neighbourhoods
<b>Version</b>	1
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Please [click this link](#) to find the EqIA guidance toolkit for support in completing the following form.

For translations, braille or large print versions of this document please email  
[equalities@stevenage.gov.uk](mailto:equalities@stevenage.gov.uk).

**First things first:**

**Does this policy, project, service, or other decision need an EqlA?**

<b>Title:</b>	<b>HRA Rent and Service Charges 2025/26</b>	
<b>Please answer Yes or No to the following questions:</b>		
Does it affect staff, service users or the wider community?	Yes	
Has it been identified as being important to particular groups of people?	Yes	
Does it or could it potentially affect different groups of people differently (unequal)?	Yes	
Does it relate to an area where there are known inequalities or exclusion issues?	Yes	
Will it have an impact on how other organisations operate?	No	
Is there potential for it to cause controversy or affect the council's reputation as a public service provider?	Yes	

<b>Where a positive impact is likely, will this help to:</b>	
Remove discrimination and harassment?	Yes
Promote equal opportunities?	Yes
Encourage good relations?	Yes

**If you answered 'Yes' to one or more of the above questions you should carry out an EqlA.**

Or if you answered 'No' to all of the questions and decide that your activity doesn't need an EqlA you must explain below why it has no relevance to equality and diversity.

You should reference the information you used to support your decision below and seek approval from your Assistant Director before confirming this by sending this page to [equalities@stevenage.gov.uk](mailto:equalities@stevenage.gov.uk).

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# Equality Impact Assessment Form

For a policy, project, strategy, staff or service change, or other decision that is new, changing or under review

<b>What is being assessed?</b>		<b>HRA Rent and Service Charges 2025/26</b>	
Lead Assessor	Simon Kiff		Assessment team  Elizabeth Ddamulira Keith Reynoldson
Start date	April 2025	End date April 2026	
When will the EqlA be reviewed? (Typically every 1 year)		Nov 2025	

Who may be affected by the proposed project?	All tenants
What are the key aims of the proposed project?	<p>To assess the impact of the proposed rent increase and Service charge increase for 2025/26 on Stevenage Council tenants.</p> <p>As part of the government's 10-year rent settlement for social housing, announced in the Spending Review 2024, the government has confirmed that rents for social housing will be allowed to increase by Consumer Prices Index (CPI) +1% annually starting from 1 April 2026. However, a key aspect of this new settlement is the implementation of Social Rent convergence for properties where rents are currently below 'formula rent'.</p> <p>For 2025/26 the permitted increase to rents is CPI plus 1%, based on the September 25 CPI figure. This follows the previous Government's extension of the current settlement by one year. Rent increases will be permitted at up to 4.8 per cent after CPI rose by 3.8 per cent in the 12 months to September 2025.</p>

To increase the rent on dwellings from week commencing 7 April 2025 by 4.8%, which is an average increase to £128.72 for social rents, £193.21 for affordable rents and £158.43 for Low Start Shared Ownership homes per week (based on a 52-week year). This has been calculated in accordance with the current Rent Standard issued by the Government and the Council's Rent and Service Charge Policy which provides a framework for setting rents and service charges within legislative requirements. The rent and service charge income underpins the delivery of the Housing Revenue Account Business Plan's key housing objectives to deliver effective services, to invest in its properties to ensure homes are of a modern standard and to provide new social housing to rent. The policy has been reviewed and is subject to governance approvals.

Rent convergence will allow Social Rent properties that are currently charging rents below the 'formula rent' to gradually increase above the CPI +1% cap until they "converge" with the national formula rent level. This means that rents will rise by an additional amount each year, above the CPI +1% limit, until they match the formula rent target.

This mechanism was originally introduced in 2002 but was scrapped in 2015. With the new rent settlement, the government is set to reintroduce this convergence mechanism, but the precise implementation details are not expected until January 2026.

Rent convergence could have significant implications for tenants, particularly those in Social Rent properties where rents are currently below the formula rent level. These tenants may face higher annual rent increases than under the standard CPI +1% cap

However, whether it is £1, £2, or £3, this increase will still be covered by Universal Credit (UC) or Housing Benefit (HB) as long as the rent does not exceed the Local Housing Allowance (LHA) rates. Council rent levels are still within this rate so will not be affected. This is a crucial point for assessing the impact on different protected characteristic groups, as it means that tenants receiving benefits will not be financially burdened by the rent increase.

What **positive measures** are in place (if any) to help **fulfil our legislative duties** to:

Remove discrimination & harassment

Promote equal opportunities

The aim of the Rent & Service Charge

Encourage good relations

			Policy is to provide a fair method of calculating rents and service charges for all of our tenants. It also aligns with the Council's Concessions for Fees and Charges Policy, and the principle of recovering the cost of providing services.		
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What sources of data / information are you using to inform your assessment?	<ul style="list-style-type: none"> <li>• Policy Statement on Rents for Social Housing, February 2019</li> <li>• Direction on the Rent Standard, 2019</li> <li>• Welfare Reform and Work Act 2016</li> <li>• Housing and Planning Act 2016</li> <li>• Rent and service charge policy agreed by Exec December 2019 and recommended to Council in January 2020</li> <li>• Rent account information</li> <li>• Housing System data (NEC)</li> <li>• Supported housing service data</li> </ul>
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In assessing the potential impact on people, are there	<p>The average rent increase for 2025/26 is 4.8%, in line with the current rent standard.</p> <p>When calculating rents and service charges, consideration will be taken of the need to balance any increase in the combined rent and service charge with the potential financial impact on</p>
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any overall comments that you would like to make?

customers. This relates to 35% of homes to which a service charge applies, which are predominantly flats as well as sheltered accommodation. The Council aims to recover the actual cost of providing the service, as they change due to inflationary pressures and changes in usage.

The impact of the 2025/26 rent increase and service charges is

- 7,341 homes or 93% receive a rent and service charge increase below £7 per week;
- If rent convergence is agreed by the Government with a £1 cap, 7,451 homes or 94% will receive a rent and service charge increase below £8.50 per week.

We had 6,703 general social rented properties, 65 affordable rent properties, 836 Independent Living/Flexicare Accommodation and 79 LSSO as at October 2025. The setting of a proportion of new build lets at affordable rents will contribute positively to increasing the supply of new homes in Stevenage. All target groups will benefit given the need for affordable housing is common across all socio-economic and minority groups. The current low supply of new affordable housing and the high cost of the private rented sector in Stevenage have impacted adversely on those groups whose incomes are average or below average.

This also further supports work with people who need help to live independently at home and those at risk of homelessness, through wider housing options, continued provision of support, and financial assistance for adaptations and more homelessness preventative programmes, respectively.

Any groups that are potentially disadvantaged are still expected to be able to benefit from a council property set at a social rent and receive benefit support to cover affordable rent properties.

## Evidence and Impact Assessment

Explain the potential impact and opportunities it could have for people in terms of the following characteristics, where applicable:

Age					
Positive impact	With the implementation of rent convergence, additional income will be received by SBC which allows for further investment for our HRA stock and help support with current financial pressures	Negative impact	Residents may be experiencing exceptional economic hardship as a result of the current economic environment. This may have a greater impact on older people and disabled people, who may have additional needs for heating and to run particular equipment and may also have lower income / be reliant on pensions and/or benefits (which have been increased in line with inflation). However, the rent increase including any rent convergence will be covered by UC or HB for those on low income.	Unequal impact	<p>The increase is applied to all properties; it is not possible to exempt any particular groups. A proportion of tenants may see an increase in service charges in any given year. The majority of tenants who are charged for services live in flats and/or independent living accommodation. Tenants living in independent living do so because they have additional needs that require support relating to age, disability or both. The minimum age for entry into independent living is 60 years and data from Northgate indicates that the proportion of tenants aged 60+ in independent living, is almost three times the proportion for all tenant housing.</p> <p>In relation to flat blocks, the data indicates that there is a higher proportion of people aged 18-29 years in flat blocks compared with all SBC housing who may also struggle to pay.</p> <p>For people living in independent living/flexicare schemes, in addition to basic rent and service charges, those who pay for the support/emergency response services that are not eligible for Housing benefit may see an increase in overall payment due each week.</p> <p>We currently know that the general economic challenges and Cost of Living</p>

					are disproportionately of particular risk to older people and those with underlying conditions. This may result in in this age group incurring extra expenses that may affect their ability to pay rent and service charges.
Please evidence the data and information you used to support this assessment	See page 5				
What opportunities are there to promote equality and inclusion?	Ongoing and day to day consultation will take place with residents in 2025/26 to establish the impact of the rent & service charge increase. Please also refer to the mitigations outlined in the socio-economic section below, most of which will also apply to this protected characteristic group.	What do you still need to find out? Include in actions (last page)			

Disability e.g., physical impairment, mental ill health, learning difficulties, long-standing illness				
Positive impact		Negative impact	Residents may be experiencing exceptional economic hardship as a result of the cost of living crisis, and increases in energy, food, and fuel costs in particular. This may have a greater impact on people with a disability, who may have additional needs for heating and to run particular equipment, and may also have lower income / be reliant on benefits (which have been increased in line with inflation) The Welfare Advice and Debt team will provide to support to ensure that this group attracts maximum income to through benefits, however the rent increase including any rent convergence will be covered by UC or HB for those on low income.	Unequal impact  The increase is applied to all properties; it is not possible to exempt any particular groups. Northgate data on tenants in relation to disability is collected at the lettings stage and in most cases their circumstances may change and recorded as and when we are updated. Some tenants may not have provided it.
Please evidence the data and information you used to support this assessment	See page two and three.			
What opportunities are there to promote			What do you still need to find out? Include in actions (last page)	

equality and inclusion?			
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Gender Reassignment					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

Marriage or Civil Partnership					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

Pregnancy & Maternity					
Positive impact		Negative impact		Unequal impact	

Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.			
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)	

Race					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				
What opportunities are there to promote equality and inclusion?			What do you still need to find out? Include in actions (last page)		

Religion or Belief					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				

What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)	
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Sex					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

Sexual Orientation e.g., straight, lesbian / gay, bisexual					
Positive impact		Negative impact		Unequal impact	
Please evidence the data and information you used to support this assessment	There is no evidence to suggest any specific impacts on customers within any of these protected characteristic groups.				
What opportunities are there to promote equality and inclusion?		What do you still need to find out? Include in actions (last page)			

<b>Socio-economic<sup>1</sup></b> <b>e.g., low income, unemployed, homelessness, caring responsibilities, access to internet, public transport users, social value in procurement</b>					
Positive impact		Negative impact	Rent and Service Charge increase could negatively affect residents in a lower socio-economic standing as they will have a financial challenge.	Unequal impact	
Please evidence the data and information you used to support this assessment	Northgate reports on those in rent and service charge arrears and those supported. At the end of Q2 2025 35% were in rent arrears.				
What opportunities are there to promote equality and inclusion?	Identify and support those who are struggling utilising various support streams such as downsizing for those who are under occupying.		What do you still need to find out? Include in actions (last page)		

<b>Additional Considerations</b> <b>Please outline any other potential impact on people in any other contexts</b>					
Positive impact		Negative impact	The rent increase for 2025/2026 will be applied across all tenancies regardless of circumstances. Those reliant on Housing Benefit (HB) and Universal Credit (UC) Housing costs to cover their full rent and	Unequal impact	

<sup>1</sup>Although non-statutory, the council has chosen to implement the Socio-Economic Duty and so decision-makers should use their discretion to consider the impact on people with a socio-economic disadvantage.

			<p>eligible service charges will not be affected by the increase in rent and service charges as their benefit award will be recalculated. Those who receive partial or do not receive any benefits and experience affordability challenges will be supported accordingly.</p> <p>The number of bids on the new build properties let at affordable rents are similar to the number received for new build let at social rents. There is a mixture of employed and unemployed applicants. Applicants in receipt of benefits are not excluded or unfairly treated.</p> <p>Those who receive services for which a service charge is made will be charged the actual cost of those services. Heating and Water charges are exempt from HB and tenants are expected to pay this from other income or benefits.</p> <p>Residents may be experiencing exceptional economic hardship as a result of the current economic environment with increases in energy, food, and fuel costs in particular. We will use the Household Support Fund to assist those identified as in need.</p> <p>Households in the general rented homes, especially those on lower incomes, in general pay more of their income on housing costs and have less resilience to cope with financial shocks. This is anticipated to lead to a significant increase in fuel poverty. Income services Team will</p>		
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			monitor this and provide or signpost to support.		
Please evidence the data and information you used to support this assessment	See page two and three				
What opportunities are there to promote equality and inclusion?	<p>The policy allows for capping of service charges, subject to any legal constraints. As a means of mitigating the impact of an increase that would cause hardship, the council may subsidise the costs.</p> <p>Rent increase information will be published on the Council website early February 2025 to start preparing tenants.</p> <p>The rent notification letter (to be sent out at the end of February) will offer tenants the opportunity to discuss any queries they have with staff. It will explain why the rent has increased and also explain any increase in service charges.</p> <p>Where support charges are also included (mainly but not exclusively for sheltered and flexi care schemes) separate notifications will be sent out to these residents to ensure it is clearly set out how each element of the weekly charge is made up.</p>	What do you still need to find out? Include in actions (last page)	<p>Staff in the Income Services and Finance team will closely monitor, through day-to-day income management and tenant account management, to establish the impact of the rent &amp; service charge increase and put in place systems to mitigate this accordingly. This is done in April and May. Please also refer to the mitigations outlined in the socio-economic section above</p>		

	<p>To ensure that this is explained as clearly as possible there will be a FAQ sheet and details on the website and hard copies available for those who need them.</p> <p>The policy states that the Council will have regard to the Local Housing Allowance when setting affordable rents. If affordable rents are set at this level, HB/ UC housing cost will cover the rent in full for those tenants who are entitled to the maximum amount of housing benefit. Setting at the Local Housing Allowance will also benefit tenants who are, for example on a low wage or zero-hour contracts and where partial housing benefit can be paid.</p> <p>For those moving into Affordable Rent (AR) properties a comprehensive affordability assessment is carried out prior to offer to ensure that the tenancy is sustainable.</p> <p>The implementation of the policy in respect of Affordable Rent will be kept under review by the Housing Development Working Group and should adverse impacts be identified this will inform future decision making in this regard.</p> <p>Support provision for this group has been increased as part of an Income Recovery Action plan and it has been extended for a further 2 years to ensure</p>		
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	<p>that they can pay through sustainable arrangements to maintain payments towards rent and service charges and have access to required support.</p> <p>The Council will make links to support and guidance clear on all of its communication platforms.</p> <p>The Council will prepare staff to enable them to respond effectively and empathetically with tenants.</p>		
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## Consultation Findings

Document any feedback gained from the following groups of people:

Staff?	N/A	Residents?	Staff in the income services and Finance team will closely monitor through day-to-day income management and tenant account management to establish impact of the rent & service charge increase and put in place systems to mitigate this accordingly. This is done in April and May. Please also refer to the mitigations outlined in the socio-economic section above.
Voluntary & community sector?	N/A	Partners?	N/A
Other stakeholders?	The report will go through the Council's pre-budget scrutiny meetings before being presented to the Full Council in January.		

## Overall Conclusion & Future Activity

Explain the <b>overall findings</b> of the assessment and <b>reasons for outcome (please choose one)</b> :		
1. No inequality, inclusion issues or opportunities to further improve have been identified		
Negative / unequal impact, barriers to inclusion or improvement opportunities identified	2a. Adjustments made	
	2b. Continue as planned	<p>The future viability of the HRA Business Plan is reliant upon us being able to maximise income collection, recover arrears and the costs of service provision where it is possible to do so.</p> <p>Only a proportion of new builds will be at affordable rent in line with the revised HRA Budget plan. The proposal to offer a mix of new build rents at affordable rent levels and at social rent levels would result in additional income to the HRA over 30 years which makes a significant contribution to the sustainability of the plan and the Council's ability to build new homes and to deliver other housing priorities.</p>
	2c. Stop and remove	

Detail the <b>actions that are needed</b> as a result of this assessment and how they will help to <b>remove discrimination &amp; harassment, promote equal opportunities</b> and / or <b>encourage good relations</b> :				
Action	Will this help to remove, promote and / or encourage?	Responsible officer	Deadline	How will this be embedded as business as usual?
Monitor through day to day income management and tenant account management to establish to establish the	Remove discrimination and promote equal opportunities.	Elizabeth Ddamulira	Oct 2026	Current practice is to assess cases or groups that are experiencing challenges and putting in place processes

impact of the rent increase challenges relating to affordability and provide tenants with support accordingly	Put in place systems to mitigate this accordingly			and systems to mitigate impacts.

**To be Approved by Cabinet (December 2025)**

**Date: 10/12/2025**

Please send this EqlA to [equalities@stevenage.gov.uk](mailto:equalities@stevenage.gov.uk) for critical friend feedback and for final submittance with the associated project.