

Impact Assessment

Ensuring Powys County Council's Compliance with Housing Finance Legislation and Guidance



Impact Assessments (IA) are a process of assessing how our proposals and decisions might impact upon different types of people and communities and developing proposals in line with relevant legislation.

This is a legal requirement, and ensures the Council considers key legislation, including Equalities, Welsh language, Future Generations, Socio-economic Duty and Risk when developing proposals.

It will also help the Council make the best possible decisions for the people of Powys.

Before you begin, please read through the guidance found [here](#) in English, and [here](#) in Welsh.

1. Proposal Information

* Required

Author Name	Dafydd Evans
Head of Service	Andy Thompson
Portfolio Holder	Councillor Matthew Dorrance
Proposal title	Ensuring Powys County Council's Compliance with Housing Finance Legislation and Guidance
Description of proposal *	The report considers the Council's approach to managing its finances in line with the expectations set out in the Welsh Government's Housing Revenue Account (HRA) Manual, published in November 2021, and the Local Government and Housing Act 1989 (LG&HA 1989), in particular Part Six of the act which covers housing finance. The act has provided the main framework for local government housing finance since April 1 st , 1990. The report includes a range of options to make sure that the Council is, from 2025-2026, fully compliant with the provisions of both the HRA Manual and the LG&HA 1989, with a recommended option to allow the Council to continue to provide an effective and compliant range of non-landlord services.

2. Savings and Consultation

* Required

Profile of savings delivery

2024-25	2025-26	2026-27	2027-28	2028-29	2029+	Total Savings
See further information	Four options are proposed each with different financial impacts, options 2 and 3 include a £110k	See further information	See further information	See further information	See further information	Click or tap here to enter text.

homeless
prevention
savings

Further information

Four options are proposed each with different financial impacts, as the Councils budget has been set, options include potential for drawing from reserves, the use of Housing Support Grant to fund eligible activity and an option to fund the identified gap which includes a potential management of change process. Options 2 and 3 include spend to save proposals for introducing a Homeless triage team which would prevent homelessness. Three options include drawing on reserves and one includes the with-drawl or reduction in the provision of services by the Housing Service. Previous Years impact will be considered once 2025-26 proposals are agreed. Proposals include a review of Housing General fund pressures on an annual basis which will inform the FRM (Financial Resources Model).

Consultation requirements

Consultation required? *	Yes
Union consultation date	10/03/2025
Staff consultation date	10/03/2025
Public consultation date	31/03/2025

Consultation plan (or justification where no consultation is required)

A number of fixed term posts which were due to expire on the 31st March 2025 have been extended to 31st May 2025 as options do include the potential of a management of change process affecting up to 11 posts. Discussions have commenced on the 10th March with potential affected officers and unions are being advised as to the potential management of change consequences.

If an option is agreed that affects fixed term and/or permanent posts in the Housing Service, the reason as to why budgets need to be realigned will need to be included in the business case/management of change process.

Housing Revenue Account (HRA) manual is clear that tenants should be consulted regarding any financial impacts affecting the HRA, this will therefore include any changes in staffing arrangements funded by the HRA and includes the use of temporary accommodation in the Council housing stock. Tenant Scrutiny Panel will need to be consulted regarding the option that is agreed.

3. Impact on other service areas, geographical areas, and data protection ⓘ

* Required

3a. Impact on other service areas *

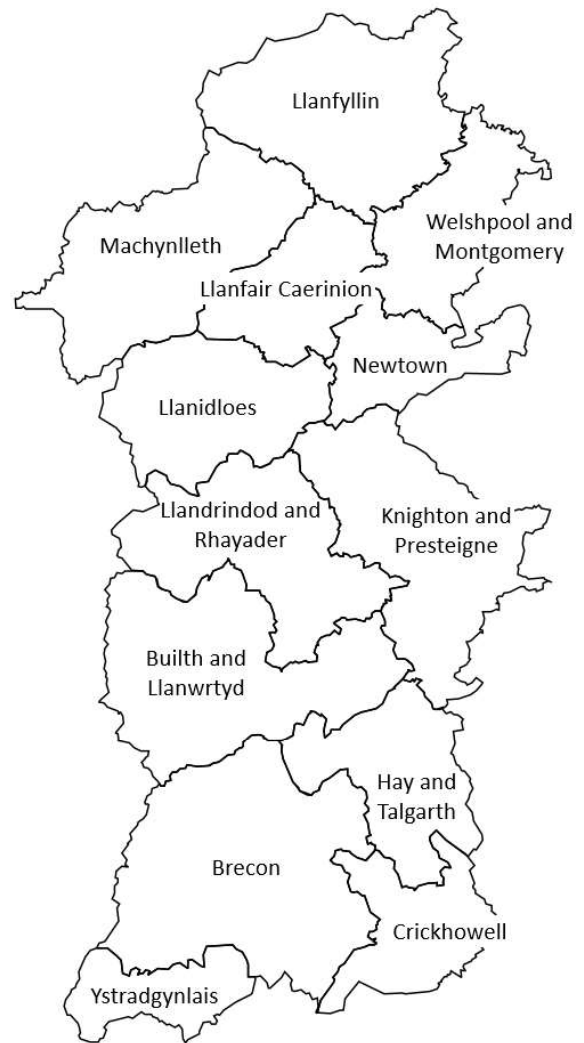
- Digital Services
- Childrens Services
- Adult Services
- Business Intelligence and Governance
- People
- Finance
- Legal and Monitoring
- Economy and Climate
- Housing Services
- Highways, Transport & Recycling
- Planning & Regulatory Services
- Transforming Education
- School Improvement and Learning
- Community Wellbeing
- Strategic Partners, e.g PTHB, RPB

If you selected “Strategic Partners”, please specify the strategic partners below

Click or tap here to enter text.

3b. Impact on geographical locations *

- All Powys
- Llanfyllin
- Welshpool and Montgomery
- Machynlleth
- Llanfair Caerinion
- Newtown
- Llanidloes
- Llandrindod and Rhayader
- Knighton and Presteigne
- Builth and Llanwrtyd
- Hay and Talgarth
- Brecon
- Crickhowell
- Ystradgynlais



3c. Data protection impact assessment

Will the proposal involve processing the personal details of individuals? *	Yes
Is Powys County Council the data controller? *	Yes

If you answered yes to either question above then please ensure you have completed, as a minimum, the screening questions on the data protection impact assessment.

For further advice please contact the [Information Compliance Team](#).

Further information

If an option is agreed which means that a management of change is necessary then affected officers personal details will need to be considered.

4. Impact on well-being goals including Welsh language and equalities

* Required

4a. A prosperous Wales

Impact *	<p>The four options presented vary from maintaining the status quo which would mean the General Fund funding the current structure which provides statutory duties and responsibilities from reserves as the Council has agreed a balanced budget, to a management of change process which could reduce the capacity to meet the General Fund statutory duties and responsibilities. Some of the options propose introducing a Homeless Triage, funded from Housing Support Grant, which can prevent homelessness. The impact will vary depending on the agreed option.</p> <p>Option 1- No Changes to Service (the 'As Is' Option), would be neutral however the General Fund would be required to fund the gap, Option 2- Reprofile service and funding to maintain current capacity, capability and outcomes; allocation of enhanced HSG award to reflect strengthened early intervention and prevention approach to homelessness, the impact would be good and this is the recommended option, Option 3 - Reprofile service within existing base budget to maintain current capacity, capability and expertise to provide services; limit use of temporary accommodation; strengthen early intervention and prevention, impact neutral/poor as the reduction in temporary accommodation would mean an increase in Bed and Breakfast and private sector provision. Option 4 - Reprofile service to match base budget 2025-2026; reduce service expertise, capability and capacity to meet statutory and regulatory housing obligations; maintain 'on demand' provision of temporary accommodation, impact would be poor or very poor as there would be reduced capacity to deliver statutory functions, there would be less prevention of homelessness and therefore numbers could increase and the use of Bed and Breakfast and private sector accommodation would increase significantly, HRA funded services would need to refer Housing General Fund (HGF) activities to other Council services and HGF services would need to ration services. The recommended option is Option 2 and the impact rating relates to this option.</p>
Impact Rating *	Good

Mitigation	The preferred option is option two which is to reprofile service and funding to maintain current capacity, capability and outcomes; strengthen early intervention and prevention. If this option is agreed there would be a positive impact as current service provision would be maintained and prevention of homelessness triage services would be implemented. The provision of General Fund and HRA activities would be compliant with legislation and guidance.
Mitigated Rating	Very good

4b. A resilient Wales

Impact *	All options would increase the level of Housing Revenue Account funding available. The additional funding could be invested in the Council Housing stock and programmes of work which had been cancelled or delayed could be reinstated. Options 1, 2 and 3 would maintain existing Housing General Fund Services, options 2 and 3 include the introduction of homeless triage services. Impact Rating assumes Option 2 which is the recommended option.
Impact Rating *	Good
Mitigation	Green Powys and Love where you love programmes that were cancelled or delayed would be reinstated, General Fund and HRA activities would be compliant with legislation and guidance.
Mitigated Rating	Good

4c. A healthier Wales

Impact *	Option 4 would result in a very poor impact rating. Options 1, 2 and 3 would maintain existing General Fund Services, options 2 and 3 include the introduction of homeless triage services which would prevent homelessness. Option 2 the recommended option would benefit the physical, mental and emotional health of the people of Powys as services would be maintained and there would be increased homeless prevention activity.
Impact Rating *	Good
Mitigation	By preventing homelessness, citizens of Powys would access support and assistance earlier and be prevented from becoming homeless and placed in temporary accommodation.

Mitigated Rating	Good
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4d. A Wales of cohesive communities

Impact *	All 4 options would increase the levels of HRA funding available which could be used to enhance cohesive communities in the Council Housing stock however if option 4 was agreed there would be considerable impact on Council Housing Services due to the reduced capacity to deliver Housing General Fund statutory duties, HRA Council Housing Services would have to refer demand for General Fund (GF) statutory activities to other services for example Adults or Children services, HRA funded services should not be used to deliver GF statutory duties and responsibilities. Impact Rating assumes Option 2.
Impact Rating *	Neutral
Mitigation	Additional HRA funding could be used to enhance cohesive communities in the Council Housing stock, the prevention of homelessness services would help maintain cohesive communities and enable households to stay in communities, the reduction in temporary accommodation in the HRA stock would also benefit cohesive communities.
Mitigated Rating	Good

4e. A globally responsible Wales

Impact *	Options 1, 2 and 3 would not impact on Wales or adjoining local authorities as Powys would continue to deliver its statutory duties and responsibilities. Option 4 would result in disruption to the delivery of services in mid Wales which could impact on neighbouring authorities. Relationships with Citizens Advice Bureau, and Shelter Cymru would become adversarial. Impact Rating assumes option 2.
Impact Rating *	Neutral
Mitigation	If option 2 is agreed then the introduction of homeless prevention services will benefit the impact.
Mitigated Rating	Good

4f. A Wales of vibrant culture and thriving Welsh language i

Using Welsh i

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Promoting Welsh i

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Sports, Art & Recreation i

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

4g. A more equal Wales i

Age i

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
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Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Disability

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Gender Reassignment

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Marriage or Civil Partnership

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Race

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Religion or belief

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Sex

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Sexual Orientation

Impact *	Not applicable options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Pregnancy and Maternity

Impact *	Not applicable, options 1, 2 and 3, if option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group.
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Socio-economic Duty

Impact *	If option 4 is agreed there would be insufficient capacity to deliver housing statutory services and Council Housing Services would have to refer households to other General Funded Council Services or place households into Bed and Breakfast / private sector accommodation and ration services. When services are rationed the system used to allocate resources could be challenged by any group. Those who are socio economically disadvantaged would be placed in temporary accommodation and restricted from accessing support and services. Option 3 would reduce the levels of temporary accommodation available in the Council Housing stock. Options 2 and 3 would assist socio economically disadvantaged groups as they would prevent homelessness. The Impact Rating assumes Option 2 is agreed.
Impact Rating *	Good
Mitigation	The Homeless triage services will prevent homelessness and assist socio economically disadvantaged households to access support and assistance earlier.
Mitigated Rating	Good

4h. Evidence

Powys HRA Business Plan (2024-2025); STAR Survey of Tenant Satisfaction; Tenant Scrutiny Panel minutes and sub panels; WHQS Compliance Policy for Powys; Powys Housing Support Programme (HSP) Strategy 2022-26; 'Love Where You Live' Tenancy Sustainability Strategy (2018); WHO 12 quarterly returns; 'Homes in Powys' housing waiting list data; Housing Service performance data.

5. Impact on key guiding principles & workforce i

* Required

5a. Sustainable development principles

Long-term i

Impact *	Considering long term trends when planning for the future so that problems are not stored up for later. The realignment of HRA and GF budgets is required to ensure that the Council is acting in accordance with the legislation and guidance as HRA funding has been used to fund Housing General Fund (HGF) activities for some time. The most significant increase in the use of HRA funds followed the restructure of Housing Services in 2014/15, by introducing the roles of Housing Management and Options Officers following the introduction of the Housing (Wales) Act 2014 which introduced new duties to prevent homelessness. The review of activities undertaken by officers in the summer of 2024 and in February 2025 identified that due to increased homelessness duties and responsibilities the imbalance of funding between the HRA and the HGF had increased. The impact rating assumes that Option 2 is agreed.
Impact Rating *	Good
Mitigation	Option 2 includes the establishment of homeless triage services funded from Housing Support Grant and this will prevent homelessness and reduce the need for temporary accommodation.
Mitigated Rating	Very good

Collaboration i

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

Involvement (including Communication & Engagement)

Impact *	Housing Revenue Account (HRA) manual is clear that tenants should be consulted regarding any financial impacts affecting the HRA, all 4 options affect the HRA business Plan and therefore Tenants Scrutiny Panel (TSP) will be consulted on the option agreed. Impact Rating assumes Option 2.
Impact Rating *	Neutral
Mitigation	If Option 2 is agreed additional HRA funds can be allocated to programmes that have been previously suspended or cancelled.
Mitigated Rating	Good

Prevention

Impact *	Options 2 and 3 include the establishment of a homeless triage service which will prevent homelessness. Impact rating assumes Option 2.
Impact Rating *	Good
Mitigation	The establishment of a triage service will increase the prevention of homelessness, Option 3 would reduce the levels of temporary accommodation and option 4 would reduce the capacity of Housing General fund officers. Option 2 would address the inappropriate use of HRA funding, maintain existing services and enhance homeless prevention services.
Mitigated Rating	Good

Integration

Impact *	Option 4 would result in additional pressures on other General Fund Council services as the reduced Housing General Fund (HGF) resources will be insufficient. There would be an increased use of Bed and Breakfast and privately owned services and HGF services would be rationed. Increased numbers of households in Bed and Breakfast and privately owned temporary accommodation will impact on the wellbeing of the households which will increase the pressure on other Council Services and the Health Authority. Option 3 would also increase the numbers in Bed and Breakfast and privately owned accommodation. Impact Rating assumes option 2.
Impact Rating *	Good

Mitigation	Option 2 maintains the current provision of Housing General Fund services and increases the HRA funding available. It also establishes a homeless triage service which will prevent homelessness which will reduce pressures on other Council Services and the Health Authority as households are accommodated in suitable accommodation and do not experience homelessness..
Mitigated Rating	Good

5b. Impact on the workforce

Impact *	Option 4 would result in a management of change process and could lead to redundancies. Impact Rating assumes option 2 which maintains current workforce and establishes a homeless triage service funded from Housing Support Grant. Additional HRA funding would be available.
Impact Rating *	Good
Mitigation	Option 2 would provide security to the workforce.
Mitigated Rating	Good

5c. Welsh language impact on Staff

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

5d. Impact on apprenticeships

Impact *	Not applicable
Impact Rating *	Neutral
Mitigation	Not applicable
Mitigated Rating	Neutral

5e. Evidence i

Powys HRA Business Plan (2024-2025); STAR Survey of Tenant Satisfaction; Tenant Scrutiny Panel minutes and sub panels; WHQS Compliance Policy for Powys; Powys Housing Support Programme (HSP) Strategy 2022-26; 'Love Where You Live' Tenancy Sustainability Strategy (2018); WHO 12 quarterly returns; 'Homes in Powys' housing waiting list data; Housing Service performance data.

6. Likelihood and risks i

* Required

Risk 1

Risk 1

If the recommended option two is agreed which is -Reprofile service and funding to maintain current capacity, capability and outcomes; allocation of enhanced HSG award to reflect strengthened early intervention and prevention approach to homelessness, is agreed, the risk is low with regard to addressing Housing General Fund statutory duties, additional prevention services will reduce the use of temporary accommodation and the allocation of General Fund and Housing Revenue Account Funding will be compliant with legislation and guidance.

Likelihood score	3	Impact score	1	Risk rating	3
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Mitigation

Allocation of General Fund to address the gap in funding from reserves ensuring that the allocations of General Fund and Housing Revenue in accordance with legislation and guidance, homeless prevention services established funded from Housing Support Grant

Residual likelihood score	1	Residual impact score	1	Residual risk rating	1
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Risk

Risk 2

Options one - No Changes to Service (the 'As Is' Option) and three - Reprofile service within existing base budget to maintain current capacity, capability and expertise to provide services; limit use of temporary accommodation; strengthen early intervention and prevention, would require the allocation of General Fund reserves to address the funding gap and ensure that the General Fund and HRA allocations are in accordance with legislation and guidance, however both options will impact on either the use of temporary accommodation and option 3 does include the establishment of homeless prevention services.

Likelihood score	4	Impact score	3	Risk rating	12
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Mitigation

Allocation of General Fund to address the gap in funding from reserves ensuring that the allocations of General Fund and Housing Revenue in accordance with legislation and guidance, impact on the provision of temporary accommodation, for option three establish homeless prevention services.

Residual likelihood score	4	Residual impact score	2	Residual risk rating	8
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Risk 3

Risk 3

If Option Four: Reprofile service to match base budget 2025-2026; reduce service expertise, capability and capacity to meet statutory and regulatory housing obligations; maintain 'on demand' provision of temporary accommodation was agreed the Council would not be accepting that the Housing Revenue account has been funding activity it should have and there would be a reduction in Housing General Fund (HGF) Activity. Management of change process would be required and experienced officers could be made redundant. Housing Revenue Account (HRA) services could be enhanced however HRA funded posts should not deliver HGF services, additional pressures on other Council services in particular Social Services and the rationing of HGF would be required and there would be an increased use of Bed and Breakfast and private sector accommodation. Allocation of HRA and HGF in accordance with legislation and guidance.

Likelihood score	5	Impact score	5	Risk rating	25
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Mitigation

Other Council services could deal with HGF demand but this depends on discussions with other services.

Residual likelihood score	4	Residual impact score	5	Residual risk rating	20
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Risk 4

Risk 4

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	
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Risk 5

Risk 5

Click or tap here to enter text.

Likelihood score	Choose an item.	Impact score	Choose an item.	Risk rating	
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Mitigation

Click or tap here to enter text.

Residual likelihood score	Choose an item.	Residual impact score	Choose an item.	Residual risk rating	e residual risk rating will be automatically calculated when the document is completed
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7. Overall summary and judgement

Outline assessment *

If the recommended option 2 - Reprofile service and funding to maintain current capacity, capability and outcomes; allocation of enhanced HSG award to reflect strengthened early intervention and prevention approach to homelessness is agreed the Council would address the Housing Revenue and Housing General Fund gap in funding and ensure that funding is in accordance with legislation and guidance, would maintain existing services and prevention of homelessness services would be established. Options two and three would address the funding gap however there would be an impact on existing provision. Option 4 would address the funding gap however cause significant disruption to existing services, there would be an increased use of Bed and Breakfast and private sector accommodation at a significant cost to the Council, there would be significant reputational damage to the Council as the services offered for Housing General Funded activities would be reduced and experienced officers could be made redundant.

8. Additional evidence

Click or tap here to enter text.

9. Monitoring arrangements *

Housing General Fund and Housing Revenue account activities will be reviewed during the third quarter and factored into the annual Financial Resource Model and Housing Revenue Account Business Plan.

Review date *	01/10/2025
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10. Signoff

You can now close this word document down and return to the app or re-open the app by clicking [here](#). From the app you need to sign off the Impact Assessment. You can do this in the 'Manage Assessments' section. Select the Impact assessment you want to mark as complete, and the app will then send an email to the named Head of Service automatically.

You can view the current signoff status of the document below, but signoff can only be done in the app.

Author signoff	Dafydd Evans
Head of Service signoff	Andy Thompson
Portfolio Holder signoff	Not signed off by portfolio holder

