# Diversity Impact Assessment

Title: Leaseholder Service Charge Loan policy.

Date: Review completed in January 2025

Lead Officer: Katherine Bishop – Customer Insight and Data Manager

1. **Summary description of the proposed change**

*What is the change to policy / service / new project that is being proposed?*

*How does it compare with the current situation?*

The purpose of this policy is to set out how Medway Council Housing Services will bill for services provided;

The Leaseholder Service Charge Loan policy was due to be reviewed and has been updated to ensure that it reflects the current process.

There have been no significant policy changes since the original policy was introduced

1. **Summary of evidence used to support this**

The council operates two Service Charge Loan Schemes.

The Mandatory Scheme relates to all leasehold properties originally purchased from the council under the Right to Buy in England where Medway Council remains the freeholder and landlord of these properties. Under relevant legislation and subject to qualifying criteria. The council must, upon request, grant a Service Charge Loan (the Right to a Loan) to its leaseholders.

The Discretionary Scheme applies as above, but only to resident leaseholders and not to leaseholders who sub-let their property. The council is not legally obliged to operate this scheme.

As of 01/01/2025 there are 215 leaseholders.

1. **What is the likely impact of the proposed change?**

*Is it likely to :*

* *Adversely impact on one or more of the protected characteristic groups?*
* *Advance equality of opportunity for one or more of the protected characteristic groups?*

*Foster good relations between people who share share a protected characteristic and those who don’t?*

Age: no impact

Disability: no impact

Gender reassignment: no impact

Marriage/civil partnership: no impact

Pregnancy/maternity: no impact

Race: no impact

Religion/belief: no impact

Sex: policy: no impact

Sexual orientation: no impact

Other (e.g. low-income groups): will advance equality

1. **Summary of the likely impacts**
* *Who will be affected?*
* *How will they be affected?*

It has not been identified that this policy will have a negative impact on any protected characteristic, as the policy will be applied universally to all leaseholders.

The policy may advance equality for low-income groups by providing details of the deferred payment options available (loans scheme).

**What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?**

* *Are there alternative providers?*
* *What alternative ways can the Council provide the service?*
* *Can demand for services be managed differently*

**Low Income Groups**

Loans Scheme

In the context of this policy, the term “Loan” does not refer to an exchange of Money or Assets but to the council agreeing to defer repayment of service charges on agreed terms.

The Leaseholder Service Charge Loan Policy will assist leaseholders who are on low incomes to manage the cost of qualifying service charge costs in relation to repair work to their block.

The council will always advise leaseholders to obtain their own independent financial and legal guidance before accepting any offer of a loan or signing a legal agreement.

Leaseholders may be eligible for a loan to pay for service charges for repairs that have been carried out to their block.

1. **Action plan**

Monitor Complaints to identify any negative trends with regards to the Leaseholder Service Charge Loan policy.

1. **Recommendation**

*The recommendation by the lead officer should be stated below. This may be:*

* *to proceed with the change, implementing the Action Plan if appropriate*
* *consider alternatives*
* *gather further evidence*

*If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.*

Proceed with the reviewed policy.

1. **Authorisation**

*The authorising officer is consenting that:*

* *the recommendation can be implemented*
* *sufficient evidence has been obtained and appropriate mitigation is planned*
* *the Action Plan will be incorporated into the relevant Service Plan and monitored*

Authorising Officer: Rebecca Wilcox – Chief Housing Officer

Date: January 2025