

Financial Inclusion Strategy 2017 for Scrutiny Committee - Monday 9 October 2017

8. Review of Financial Inclusion Strategy (Pages 3 - 32)

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To: City Executive Board
Date: 16 October 2017
Report of: Executive Director Organisational Development & Corporate Services
Title of Report: Financial Inclusion Strategy 2017-2020

Summary and recommendations	
Purpose of report:	To approve the Financial Inclusion Strategy for the period 2017-2020 attached at Appendix 1 and request approval of £50,000 to fund emergency support for residents migrating to Universal Credit in the remainder of 2017/18
Key decision:	Yes
Executive Board Member:	Councillor Susan Brown, Board Member for Customer and Corporate Services
Corporate Priority:	A Vibrant, Sustainable Economy, Strong and Active Communities
Policy Framework:	Corporate Plan.
Recommendation(s): That the City Executive Board resolves to:	
<ol style="list-style-type: none"> 1. Adopt the revised Financial Inclusion Strategy for the period 2017-2020 attached at Appendix 1; 2. Delegate authority to the Executive Director Organisational Development & Corporate Services in consultation with the Executive Member for Customer and Corporate Services to review and update the Strategy's action plan. 3. Utilise £50,000 of the 2016/17 underspend to provide an emergency support scheme to cover essential living costs for people migrating to Universal Credit within the current financial year, and to delegate authority to the Executive Director Organisational Development & Corporate Services to develop the scheme in consultation with the Executive Member for Customer and Corporate Services. 	

Appendices	
Appendix 1	Financial Inclusion Strategy
Appendix 2	Financial Inclusion Strategy consultation
Appendix 3	Risk Register
Appendix 4	Equalities Impact Assessment

Introduction and background

1. The current public funding climate, cuts in welfare and below inflation wage increases continue to put pressure on those with the lowest incomes. Rising costs of living in relation to basic needs such as home energy and food together with increased housing costs are exacerbating the problems of vulnerable residents and also pushing others currently at the 'tipping point' into potential difficulties. This means there is an increased danger of people falling into debt, getting into rent arrears, failing to adequately heat their homes or feed themselves and their family properly. The Financial Inclusion Strategy has been reviewed in light of these ongoing challenges.
2. The issues which the Financial Inclusion Strategy aims to tackle are outlined in the Strategy document at Appendix 1. They include a cumulative reduction of £47.8 million in welfare benefits paid to Oxford residents from 2010 to 2020, median rents costing more than half of median earnings, 13% of residents in fuel poverty and more than 4% of residents with no skills or qualifications, preventing them from either accessing or progressing in the employment market.
3. In July, consultation was carried out to seek views on the existing Financial Inclusion Strategy. There were only a small number of respondents but those responses that were received were very useful and well informed. Appendix 2 details the consultation outcome and the revised Strategy has been amended in light of these responses.
4. Learning from the work carried out under the previous Financial Inclusion Strategy has also informed revisions. The revised Strategy document, attached at Appendix 1, includes details of successful outcomes achieved in the financial inclusion work undertaken in the last three years. Some of these are set out below.
 - A more customer focused approach to collecting council debts, reducing the costs incurred by customers.
 - Preparing council tenants for Universal Credit by paying them Housing Benefit direct and supporting them to manage their rent payment, and piloting this approach in the private sector.
 - Developing a fuel poverty model to target funding and support to relevant households.
 - Employing two energy advice offers to provide energy advice to Council tenants (1,813 visits conducted by August 2017).
 - Supporting 232 residents affected by benefit reductions, to access employment.
5. Financial Inclusion is not an issue which the Council can tackle on its own, and the Strategy identifies a number of external partners who the Council works with in this area. One key group of partners are the organisations commissioned to provide advice services under the Council's Advice and Money Management commissioning theme. An independent review of these services to inform the 2018-21 commissioning period has been completed and the new specification for these services has been written to ensure

that the following aims of the Financial Inclusion Strategy are supported by commissioned advice services.

Residents will:

- know where to access information and advice, and will be able to access these services through their preferred channel;
- be able to seek free advice about their debts and be supported to make affordable repayment plans;
- have increased ability and confidence in managing everyday finances including contracting with and changing utility companies;
- be supported to claim the benefits to which they are entitled;
- be guided to access emergency support when required;
- be given advice on managing their finances, including the payment of their housing costs;
- be assisted in accessing digital services;
- be helped to overcome barriers to work;
- be supported to become self-sufficient in accessing online services.

6. The main changes to the Strategy are:

- enabling residents to access services through their channel of choice;
- focusing on the payment of housing costs when supporting residents to manage their income;
- supporting people to access Universal Credit which represents the biggest ever change in the delivery of welfare benefits;
- changing the focus of fuel poverty work to ensure support is targeted to those who need it, instead of reducing the number of people affected by it (this is due to the change in the way the government measures it);
- utilising £50,000 to establish an emergency support fund for residents migrating to Universal Credit.

Public Consultation

7. Public consultation on the Financial Inclusion Strategy was carried out for four weeks from 13 July 2017 to 11 August 2017. A range of partners in the Housing and Voluntary sectors were invited to respond to the consultation. The consultation was also available on the Council's website for members of the public to respond to. A summary of the responses is provided at Appendix 2.

8. As a result of the public consultation an action has been added to the Action Plan which is; to promote Oxfordshire Credit Union's services, and some other minor changes have been made which are outlined in Appendix 2.

Review

9. Given the range of factors which impact on financial inclusion, it is not possible to develop a definitive action plan for the next three years. It is intended to review the plan on an annual basis to ensure actions are progressing, and to identify new actions where required.

Financial implications

10. The wider rollout of Universal Credit from October 2017 brings a risk of households being left without any income for six weeks or longer as they migrate to the new Benefit. As such £50,000 is requested to fund an emergency support scheme, with authority

delegated to the Executive Director Organisational Development & Corporate Services to develop the scheme in consultation with the Executive Member for Customer and Corporate Services.

11. Over and above this, the report does not propose any additional new expenditure. The majority of actions seek to ensure that existing funding and initiatives to promote financial inclusion are aligned to produce greater outcomes.

Legal issues

12. None.

Level of risk

13. A risk assessment can be found at Appendix 3.

Equalities impact

14. The equalities impact assessment can be found at Appendix 4.

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Background Papers: None



Financial Inclusion Strategy

2017-2021

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INTRODUCTION

This document sets out Oxford City Council's (OCC) vision and strategy for financial inclusion and forms an integral component of the Council's commitment to reduce inequality, which is articulated in the Council's Corporate Equality Scheme. The Action Plan at Appendix Two details the activities that will be undertaken to achieve the aims of this strategy together with the lead officer from the Council's perspective, plus any external partners involved in delivery.

The Strategy covers the period October 2017 to March 2021. However this document will be reviewed annually to ensure the outcomes from the Action Plan continue to meet the Council's priorities. The priorities supported by the Strategy are as follows:

- Vibrant & Sustainable Economy – By supporting people to move from benefits into employment, supporting community job fairs, engaging with Community Employment Plans linked to significant developments (e.g. Westgate)
- Meeting Housing Need - Supporting people to manage their finances and sustain their tenancies, provision of advice to reduce debts, improve budgeting and access eligible benefits, measures to reduce fuel poverty

Appendix One summarise the main achievements of the 2014-17 Financial Inclusion Strategy.

WHAT IS FINANCIAL INCLUSION

Financial inclusion has been described as the process which ensures a person's incoming money is maximised, their out-goings are controlled and they can exercise informed choices through access to basic financial services. Without this, people are often referred to as financially excluded. People that are financially excluded are often those in poverty or experiencing disadvantage and as a result might:

- not be able to access affordable credit
- not have access to, or have difficulty obtaining a bank account
- be financially at risk through not having home insurance
- struggle to budget and manage money or plan for the unexpected
- have difficulty in paying fuel bills and/or live in poor quality housing
- not know how to make the most of their money.

As the impact of financial exclusion falls more heavily on low income households, this strategy seeks to ensure sufficient support is provided to such households to maximise their income. This will be achieved through a number of means, but will include supporting people to access employment, and in overcoming barriers to work. Sound financial inclusion work can help deliver sustainable improvements for individuals and their communities, and enable the Council to become more cost efficient. The benefits of financial inclusion can be defined as follows.

For individuals and their families:

- access to lower cost household bills
- lower transactions costs
- fewer family break-ups
- more able to withstand financial shocks
- better physical and mental health outcomes
- able to play a full part in society.

For local communities:

- more settled and stable communities
- more money spent in local economy.

For the Council/local taxpayers and tenants:

- improved cash flow
- reduction in rent arrears
- fewer evictions
- fewer homeless presentations
- less tenant turnover
- reduction in costs of Council Tax and Rent collection.

CONTEXT

Since the first FIS was introduced residents of Oxford have seen wages fall in real terms, and benefits have been frozen, whilst housing costs have continued to rise. This creates an increased risk of homelessness. Reducing the numbers of people who are financially excluded mitigates this risk.

This section details the main factors which impact on the level of financial exclusion in Oxford. (Work the Council undertakes to tackle homelessness and increase housing supply will impact positively on individuals' financial inclusion. However, this work is addressed by the Council's Housing and Homelessness Strategy and so is not duplicated here).

Benefits

Since 2010 the government's welfare reform agenda has seen a continuing reduction in the amount of benefit awarded to individuals. The Centre for Regional, Economic and Social Research has calculated that between 2010 and 2020 benefit recipients in Oxford will lose a total of £47.8 million from welfare reforms introduced during this period. Nationally, from 2016 the cumulative loss from welfare reform will amount to £40.62 per week by 2020. This is a consequence of expected inflation and private rent growth, combined with the freezing of benefits rates for working-age people through to 2020. This means many households see falls in real income. The main consequences of this for the FIS are as follows.

- Private tenants are heavily affected by welfare reform in terms of real income loss, due to the disconnect between Local Housing Allowance rates and private rent price growth.
- Working households in receipt of tax credits are particularly likely to be highly affected by welfare reform, largely due to the cuts to work allowances under Universal Credit.
- Over two thirds of households highly affected by welfare reform and in receipt of out-of-work benefits face significant barriers to work.
- Certain cohorts, such as families with children and households containing a person with a disability (especially households in receipt of Disability Living Allowance/Personal Independence Payment) are particularly affected. Some of these households are likely to be unable to move into work, or to better paid work (*Policy in Practice – The cumulative impacts of welfare reform: a national picture, 2017*).

The rollout of Universal Credit full service from October 2017 brings additional challenges for the City Council. In the short term, some people migrating to Universal Credit may face a period of at least six weeks without any income, or a reduced income. They will also be responsible for paying their housing costs themselves (although there are circumstances where landlords can request payment of this element). As the benefit is administered by the Department of Work & Pensions, it will not be possible for the Council or its partners to

quickly resolve delays in payment of housing costs, as currently happens with Housing Benefit.

Potential repercussions of these issues for Oxford City Council are: an increase in the number of households in temporary accommodation or at risk of homelessness; impacts on other council services and the number of residents falling into situations of poverty or hardship.

Housing

Housing pressures in Oxford are well documented. The following statistics highlight the difficulty of buying a house or obtaining private or socially rented property.

- The average house price of £491,900 is around 16 times the average yearly household income £29,400 (ref. Centre for Cities 2017).
- The median private rent for a three-bedroom house is £300 per week, over half median earnings and 30% above the Local Housing Allowance Rate of £230 per week.
- There are over 3,300 households on the City Council's Housing Register.
- 7,702 families are overcrowded by housing circumstances (Local Insight 17/01/17).
- Homelessness pressures are increasing, with over 100 households per month approaching the Council as homeless and requesting assistance. Street Counts of rough sleepers also show high and sustained levels of rough sleeping in the city.

Rising rents, without a corresponding increase in housing support, means that the number of households that turn to the Council for housing support will increase. This will have a knock-on impact on temporary accommodation and homelessness support costs. As such work to safeguard tenancies is essential in reducing this demand.

Fuel Poverty

Broadly fuel poverty has three influencing factors - low household income, poor energy efficiency of home (higher energy bills) and high energy prices (which also mean energy bills are higher). If someone has to spend a lot of time in their home, this makes it more likely that they may struggle with energy bills and heating their home to a healthy temperature.

The government's Low Income High Cost (LIHC) indicator models where residents have fuel costs above average (i.e. energy inefficient home) and were they to spend that amount, they would be left with a residual income below the official poverty line.

According to the 2015 LIHC indicator, England has an average of 11.0% of households in fuel poverty, the South East 9.4% and Oxfordshire's average is 9.6%. The rate varies across the county: Cherwell is 9.3%, and South Oxfordshire is 8.5%, Vale of White Horse is 8.4%, West Oxfordshire 8.7% and Oxford is by the far the highest at 12.8%.

In their Fuel Poverty Strategy, the government showed the importance of energy efficient homes in addressing fuel poverty with a target to "ensure that as many fuel poor homes as is reasonably practicable achieve a minimum energy efficiency standard of Band C in their Energy Performance Certificate, by 2030." Energy Performance Certificates rate properties that are being rented out or sold on their energy efficiency. Energy Company Obligation (ECO) funding, an obligation put on energy companies by the government to finance the energy efficiency of properties, is therefore now targeted at residents considered to be in fuel poverty.

Fuel poverty work has focused on two core areas; improving the insulation of properties and provision of advice and targeting of funding to people on low incomes.

Living Costs

The poverty premium is widely defined as the increased costs paid for essential goods and services by those on low incomes (Toynbee Hall 2014). A 2016 Toynbee Hall report showed that users of their advice service paid an average poverty premium of £324 per year. A study (Davies et al 2016) which takes into account more types of households suggests that the premium is £490 per year for low-income households (not necessarily in debt). The poverty premium accounts for 7% of the participants' average household income after deducting housing costs.

The Oxford City Council residents' survey (2016/17) asks a number of questions about financial security. A question about the impact of the economic climate shows that residents are most likely to feel that this has affected their ability to buy or move home (28%), with the number of residents feeling this way increasing significantly since 2014/15 (23%). In comparison to 2014/15 fewer residents feel that they have difficulties paying fuel and energy bills as a consequence of the economic climate (17% vs. 13% this year), that they may have difficulties affording to buy food (11% vs. 6% this year), or difficulties paying for childcare (8% to 5%). Difficulties repaying loans has increased from 8 to 10%, whilst difficulties accessing credit has reduced from 7 to 5%.

Skills

Employment is very high in Oxford, with only 0.5% of the population claiming Jobseekers Allowance, compared to the national average of 1.1% (November 2016, DWP). Whilst Oxford has a highly skilled workforce, with a high proportion of residents holding degrees (60.9%), there is also a significant proportion of residents who have no educational or skills qualifications (4.2%). Attainment levels of pupils in state schools are significantly lower than the regional and national average.

Job opportunities are plentiful in Oxford, where there are 1.17 jobs available per resident (ONS 2015). There are lots of employment opportunities available in the new Westgate development (3,000 full time equivalent positions) and through the Council's own housebuilding programme. This means with the right support, people facing financial exclusion can both move into, and progress in employment.

THEMES

In reviewing the FIS consideration has been given to the nature of the themes, and the Council has determined that the four themes from the 2014-17 Strategy are still relevant, and will be maintained.

- **Debt**, (including provision of advice and access to financial services)
- **Income** (including benefit entitlement, and budgeting support)
- **Housing** (including affordable warmth, Discretionary Housing Payments and tenant support)
- **Skills** (work readiness, training, digital access)

Work undertaken in furtherance of these aims is designed to achieve the following short term and longer term outcomes.

DEBT

Short Term

Residents will

- know where to access information and advice, and will be able to access these services through their preferred channel;
- be able to seek free advice about their debts and be supported to make affordable repayment plans.

*Long Term**Residents will have increased*

- ability and confidence in managing everyday finances including contracting with and changing utility companies;
- knowledge and confidence in using financial services; and
- council policies and processes will support the aims of the Financial Inclusion Strategy.

INCOME*Short Term**Residents will be*

- supported to claim the benefits to which they are entitled; supported to access emergency support when required; able to access support to manage the migration to Universal Credit;

*Long Term**Residents will be*

- supported to manage their finances, including the payment of their housing costs;
- able to save and therefore be better able to cope with financial crisis and changes in circumstance.

HOUSING*Short Term*

- Residents facing shortfalls in their Housing Benefit will be supported financially whilst seeking longer term solutions;

Long Term

- tenants will be supported to ensure they are able to manage their tenancy when they sign up for one;
- fewer residents will suffer poor health as a result of not being able to adequately heat their homes;
- the number of excess winter deaths in Oxford will reduce;
- both Council tenants and private sector tenants to have better insulated properties with lower fuel bills;
- the Council will be able to target support to residents in fuel poverty.

SKILLS*Short Term**Residents will be*

- supported to use the right channel for their needs including face to face, telephone and online;
- assisted in accessing digital services.

*Long Term**Residents will*

- be engaged by partners to support them to learn the skills they need to obtain work;
- receive training for the type of work which is available locally, so they are best placed to obtain employment;
- be supported to overcome barriers to work;
- be supported to become self-sufficient in accessing online services.

GOVERNANCE

The FIS is monitored informally through the Welfare Reform Officers Group, and Financial Inclusion Member Group, and is formally overseen by the One Council Board.

The delivery of the Strategy itself will be coordinated on a day to day basis by the Council's Revenues & Benefits Programme Manager.

ACTION PLAN

See Appendix Two

Appendix One – Financial Inclusion Strategy Achievements 2014-17

This appendix summarise the achievements of the Financial Inclusion Strategy over the last three years across its four themes.

DEBT

The Council agreed revised outcomes with organisations funded through the Council’s Advice & Money Management commissioning theme, and drafted revised Service Level Agreements for 2014/15 which reflected local needs and responded to the challenges of Welfare Reform and increasing living costs. In 2017 an independent review of advice services was commissioned, which will inform the 2018-21 commissioning period. Throughout this period the Council has maintained existing levels of funding for this and all of its commissioning themes and grants programmes.

The Revenues and Incomes teams are taking a more proactive approach to debt collection to resolve arrears issues before court proceedings are undertaken. This reduces the additional costs local residents incur and reduces the stress that this process can cause. The table below shows how this approach has reduced the number of summons’ and liability orders issued in respect of unpaid Council Tax, and the reduction in costs added to customers’ accounts.

Year	Summons	Liability Orders	Costs
2014/15	8728	6508	£860,180
2015/16	7360	5184	£711,680
2016/17	6580	4428	£626,960

This approach attempts to address the root cause of arrears, and although this can take more time initially, the payoff is that the resident is more likely to pay promptly in the future, rather than getting into a cycle of court action for each year’s debt. Both teams have achieved their highest ever collection figures in the last year, which shows that having a strong customer focus is a successful model for debt collection.

The Revenues team signed up to the “Collection of Council Tax arrears good practice protocol” developed by Citizens Advice and the Local Government Association.

The Incomes team have taken on the collection of more types of debt, and work closely with debt raising departments to ensure customers receive a consistent and seamless service.

Revenues and Incomes are also working with the Investigations team to implement a solution for a single view of debt owed to the Council. This is making use of a data warehouse tool from our supplier Intec to match data from different systems. The work is still in progress, but has been driven by the governance of the FIS.

A mapping exercise was conducted to show the provision of emergency support available in the City to those in crisis (e.g. Foodbanks, grants, loans)

When the Council retendered its own bank account, it ensured that a provision was included that the successful supplier must provide basic bank accounts for local residents. (Since then the government have brought in legislation requiring all banks to offer such accounts)

INCOME

At the time the FIS was introduced the Council was concluding a successful project in partnership with the DWP and other organisations to trial paying social tenants their housing costs directly. This was to prepare them for Universal Credit which as a default pays housing

costs to the tenant. This is different from Housing Benefit where the landlord normally received the payment. The Council decided to keep paying tenants their Housing Benefit directly, and to make this the default option for new tenants. There are still approximately 700 tenants receiving their benefit directly, and this remains the default option for new tenants. With Universal Credit begin its full rollout from October 2017 tenants will be more prepared for the changes this brings.

Following the successful model employed by the Welfare Reform Team in supporting people facing benefit changes, a two year pilot was commenced in 2016 to replicate this work with people placed by the Council in the private rented sector. The aim of the project is to help people get to a point where they are able to sustain their rent payments themselves. There is a significant gap between the amount of Housing Benefit paid for privately rented properties and median rent levels. As such the Council usually tops up the difference for people it places in such properties. With Housing Benefit frozen and rents continuing to increase, this is not a sustainable model. An interim report on progress of the project will be made to CEB in December 2017.

Since Council Tax Benefit (CTB) was localised in 2013, and became Council Tax Reduction, the Council has maintained the same level of support that existed under CTB. Oxford is now one of only 37 Councils to have taken this approach. Governance of the FIS has kept this under review on an annual basis, and despite the increasing cost to the Council (£1.2million for 2017/18) has determined that it is important to maintain this support due to the significant reduction in other benefit payments.

A review of Credit Union services was jointly commissioned by the Council, Oxfordshire Credit Union and Blackbird Leys Credit Union. This provided helpful insight for the Credit Unions, and for the Council in understanding how it could best support them. As a result Oxfordshire Credit Union has developed its services and increased its customer base. Blackbird Leys Credit Union has pursued a merger with Northamptonshire Credit Union, which took place in March 2017. The revised FIS contains an action for the Council to promote Credit Union service.

Other actions in this theme saw the Council gain accreditation with the Living Wage Foundation, and identify local providers of affordable childcare.

HOUSING/FUEL POVERTY

Fuel poverty work has focused on two core areas; improving the insulation of properties and provision of advice and targeting of funding to people on low incomes.

Key actions to tackle this in Oxford over the next few years include the following.

- Progression in the private rented sector pushing the restrictions from the Energy Act 2016 that apply from 1 April 2018, whilst also promoting and providing funding such as the Private Rented Energy Efficiency Grant and via services such as LEAP.
- Targeting fuel poverty and using data to lever in external funding to tackle this in Oxford.
- Building on the existing single point of contact, the Affordable Warmth Network, to provide an integrated, multi-agency Oxfordshire service that both residents and professionals know about and can refer clients into.

Advice and funding

The Council developed low income/high cost fuel poverty model in partnership with Ricardo to enable officers to target intervention and grant take-up. This was part of a 2016-17 Energy

Data Integration Service (EDIS) research project, working with Ricardo on a data platform that integrates a range of different Council held data and Council licensed data such as Energy Performance Certificates (EPCs).

As of 31 March 2017, the Council's energy advice officers had visited 1813 council housing properties (and attempted to visit another 1593). Tenants will have saved around £116,370 and additionally 96 have benefitted from the detailed financial advice and debt support after referral to Citizens' Advice.

Providing a single point of contact

The council works with and part funds the Affordable Warmth Network (AWN) whose helpline dealt with the following from April 2015 – March 2017:

- 1,809 contacts for advice with Oxford householders - 240 AWN telephone contacts and 1,569 face to face contacts via events
- 9 of which resulted in insulation measures
- 6 of which resulted in boiler installations

As a result of the AWN, funding was received for the Better Housing Better Health project in 2016. This is an illustration of a joint project to tackle the links between cold, damp housing and health. This installed measures on referral for residents with cardiovascular and respiratory health issues and was supported by 14 Private Sector Safety team visits and Council funding. This resulted in the following installations or referrals:

- 5 Heating Systems or boiler/heating controls replacement
- 2 Mould removal
- 4 Replacement doors/ glazing
- 2 Other energy related services
- 19 referrals to the Citizens Advice Bureau for financial help

The current Local Energy Advice Project (LEAP) project builds on the referral links built by offering an holistic home visit, small repairs, income maximisation and energy efficiency measures to improve homes for the ill and vulnerable. Early outputs are summarised in the table below.

Table 2: LEAP outputs, January – 17 August 2017

LEAP outputs	Numbers	Cost savings to resident (lifetime)
Referrals received	81	-
Home Visits Basic completed	71	-
Energy advice	71	£12,654.00
Income Max (financial support) referrals made	23	£33,267 est.
Draught excluders	13	£670
LED Lightbulbs	176	£1,799
Radiator Reflector Panels	63	£504
TV Standby	20	£400
Shower aerator	2	£340
Totals	-	£49,634

Property improvement

Over the past four years, the Council has accessed £761,918 worth of funding through a variety of projects, £397,918 of which is Green Deal or ECO related. These include Warming Barton (free external wall insulation for 18 homes in a deprived area), and insulation programmes on its own housing stock. Ongoing are heating and insulation measures for

vulnerable homeowners, and the Council continues to engage with energy suppliers to improve the situation for the fuel poor of Oxford.

Home owners

The Council's Home Improvement Agency (HIA) manage a number of energy efficiency related grants and installer routes for vulnerable home owners. In 2016/17 19 measures were installed for vulnerable home owners, mostly new boilers, bringing in £25,732.37 of external funding (HIA). This includes matched funding from Better Housing Better Health enabling free installs.

Private rental

For the private rented sector, the Private Rented Energy Efficiency Grant, from September 2016 that the Home Improvement Agency also run has also produced the following results as of at 31 March 2017.

- 49 properties surveyed, 15 of which have had all works completed
- 11 loft insulations and 4 loft hatch insulations
- 8 draught proofing works, 3 pipe insulations, 10 LED lights fitted
- 46 Radiator foils fitted and 38 Thermostatic radiators installed.

Enforcement action taken against landlords with properties rated F & G has improved 100 properties. Thermal imaging of 78 homes has allowed landlords to identify improvements.

Council Housing

The Council levered in £100,000 Green Deal Home Improvement Fund funding and £15,000 ECO funding for external wall insulation programme of 80 of its Council Housing properties. It also obtained £100,000 of ECO funding for cavity wall insulation for 206 properties, and there have been 100 photovoltaic (PV) installations on our own housing stock.

The Tower block refurbishment programme includes external wall insulation, improved ventilation and heating systems to support residents. A 14.7 kWp Solar PV with electricity serving communal areas has been installed on Hockmore tower and LED lighting has been installed in communal areas in all tower blocks.

The ERIC research project, assessing the benefits of batteries with Solar photovoltaic panels, is currently finishing off. The research has enabled the project team to assess which households are benefiting tenants. Those batteries that offer limited benefit to council housing tenants are being removed but all Solar panels remain, offering free electricity to tenants.

Welfare Reform

Discretionary Housing Payments (DHPs) were promoted to Private Sector Tenants as part of a project the Welfare Reform team undertook in 2014/15 to support people facing shortfalls between their Housing Benefit and rent. The DHP policy is reviewed on an annual basis to ensure it is fit for purpose.

Council tenants have been supported to downsize where benefit changes mean their rent is unaffordable. This was achieved through a programme of "speed dating" events where people needing bigger and smaller properties were introduced, and through the provision of funding to help people with moving costs. Since the FIS was adopted in July 2014, the number of local residents affected by the Bedroom Tax has reduced from 707 to 528. In the same period, the Welfare Reform team have also helped 232 local people affected by the Benefit Cap to gain an exemption from it, and have supported 201 people into work.

SKILLS

Through a number of different projects, the Welfare Reform team has developed a service which has supported people to remove barriers to work and gain skills to access the workplace or increase their hours of work. A broad partnership network has been developed to ensure that local residents are adequately supported which includes advice organisations, mental health charities, adult education providers, housing associations and statutory organisations. Its work has been aligned with providers of similar services to ensure its offer is complementary to such provision.

In 2014 the Welfare Reform Team was successful in making a bid to the European Social Fund to get funding to extend its work with people living in the private rented sector. This experience enabled the team to make successful bids for European Structural and Investment Funding made available through the Local Enterprise Partnership. They are now delivering the LEP's Community Grants Programme which allows organisations in Oxfordshire to bid for funding to help disadvantaged groups access training and employment. They also lead a project of ten partners in providing training and employment opportunities to young people not in education, employment or training.

The Council has worked with Aspire to put on community job fairs. These have been based in Barton, Rose Hill and The Leys. Job Fairs in Oxford tend to be based in the centre of the city, making it harder for people on low incomes to access. Local events ensure people requiring work are able to access current opportunities.

Housing have commissioned a Tenant Ready Scheme to ensure tenants are equipped with the skills they need to manage their tenancy, especially payment of rent. These free courses have been provided by Crisis and Connections.

Appendix 2 – Financial Inclusion Strategy Action Plan

THEME	TASK	TIMESCALE	TARGET/OUTCOME	RESP.	PARTNERS
DEBT – Short Term	Develop new specification for advice contracts as part of the commissioning of advice services for 2018-21	Oct 2017	A specification which ensures commissioned organisations continue to deliver services which maximise the available funding, and that reflect the recommendations of the Advice Review conducted in 2017.	Revenues & Benefits Programme Manager	OCC Communities
DEBT – Long Term	Monitor advice contracts against SLAs, and use data to support the development of services throughout the life of the contract.	Apr 2018 –Mar 2021	Provision of high quality advice services in partnership with the Council and commissioned organisations.	Revenues & Benefits Programme Manager	Commissioned Organisations
	Develop an integrated approach to recovery of different Council debts	Oct 2017 – Mar 2019	To ensure all Council debts are considered when making payment arrangements, and to ensure residents are referred for debt advice and other required support where appropriate. Work towards providing a single view of customer debts.	Revenues & Benefits Operations Manager	
	Adopt the new Standard Financial Assessment form from the Money Advice Service, when assessing debt repayments.	Mar 2019	Customers are dealt with consistently in determining repayment amounts	Revenues & Benefits Programme Manager	Money Advice Service
INCOME – Short Term	Provide short term support for households left with no income as they migrate to Universal Credit	Oct 2017 – Mar 2020	Ensure residents have sufficient income to fund essential living costs	Revenues & Benefits Programme Manager	
	Work with Oxfordshire Credit Union to promote its service, and to inform the public about the dangers of unaffordable credit.	Oct 2017 – Mar 2020	Increase the number of Oxford residents who are saving with the Credit Union.	Revenues & Benefits Programme Manager	Oxfordshire Credit Union
	Continue to rollout direct payment of Housing Benefit to eligible working age tenants	Oct 2017 – Mar 2020	Prepare tenants and the Council for Universal Credit	Incomes Manager	
	Develop a Personal Budgeting Support offer for Universal Credit customers, and keep this under review as UC rolls out.	In place by Oct 17, then ongoing	To ensure people migrating to UC are able to manage the monthly payment of benefit.	Welfare Reform Manager	Jobcentre Plus

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	TASK	TIMESCALE	TARGET/OUTCOME	RESP.	PARTNERS
	Deliver a communication campaign to inform customers about Universal Credit	Oct 2017 – Sep 2019	To minimise delays in the payment of Universal Credit caused by local residents not providing the correct information.	Revenues & Benefits Programme Manager	Jobcentre Plus
INCOME – Long Term	Deliver and evaluate Home Choice Pilot	Oct 2017 – Dec 2018	Understand the benefits of providing support for tenants who are placed in the private rented sector, and determine whether it should be adopted as business as usual.	Revenues & Benefits Programme Manager	Housing Options Incomes Benefits
	Implementation of a local authority lottery to raise money for good causes	Apr 2018	To give local organisations, who are supporting individuals and communities, the opportunity to develop an additional funding stream.	Revenues & Benefits Programme Manager	
	Sign up to The Rental Exchange following consultation with tenants.	Mar 2020	Council Tenants are able to establish a credit record on the basis of timely payment of their rent.	Incomes Manager	Experian Tenancy Involvement
	Support people affected by the Benefit Cap to gain an exemption from the Cap.	Oct 2017 – Mar 2020	Local residents are supported into work or to obtain a benefit which qualifies as an exemption from the Cap.	Welfare Reform Manager	Activate Learning Advice sector
HOUSING – Short Term	Keep Discretionary Housing Payment policy under review	Apr 2018-Mar 2020	Ensure DHP budget will cover expected demand on an annual basis, and maximise expenditure of DHP grant	Welfare Reform Manager	
HOUSING – Long Term	Use the low income/high cost model developed by the EDIS project to target take-up work for households likely to be eligible for ECO funding.	Oct 2017 – Dec 2017	Maximise the number of local residents in receipt of ECO funding	Energy Efficiency Projects Officer	Ricardo
	Extend the Local Energy Advice Project for a further nine months (LEAP)	Oct 2017 – Jun 2018	Provide advice on energy use and bills to 400 residents	Energy Efficiency Projects Officer	AgilityEco
	Take enforcement action against landlords with Energy Performance Certificates rated F & G	Oct 2017 – Mar 2020	Ensure all homes in Oxford have a minimum EPC rating of E.	Environmental Health Service Manager	

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	TASK	TIMESCALE	TARGET/OUTCOME	RESP.	PARTNERS
Housing – Long Term	Continue to work with partners to investigate potential projects that will reduce fuel poverty in our housing stock (EG Energy Local bid for solar PV and cheaper electricity)	Oct 2017 – Mar 2020	Integration of technologies and energy efficiency measures to support tenants' with energy bills.	Energy Efficiency Projects Officer	Bioregional Universities, Energy Local, Moixa
	Intervene to provide support to people identified as being at risk of homelessness	Oct 2017 – Sep 2019	Increase resilience of people identified as being at risk, and to prevent homelessness	Trailblazer Project Manager	Homelessness Trailblazer project partners
	Continuation of the Energy Advice service within Council's social housing for this financial year. A longer term Energy Advice service will be investigated according to feedback and learning.	Oct 2017 – Mar 2018 April 2018 - TBC	Ongoing support and advice for tenants leading to savings on energy bills	Energy Efficiency Projects Officer TMO Manager	
	Work with Oxfordshire Affordable Warmth Network (AWN) to integrate service with health and social care, advice sector and LEAP project	Oct 2017 – Mar 2019	Increase the number of referrals made into the AWN	Energy Efficiency Projects Officer	Oxfordshire County Council and AWN partners
	Continue to provide energy efficiency grants and loans through the Council's Home Improvement Agency	Oct 2017 – Mar 2020	Provide home owners with access to efficient boilers, boiler repairs and servicing, small repairs, double glazing and insulation	Environmental Health Service Manager	
	Prioritise Council stock with an EPC rating of E,F or G for improvement measures	Oct 2017 – Mar 2019	Improve the energy efficiency of Council stock	Property Services Manager	
	Provide loft insulation of 270mm to all Council stock, and replace older, less efficient boilers	Oct 2017 – Mar 2019	Improve the energy efficiency of Council stock	Property Services Manager	
	Offer an upgrade from electrical heating to gas central heating to all tenants	Oct 2017 – Mar 2019	Improve the energy efficiency of Council stock	Property Services Manager	
SKILLS – Short Term	Develop an Assisted Digital Support offer for Universal Credit customers, and keep this under review as UC rolls out.	In place by Oct 17, then ongoing	To ensure people are able to make and manage their claim for UC online.	Welfare Reform Manager	Jobcentre Plus OCC Customer Services
	Introduce weekly drop in days for customers to get practical assistance in using digital devices	Rollout from Oct 2017	Increase the number of residents accessing services online.	Digital Development Manager	OCC Customer Services

Appendix 1

	TASK	TIMESCALE	TARGET/OUTCOME	RESP.	PARTNERS
SKILLS – Long Term	Lead delivery of the ESiF funded Unlocking Potential in Oxfordshire project	Oct 2017 - Dec 2019	Provide employment and training for disadvantaged young people aged 17-19 not in employment education or training	Revenues & Benefits Programme Manager	Unlocking Potential project partners
	Host 2-3 Community Job fairs per year as funding permits	Oct 17 – Mar 2020	People who need to find work are able to access opportunities. Local employers are able to recruit to their vacancies	Welfare Reform Manager	Aspire Locality Officers
	Increased provision of pre-entry ESOL	Apr 2018 – Mar 2020	Delivery of 4 pre-entry ESOL courses with 12 students per course, which will support migrants to access local services.	Controlling Migration Project Manager	Refugee and Asylum Seeker Co-ordination Group

Appendix 2 - Consultation on Financial Inclusion Strategy

The consultation received 11 responses, 9 of which were on behalf of organisations, although not all respondents answered all the questions.

The organisations who responded were as follows:

- Oxford International Links
- Oxfordshire Credit Union
- Oxfordshire Community Work Agency
- Headway
- Agnes Smith Advice Centre
- Rose Hill & Donnington Advice Centre
- Oxford Homeless Pathways
- Oxford Preservation
- Mayday Trust

Questionnaire responses

The responses to each question in the consultation are provided below, together with a response from the Council as to how it will inform the Financial Inclusion Strategy.

To what extent do you agree that these are the right themes for the Council's Financial Inclusion Strategy to focus on?

One respondent strongly agreed with the themes, four agreed and one neither agreed or disagreed. The Council intends to maintain the existing themes in the revised Strategy.

If you don't think these are the right themes, or wish to comment on the themes, please tell us what changes should be made (e.g. which should be removed, what should be added, please tell us why you think this).

The following comments were received in response to this question:

- "Income" should include security of income, in order to take account of the rise in the "gig" economy and self-employment
- I'm not sure how far this is a matter for local government. Better to act as a gateway to provision of services by specialist providers

In the revised strategy, "security of income" will be included in the definition of the Income theme.

Please indicate below, which of these objectives should be retained in the revised version of the Council's Financial Inclusion Strategy. Please select all the options that you think should be kept.

Each of the objectives were supported by either three, four or five of the respondents, with five respondents not submitting a response. These responses will be considered in the review of these objectives,

What actions do you think the Council should undertake itself to improve the level of financial inclusion in Oxford?

The following comments were received in response to this question:

- Undertake research into how much money is leaving the local economy in payments to high-cost lenders and how this affects specific communities. Aim to cut this by half within a given time frame

- Plain english communications (translated as appropriate)
- Look at the rental market to make this more financially viable as this will have an impact on wider financial viability

Actions will be included in the revised Financial Inclusion Strategy to support access to low cost credit. The Council will continue to keep its communications under review to ensure they are easily understood, particularly those related to debt recovery and payment of benefits. The Council's new Housing and Homelessness Strategy will be published later this year which contains measures to improve accessibility to housing in Oxford

How can the Council best support other organisations in Oxford, which are working to improve financial inclusion in the city, other than through the provision of direct funding?

The following comments were received in response to this question:

- Look at best practice in other local authorities in relation to support for alternatives to these lenders e.g. subordinated loans to credit unions. Encourage Council employees, tenants and others to join a credit union
- Publicity for the services available
- Working together more closely, learning from each other, shadowing to gain insights, financing research into what works/best practice
- Support in reducing stigma and social exclusion which feeds into financial exclusion

Actions will be included in the revised Financial Inclusion Strategy to support access to low cost credit. The Council will continue to work in partnership with, and promote services supporting vulnerable members of the community.

Do you have any other comments you would like to make about the review of the Financial Inclusion Strategy.

The following comments were received in response to this question:

- Financial inclusion should consider more than just the very poor. There should be more emphasis on people in insecure employment who are forced into the private rented sector and into reliance on high-cost lenders. Many of these will be young people. That is why we recommend a specific target to reduce the amount of money leaving the local economy in payments to high-cost lenders and the rent-to-own sector (e.g. Brighthouse).
- The council should take responsibility as a landlord and a provider of benefits to ensure tenants and claimants have access to help with their financial problems, but should not attempt to provide such services itself as there is a clear conflict of interest.

The Council will promote access to low cost credit options. However establishing the amount of money leaving the economy to high cost lenders is not considered to be feasible, and its not clear how knowing this figure would make it any easier to reduce it. The provision of advice for people with debt or benefit issues is currently commissioned from external providers, and it is intended to retain this model.

Appendix 3

Title	Risk description	Opp/ threat	Cause	Consequence	Date Raised	Owner	Gross		Current		Residual		Comments	Controls				
							I	P	I	P	I	P		Control description	Due date	Status	Progress %	Action Owner
Strategy not carried out	The Financial Inclusion Strategy is not implemented due to lack of governance arrangements.		No ownership of the Strategy as a whole	Lack of impetus to encourage delivery of strategy	6/9/17	Paul Wilding	4	3	4	1	4	1		Strategy to be overseen by One Council Programme Board	Ongoing		0	Paul Wilding
Haphazard delivery of Strategy	The Financial Inclusion Action Plan is not fully delivered, due to lack of monitoring of individual actions		Absence of review process	Actions may not be delivered, or may be ineffective.	6/9/17	Paul Wilding	4	3	4	3	4	2		Ensure that Strategy is subject to a desk absed review every six months	Ongoing		0	Paul Wilding
Services not committed to delivering actions	The Financial Inclusion Action Plan is not fully delivered, due to lack of support from the services responsible for each action		Services not engaged in the development of the Strategy	Services do not have the resources to carry out the actions they are responsible for	6/9/17	Paul Wilding	4	3	4	1	4	1		During the development of the Strategy, all relevant departments were involved in determining the actions to be carried out.	16/10/17		100	Paul Wilding

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Initial Equalities Impact Assessment screening form

Prior to making the decision, the Council's decision makers considered the following: guide to decision making under the Equality Act 2010:

*The Council is a public authority. All public authorities when exercising public functions are caught by the Equality Act 2010 which became law in December 2011. In making any decisions and proposals, the Council - specifically members and officers - are required to have **due regard** to the 9 protected characteristics defined under the Act. These protected characteristics are: **age, disability, race, gender reassignment, pregnancy and maternity, religion or belief, sex, sexual orientation and marriage & civil partnership***

The decision maker(s) must specifically consider those protected by the above characteristics:

- (a) To seek to ensure equality of treatment towards service users and employees;*
- (b) To identify the potential impact of the proposal or decision upon them.*

The Council will also ask that officers specifically consider whether:

- (A) The policy, strategy or spending decisions could have an impact on safeguarding and / or the welfare of children and vulnerable adults*
- (B) The proposed policy / service is likely to have any significant impact on mental wellbeing / community resilience (staff or residents)*

If the Council fails to give 'due regard', the Council is likely to face a Court challenge. This will either be through a judicial review of its decision making, the decision may be quashed and/or returned for it to have to be made again, which can be costly and time-consuming diversion for the Council. When considering 'due regard', decision makers must consider the following principles:

- 1. **The decision maker is responsible for identifying whether there is an issue and discharging it.** The threshold for one of the duties to be triggered is low and will be triggered where there is any issue which needs at least to be addressed.*
- 2. **The duties arise before the decision or proposal is made, and not after and are ongoing.** They require **advance** consideration by the policy decision maker with conscientiousness, rigour and an open mind. The duty is similar to an open consultation process.*
- 3. The decision maker must be **aware of the needs of the duty.***
- 4. The **impact of the proposal or decision must be properly understood first.** The amount of regard due will depend on the individual circumstances of each case. The greater the potential impact, the greater the regard.*
- 5. **Get your facts straight first!** There will be no due regard at all if the decision maker or those advising it make a fundamental error of fact (e.g. because of failing to properly inform yourself about the impact of a particular decision).*
- 6. What does 'due regard' entail?*
 - a. **Collection and consideration of data and information;***
 - b. **Ensuring data is sufficient to assess the decision/any potential discrimination/ensure equality of opportunity;***
 - c. **Proper appreciation of the extent, nature and duration of the proposal or decision.***

7. **Responsibility** for discharging can't be delegated or sub-contracted (although an equality impact assessment ("EIA") can be undertaken by officers, decision makers must be sufficiently aware of the outcome).
 8. **Document the process** of having due regard! Keep records and make it transparent! If in any doubt carry out an equality impact assessment ("EIA"), to test whether a policy will impact differentially or not. Evidentially an EIA will be the best way of defending a legal challenge. See hyperlink for the questions you should consider <http://occweb/files/seealsodocs/93561/Equalities%20-%20Initial%20Equality%20Impact%20Assessment%20screening%20template.doc>
1. Within the aims and objectives of the policy or strategy which group (s) of people has been identified as being potentially disadvantaged by your proposals? What are the equality impacts?

The aims and objectives of the Strategy are intended to reduce the level of financial exclusion experienced by various sectors of the population of Oxford. As such the overall impact of this Strategy should be to reduce the disadvantage experienced by those on low incomes or unable to access financial services. There are those that are more vulnerable to this issue than others and the aim of this strategy will be to target those who perhaps have the highest need and are in danger of suffering some form of financial exclusion. These groups can include but are not necessarily limited to;

- Young adults
- People on low or insecure incomes
- Benefit recipients
- Those suffering from fuel poverty or deprivation
- People with a disability or long term illness

Although the aim of the strategy is to reduce disadvantage, there are some groups of people who may not be able to take advantage of the support that the Strategy intends to provide. These are those groups of people that already find it hard to access Council Services and would include the elderly, people with disabilities that prevent them leaving their home and people whose first language is not English. As many of these people would be at a risk of financial exclusion, it is important to ensure they do not experience such disadvantage.

2. In brief, what changes are you planning to make to your current or proposed new or changed policy, strategy, procedure, project or service to minimise or eliminate the adverse equality impacts?

Please provide further details of the proposed actions, timetable for making the changes and the person(s) responsible for making the changes on the resultant action plan

To minimise the impact described above, the Strategy will be implemented jointly with partners in the City to maximise the number of people who can be reached. The various initiatives in the Strategy will be communicated to a wide range of voluntary groups and organisations which provide Housing support. These groups will be able to act as advocates for the work of this Strategy and identify those customers in need of support. In respect of the work to alleviate fuel poverty, specific funding has been made available for third party organisations to provide support to “hard to reach” customers.

3. Please provide details of whom you will consult on the proposed changes and if you do not plan to consult, please provide the rationale behind that decision.

Please note that you are required to involve disabled people in decisions that impact on them

Consultation was carried out prior to the Strategy being finalised. Details can be found in Appendix 2 of the CEB report.

4. Can the adverse impacts you identified during the initial screening be justified without making any adjustments to the existing or new policy, strategy, procedure, project or service?

Please set out the basis on which you justify making no adjustments

The impacts identified require adjustments to be made to avoid excluding a section of the population that the Strategy is specifically designed to support. The actions outlined in Section 2 above are intended to mitigate this impact.

5. You are legally required to monitor and review the proposed changes after implementation to check they work as planned and to screen for unexpected equality impacts.

Please provide details of how you will monitor/evaluate or review your proposals and when the review will take place

The Revenues & Benefits Programme Manager will review the Strategy’s action plan on a six monthly basis and report this to the Welfare Reform Officer Group, and One Council Programme Board.

Lead officer responsible for signing off the EqIA: Paul Wilding

Role: Revenues & Benefits Programme Manager

Date: 6 September 2017

Note, please consider & include the following areas:

- Summary of the impacts of any individual policies
- Specific impact tests (e.g. statutory equality duties, social, regeneration and sustainability)
- Consultation
- Post implementation review plan (consider the basis for the review, objectives and how these will be measured, impacts and outcomes including the “unknown”)
- Potential data sources (attach hyperlinks including Government impact assessments or Oxfordshire data observatory information where relevant)