

## Oxford City Council Budget Medium Term Financial Strategy 2020-21 to 2022-2023 and 2019-20 Budget for Consultation (Equality Assessment)

The following assessment gives more details from an equality and diversity perspective on the Council's various on-going budget proposals. It provides an initial commentary, incorporating input from Heads of Service and specialist officers, to indicate the potential risks and actual mitigating actions already in place or planned to support the investment proposals before the wider public consultation period from December 2018 to January 2019.

The draft budget has been structured so that it is in balance for the next four years, and although post Brexit national economic pressures on local government are ever present, it recommends revisions, efficiencies and small reductions in service but aims to protect frontline services as far as possible, particularly for the most vulnerable. Despite an assumption of zero central government revenue support grant funding by 01/04/2019 it also includes efficiencies, increased income and service charges and outlines proposals to facilitate capital investment for large scale regeneration projects which will bring economic growth, jobs, more decent homes and wider interventions to ensure social inclusive communities and opportunities: underpinning the Council's vision of "Building a World Class City for Everyone". In addition it assumes additional investment of £14.8 million in infrastructure and transformation in Oxford Direct Services Ltd to drive additional surpluses back to the council of around £1.1million by the end of the 4 year plan.

Amendments raised by the City Executive Board discussions and public consultation will be reflected in the final working document.

Budget Proposal	Increase Council Tax by an expected 2.99% for 2019/20 followed by subsequent annual increases of 1.99%, and maintain the existing Council Tax Support Scheme
Is this proposal new or subject to an annual review?	This is an annual consideration. This assumes no new changes in the The Provisional Finance Settlement on 5 <sup>th</sup> December. Currently authorities are able to increase council tax by an additional 2.99% in 2018-19 and 2019-20 and remain within the referendum level. The recommendation is for the council to increase council tax up to the maximum level at which a referendum is not required. The current assumptions are for a 2.99% council tax rise 2019/20 followed by increases of 1.99% thereafter.
What are the likely risks?	Council Tax rises are likely to have the hardest impact on the most economically disadvantaged groups such as part time and low paid workers (although these are mitigated by the council tax support scheme, which is being maintained in full).

	<ul style="list-style-type: none"> <li>Increased arrears due to benefit changes arising from the roll out of universal credit</li> </ul>									
What public consultation has been planned/ taken place?	There will be further opportunities for comment on the level of council tax increase as part of the public consultation during the period December 2018 to January 2019. The Council has already consulted on changes to the Council Tax Support Scheme which are minimal. The Council is one of only 35 councils in the country that has retained the parameters of the existing scheme introduced in April 2013.									
What mitigating actions will the Council implement to offset any negative impacts?	The City Executive Board agreed in December 2018 the existing Council Tax Reduction Scheme on the same basis as that introduced on 1st April 2013. This, in essence, continues the previous level of entitlement provided by Council Tax Benefit, and has not passed on the reduction in government funding for council tax relief to those on the lowest incomes in the city. It is estimated the scheme will cost the Council £1.7 million in 2019/20, when Revenue Support Grant is reduced to zero with effect from 01/04/2019.									
Overall assessment of the equality risks	<ul style="list-style-type: none"> <li>It is difficult to estimate the dimensions of equalities risks around CT increases. The Council has put in place proportionate mitigating actions such as the CT Support Scheme and the work of the Welfare Reform Team to protect the most vulnerable and economically challenged communities across Oxford.</li> <li>Currently the total net caseload is 10,825 receiving Council Tax Benefit &amp; Housing Benefit, with 5,000 of those receiving CT benefit on full benefit and therefore the 1.99% increase will have no effect.</li> </ul> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <tr> <td style="text-align: center;"><b>Race</b></td> <td style="text-align: center;"><b>Disability</b></td> <td style="text-align: center;"><b>Age</b></td> </tr> <tr> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Neutral</td> <td style="text-align: center;">Neutral</td> </tr> <tr> <td style="text-align: center;"><b>Gender reassignment</b></td> <td style="text-align: center;"><b>Religion or Belief</b></td> <td style="text-align: center;"><b>Sexual Orientation</b></td> </tr> </table>	<b>Race</b>	<b>Disability</b>	<b>Age</b>	Neutral	Neutral	Neutral	<b>Gender reassignment</b>	<b>Religion or Belief</b>	<b>Sexual Orientation</b>
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<b>Budget Proposal</b>	<b>Rent setting: Decrease in council house rents by 1% per annum for four years ending 31-03-2020. The Government are currently consulting on rent increases after this period, but the suggestion is that it will be limited to CPI +1%</b>																																										
Is this proposal new or subject to an annual review?	The Welfare Reform and Work Bill introduced a policy with effect from April 2016 that social housing rents must be reduced by 1% per year for 4 years from their 8 July 2015 position.																																										
What are the likely risks?	<p>Assuming the Government assume guideline rent increases of CPI +1% only after 1-4-2020 then an indication of rent rises is given below</p> <table border="1"> <thead> <tr> <th colspan="5"><b>Table 7 : Effect of Rent Changes on Average Rent 2019/20 to 2022/23</b></th> </tr> <tr> <th></th> <th colspan="3"><b>Actual Average Weekly Rent</b></th> <th></th> </tr> <tr> <th></th> <th><b>Change</b></th> <th><b>Change</b></th> <th><b>Average weekly Rent</b></th> <th><b>Formula Rent</b></th> </tr> <tr> <th></th> <th>%</th> <th>£</th> <th>£</th> <th>£</th> </tr> </thead> <tbody> <tr> <td>2019/20</td> <td>(1.00)</td> <td>(1.03)</td> <td>102.26</td> <td>107.34</td> </tr> <tr> <td>2020/21</td> <td>3.00</td> <td>3.07</td> <td>103.73</td> <td>110.56</td> </tr> <tr> <td>2021/22</td> <td>3.00</td> <td>3.16</td> <td>107.92</td> <td>113.88</td> </tr> <tr> <td>2022/23</td> <td>3.00</td> <td>3.25</td> <td>112.18</td> <td>117.30</td> </tr> </tbody> </table> <p>It is worth noting that formula rents which are implemented when the property becomes void may be higher than the actual rent charged to tenants in the same property given that there is no mention of rental convergence in the Governments consultation. This if implemented will create inequality among tenants occupying similar properties as well as producing significantly less income for the council</p>			<b>Table 7 : Effect of Rent Changes on Average Rent 2019/20 to 2022/23</b>						<b>Actual Average Weekly Rent</b>					<b>Change</b>	<b>Change</b>	<b>Average weekly Rent</b>	<b>Formula Rent</b>		%	£	£	£	2019/20	(1.00)	(1.03)	102.26	107.34	2020/21	3.00	3.07	103.73	110.56	2021/22	3.00	3.16	107.92	113.88	2022/23	3.00	3.25	112.18	117.30
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What public consultation has been planned/ taken place?	Agree to consult on an increase in council rents and service charges through special focus groups of council tenants/ leaseholders									
What mitigating actions will the Council implement to offset any negative impacts?	In the initial years the 1% reduction in rents should not cause additional financial problems to customers. Issues may arise from the implementation of universal credit which is being monitored by the Council. Additional staffing in rent collection should assist in providing an early warning mechanism of arrears increasing and a resource to help tackle the issue.									
Overall assessment of the equality risks	Should not be material in the early years given the rent decreases being implemented. The increases in the later years of the plan. This may affect some customers more than others with 70% of all tenants currently in receipt of housing benefit.									
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<b>Budget Proposal</b>	<b>Roll out of Universal Credit</b>									
Is this proposal new or subject to an annual review?	The roll out of universal credit commenced in Oxford on 18 <sup>th</sup> October 2017 for all working age claimants replacing a number of existing benefits and tax credits. Full roll out to all claimants is has been delayed by the Government to 2024 .Within the Council budget, provision has been made for changes arising from Universal Credit which will impact on staffing. Staffing reductions will only be									

	made from 2020-21, to allow for dealing with any adverse workloads.									
What are the likely risks?	Risk to the Council in terms of increased rent and council tax arrears arising from claimants moved onto Universal Credit. Risk in terms of increased homelessness.									
What public consultation has been planned/ taken place?	There is no further public consultation on the roll out of Universal Credit									
What mitigating actions will the Council implement to offset any negative impacts?	The Council has slipped savings in its MTFP in The Housing Benefit and Customer Services areas to future years to mitigate against increased workloads. In addition it has increased staffing in the Incomes Team to deal with increased arrears. The Council has also set aside a sum of money in a hardship fund to help claimants in most need.									
Overall assessment of the equality risks	Strong governance and review will mitigate against any adverse impacts, although none have been flagged <table border="1" data-bbox="616 790 2038 1189"> <tr> <td><b>Race</b> Neutral</td> <td><b>Disability</b> Neutral</td> <td><b>Age</b> Neutral</td> </tr> <tr> <td><b>Gender reassignment</b> Neutral</td> <td><b>Religion or Belief</b> Neutral</td> <td><b>Sexual Orientation</b> Neutral</td> </tr> <tr> <td><b>Sex</b> Neutral</td> <td><b>Pregnancy and Maternity</b> Neutral</td> <td><b>Marriage &amp; Civil Partnership</b> Neutral</td> </tr> </table>	<b>Race</b> Neutral	<b>Disability</b> Neutral	<b>Age</b> Neutral	<b>Gender reassignment</b> Neutral	<b>Religion or Belief</b> Neutral	<b>Sexual Orientation</b> Neutral	<b>Sex</b> Neutral	<b>Pregnancy and Maternity</b> Neutral	<b>Marriage &amp; Civil Partnership</b> Neutral
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<b>Budget Proposal</b>	<b>Increases in Fees and Charges across Council services</b>									
Is this proposal new or subject to an annual review?	The Medium Term Financial Strategy for the next four years allows for fees and charges to increase over the medium term resulting in increased income of around £2.1 million by 2022-23. In 2019-20 there are increases in the areas shown below (details of which will appear in the main CEB Budget report):									

	<ul style="list-style-type: none"> <li>i. Garden waste bins - £2 per bin per year (4.26%)</li> <li>ii. Pre-application advice for planning services - £83.50 - £650 (10% - 20% )</li> <li>iii. Leisure activities <ul style="list-style-type: none"> <li>• Sports - 50p -£1.50 – (3% to 4%)</li> <li>• Summer activities – £0 - £50p- (0% -7.7%)</li> <li>• Casual Swimming – 10p (2.1%)</li> <li>• Adult gym – 40p (4.7%)</li> <li>• Adult Skating - 20p (2.4%)</li> </ul> </li> <li>iv. Pest Control increases - £1 - £2 (2%-3%)</li> <li>v. Cemeteries adult right of burial £30 (3.1%)</li> <li>vi. Off street Car Parking – No increase for 1-2 hours but increases of 12.5% to 25% for longer stays in city centre car parks</li> <li>vii. Garages – 50p per week (3.2%).</li> <li>viii. Annual General licences –£1 - £10 (3% -4%)</li> </ul>
What are the likely risks?	That customers will be unable to afford to purchase council services
What public consultation has been planned/ taken place?	Budget consultation annually (December 2018/ January 2019).
What mitigating actions will the Council implement to offset any negative impacts?	<p>The Council gives concessions to customers that are in receipt of Housing Benefit in the following areas:</p> <p><b>Leisure Services –</b></p> <p>The concession is given for various leisure activities for customers in receipt of:</p> <ul style="list-style-type: none"> <li>• Council tax reduction support, housing element of Universal Credit</li> <li>• Free Swimming for children under 17 at various sessions during the week - £50k per annum</li> </ul>

	<p><b>Garden Maintenance</b></p> <p>Approximately 400 tenants were assisted throughout the year with garden maintenance, to a cost of approx. £110,000; the tenant must be in receipt of Council Tax Reduction Support or the Housing element of Universal Credit.</p> <p><b>Pest Control</b></p> <p>Approximately 2,700 customers last year received concessions of £120,000 for various discounts such as treatment of pests.</p> <p>To qualify for an Environmental Services concession applicants will advise of such when booking a visit, and must provide evidence of their award of a qualifying benefit (Council Tax Reduction Support, or the Housing element of Universal Credit) such as the award letter or evidence of payments to their bank account at the initial visit</p> <p><b>Garden waste</b></p> <p>Garden waste collection is provided to customers that are on Council Tax Reduction Support or the Housing element of Universal Credit. There are approximately 15,500 garden waste customers and 2,625 (17%) that are provided the service for free resulting in a subsidy of around £131k per annum.</p>															
Overall assessment of the equality risks	<p>There may be groups adversely affected by specific service fees, however, consultation and monitoring will take place with these groups once identified.</p> <hr/> <table data-bbox="607 1082 2054 1375"> <tr> <td data-bbox="607 1082 1144 1118"><b>Race</b></td> <td data-bbox="1144 1082 1615 1118"><b>Disability</b></td> <td data-bbox="1615 1082 2054 1118"><b>Age</b></td> </tr> <tr> <td data-bbox="607 1118 1144 1177">Neutral</td> <td data-bbox="1144 1118 1615 1177">Neutral</td> <td data-bbox="1615 1118 2054 1177">Neutral</td> </tr> <tr> <td data-bbox="607 1177 1144 1214"></td> <td data-bbox="1144 1177 1615 1214"></td> <td data-bbox="1615 1177 2054 1214"></td> </tr> <tr> <td data-bbox="607 1214 1144 1251"><b>Gender reassignment</b></td> <td data-bbox="1144 1214 1615 1251"><b>Religion or Belief</b></td> <td data-bbox="1615 1214 2054 1251"><b>Sexual Orientation</b></td> </tr> <tr> <td data-bbox="607 1251 1144 1375">Neutral</td> <td data-bbox="1144 1251 1615 1375">Neutral</td> <td data-bbox="1615 1251 2054 1375">Neutral</td> </tr> </table>	<b>Race</b>	<b>Disability</b>	<b>Age</b>	Neutral	Neutral	Neutral				<b>Gender reassignment</b>	<b>Religion or Belief</b>	<b>Sexual Orientation</b>	Neutral	Neutral	Neutral
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<b>Budget Proposal</b>	<b>Significant pressures on the Council's ability to deliver a balanced MTFP and continue to provide services to the public:</b>		
Is this proposal new or subject to an annual review?	The Council reviews its 4 year Medium Term Financial Plans on an annual basis.		
What are the likely risks?	Council need to reduce spend or run down balances and reserves to stay within budget envelope		
What public consultation has been planned/ taken place?	Budget consultation annually (December 2018/ January 2019)		
What mitigating actions will the Council implement to offset any negative impacts?	<ul style="list-style-type: none"> <li>• Set against a background of economic/ financial uncertainty Members have exercised constraint in terms of adding ongoing new items of expenditure into the budget from 2018-19.</li> <li>• The budget assumes transfers to and from the working balance but maintains a suitable level of around £3.5 million; the minimum level recommended by the Councils Chief Financial Officer that the Council should hold. Over the four year period of the MTFP balances will remain at this level provided a useful cushion for any unexpected adverse financial issues</li> <li>• Contingencies held against unachieved savings and efficiencies</li> <li>• Establish a local authority trading company to increase trading and return increased income to the Council</li> </ul>		
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