

## **Annex B – Impact on Cabinet Portfolios**

Although the main paper covers the wide range of impacts of the welfare reform on York and CYC, it seemed worthwhile to also consider the implications for individual Cabinet Members' Portfolios.

These are not detailed at this stage but they give an idea of how directorates might be affected and issues that may need to be picked up.

### **Economic Development**

- As is picked up in the options paper – it is likely that the city's Economic Strategy may need to be looked at again to reflect the impact of the Welfare reforms.
- Pin-pointing the precise economic impact is difficult at this stage but it is a reasonable assumption that social mobility could be restricted. The impact on levels of child poverty will need to be monitored. The impact on low income young people could be significant, as a combination of an end to EMA and benefit changes reduces the numbers going into further education. This could result in a lower skilled population with all the associated economic impacts.

### **Corporate Services**

- Less income from Council Tax Benefit and because of increasing arrears and cost of debt collection – putting pressure on already tight budgets.
- Pressure on service delivery – particularly Housing Options, Benefits and Customer Contact Centre.

### **City Strategy**

- As pressure increases for shared housing for those single under 35s (rather than just under 25s) there are likely to be more HMO applications – with all the associated issues these bring for the planning team.
- Maintaining the 'balance' in the city with people of different incomes in the same communities will be harder as the 30% threshold bites.
- The housing mix needed against what York has and can provide will become increasingly challenging.

### **Education, Children and Young People's Services**

- Welfare changes and reductions in benefits are compounded for young people and their families by changes to what was the Education Maintenance Allowance. Those who did receive the highest level of support last year, £30 a week, now get £20 (for families on less than £20,817). Those just entering further education can only apply to the Bursary fund which is restricted to those on income support, people in care or leaving care and disabled young people.
- Those young people who would have received the £30 a week are likely to be in families facing other cuts including larger Non-Dependent Deductions (NDD) they may feel

unable to continue their education. In turn this could lead to an increasing number of young people in York considered to be NEETs. Combined pressures on family budgets may also mean that more young adults are asked to leave the family home, increasing youth homelessness in the city.

- Shifting demand for schools is also likely as families on low income are affected by the 30% LHA rate threshold. As low income families become concentrated in specific areas of the city, schools performance and resourcing needs could change.
- In general the effect on rates of child poverty in the city will need to be monitored.

## **Health, Housing and Adult Social Services**

### **Health and Social Services**

- As incapacity and disability benefits changes begin to be felt there is a greater risk of more people struggling to pay for personal care, putting pressure on council services and budgets.
- Other benefit changes could result in disabled people having to move to poorer housing stock, with knock on impacts for their care.
- Changes to supported accommodation will also have an impact but the severity is difficult to assess at this point.

### **Housing**

Clearly a big impact on the Housing team with:

- Pressure on housing stock.
- Changing demands on housing stock particularly smaller properties.
- More people having to move and requiring a variety of support to do that.
- Changes in local authority housing tenure will need careful management.
- Increased pressure on the homelessness team and their services.

### **Leisure, Culture and Social Inclusion**

- As those on low incomes have to move to fulfil the 30% threshold, there is a risk that particular communities will become increasingly marginalisation of from the rest of the city.
- Issues of financial inclusion and social mobility will be increasingly important in the city.

### **Communities and Neighbourhood Services**

- Increased pressure on the neighbourhoods team.
- More pressure on services in specific communities.
- Continuing concern around loan sharks/access to finance.

### **Crime and Community Safety**

- There is no evidence at this point of an impact on crime and community safety, however experience tells us that crimes can become an issue where are concentrations of poverty.

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