

STRATEGIC RISKS: Recession

Assessment in relation to each of the outcomes.

	Impact	Likelihood	Targets at risk	Possible mitigating action
A reduction in smoking	Anecdotal evidence from health trainers that before people can give up smoking they need to help them sort out other issues including debt, therefore, increased debt, etc. as a result of the recession could act as a barrier to people quitting smoking.	Evidence of increased levels of debt from CABs. The structure of the Cornish economy increases the risk of repossession. For example, the large ratio of SMEs / self employment in the Cornish economy, together with the fact that many businesses are secured against domestic property.	NI 123/ VS B03 HCOP1 stretch targets for 08/09	
Improved sexual health	Research has shown that young people living in deprived areas are generally at greater risk of teenage pregnancy. The recession could delay improvements in areas of deprivation and increase factors of deprivation in some areas slowing down the current reduction in teenage pregnancy...	Low incomes are one indicator of deprivation - every district is reporting a significant increase in new Benefits claims being received to October 2008 in comparison with the same period last year.	NI 112/ VS B08 HCOP2 stretch target	
The rise in obesity halted	Where action being taken involves participation in active recreation and/or a healthy diet, there will be an impact if it involves disposable income because the recession could reduce disposable income.	Increase in benefits claims. Is there any other evidence of a drop in disposable income?	NI 8	
Improved mental health	National research shows higher incidence of mental health problems in a recession. Demand for books on prescription is likely to increase. Increased numbers who could be considered at 'high risk' of suicide. With pressures being felt by local businesses and a reluctance to commit	Numbers of people seeking advice from CABs on managing debt has risen significantly.	HCOP5 local indicators	

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	to anything long term, it is difficult to get employers to commit to the Mindful Employer Charter, although possibly the most important time for employees.			
Reduce the harm caused by alcohol and drugs	National research shows higher incidence of misuse in a recession. Increased demand for drugs treatment and hospital admissions.	Need to know what elements of a recession cause it and if they are present in Cornwall?	NI 39, NI 40	
Vulnerable adults are able to live safely and independently	Care sector could see providers going out of business, or a reduction in income for those paying for their care, resulting in a reduction in care and loss of independence? Falling house prices could impact on ability for older people to release equity from houses to pay for care?	Any evidence of businesses cutting jobs in care sector?	NI 130, NI 135, NI 141	
Improved life chances for children in need	??????????????			
Improved standards in educational achievement	Increase in repossessions may lead to disruption to children attending school and their educational achievement.	Structure of the economy increases risk of repossessions. Any evidence that they are increasing?	NI 93-8	
All young people engaged in education, training or employment	Employers less able to offer placements/apprenticeships for young people.	Construction and hair dressing provided majority of apprenticeships and are among sectors where recession already having an impact.	NI 117, NI 148, NI 45	
Fewer young people offending	Greater risk of being NEET because employers less able to offer placements	????????		
Reduce worklessness	When unemployment rates increase, those on incapacity benefits seeking to return to work will be competing with those who have recently been in work, potentially making it more difficult for them to return to work. Ditto those with learning disabilities seeking work	Do we have evidence that unemployment rates are increasing in Cornwall?	NI 153, NI 151 ECON1 stretch target NI 146	
Raise the level of skills in the workforce	Drop in capacity of private sector to invest, release staff for training?	???????	NI 165	

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A reduction in children in poverty	More people are likely to be on low incomes.	Every district is reporting a significant increase in new Benefits claims being received to October 2008 in comparison with the same period last year.	NI 116	
Increased opportunities and reduced indebtedness for people on low incomes	Levels of debt will rise.	Significant increase in those seeking advice from CABs already reported.	STRONG7 local indicators	
A reduction in fuel poverty	Pensioners may have less interest on savings or lower returns from shares thereby increasing numbers in fuel poverty? Any increase in fuel prices could increase numbers	Low bank rate and drop in share values already occurred.	NI 187	
Improve the quality of life for people in the most disadvantaged neighbourhoods	Impact of recession on multiple factors of deprivation?		STRONG3 local indicators	
Reduced health inequalities	The recession could restrict improvements in areas of deprivation where health inequalities occur. Is there evidence of the impact of past recessions on health inequalities?	???????	HCOP4 local indicators	
Increased support for, and improved safety of, survivors of domestic violence and their families	Financial issues could lead to tensions triggering abuse. Less disposable income could lead to an increase in home alcohol consumption because it is cheaper than going out.	Evidence of increasing number of people seeking advice on debt.	SAFE1 stretch target NI 32	
Reduce crime and fear of crime	Increase in acquisitive crime - robbery, burglary, theft, shop lifting and vehicle crime	??????????	NI 16, NI 18	
Reduce the number and severity of road traffic collisions	Increased use of cheaper forms of transport e.g. motorcycles which are at higher risk of accidents.	?????		
Reduce anti-social behaviour	Less disposable income to provide things to do for young people?	?????	NI (24?)	

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To empower local people to have a greater voice and influence over local decision making and the delivery of services	How would it affect ability of local people to participate?	?????		
Increase the number of people engaged in volunteering	Less disposable income could lead to reduction in contributions to charities? What is impact of a recession on 'environment for a thriving third sector' What impact has increased unemployment had on volunteering in the past? Will be more difficult for it to be a pathway back into work?	??????	NI 6 NI 7	
Build a cohesive society based on equality of opportunity	Increased unemployment could lead to resentment of migrant workers.	??????	NI 1	
Reduce social exclusion for migrant workers	As the downturn increases we could experience Migrant Workers losing jobs in Cornwall and having no means of returning home or some may wish to stay. If such Migrant Workers are eligible for benefits and housing this could impact on demand. If Migrant Workers remain in Cornwall jobless their vulnerability will increase and impacts could be encountered within health in particular.	??????	STRONG4 Local indicators	
Information society for all	Availability of next generation broadband. The downturn could have a significant impact because of increased difficulty in raising the level of investment needed from a private sector investor. Businesses less able to invest in	??????	ECON7 Local indicators	

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	developing online trading and consumers with less money to spend to encourage that development. Households with less disposable income to spend on getting connected			
Increased provision of employment space	Fall in capacity of private sector to invest either in commercial developments or in schemes where the private sector would have contributed in part to public sector schemes. Impact on public sector investment?	??????	ECON4 Local indicators	
Improved energy security and reduce Cornwall's contribution to climate change	A recession would decrease consumption and therefore CO2 emissions. A government sponsored "Keynsian" response to the economic downturn could see an increase in investment into infrastructure projects that may include low carbon technologies A continued rise in fossil fuel prices and/or shortages in fossil fuels could also result into greater investment into low carbon technologies A free market response could see a reduction in investment. Increasing commodity prices could deter investment e.g. rising price in copper. Individuals and companies may not have the finance to invest in newer, more efficient technologies	Already experiencing a tightening of equity to loan ratios.	NI 186	
Sustainable tourism	Drop in SMEs able to invest in the accreditation work	Is take up slowing down?	SUSTAIN5 stretch target	
Increased affordable, decent and sustainable homes	Increased reposessions could increase homelessness. Demand in Cornwall may mitigate against the severest effects of falling	Is there evidence of reposessions increasing in Cornwall? There is some evidence of a slow down in sales, and new build.	NI 156 NI 154 NI 155 NI 145	

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	house prices in some locations due to ongoing strong demand. It is the lower priced end of the market that seems to be hardest hit by falling prices. Will house prices drop sufficiently to improve the price to income ratio or will demand keep prices up and dropping income make the ratio worse? Is accommodation needed for those with learning disabilities new build?			
Improved management of biodiversity	What will be the impact of the recession on the farming sector and other landowners?	????	NI 197	
Minimise growth in waste production and maximise re-use of materials	Less disposable income will affect purchasing habits which could lead to a reduction in domestic waste? Less demand for recycled materials?	Rate of growth is falling quicker than the trajectory for the stretch target.	SUSTAIN3 stretch target. NI 191	
Complementary regeneration of towns, ports and villages	Drop in capacity of private sector to invest. Match funding for the Convergence Programme could be a major issue?	????	ECON5 Local indicators	
Improved access to work, healthcare, education, food shops and recreation	Drop in capacity of private sector to invest. Will it be more difficult for community sector to raise funds for community transport solutions?	????	NI 175	