

SHOPSHIRE COUNCIL

PERFORMANCE MANAGEMENT SCRUTINY COMMITTEE

Minutes of the meeting held on 10 October 2017

**2.00 - 2.55 pm in the Shrewsbury Room, Shirehall, Abbey Foregate, Shrewsbury,
Shropshire, SY2 6ND**

Responsible Officer: Julie Fildes

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Present

Councillor Claire Wild (Chair)

Councillors Roger Evans, Hannah Fraser, Alan Mosley, Cecilia Motley, Peggy Mullock, Dave Tremellen, Mark Jones (Substitute) (substitute for Karen Calder) and Ed Potter (Substitute) (substitute for Gwilym Butler)

1 Apologies for Absence and Substitutions

Apologies for absence were received from Councillors Karen Calder (Substitute Councillor Mark Jones), Gwilym Butler (substitute Councillor Ed Potter) and Les Winwood.

2 Disclosable Pecuniary Interests

Members were reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Public Question Time

No public questions were received.

4 Member Question Time

There were no questions from Members.

5 Call-in: Minimum Income Guarantee

The Head of Finance, Governance & Assurance explained how the Minimum Income Guarantee [MIG] worked and the amounts that both couples and single pensioners were entitled to retain before charges for care could be made, as set out in the Cabinet report dated 6th September 2017 attached to the Agenda.

The Leader of the Liberal Democratic Group asked the Committee to consider that it was unreasonable to raise fee levels for personal care halfway through the year once pensioners had become accustomed to a higher income level and were not expecting the increase. He added, that the increased income from the higher level of fees had not been outlined in the Council budget, and therefore amounted to a windfall for the Council at the expense of pensioners on a limited income. Members were asked to consider a report from the Daily Telegraph from 10th October 2017 and information from the Centre for

Research and Social Policy, tabled by the Leader of the Liberal Democrat Group, [copies attached to the signed minutes]. These papers showed a 3.5% increase in the inflation rate for food, and outlined the level of income required for an acceptable standard of living. He suggested that option 4 would have been preferable, which delayed the increase in charges until the next financial year.

The Portfolio Holder for Finance was invited to respond. He explained that it was not possible to include the Government's proposed MIG Level in the previous year's forecast, as it had not been set until after the Council Budget had been agreed. He continued that the MIG level in Shropshire was set at a higher level than was set by the Government, so pensioners already retained more of their income before becoming subject to fees and those with less than £23,500 in assets, not including their home, were not subject to any charges. He accepted that the increase in charges would account for most of the pension increase awarded but stated that this was not affecting the most vulnerable group of pensioners and the charges were not being backdated. He stated that he did not believe the decision to have been flawed.

Members discussed the issues. It was noted that the costs of food and heating had increased in real terms and concern was expressed regarding pensioners ability to afford sufficient heating and food if an increase in charges was made. The Chief Executive confirmed that no in-depth calculations had been made on the impact of the increase in charges, he reiterated that pensioners had to have a significant amount in assets before they were subject to fees. He continued that pensioners had received substantial increases in the levels of pensions paid due to the triple lock policy which had not been applied to benefit other sections of society.

The Head of Finance, Governance & Assurance responded to the Leader of the Liberal Democratic Group's comments regarding the increase in fees not being included in the Financial Strategy and was therefore seen as bonus income. He explained that as overall income fell and the cost of Adult Social Care increased, the Council had a duty to maximise income where it was possible to do so and as circumstances permitted. He continued that it was often the case that circumstances changed after the publication of the Financial Strategy and it was important that increasing income and decreasing costs were always seen as a financial priority and obligation.

The Chairman moved that the Cabinet paper and decision be accepted and this was seconded. The meeting was adjourned at 2.35 pm to enable legal advice to be sought on The Liberal Democrat Group Leader's request to submit a minority report. The meeting was reconvened at 2.50pm and the Senior Solicitor referred the Committee to sections 11 and 16 of the Overview and Scrutiny Procedure Rules in Part 4 of the Council's Constitution which indicated that the option of a minority report was not available to the Committee when it was considering a called in decision.

The Liberal Democratic Group Leader then moved that the recommendation be amended, and that Option 4, as outlined in the Cabinet Report, be recommended to the Portfolio Holder and Cabinet. This was lost by 6 votes to 3.

RESOLVED: that the Cabinet Paper of the 6th September 2017 on the Minimum Income Guarantee be accepted and the decision endorsed.

Signed (Chairman)

Date: