

Minutes of the Meeting of Executive Council held on Tuesday, 29th September 2020 at
9.30am in the Council Chamber

Present: His Excellency the Governor (Dr Philip Rushbrook)
The Hon Chief Secretary (Mrs S O'Bey)
The Hon Financial Secretary (Mr D L Richards)
The Hon Attorney General (Mr A T Cansick)
The Hon C R Beard
The Hon C G Buckley
The Hon A A Green
The Hon L A Henry
The Hon D F Thomas

In attendance: Clerk of Councils (Mrs C C Johnson)
Head of Corporate Support (Mrs C A George)
Head of News (Mrs K Yon)
Economic Development and Prosperity Advisor (Mr Karan Garcha)

OPEN SESSION

87.1 Welcome

The Governor welcomed all to the meeting.

87.2 Social Security (Amendment 2) Regulations 2020 (ExCo Memo 63/2020)

The Deputy Financial Secretary, Mr Nicholas Yon, Social Policy Planner, Ms Ann Muir and Senior Statistics Assistant, Miss Justine Joshua, were in attendance for this item of business.

The Hon Clint Beard declared his interest and advised that his wife worked at the Benefits Office.

The Chairman of the Social and Community Development Committee (SCDC) introduced the Memorandum and advised that there had been an uplift in April 2020 and the SCDC endorsed the proposed changes at their meeting on the 9 September 2020.

Members were content to support the increases but also pointed out that a review of the Policy had been requested in October 2019 and again in March 2020 and they were keen to hear what progress had been made. The Social Policy Planner informed Members that she had started work on re-basing the Minimum Income Standard (MIS) calculation which had not been done since 2013 but ideally should be carried out every two years. The Social Policy Planner said that main methodical issue was that the 2013 calculation dealt with weekly expenditure of Income Related Benefits (IRB) recipients but it was necessary to look more widely and take into account annual expenditures also; going forward the MIS would be calculated on annual expenditure basis, broken down by weeks. She added that a MIS should not be influenced by Social Security; it was a political decision to decide where IRB rates were fixed in relation to the MIS.

It was noted that it was important to ensure the MIS methodology was correct and any changes proposed would be effective for the new financial year. A question was asked as to how this would factored into the ongoing MTEF process and the Financial Secretary explained that payment of Income Related Benefits was a legal requirement and thus any

increases in payments would have to be met from the Consolidated Fund.

The Financial Secretary queried why the eggs and fish prices for July 2019 had been used in determining the MIS calculation that had been presented; the Chairman of SCDC advised that Committee discussed this issue but it was decided that the volatility of the market could not be predicted and that only tuna fish formed a part of the calculation, not other species of fish, so felt it was not necessary to make any revisions to the basket for these items at this time. The Financial Secretary reminded Members of the financial implications of that decision, as had that decision not been made, there would not have been any increases proposed in IRB and BIP rates.

The Social Policy Planner emphasised that the MIS is a technical tool set by the public. She gave an example that in the UK, the MIS does not increase very much and would, at times, decrease and emphasised that there must be a distinction between MIS and IRB rates.

Following discussion, Council advised and the Governor agreed, that Increasing the Minimum Income Standard (MIS) and subsequently increasing the weekly payments for both Basic Island Pension (BIP) and Income Related Benefits (IRB); as set out in the Legal Notice accompanying the Memorandum should be approved and come into force on 1 October 2020.

(Action: Hon Charmain SCDC/Clerk of Councils)

The Governor thanked the Deputy Financial Secretary, Social Policy Planner and Senior Statistics Assistant, for their input and at this point they left the meeting.

87.3 Confirmation of Open Session Minutes of 15 September 2020

The minutes of the open session of the 15th September 2020 were confirmed.

87.4 Matters Arising from the Open Session Minutes

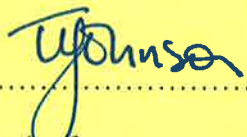
There were no Matters Arising from the Open Minutes.

87.5 Any Other Business

87.5.1 Staffing Update

The Governor advised that the Economic Development and Prosperity Advisor, Mr Karan Garcha would be filling in at the Executive Council meetings in the absence of the Head of Governor's Office who was overseas.

There was no any other business for discussion in Open Session.


.....
Clerk of Councils
15.10.20


.....

Governor

15-10-20
.....

Date