



**OFFICIAL REPORT**

**OF THE**

**STATES OF DELIBERATION**

**OF THE**

**ISLAND OF GUERNSEY**

**HANSARD**

**Royal Court House, Guernsey, Thursday, 13th June 2019**

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**Present:**

**Sir Richard J. Collas, Kt, Bailiff and Presiding Officer**

**Law Officers**

R. M. Titterington, Q.C. (H.M. Comptroller)

**People's Deputies**

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B. L. Brehaut

**St Peter Port North**

Deputies C. N. K. Parkinson, L. C. Queripel, M. K. Le Clerc,  
M. P. Leadbeater, J. I. Mooney

**St Sampson**

Deputies L. S. Trott, P. R. Le Pelley, J. S. Merrett, G. A. St Pier,  
T. J. Stephens, C. P. Meerveld

**The Vale**

Deputies M. J. Fallaize, L. B. Queripel, J. C. S. F. Smithies

**The Castel**

Deputies R Graham L.V.O, M. B. E, C. J. Green, B. J. E. Paint, M. H. Dorey

**The West**

Deputies A. H. Brouard, A. C. Dudley-Owen, E. A. Yerby, D. de G. de Lisle, S. L. Langlois

**The South-East**

Deputies H. J. R. Soulsby, H. L. de Sausmarez, P. J. Roffey,  
R. G. Prow

**Representatives of the Island of Alderney**

Alderney Representatives S. Roberts and A Snowdon

**The Clerk to the States of Deliberation**

S. M. D. Ross Esq. (H.M. Senior Deputy Greffier)

**Absent at the Evocation**

Miss M. M. E. Pullum, Q.C. (H.M. Procureur);  
Deputy R. H. Tooley (*absent de l'île*); Deputy J. A. B. Gollop (*relevé à 9h 45*); Deputy N. R. Inder  
(*absent de l'île*); Deputy M. M. Lowe (*absent de l'île*); Deputy S. T. Hansmann Rouxel (*relevée à 9h  
45*); Deputy J. P. Le Tocq (*relevé à 10h 00*); Deputy V. S. Oliver (*indisposée*);

## **Business transacted**

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# States of Deliberation

*The States met at 9.30 a.m.*

[THE BAILIFF *in the Chair*]

## **PRAYERS**

*The Senior Deputy Greffier*

## **EVOCATION**

# Billet d'État X

## **POLICY & RESOURCES COMMITTEE**

### **VII. Reform of Health Care Funding – Propositions carried as amended**

*Article VII.*

*Whether, after consideration of the Policy Letter entitled 'Reform of Health Care Funding', dated 2 May 2019, they are of the opinion:*

- 1) To agree that all functions of the Committee for Employment & Social Security in relation to health service benefits provided under the Health Service (Benefit) (Guernsey) Law, 1990 are transferred from the Committee for Employment & Social Security to the Committee for Health & Social Care.*
- 2) To agree that responsibility for the provision of travelling allowance grant under the Social Insurance (Guernsey) Law, 1978 and the administration and management of the Travelling Expenses Assistance Scheme are transferred from the Committee for Employment & Social Security to the Committee for Health and Social Care.*
- 3) To agree that statutory provisions relating to the provision of Medical Benefit, Specialist Medical Benefit, Physiotherapy Benefit and Alderney Hospital Benefit under the Health Service (Benefit) (Guernsey) Law, 1990 be repealed, and that provision of equivalent benefits and related services and contracts continue on a non-statutory basis administered and managed by the Committee for Health and Social Care.*
- 4) To agree that the Health Service (Benefit) (Guernsey) Law, 1990 be amended to empower the Committee for Health & Social Care to determine by resolution or regulation all conditions and other matters relating to pharmaceutical benefit and the supply of medical appliances under the Law.*
- 5) To direct the Committee for Health & Social Care to ensure that all policies relating to the prescription of treatments or appliances in the community are published on the States of Guernsey Website including:*
  - a. details of approved treatments,*

- b. procedures for applying for new treatments to be added to the policy and details of how these will be assessed, and*
- c. procedures for appealing the policy decisions in relation to approved treatments.*
- 6) To direct the Committee for Health & Social Care to review the processes for approving new drugs and treatment and providing prescribing advice to ensure there is consistent policy and approach to prescribing in primary and secondary care.*
- 7) To agree that the statutory provisions relating to traveling allowance grant under the Social Insurance (Guernsey) Law, 1978 be repealed, and that provision of this grant and all related contracts continue on a non-statutory basis.*
- 8) To direct the Committee for Health & Social Care to review and revise as appropriate the single complaints policy to incorporate complaints and appeals in respect of the services being transferred to it under the propositions of this Policy Letter, and to ensure that clear and accessible information relating to the same be published.*
- 9) To direct the Committee for Health & Social Care to continue to provide services in respect of which the statutory basis is to be repealed, to a standard equivalent to that currently provided under the relevant legislation, and that any future review of the provision of these services be incorporated within the delivery of the Partnership of Purpose and aligned with the long-term objectives of the Policy & Resource Plan. Any changes must be subject to the same requirements for consultation and, if necessary, approval by resolution of the States of Deliberation as other services delivered under the mandate of the Committee for Health & Social Care.*
- 10) To direct the Policy & Resources Committee to consolidate budgets for all relevant health benefits and related services referenced in this Policy Letter within the cash limit of the Committee for Health & Social Care to be met from General Revenue and to recommend cash limits for the Committee for Health & Social Care which take into account the expansion of its mandate.*
- 11) To agree that:*
- a. no grant be paid from General Revenue to the Guernsey Insurance Fund;*
- b. the allocation of contributions to the Guernsey Insurance Fund, Guernsey Health Service Fund and Long-Term Care Insurance Fund be as set out in Table 6.1;*
- c. the Guernsey Health Service Fund Allocation be retitled the Guernsey Health Service Allocation; and*
- d. the Social Insurance (Guernsey) Law, 1978 be amended accordingly and to provide that the retitled Guernsey Health Service Allocation should be credited to General Revenue*
- 12) To agree that the Guernsey Health Service Fund, as maintained under the Health Service (Benefit) (Guernsey) Law, 1990, be discontinued and the balance of the Fund be described as the Guernsey Health Reserve and transferred to be ring-fenced within the General Reserve.*
- 13) To delegate authority to the Policy & Resources Committee to approve use of the Guernsey Health Reserve for the following purposes:*
- a. to fund unanticipated expenditure pressures in providing health services that arise outside of the normal budgetary process and cannot be met within that year's budget of the Committee for Health & Social Care;*
- b. to fund revenue or capital expenditure on health transformation projects aimed at improving the efficiency, quality or capacity of health services in Guernsey which demonstrate long term benefits to the sustainability of Guernsey's health care system, subject to the same application process and governance conditions pertaining to the Transformation and Transition Fund or Capital Reserve;*
- c. to manage any transitional costs associated with implementing health-related transformational programmes; and*
- d. to fund revenue or capital expenditure on management of cost pressures developing within the health service provision over the long term associated with the aging of the population.*

14) To agree that a transfer be made from the Guernsey Health Reserve to the General Revenue Reserve of the value of expenditure which has been incurred by General Revenue from 2019 onwards on specific measures introduced to address the orthopaedic treatment waiting list.

15) To agree that any transitional arrangements which are necessary to effect the transfer of the balance of the Guernsey Health Service Fund to the General Reserve (where it will be held as the Guernsey Health Reserve) must include a facility for the Guernsey Health Service Fund to recover any monies due to it at the date the statutory provisions relating to the benefits referred to in proposition 3 are repealed.

16) To direct the Policy & Resources Committee, in anticipation of the completion of the legislative and mandatory changes outlined in propositions 1 to 15 of this Policy Letter, to bring forward an Ordinance under the Public Functions (Transfer and Performance) (Bailiwick of Guernsey) Law, 1991 to transfer the functions of the Committee for Employment & Social Security set out in propositions 1 and 2 to the Committee for Health & Social Care.

17) To direct the Committee for Health & Social Care to obtain the agreement of the Policy & Resources Committee before committing to, or incurring, any expenditure additional to the 2019 budget (maintained in real-terms), in respect of any services currently funded from the Guernsey Health Service Fund or the travelling allowance grant until the legislative changes outlined in propositions 1 to 14 of this Policy Letter have been implemented.

18) To direct the Committee for Employment & Social Security to take into account within its annual Contributory Benefits and Contribution Rates Policy Letter any proposal from the Policy & Resources Committee to revise the contribution rates in order to change the allocation of contributions to the Guernsey Health Service Allocation.

19) To direct the Policy & Resources Committee in consultation with the Committee for Employment & Social Security to progress the second stage of the workstream, as described in section 10 of this Policy Letter, and review the structure of Social Security contributions collected for the support of health and social care services and ensure that these are appropriate, fair and sustainable, and to consider the prioritisation of this work stream for the new Assembly in the 2021-25 Policy & Resource Plan

20) To direct the preparation of such legislation as is necessary to give effect to the above decisions, including transitional provisions and consequential amendments to other legislation.

**The Senior Deputy Greffier:** Billet d'État X of 2019, Article VII, the Policy & Resources Committee – Reform of Health Care Funding.

5 **The Bailiff:** Deputy St Pier.

**Deputy St Pier:** Thank you, sir.

10 This policy letter in terms of its objectives is relatively straightforward. It is seeking to actually match a policy and resources into one location within the States of Guernsey namely the Committee for Health & Social Care.

Unfortunately it is quite complex in its execution of the delivery of that objective and I think that is reflected in the policy letter and therefore I will seek in as simple a way as I can, in introducing and opening this debate, to explain what is being requested and recommended through the policy letter.

15 In 2019 the States is budgeted to spend a total of £182 million on providing health and social care services in both Guernsey and Alderney, of which 35% or £63 million will be spent from the Social Security system including £44 million from the Guernsey Health Service Fund. The funding of these benefits via Social Security contributions divides the budget, the policy responsibility and the governance of health between two committees when they might more effectively be managed, we would suggest, by one.

20 It lacks transparency for the public and disguises the true cost and complexity of health service provision in the Bailiwick.

25 The Guernsey Health Service Fund in its current form and the benefits it provides were created nearly 30 years ago in 1990 and were created for good purpose before the Health Service Benefit Law 1990 was enacted, we had the old Pharmaceuticals Law. Health problems could often bring, as we will know, financial problems as well. Secondary medical care was then and of course remains expensive and the 1990 Law provided a quasi-insurance to meet the cost of specialist care and to subsidise primary care appointments so that people could not be pushed into financial difficulties on top of their medical ones.

30 The Law and the benefit structure has been successful largely in its intended purpose, but nearly 30 years on the restricted nature of the legislation and the provision of funding and governance of health services creates a number of issues. Funding and governance of health care is at risk of lack of consistency and co-ordination because of its division between the Committee *for Health & Social Care* and the Committee *for Employment & Social Security*.

35 The legislative structure lacks the flexibility to adapt to the evolving provision of health services in Guernsey and elsewhere, and can become a barrier, forgive me Deputy Ferbrache, to transformation. An evolution of the structure is required to help overcome these.

40 Recognising that with the passage of those nearly three decades the services provided via the Guernsey Health Service Fund have become integral to the overall provision of health services in Guernsey. This policy letter presents proposals to bring the governance of all health service provision unambiguously under the mandate of the Committee *for Health & Social Care* and it will also place the majority of the transferred services on the same footing as the majority of health services by withdrawing their statutory standing.

45 The proposed exception to this is pharmaceutical benefit and medical appliances where the legislation is required to govern who can legally prescribe and supply pharmaceuticals in Guernsey.

50 For the avoidance of any doubt, we are not proposing that access to any of the transferred services will end as a result of this policy letter. Islanders will continue to enjoy exactly the same entitlement on a non-statutory basis. Services will continue under the mandate of the Committee *for Health & Social Care*. They will be integrated into the development of the States' Partnership of Purpose and the Committee *for Health & Social Care* will bring forward proposals for change as appropriate within the context of the wider scale transformation that they are undertaking.

55 The removal of the statutory basis, I do understand, we understand, will be a cause at first glance for some concern, but the removal of that statutory basis will actually improve the flexibility of the service delivery and facilitate transformation which could improve both the experience of the patients and the overall cost of providing services.

60 I want to just run through an example. At present secondary medical care is provided largely under the contract with the MSG, as we know, and the high level parameters of this service are defined in the 1990 Law, but this legislation restricts the model to an almost exclusive use of highly qualified specialist medical consultants, which of course is an expensive model which tends towards longer waiting times. Of course many other jurisdictions are moving away from this model to ones which offer more efficient use of skills and reliance on specialist practitioners and a greater level of flexibility to reflect the specific needs of the patient.

65 For the Committee *for Health & Social Care* to take on responsibility for these services it will be necessary to expand their budget by approximately £45 million, which will require some re-arrangement of our finances, which is what I was referring to in opening this debate, sir.

70 To avoid paying money in two directions between general revenue and Social Security we propose to end the payment of the grant to the Guernsey Insurance Fund. A portion of the contributions currently directed to the Guernsey Health Service Fund will be re-directed to ensure that the Guernsey Insurance Fund suffers no net loss in its revenue to support the benefits which the Guernsey Insurance Fund supports, including of course the largest one being the pension. This will make the Guernsey Insurance Fund independent of general revenue which we believe is a worthy objective in itself.

75 The rest of the money currently directed to the Guernsey Health Service Fund will be remitted  
to general revenue as the general health service allocation. Combined, the removal of the grant  
and the Guernsey Health Service allocation will cover the majority of the necessary increase in the  
budget of the Committee *for* Health & Social Care. The shortfall which we estimate at about  
£1.8 million this year will be met in the short term from the investment return on the £110 million  
80 balance which there currently is in the Guernsey Health Service Fund. Longer term the greater  
flexibility available and the design of services should enable efficiencies which will close that  
funding gap.

The balance of the Health Service Fund will be transferred to the general reserve and be  
retitled the Guernsey Health Reserve and this will be available to support health transformation  
and the management of long-term demand pressures on the cost of delivery of health services.

85 This will leave our successors in the next States in a stronger position to manage health care  
services in Guernsey unified under one mandate with one budget and allowed to evolve from the  
current legislated position we can enable transformation and give the Committee *for* Health &  
Social Care the freer movement it will need to meet the longer-term challenges which we know  
we all face and they face on our behalf.

90 This will not happen overnight. Legislative changes will take time and it is estimated it will take  
at least a year to complete all the necessary changes to the primary legislation required. In the  
meantime we propose responsibility for these services be transferred to the Committee *for* Health  
& Social Care and that be done by Ordinance, and this will enable the Committee *for* Health &  
Social Care to begin the process of transition while the legislative changes are being developed,  
95 and free the Committee *for* Employment & Social Security to focus on policy more within their  
own mandate.

This does represent an important enabling step on a journey towards a health care system  
which can be socially, and of course importantly financially, sustainable in the longer term.

100 I do ask Members to support the Propositions, sir. I am sure there will be a number of concerns  
raised during debate which I will happily respond to when closing the debate, sir.

Thank you.

**The Bailiff:** We do have an amendment which has been circulated, to be proposed by Deputy  
Soulsby and seconded by Deputy Le Clerc.

105 Deputy Soulsby.

**Deputy Soulsby:** Thank you, sir.

I think it might be worth having it read out by the Deputy Greffier if that is possible before I  
start.

110

**The Bailiff:** Yes, it is certainly possible.

*The Deputy Greffier read the amendment.*

**The Bailiff:** Sorry, Deputy Soulsby, just before you start, I suspect there are two Members who  
would like to be relevé, Deputy Gollop and Deputy Hansmann Rouxel, you wish to be relevé?

115 **Deputy Hansmann Rouxel:** Yes, thank you, sir.

**Deputy Gollop:** Thank you, sir.

**The Bailiff:** Deputy Soulsby.

120

Amendment

To renumber Proposition 20 as Proposition 22 and to insert, after Proposition 19, the following Propositions:

'20. To agree that the funding of disability-related equipment, aids and adaptations, under section 10 of the Income Support (Guernsey) Law, 1971 ('section 10'), is an area requiring transformation in order to be more structured, fair and effective, consistent with the principles of the Partnership of Purpose and of the UN Convention on the Rights of Persons with Disabilities; and

21. To direct the Committee for Employment & Social Security and the Committee for Health & Social Care, in consultation with relevant States Committees and other stakeholders, to review this area, and any associated services or schemes for the provision or funding of equipment, aids and adaptations which they may consider relevant, and to return to the States, no later than the end of July, 2022, with recommendations, which shall include a proposal to transfer the powers conferred by section 10 (or any proposed replacement scheme), and an associated general revenue budget, from the Committee for Employment & Social Security to the Committee for Health & Social Care.'

**Deputy Soulsby:** Thank you, sir

The purpose of this amendment is two-fold. Firstly, to lay a marker down to ensure that a review in this area is undertaken with a view to improving the current system; and secondly, to receive agreement in principle that responsibility for the provision of benefit in relation to aids and equipment is transferred from ESS to HSC.

Now I can understand why P&R did not want this aspect dealt with in the policy letter, as a source of funding and Law in relation to it are different from those within the policy letter, but we – and by we I mean HSC and ESS, as the ESS President and myself are proposing the amendment on behalf of both Committees – agree that the principles are the same as for the services dealt with in the policy letter.

Members will have been provided with quite a detailed background appended to the amendment kindly put together by Deputy Yerby. This sets out clearly the issues with the current structure and why review is needed. Now I will not repeat all that is in there now other than to say the system is not transparent and requires transformation for at least two reasons which I will set out.

Firstly, to fit with the principles of the new model of care and more specifically fairer access to care a universal offering and user centred care; and secondly, to align with Article 26 of the UN Convention of the Rights of Persons with Disabilities which states how governments should enable people with disabilities to attain and maintain maximum independence.

Now Section 10 of the Income Support Law – a Law that is, by the way, 48 years old – allows ESS to fund disability-related equipment aids and adaptations and it is not restricted to those on benefits, as it is recognised that some equipment is prohibitively expensive. ESS can provide financial support in whole or in part by grants, loans or both. However, it is discretionary with no rules around it. Such individualised decisions can be made resulting in a lack of transparency and with people unclear whether they can expect support or not.

As things stand, while HSC provide the occupational therapists who will undertake assessment as well as providing a wheelchair service, we do not actually order or pay for equipment, this is left to individuals and their families. If people cannot afford it their options are to go to ESS or various charities.

On that I really would like to thank the charities on the Island who do an amazing job in this respect so they really do provide excellent support.

But the support we get for disability-related equipment, aids and adaptations is very different from when you are prescribed a drug and know it will only cost you £4 an item, however much that drug actually costs the States, and this can be a real issue for those families with children with

disabilities and who are growing and whose needs change and those with degenerative diseases such as MND where needs change over time as well.

160 Members may question the deadline date of June 2022, which does seem a long time away, but that is because we do not want to raise expectations at this stage, especially as it is not part of the P&R Plan and both Committees will be maxed out between now and the next Election with what is already set out in that Plan. However, it will enable successor committees to consider and determine whether they wish to raise this up the order of work or stick to the dates set.

165 Sir, this is, and I hope Members will agree, an eminently sensible amendment to lay at this time, it will be achievable without spending money on outside consultants, and I therefore ask Members to support it.

**The Bailiff:** Deputy le Clerc, do you second the amendment?

170 **Deputy Le Clerc:** Yes, sir, I do.

**The Bailiff:** Thank you.

I have not discussed this with you but it seems to me it is a stand-alone amendment and should be debated before we go into general debate.

175 Deputy St Pier, do you wish to speak at this stage?

**Deputy St Pier:** Yes please, I do, sir.

I rise to advise the States that Policy & Resources Committee will not oppose this amendment, but I should perhaps just explain our position and our thinking in relation to how we got to that point.

180 Sir, some of the narrative which appears in the note which has been appended to the amendment was actually in an earlier draft of the policy letter, and indeed the Propositions were as well, but as we finalised the policy letter we really concluded that the focus of this policy letter was about placing the governance and management and responsibility of health care unambiguously within the Committee *for* Health & Social Care and dealing with the consolidation of the budget. Really, exactly as Deputy Soulsby has said, the funding source for this particular provision of services is different, namely the Income Support Law, so we felt it was not necessarily the right place to do it. However, we also do not believe that the States' Resolution is necessarily required and that the Committees could be doing this work anyway, but again we can understand why the Committees would welcome the endorsement of this Assembly before getting on with the work.

190 We did have some concerns that this work is not prioritised and there may be some resource implications, but again I think that is clearly an issue which the Committees must have considered in reaching a decision to support this and therefore are happy to prioritise their own resourcing to allow this review to take place.

195 So as I say it was with that thought process that we have no fundamental objection at all to this review being undertaken, merely that we did not necessarily feel that this was the right vehicle. The two Committees, the Committee *for* Health & Social Care and Employment & Social Security, clearly wish to take this opportunity to obtain the States' support and certainly the Policy & Resources Committee will not stand in their way in achieving that objective and therefore we will not oppose this amendment, sir.

200 **The Bailiff:** Anybody wish to debate the amendment?  
Deputy Gollop.

205 **Deputy Gollop:** I very much want to support this amendment because it not only, I think, improves the vision really of the document because it is a three-committee vision of the way forward – I might come on to reservations in the main speech, but as far as this is concerned, I

210 think the Presidents and Members of the Committees have very much seen it as an opportunity and I know many Members have expressed an interest. Deputy Yerby, for example, has done a lot of work on this.

215 But of course it goes back to the time, some of this, when I was perhaps not as achieving a Disabled People's Champion as I could have been, but one of the frustrations that used to come up from case work was the somewhat confusing mixture of ways in which you could acquire disability related equipment, aids and adaptations. It was an area that caused confusion and some people who need such adaptations could not get the support they needed, they were forced to go to find their own resources or seek help from charitable philanthropists or bodies.

220 I believe it is an area requiring transformation to be more structured care effective, it is relevant to this work. It has been relevant to the National Health Service and many others and we do need to fund equipment, aids and adaptations and actually it is not only about empowering the individual, the service user who would find such adaptations very useful, but it has a bigger purpose of maybe helping people to be more integrated in the community, maybe be able to have longer or more developed working lives and be less dependent on the old fashioned conventional model, the heavy expenditure model of acute health care.

225 So I think on that level as well it is definitely a workstream that needs to be put as part of the Partnership of Purpose and the way forward.

**The Bailiff:** Deputy Hansmann Rouxel.

**Deputy Hansmann Rouxel:** Thank you, sir.

230 I would like to thank Deputies Le Clerc and Soulsby for bringing this amendment; if not I think I would have brought it myself.

235 It is an issue that we cannot keep deferring. We cannot just brush disability under the carpet or get it hidden in a box because it does not fit our fiscal framework. There are really awkward questions that need to be had. To pretend like they are not there is not going to magic them away, and that is how I sometimes feel when we talk in this Assembly.

240 These awkward questions like being the happiest and healthiest place in the world is a place where people crowd-fund for wheelchairs; where a severely disabled woman who has a screw in her spine spends the majority of her day sitting in a chair which was given to her as a temporary measure three years ago but desperately needs an orthopaedic specially designed chair, but because of the complexity of the system and the funding arrangements this has not happened; a place where a charity would need to use its entire year's budget to sponsor one assistance dog; a place where a person feels trapped in their home because they decide to buy food for a month instead of buying specially adapted spectacles which reduce the stimulation so they can drive; a place where a wheelchair breaks and a person is trapped in their home for months on end while the replacement part is ordered, but the wrong part is ordered twice, and then one engineer who can fix the part is on holiday for a month. Yes. These problems are real problems and they are real cases that have come to me in this term.

250 They are not all of them, that is not an exhaustive list, and this amendment is not going to solve all of them. But it is the complexity of the system which allows these failures to happen consistently, and yes we might not be moving towards a system where everything is covered by the States, but if you do not know what you are doing, if the people providing care are not able to navigate the system, what chance does a person who has just experienced a major life changing experience have in navigating the system?

255 In the model that we have chosen to implement with the Disability Inclusion Strategy it is the social model of disability and that looks at making the whole of life more accessible for all and, yes, that will mean that in the long term we will be spending less because we do not need to spend money adapting for each individual person because it is much more accessible in the whole world. But until we have reached that point we have to acknowledge that there are people who are excluded from actually participating in life on this beautiful Island.

260 In my nearly three years as Disability Champion I have seen and heard a diverse list of areas  
where we have failed. Sometimes the failures are policy related and sometimes they are  
operational, but the consistent theme is always in the number of times that they need to interact  
with the system. The complexity of that system if they have to go to one department and that  
department send them to another department, or you have a changeover of staff and a person  
265 that was operating in the NHS system comes over and has absolutely no way of understanding  
how our system works and is therefore incapable of giving care to the individual because they do  
not know how the system works.

So it is that part of the review which is absolutely essential and with the complexity of the  
system the cost of that system is so much ... is the waste in the system and not just in the fiscal  
270 sense in how much money we are spending because if a person is making a decision not based on  
their health needs and what is best for them but if I cannot afford it I am going to have to spend  
money on food or in my mind I need to spend money on food, that means that person is not  
getting the care at the point they need it. Their care erodes to a point where we then have to pick  
up the bill and it is much more expensive at the end at the point where they are desperate for  
275 help. There is a theme that carries strongly but it is a theme through the policy letter but  
specifically for people with disabilities and adaptations and needs, these little things that are not  
really something that you think about unless you need them.

One of the things I find most difficult is the words that people use. Saying 'fight for', and  
'struggle with', and 'I feel exhausted'. We should not have a system where people feel exhausted  
280 just asking for help.

When the matter is raised and I see the usual few with the concerns, 'But how can we afford to  
do this?' I say to those and will stand and say, 'How can we not?' How can we morally exorcise  
ourselves from the responsibility of ensuring that the most vulnerable in our society are given  
equal access to this beautiful Island we live in.

285

**Several Members:** Hear, hear. (*Applause*)

**The Bailiff:** Deputy Le Tocq, you wish to be relevé?

290 **Deputy Le Tocq:** I would be much obliged, sir.

**The Bailiff:** You wish to speak or ...? No, just be relevé.  
Deputy Graham, then Deputy Stephens.

295 **Deputy Graham:** Thank you, Mr Bailiff.

Having just listened to Deputy Hansmann Rouxel, she paints a picture where a substantial  
number of our citizens are in a pretty dire situation. With that in mind, I would ask Deputy Soulsby  
or Deputy Le Clerc in their contribution to the debate whether they would cover this point of the  
deadline for the return at the end of the review is set as far ahead as three years from now,  
300 because to me there is a great urgency on the face of it behind this.

Now I know the supporting report does actually address this issue but in the light of what we  
have just heard from Deputy Hansmann Rouxel I really feel that the argument in the supporting  
report does not really hold sufficient water, certainly for me, and I would like those moving the  
amendment to consider whether July 2022 is actually an unnecessary delay in getting a report to  
305 the next States.

**The Bailiff:** Deputy Stephens.

**Deputy Stephens:** Thank you, sir.

310 I am going to begin by saying that I know I am going to risk agitating Deputy Fallaize but I am going to ask him to be patient and maybe wait until I get toward the conclusion of my speech before he tries to interrupt me.

I wholeheartedly support the intent of this amendment, although recognised as a difficulty to be navigated since my first awareness of the issue of acquiring aids, and this would have been back in the 1990's, this is an issue that has remained largely unsolved despite things like some Members may remember a wheelchair report which must have been published about 10 years ago now.

As has already been said, the discretionary element of Section 10 whilst assisting some can be a barrier to clarity and consistency and in general I think the routes to obtaining equipment are obscure and it is time that clarity is provided.

I agree with Deputy Soulsby that the issues can be great when aids are needed by a child who then changes and develops and needs tailored equipment to reflect those changes. In general the equipment is expensive and it is personalised so that the resale or second hand market is limited in its impact on the situation.

But I want to suggest that the Committee for Education, Sport & Culture are involved in future discussions. Members might be interested in the situation, as I knew it, at Mont Varouf School: if equipment was purchased through Education services then it was supposed to be used in school, and if purchased through Social Security or provided by Health it could be used both at home and in school. The arguments over who paid for what and where it might be used were exhausting, and they were unnecessary, and in practice no teacher was going to strip a child of necessary equipment as they exited school at the end of the day because it had been purchased through Education.

Now before Deputy Fallaize jumps up, a member of staff from ESC tells me that currently they are not aware of any policy that limits the use of equipment that is purchased through Education, Sport & Culture purely to schools. But the funding options are still varied and unclear.

There is an ESC budget that provides aids and resources required for children who have difficulty in accessing the curriculum, and this can range from physical resources such as standing frames to IT resources such as iPads to aid communication. Each case is assessed individually with support from services across ESC and HSC such as the Communication & Autism Support Services and Physiotherapy. When there is equipment that is required both within home and school environment then ESC and HSC share the cost on occasion and this is provided through Social Security although only via a means tested process. Which takes me back to the Section 10 and the issues around discretion.

What a review will highlight, I am sure, is the additional cost of disability and quite correctly this matter needs to be acknowledged.

But I, like Deputy Graham, am concerned about the timescales that are suggested in this amendment. There is a danger I think that if this amendment is accepted by the Assembly it will just join the extant Resolution list – what Deputy Yerby described yesterday as putting decisions on ice. So I do encourage ESS, HSC and Education, Sport & Culture to keep the pot boiling.

Thank you, sir.

**The Bailiff:** Deputy Fallaize.

**Deputy Fallaize:** Thank you, sir.

I accept all the points that Deputy Stephens has made in relation to Education, Sport & Culture, including the advantages of our Committee being involved at appropriate points in any review directed by the States.

But in relation to some of the points made by Deputy Hansmann Rouxel and in relation to the actual amendment that is before the States, nothing I have read or heard has persuaded me that this is really anything other than a matter of funding.

I accept that just throwing money at something is not a sufficient response in itself, because if the organisation of provision is inadequate, if you throw money at it you are likely just to waste money; even if some of it reaches its intended target not all of it will.

365 So I do not doubt – I hate that word transformation as well as Deputy Ferbrache does, but I understand that without having some transformation of services or re-design of services, increasing budgets is not likely to be effective by itself. But I do still think this is largely a matter of funding.

370 Now Deputy Soulsby, when she replies to the debate, will be able to explain further why July 2022 is the date in this amendment, but the explanatory note implies that it is partly because, and I think Deputy Soulsby touched on this in her opening speech – of the need to identify officer resources to carry out the review thoroughly. So that is a resourcing matter.

375 In relation to the way in which this service is organised, if the States accept that responsibility for it should be transferred wholly to the Committee *for* Health & Social Care they do not need the permission of the States to reorganise provision. So they do not need any kind of resolution in that respect, they could just get on and do it, but where of course they do need the assistance or direction of the States is in relation to funding.

380 So to me this boils down to a matter of funding. If the States provided more funding then, first of all, there would be sufficient officer resources to carry out the review in the first place; and secondly, there would be adequate financial provision in place to address any improvements in services or equipment which are necessary as a result of the review.

385 So the point is that, yes, the States can express sympathy for the position that many too many disabled Islanders find themselves in, and Deputy Hansmann Rouxel's speech was very illuminating and moving; and I do not say this to Deputy Hansmann Rouxel who has supported moves to increase funding in this area and other areas, but it is no good the States generally expressing sympathy and then saying, 'Well we are so sympathetic that our response to it is that we will have a review and in three years' time we might be able to re-organise provision or provide the necessary funding.' That is not much sympathy. That is a little bit of sympathy but not very much.

390 I will give way to Deputy Merrett.

**Deputy Merrett:** Thank you, Deputy Fallaize.

I am a bit surprised actually, Deputy Fallaize, because it says no later than the end of July, so actually they could do it a lot earlier.

395 **Deputy Fallaize:** Yes, but the States are being asked to require the Committees to do it by July 2022, which would mean that it would be acceptable for them to do it in July 2022.

400 So my view is – I am not criticising the Committees at all because we have tied both of their hands or all four of the two Committees' hands behind their back and we cannot expect them or oblige them to produce improvements in services while they do not have the funding to do it.

405 But the point is that our level of sympathy as a States has to be reconciled with the level of funding that we are going to provide the Committees to respond to the problems and obstacles out of which our sympathy arises. It is no use having tons of sympathy on the one hand and then restricting the funding on the other hand.

405 It is quite obvious to me from reading the explanatory note in the amendment and listening to Deputy Soulsby who has as much first-hand experience of this area of policy as anyone and listening to Deputy Hansmann Rouxel who is more exposed to the cases on the ground than any of us that unless we provide additional funding for this area we are not going to make significant improvements –

410 I will give way to Deputy Queripel.

**Deputy Laurie Queripel:** Thank you, sir, I am grateful to Deputy Fallaize for giving way.

415 He is talking about the funding needed for the resource for the investigation and perhaps funding for the service as all. But bearing in mind we are talking about the Guernsey Health Service Fund which will become a reserve according to – there is £100-odd million in that fund, why couldn't that fund be accessed to carry out this work to bring the resource into play and to carry out the investigation and make this happen a lot sooner? Why couldn't that fund be utilised to bring this forward and to expedite matters?

420 **Deputy Fallaize:** Well I do not know, I do not think that the Committee *for* Health & Social Care ... this is really a matter for general debate, but I do not think the Committee *for* Health & Social Care is going to have access to that fund in quite the way that Deputy St Pier has suggested when he opened debate on the policy letter. He said it would transfer the fund to Health & Social Care; actually I think the proposal is to transfer responsibility for the fund to P&R and then the Health & Social Care would have to make all sorts of applications to access it. Although I do support all these Propositions, but that is a matter for general debate.

425 However, if the Committees, if Deputy Soulsby and Deputy Le Clerc's Committee feel they will have access to any of that £100 million or whatever it is sooner rather than later then they will not need to wait until July 2022 to come back to the States.

430 But I picked up from Deputy Soulsby's opening speech on the amendment that one of the reasons they were saying they could not come back to the States until that sort of time was because they did not necessarily have the resources to do it in this term of the States and so they were taking a sort of pragmatic and prudent view and asking that the States direct that the work be done by July 2022.

435 Sir, my point is I am not convinced this has anything to do with anything other than a lack of funding, and it is entirely in the gift of the States to determine the level of funding and the level of investment that it applied to this area, both in relation to the review that needs to be carried out and any costs associated with improvements required as a result of the review.

440 So it is entirely in the hands of the States, but if the States continue with approaches to fiscal policy and to funding the two Committees in the way that they are at the moment then there will continue to be a lack of provision in this area. It is no good expressing sympathy unless we are also prepared to vote the necessary funding.

**The Bailiff:** Deputy Dudley-Owen.

445 **Deputy Dudley-Owen:** Thank you, sir.

I hope Members forgive me because I am going to come at this from a rather simplistic view because this is not an area that I have particularly good or strong knowledge on and I have not worked on this.

450 But certainly Deputy Hansmann Rouxel's speech today was extremely moving and really was a good reminder that there are those in our community who suffer on a daily basis to a level none of us are really acutely aware of and it brings into sharp focus the work on the disability discrimination legislation that I really was very keen on seeing coming to fruition within this term. Clearly there are an awful lot of people who are desperate for that work to come to fruition.

455 As we are reminded in the accompanying appendix, the States has signalled its intent to sign up to the UN Convention on the Rights of a Person with Disabilities. Now the question in my mind is that we also as a States, myself slightly reluctantly and with some scepticism, approved an amendment to the Policy & Resources Plan to allow the Committee *for* Employment & Social Security to extend their work on this particular area to look at discrimination on multiple grounds and I have become increasingly concerned about that work, the workload and the delay that it has caused to the introduction of any disability discrimination legislation.

460 Now my query is that had we not agreed for Employment & Social Security Committee to go down that route could we have at this juncture a review already have taken place of Section 10 and could we have been a way down the road already to improving the lives of those who are

465 exhausted, and exasperated, and in pain and absolutely confused by the confusion that our  
system require them to go through, because they do not know which department to go to and  
where to get their funding from for adaptations and equipment that they really need to live their  
lives? So have we impeded ourselves, have we impeded ESS by allowing them to broaden their  
ambition actually on something that they are not going to be able? I cannot see how they can  
470 deliver it this term, where actually if we had not allowed them or had not agreed to it, with good  
intent, we would have pushed them down the road of continuing the focus on the disability  
discrimination legislation.

I really would like to hear from Deputy Le Clerc during this debate as to where we are with the  
multiple grounds legislation work. Are we going to have a realistic delivery of that within this  
term, and would it not be better to stop that work and to refocus on the disability discrimination  
475 legislation with a view to delivering some of these changes that are clearly desperately needed by  
people in our community today?

Thank you.

**The Bailiff:** Deputy Le Clerc.

480

**Deputy Le Clerc:** Sir, firstly, I just want to remind people that, yes, we will do the review by  
2022 at the latest, but the services under the adaptations and equipment available under Section 10  
are available today. Now the system may be bureaucratic and there may be no real parameters to  
that, but today someone could apply under Section 10 to ESS and we would look at that.

485

I think the problem is it is the best kept secret, and I think Deputy Hansmann Rouxel hit the  
nail on the head that she said there is staff turnover and the majority of referrals will probably  
come through occupational health and if people have moved from the UK and do not understand  
the Guernsey system they are not aware of the approach that can be made to ESS under Section  
10.

490

In the last year we gave – well we spent £195,000 through Section 10. I am sure even having  
this debate today is going to raise awareness and we will have more applications under that. I  
think the review will be required because if we see more requests and there are no parameters it  
makes it very difficult for the Committee to make fair decisions, and I think that is what this is  
about. This amendment is about the review and making sure that it is fair and equitable and  
495 transparent, which it is not at the present time.

495

With regard to doing the work I think if you listened to my speech yesterday we are already  
under pressure on staff resources so we have got reciprocal health to look at; we have got the  
Family Allowance to look at; we have got the asbestosis work to look at. So I cannot guarantee  
that this will be done within this term, but as I have already said, at least Section 10 is there and  
500 people can apply.

500

With regard to the disability legislation, again I gave an update yesterday. I believe, I would say  
that 75% of the work, if not more of the work, on the equality anti-discrimination legislation is  
around the disability. So even if at this late stage we decided to pull some of those other  
protected grounds there would still be the substantial amount of work to be completed. We will  
505 be issuing that consultancy document in July and we will be inviting States' Members along to  
those drop-ins and, again, I think you will see then that the majority of the work being done is  
around the disability, and it is around appropriate adjustments as well. So we will need to look at  
the appropriate adjustment and maybe that will tie in with section 10.

505

With regard to Deputy Stephens' comment on working together with HSC, ESC and ESS. Well  
510 fortunately under the new Civil Service reform, the Head of People policy will be responsible for all  
three committees, so I can see that working very well – (*Laughter*) or not. (*Laughter*)

510

But I just would ask the Assembly to support this amendment. It may not be perfect but I think  
it has opened up the debate and that is worthy in its own right, but we definitely do need to do  
this review and ensure that it is more transparent and equitable in future, and that people know  
515 how to navigate their way through the system to have the access to the funding that they require.

515

One last point, I think it was Deputy Laurie Queripel who was talking about the Health Service Fund; there have been, up to this point, very strict regulations and what you can and cannot access that fund for and I think this is out of general revenue. Section 10 is out of general revenue so I am not sure we could take the resource out of the Health Service Fund to fund the work or the resource to look at this Section 10 because it is general revenue rather than the Health Service Fund. But that is my understanding.

I would ask you all to support this amendment.

**The Bailiff:** Deputy Ferbrache.

**Deputy Ferbrache:** Sir, the Bailiwick is well served with the Presidents of the two Committees that have proposed this amendment and the Island is well served by those Committees and the Bailiwick is well served by the Committees generally.

But in the 45 minutes, 55 minutes that we have been in session today, two Deputies have referred to my comments about transformation and trans ... that kind of topic. The word that really raises my temperature is bureaucracy and Deputy Le Clerc referred that it may be bureaucratic.

Now we have had two speeches today – we have had lots of speeches, but we have had two speeches – which have highlighted unnecessary bureaucracy. Deputy Hansmann Rouxel, about the poor person who has been waiting for ... how do you work through the system and how can you get your thing and get the wrong part etc. How on earth in the 21st century have we got ourselves into that situation? Deputy Stephens is talking about when she was at a particular school and you could use a piece of kit at home and school if one department financed it but not if another department financed it. Where on earth does this arise from? How on earth did that ever happen? How on earth could that be acceptable?

I fully appreciate Deputy Le Clerc has just made the point about resources, her Committee have got a lot on their plate and therefore they will not be able to finish this task perhaps much before if at all before July 2022.

But why can't we generally and in relation to this particular aspect just ignore bureaucracy and do what is right? If we need in due course some laws, if we need some laws then we bring them along, but they should not hold up what we need to do. So why don't we from today as an Assembly forget all this blinking bureaucracy and just get things done? *(Laughter)*

**The Bailiff:** Deputy Smithies.

**Deputy Smithies:** Thank you, sir.

I am going to be even more simplistic than Deputy Dudley-Owen. Although Deputy Ferbrache's speech was erudite and complicated, it again came down to a simple solution. What are we being asked to do? We are being asked to agree that the funding of disability-related equipment is an area requiring transformation. Yes. Who is arguing?

Two, we are being asked to direct the Committees to review the area, return to the States by a given date with recommendations which shall include a proposal to do something. What is the complication? I shall certainly vote in favour of this amendment.

**The Bailiff:** Deputy Yerby.

**Deputy Yerby:** Sir, I wanted to start by thanking the two Committees for finally enabling this to come to the States. It has been a blot on my conscience for longer than I care to talk about and I am glad that we are finally at the point, as Deputy Smithies said, of committing to do this.

Deputy Graham's question was perfectly valid, particularly as a person who is not very much exposed to this area, and please do keep the pressure on the Committees to deliver as soon as we

can. But do not vote for the amendment because the deadline is too generous, because otherwise we end up with no commitment to do it whatsoever.

570 So I did think that Deputy Graham's speech, while it was completely valid, gave an unfortunate colour to the speeches that followed because it moved into a zone of as soon as we have said, 'Look, there is an area we need to do something about,' you turn around and say, 'Well, why haven't you done it before?'

575 The reasons why this has never been done before – and Deputy Stephens spoke about things being put on ice – I remember this being raised as an issue, and she will too, when we were developing the Disability & Inclusion Strategy as an area where more transparency, fairer rules, greater awareness of the system was needed, and the conversation at that time was, 'No, don't put it in the Disability & Inclusion Strategy; it is okay. We are working on SLAWS and SLAWS is going to deal with things like services and equipment, so hey, the next big strategy is going to solve this!' Did it ever? Oh, no!

580 So it went through a series of phases of being the thing that fell off the end of the table because the next big strategy was going to deal with it, and it very nearly fell off the end of the table here. We are dealing with the Guernsey Health Service Fund so let's put this disability matter in some other paper and deal with it later.

585 Everybody who has spoken on this subject today has recognised the importance of developing a fairer and more transparent system that meets the needs of all Islanders. It does need at this stage a States' commitment, I think, because it has that habit of falling off the table, because we have a habit of committing to all sorts of things and of course the things that we have committed to at the level of the States tend to squeeze out the things that committees think, 'Oh, that would be worth doing but we have not got the people on our backs saying, "Go on, get on with it. There is a resolution you need to deliver it."'

590 So Deputy Fallaize is right, the resolution in itself is not going to be the thing that solves this, but it is going to be the thing that allows us to get on and solve it. It is going to be the thing that says to the outside world, 'Look, we have finally recognised that there is a problem. We are finally prepared to commit some resources and some time to it, and here is a deadline at least no later than that. We are going to come back to you with proposals for how we are going to make it better.'

We need to do that, sir, because it is long overdue.

**The Bailiff:** Alderney Representative Roberts.

600

**Alderney Representative Roberts:** Thank you, sir.

I will support this amendment but the system will have to change in Alderney when the States sign up to the UN Convention on the Rights of Persons with Disabilities.

605 States of Alderney Member for Health, I am and a member of Care Watch Committee. Alderney is way behind in these areas with regard to the disabled in our Airport terminal. In Alderney there is no wheelchair access through security at all and passengers have to be wheeled right around the outside of the terminal – on the outside sometimes in pouring rain and howling gales.

610 But one thing that was unbelievable is that in Alderney there are no disabled toilets whatsoever. Unbelievable. That I find is totally unacceptable, unbelievable in these modern times. I am sure that many will be surprised in this Assembly today and this has to change.

I support Deputy Soulsby in her amendment but can she give me the assurance that she will investigate this matter.

Thank you, sir.

615

**The Bailiff:** Deputy Leadbeater.

**Deputy Leadbeater:** Thank you, sir.

620 I think if you look at the bits of kit and the costs of the bits of kit – I mean I know from personal experience, my son over the years has had wheelchairs and hand-splints and foot-splints, and even a small hand-splint can cost between £2,000 and £2,500. So the procurement of all these bits of kit and the governance of these bits of kit, if it is all brought together it will probably actually save us money. It will probably be that it will not just do the same for less, we could probably do a little bit more for the same.

625 So, yes please, everybody support this amendment.

**The Bailiff:** Deputy Tindall.

**Deputy Tindall:** Thank you, sir.

630 I rise because of a couple of points made by Deputy Le Clerc. For me, I was very much involved in the UK in respect of applications for Disability Living Allowance, as it was called then, for many years, and I also assisted quite a few applications to the UK version of the Independent Living Fund.

635 Obviously adaptations etc. are essential, there is no question of that, but what I wanted to pick up on was the fact that this timeline and the fact that there is quite a lot that can be done more quite quickly; for example, looking at what is actually on the website at the moment. There is information on the signpost.gg/equipment which does talk about support from Social Security to access equipment. However, the first sentence is a little off-putting to say the least:

You do not necessarily need to be on benefits.

640 It just does not flow nicely. It also says you have to phone a number at Social Security Department to do a quick two-page assessment. I just feel an online form could assist and these are just small suggestions, as well as my involvement as I used to be with Citizens Advice there are other charities. I just feel that there could be an information piece, a quick win there that might assist. Because we all have met the people that Deputy Hansmann Rouxel has mentioned.

Thank you very much, sir.

645

**The Bailiff:** Deputy Soulsby, do you wish to reply?

**Deputy Soulsby:** Yes, sir, I will make a few points.

650 I will just start with Deputy Hansmann Rouxel who really gave a feeling of how people are suffering out there, and this is an area that has probably not been given the attention it should have over the years. I totally understand why Deputy Yerby has been really pushing for it. At the same time people talking about, 'Why isn't this being looked at and why have we got June 2022 deadline?' But then this could have been put before the States before now and we could have debated it earlier.

655 We cannot really – attacking those who are actually putting in an amendment to get it done is a bit difficult I think.

In response to Deputy Graham and that sense of urgency, well I think it is difficult because we do have such great speeches by Deputy Hansmann Rouxel there who really made everybody aware of what is impacting some people in the community.

660 But it is so easy to then say well this is the most urgent, so the latest thing we hear is the most urgent thing. I mean we had the debate earlier in the year, back end of last year, on the NICE Drugs Review and we had speeches about the personal experiences of people who had not got the drugs that they thought they needed at that time and how we needed to put all our money into that. Well that is another area, that was the most important thing at that time.

665 We have also got Primary Care funding and people saying that they cannot go to their GP because they cannot afford it. So that is really urgent. So all these things. These are things we are looking at now: NICE Drugs Review, primary care funding, the regulation. This is another thing that is so important to those people that are the most vulnerable in our society, those Deputy

670 Hansmann Rouxel was talking about; they are the ones that benefit the most probably from the Regulation Law and what we are doing in terms of Regulation of Domiciliary Care Workers. That is really urgent. The Children's Law changes; people see in the P&R Plan they need to urgently change the Children's Law so we can help improve the lives of children and families caught up in the whole system there. That is really urgent.

675 People look at the P&R Plan and all the things that are set out, the urgent things that Committee for Health & Social Care have to do now. So it is not that we do not give this any credibility in terms of this is not important, it is just that we have got areas that are really important that we have identified that we have put within the Plan that we know that we can achieve within the next year.

680 I cannot speak for the next committee, I do not know how it will be made up and who the next president will be and what their priorities will be, but they will be based around the Partnership of Purpose and new model of care which we have all signed up to, and that will include, as it does, the whole review of a universal offer. That is where this comes into the heart of everything, the fact that we need to make things far more transparent, open and fair to the people of the Island.

685 Disability adaptations is just one area where people are struggling to find the services that are available. At the heart of the model it is about bringing providers together to provide joined up care and making every contact count.

That is really where a lot of this can change. It is not about bureaucracy to that extent. I will go on to what Deputy Ferbrache said on that in a moment.

690 It is about professionals out there helping people and understanding that they are there as a person and not there as a condition, and that can go from the people who see people in their own home, occupational therapists, but also GPs have got a wider role to play in this than just a 10 minute appointment, and working more closely with those providers in secondary care, for example. We are seeing this all the time now: there is mental health, children's services, we need it to be a more rounded joined up system. Today has demonstrated just one area where that change is urgently required.

695 Just going back to Deputy Stephens talking about the lack of urgency, but then P&R did not want to put anything in the policy letter in the first place. So we are trying to put a marker down so this is not forgotten and can be addressed and Members of this Assembly can hold future committees to account.

700 It is not as if nothing has been done in this area, there was a lot of work being done to improve those lines of communication. There is one area that is of concern to our Committee, it is just that lack of resource and support when it comes to being able to provide greater communication to those parts of our community and that might be addressed more when we talk about the P&R Plan.

705 I spoke about the problems about looking at things in isolation. Yes, we are looking at an aspect in isolation here but we have to then look at it in the whole context of health and social care.

710 Just moving on to Deputy Ferbrache and having his Trumpian moment, I think. Bureaucracy, I think all of us will say we hate bureaucracy; who here goes 'I love it. Really great. I just like a good bit of bureaucracy me'? I do not like bureaucracy, but rules will always be needed and unlike him I would rather they were not in law but in policy because that will give us more flexibility and ability to adapt, which is what the main policy letter is about. But then I am an accountant not a lawyer so the need for more and more law I do not think. I think that is what has got us into what you could call a bureaucratic system now. So much that the problems we have got – and I will move on to and talk about this in main debate – but it is a fact that we have got lots of laws in this area; that has meant that we cannot be as nimble as we could be and as I would like to be.

715 So that is all I have to say on the amendment. I hope Members do see the need not least because of Deputy Hansmann Rouxel's speech.

Thank you.

720

**The Bailiff:** We vote then on the amendment proposed by Deputy Soulsby, seconded by Deputy Le Clerc. Those in favour; those against.

*Members voted Pour.*

**The Bailiff:** I declare it carried. We move on to general debate.  
Deputy de Lisle.

725

**Deputy de Lisle:** Thank you, sir.

With respect to the provision of medical benefit, one of the functions to be transferred, my question relates to the intentions with regard to the medical benefit grant.

730 Some might see this transferred function as a threat to sustainability of the grant towards the cost of consultations with the GPs and nurses. Especially as a review of the system of grants for GP and nursing appointments has been ongoing already.

Without the grant more people would go unattended and the risk to health and the community could increase significantly, particularly amongst the elderly. There is general concern in the community on this issue.

735 In fact paragraph 3.5 makes the point that:

Provision of access to primary care services is a vitally important gateway to access health ... a critical part of the overall strategy for health provision [services] and a key element of the delivery of the Partnership of Purpose.

Now current funding and the legal structure in place means that policy, responsibility for supporting access to GPs rests with both committees. Now many might prefer that the structure and point to risks with the intended change to the 1990 Law which introduced the medical benefit in the form of a subsidy towards the cost of consultation with a GP or a nurse as a universal benefit.

740

The same concern relates to prescriptions under the 1990 Law should the statutory basis be withdrawn with the transfer of responsibility for community prescription policy to Health & Social Care to enable Health & Social Care to make charges by policy.

745 While the removal of the statutory basis for these services may have significant advantages in improving the flexibility of the service delivery and facilitating transformation which could improve the experience of patients and the overall cost of providing the service, this still does call into question the future of the provision of the medical benefit grant, and also what changes are intended in Secondary Care service model with the removal of the statutory basis for these services.

750 Consolidating governance to facilitate long-term transformation and co-ordinated change requires amending the 1990 Law and related Ordinances and the Social Insurance Law 1978 and formal extension of the Health & Social Care mandate. The rewrite and amendment to the 1990 Law will be of concern to residents with respect to prescriptions also.

755 Now can the President give assurances that these benefits, the grant towards the cost of consultations with GPs and nurses and the free prescriptions to over-65s will not be affected through consolidating governance, facilitating long-term transformation and co-ordinated change?

760 Can the President bring us up to date on the review of Primary Care that Health and Social Security Committees are engaged in, which includes grants for GP and nursing appointments, and how the resources are best utilised, as mentioned in paragraph 4.11.

I ask that these points are answered at a later point in the debate.

Thank you, sir.

765 **The Bailiff:** Deputy Dorey.

**Deputy Dorey:** Thank you, Mr Bailiff.

770 The Guernsey Health Service Fund pre-1995, as mentioned, just funded community drugs and subsidies for doctors and nurses, as I understand. The public then paid directly for secondary health care to see consultants. There were numerous cases and I remember hearing of a case at that time when there was a premature birth and extensive paediatrician time was required for that child and the family was in those days facing bills of up to nearly £20,000 costs which was totally unacceptable.

775 So after a number of attempts the Secondary Health Scheme was introduced and the contributions increased to finance the scheme. Importantly, the cost of the scheme was shared between the employee, the employer and the retired ... paid towards the costs.

In 2002 proposals were brought to the Assembly for the waiting time to be reduced. As contributions were hypothecated they could be increased and the public accepted that so the employers' contribution was increased by 0.1%, the employee contribution was increased by 0.1% and over 65s paid an extra 0.2%.

780 It could be explained that they were paying for a service and it was an improved service and therefore contributions increased. When people have challenged over the years about the system it could always be explained that the finance of the contributions was paying for the scheme. So there was a direct relationship between what they were paying and what they were getting.

785 The States also contributed, as was in social insurance schemes, a grant towards the funds as a percentage of contributions, and that was purely to subsidise those on low incomes who were not paying enough for the service. But as it was social insurance and due to subsequent changes, those on high incomes also paid a lot more premium than they needed to also to help subsidise those on low incomes.

790 The grant from general revenue was £4.7 million but was suspended in 2017, which I opposed. By cutting off that source of funding it resulted in operational deficits in 2017 of £3 million and £2.7 million in 2018, so it did not reduce the costs, it obviously just reduced the income and put it into deficit. But this did not cause an immediate problem because the fund had built up reserves. Although it is fundamentally wrong for the States not to pay contributions but it was passed as part of the calculation for contributions, but the fund had built up contributions and the net assets of the fund at the end of 2018 were £114 million which had fallen slightly because of the deficits there had been in 2017 and 2018.

800 The assets are very important as they give the public the confidence that their contributions are used to fund the particular services and they are not used to fund other services – they are ring-fenced for those particular services. The assets in that fund act as a buffer to cover when contributions are down in a particular year. If, for example, the Island faced an economic downturn and unemployment was up contributions would be lower. But the cost of services would be the same or more. It was also a system if we were facing economic downturn the States would not have so much for the grant and that would also be reduced because it was calculated as a percentage of contributions. But the fund would cover the deficit and that is how it has always been sold to the public – that it was there as a buffer for those very times, and those are the very times that you would not want to increase contributions, but if you did not have that buffer you would have the same costs and you would have to increase contributions because your income would be down.

810 Also as the demographics of the population change with more over-65's who have contributed to the pharmaceuticals during their working life but obviously will not be funding that particular part when they retire. The fund could go to deficit, but the services are effectively financed by the savings that they have made by making their contributions during their working life, and you could almost say it is a part pension scheme, because they paid in their working life for their pharmaceuticals and then when they retire they get them free. Obviously in order to be able to meet that it needs to have funds, and that is the whole purpose of it.

815 We know there is a review of drugs that will be coming to the States soon and to look at whether the drugs which are approved by NICE will be financed. If these proposals are approved and any other, for example, the NICE drug scheme increase the cost of the services from this fund

then possibly there will be a significant increase and contributions would have to be increased.  
820 But they can be justified to the population, just as they were justified in 2002 when services increased was because of the hypothecation because you can say, 'Yes, these are ring-fenced particularly for that so, yes, we are offering an improved service but we need increased costs,' but part of it obviously could be funded from the current assets of the fund.

825 But that scheme, I believe has given the public more confidence in the scheme and has believed that if you had to increase contributions it would give them confidence that those contributions can be increased. If you did not have that I believe that you could easily have a situation where the public will say, 'Why do I have to have ...? This is just going into general revenue. It could say it is no different to something like a fuel tax which does not directly pay for the roads, it just goes into general revenue.

830 I think the whole reason why the public have had confidence in the scheme and been willing to support the scheme – and it is not just this Guernsey Insurance Fund, sir, it is a whole basis of social security funds – is that they are ring-fenced and used for a particular purpose and not just used for any other purpose.

835 So I then come to the ... because the proposals are to transfer the funds into the Guernsey Health Reserve and if you look at Proposition 13 in the book, and I will read from it, it is now going to be used:

a. to fund unanticipated expenditure pressures in providing health services that arise [out] of the normal budgetary process and cannot be met within that year's budget of the Committee for Health & Social Care ...

Well that is not for this fund where people have paid for particular services. That should be paid out of general revenue. I carry on:

b. to fund revenue or capital expenditure on health transformation projects aimed at improving the efficiency, quality or capacity of health services in Guernsey which demonstrate long term benefits to the sustainability of Guernsey's health care system, subject to the same application process and governance conditions pertaining to the Transformation and Transition Fund or Capital Reserve ...

840 Again that is not what people have paid their contributions for. They have paid their contributions for very specific reasons and we would lose, I believe, the confidence of the population in the Social Insurance Scheme if we go ahead with these proposals because we will use them for things which should be funded from general reserve. I go on:

c. to manage any transitional costs associated with implementing health-related transformational programmes ...

Deputy Ferbrache's favourite word:

d. to fund revenue or capital expenditure on management of cost pressures developing within the health service provision over the long term associated with the aging of the population.

845 These have nothing to do with what people have contributed these funds for. In my opinion it is wrong to tell people they are paying, and they have been paying, contributions for specific services and they pay as part of a savings scheme and that money is saved in order to be able to fund an economic downturn or to fund pharmaceuticals when they retire and then suddenly to use those funds for a different reason. That cannot be right.

850 I believe that we as a Government have told our public that these are ring-fenced money for ring-fenced services and suddenly to bring proposals because it seems easier on the day to fund various things from them is completely wrong, and I do not believe that that is the right way to govern a population and for people to have confidence in our Government.

855 I go on to talk about the Guernsey Insurance Fund. As a previous Social Security Minister, I am fully aware of numerous people who have written when we have tried to increase social insurance contributions and in particular in relation to pensions when we were faced with the demographics

and the fact that the fund would run out of money. The feedback from employers was always, 'Why should we have to pay so much?' and they consistently complained.

860 Now if Members turn to table 6.1 which is between paragraphs 6.9 and 6.10 – unfortunately there are no page numbers on this report – they will see the table which has the contributions. Now if you look under current contribution rate for the Guernsey Insurance Fund employers' pay 5% and employees' pay 3.5%, under the new proposals because they are taking away the grant etc. employers will contribute 6.6% and employees only 2.9% towards the Guernsey Insurance Fund. I do not believe that that is sustainable. If there is any time in the future when there needs to be an increase I know what will happen and I have seen it in the past and it will be very difficult to challenge any lobbying from employers that the ratios are fair, because the ratios will be seen as unfair, because far too large a contribution comes from employers and too little comes from employees. You would have to go back through the history and try and explain what happened if these proposals are approved today, which I hope not. But that would be lost in time.

870 I think it is absolutely vital for the sustainability of that fund that the contributions between employers and employees are set at fair levels and the contributions that will be part of the proposed rates will be unfair, and all that will happen is that if you have to try and increase, because of demographics or any other reason, contributions in the future it will fall all on employees because the employers will say, 'I am already paying 6.6% and employees are only paying 2.95% so that is not fair. We should not increase our contributions, the employee side should increase it.' I just do not think the proposals are fair.

875 I understand the reasons for the proposals and I have been on both sides at Health & Social Security and understand the pressures and why there needs to be some changes, but in my view these are wrong and I suppose I could have tried to amend it but it is complicated and it needs to be set down. I just believe that there is a problem but they concluded on the complete wrong solution.

880 I believe that these will undermine people's confidence in the Social Security system for the future and Government when they have paid for a particular service and funds have built up to finance that service and they are told they are ring-fenced, then suddenly one day we said, 'Oh, no, they are not ring-fenced. Sorry, we are going to use them for something else.' That is not good governance, that is very poor governance –

I give way.

**Deputy Laurie Queripel:** Thank you, sir.

I am grateful for Deputy Dorey giving way.

890 He is talking about the fund as if it is ring-fenced at the moment and it is meant to be used for particular things. Could he give an example of what he thinks it might be used for if these changes took place? Does he think it might be used for perhaps the building of hospital buildings rather than to directly improve provision of a service or something along these lines? Is that what he is concerned about? That type of thing.

895

**Deputy Dorey:** These funds should continue to be used for the purpose that people have contributed and that there is effectively a saving scheme that has been built up.

900 Now the governance of it I can understand and that can be improved, but the fundamental that we have a Social Security system, that you have a ring-fenced sum that is paid and it is to be used for a particular purpose and this Assembly debates it and decides on it is the right forward. You cannot suddenly, when those funds have been used for other reasons. So it is the governance that needs to change. I believe they need to be used for the purposes they are.

905 As I understand the review of the drugs that will be paid for out of the scheme is likely if the States approve the changes in relation to the NICE drugs, it could result in significant increases in the pharmaceutical budget. So that is the example of why we have to say to people, 'You are paying for a service and if that service changes you have to pay more,' but you have to ring-fence it so that people are confident.

I am just repeating myself. I have made my point I believe that these are badly thought out, the intentions are completely right but they are badly thought out proposals which undermine our basic principles of Social Security system, and it is easy to make these changes, they will get you out of a problem today but they will lead to problems in the future.

I give way.

**Deputy Dudley-Owen:** I thank Deputy Dorey for giving way.

I am asking him to give way because I can see Deputy Laurie Queripel's face is still slightly confused as to what Deputy Dorey is ... I am going to try and encourage Deputy Dorey to not be fearful of repeating himself and maybe just explain in a slightly different way to give Members a little bit more clarity about maybe what people think they are getting from the fund when they pay in. Because it is clear that Deputy Dorey feels that people have a perception that they are paying into the fund for a specific reason. What do the public think that they are paying into the fund and what they will get in return?

Thank you.

**Deputy Dorey:** I went through the history of the fund. Initially it funded community drugs and the subsidies when you go to see the doctor and the nurse. As in primary care, you have to sign a slip and that basically gives a £12 grant for your doctor. So whatever you pay in cash to the doctor is that plus £12 comes from the Guernsey Health Service Fund and £6 for nurses.

Over the years various services have been added in line with the idea that they cover consultants. Also visiting consultants were added into – (*Interjection*) I will finish what I am saying. They also cover primary care, mental health services, and it was considered that was consistent with getting people back to work as quickly as possible and they also have added in very recently under 21 contraception, and that to me is actually not consistent with the principles of the fund but the other two I could argue are consistent.

I will give way now.

**Deputy Merrett:** Thank you, Deputy Dorey.

I asked this very pertinent question myself to officers when I went to meet with them regarding this. I think Deputy Dorey has added clarity, but for absolute clarity to Members, the fund was designed to pay the benefits designated under this Law. There are details on page 11, section 4 of the policy paper. It is medical benefit including subsidy of GP appointments; it is pharmaceutical benefit; it is medical appliances, prescribed syringes and similar items; other benefits specified by Ordinance which covers specialist medical benefit, which covers the MSG contract, visiting specialists and primary care mental; Alderney Hospital benefit; and physiotherapy benefit.

So I hope that gives the clarity – Oh, sorry, also I think Deputy Dorey mentioned the trial of free contraceptives for under 21 is also met from the fund but does not have any statutory basis. The travel and allowance grants, primary travel for off-Island appointments is provided from the Guernsey Insurance Fund and has statutory standing under a different piece of law.

So I hope that adds clarity to Members.

**Deputy Dorey:** The Guernsey Insurance Fund is not part of one where I have been trying to make the point on, although it is funded from that. The point I have been mainly making is about the Guernsey Health Service Fund.

So I would conclude by asking people not to support these proposals. As I said, they have got the best intentions but they have come to the wrong conclusion. They just need to go back and rethink it.

Thank you.

**The Bailiff:** Deputy Fallaize.

960 **Deputy Fallaize:** Thank you, sir.

I think Deputy Dorey's analysis is impeccable, and I think the proposals before the States are a dog's breakfast but I think I will probably vote in favour of them! (*Laughter*) Now I want to explain how I can reach that conclusion.

965 What Deputy Dorey is saying is really encapsulated in Proposition 3 because the proposal here ... and Deputy Laurie Queripel says, 'Well, what is it that you fear is going to be withdrawn?' – but the actual proposal in relation to what Deputy Dorey is talking about is Proposition 3, and at the present time there are statutory social insurance contributions which fund statutory benefits, and Deputy Merrett referred to some of those in her list.

970 The proposal here is that there will still be statutory social insurance contributions but that they will be effectively placed into a fund which will pay for a basket of services and goods which will be provided on a non-statutory basis. So in effect they will be provided by Resolution of the States.

975 So the actual proposal in Proposition 3 is to take away the statutory entitlement which currently exists and instead to have a States' Resolution which in effect tells the Committee for Health & Social Care to provide these services and goods but by States' Resolution.

Actually, that provision could be taken away by States' Resolution or possibly by Committee Resolution without coming back to the States. So that is part of Deputy Dorey's misgiving that it puts the provision on a non-statutory basis rather than a statutory basis.

980 Now the reason I say I think these proposals are a dog's breakfast is because they are neither fish nor fowl. Where this started – and I know this because I was a Member of the Committee for Employment & Social Security was the previous States on the recommendation of the old Treasury & Resources Department and Social Security Department, recognising that the funding of this portion of health care – and the same thing could be said in relation to long-term care actually – is inequitable and illogical. Because what we are doing at the present time is we have  
985 what are effectively workplace based social insurance contributions generating revenue which is funding most of social care, long-term care, and a substantial portion of health care, and the rest of health care is being funded through general revenue.

990 Now there is no logic at all in my view to that principle. There is no reason why health care should be funded through social insurance contributions any more than policing should be, or education should be, or any other aspect of States' provision should be.

995 There are some countries which fund health care out of social insurance contributions but where they do it tends to be a purer social insurance system than we have. That is more typical in mainland Europe, and there are some countries like the UK which fund health care essentially out of taxation and general revenue, and we have a sort of hybrid system which partly funds it out of social insurance contributions and partly funds it out of general revenue.

1000 Now it is true to say that at least the present funding system does have, as Deputy Dorey has tried to argue, this kind of statutory basis so that social insurance contributions are paying for things which are provided for on a statutory basis. But that does not mean that the funding principles in the first place are any more logical simply because they are paying for some statutory provision.

1005 So where this started, as I said, was identifying that the current funding – raising money to pay for health care out of what are effectively work-based insurance contributions is not logical and cannot possibly be fair or equitable. What it means is that this portion of health care is being funded disproportionately by people who are in the workplace or at least have work-related earnings on which social insurance contributions can be levied.

1010 It is inevitable that there will be people in work who are paying social insurance contributions for health care while there will be other people not in work whose financial circumstances will be considerably better who will not be paying social insurance contributions for this portion of health care. Yes, I know that there are non-employed contributions, and I know there are voluntary contributions, but that will not capture in every respect, or will not reflect in every respect, the ability of somebody to pay. So we have a system which for this portion of health care and it is

funding quite a lot of health care, the Secondary Health Care Scheme primarily which is not equitable and is not fair. So –

I will give way to Deputy Dorey.

1015

**Deputy Dorey:** I do not accept that, because they are based on their income, the contributions they make are based on their income and it is their income while they are working, it is their income while they are retired that is paying for it. So that is the basis that we tax people, is based on their income, so why is that not fair?

1020

**Deputy Fallaize:** No, it is not. Deputy Dorey is conflating income and earnings. It is not based on their income, it is based on their earnings, and that is not the same thing.

1025

Because of the way in which non-employed contributions and voluntary contributions have been grafted onto this system in a very sort of *ad hoc* and quite illogical way, it to some extent gives the impression that income is being taxed, for want of a better word, but what it essentially is is social insurance contributions being levied on earnings and that is not the same as income, and if you try and fund core public services through social insurance contributions levied on earnings rather than taxation based either on use or income you are going to build inequity into the system, and so our health care system is being disproportionately funded by people who are in receipt of earnings rather than people who are in receipt of income. That is why it is inequitable.

1030

Now the only logical conclusion to all of this is you either say, 'No, we want health care to be provided on an insurance basis,' and as I say some of mainland Europe is doing that, and you fund all of health care through social insurance contributions, that is more like a kind of social solidarity tax; or you say, 'No, we want to try and remove the inequity that is built into this system,' and you cease to fund health care out of work-based earnings and instead you fund it out of general revenue, taxation. The latter would be the more logical thing to do, in my view.

1035

The problem of course is you would substantially reduce social insurance contributions which would be welcomed certainly by employers and by employees as well. The problem is you would then have to fund health care by raising taxation in some other form.

1040

Obviously where that takes you most logically is you either have to raise Income Tax or you have to introduce (**Deputy Gollop:** A sales tax.) GST. That is why – I am not quite as excited about it as Deputy Gollop is, (*Laughter*) but nevertheless Deputy Gollop's analysis is correct, or his conclusion is correct – we have ended up with a set of proposals which are a dog's breakfast. Because no one was prepared, at least in this States' term, to put forward – or the committees concerned were not prepared to get to the logical conclusion of where their analysis took them.

1045

So we ended up with the committees concerned in dialogue and actually studying in quite some detail what would be necessary to raise from general revenue. We did not discuss whether it would be levied through a sales tax, or through income tax, or potentially through a separate income related health tax because that would be another possibility. But we did not get as far as dealing with exactly how the revenue would be raised, but all of the conversation was around how we could shift the funding of health care and social care away from social insurance contributions, earnings-related contributions and on to general revenue.

1050

Now that work at some point was obviously abandoned, either because it was felt to be too time consuming, or too difficult, or because nobody wanted to confront the logical consequences of the analysis (*Interjection*) and instead what we have ended up with is a sort of halfway house. So the income will be transferred from the Committee *for* Employment & Social Security to in effect the Committee *for* Health & Social Care, albeit there will be all sorts of regulations around accessing it through the Policy & Resources Committee but the funding basis is going to remain social insurance contributions which the public believe are administered by the Committee for Employment & Social Security.

1060

So that is why I say Deputy Dorey's analysis is impeccable. We are going to continue to levy social insurance contributions, statutory social insurance contributions, earnings based social insurance contributions, which the public believe are paying for some protected ring-fenced

1065 health benefits, essentially the Secondary Health Care Scheme, but we are going to transfer those earnings over to the Committee for Health & Social Care, which is meant to be funded through general revenue, and they are going to be able to provide these services on a non-statutory or discretionary basis. So in my view Deputy Gollop has pre-empted what I am going to say again: it is a nonsense.

1070 The reason why I am attracted to voting in favour of these proposals is, I think, it makes the scheme more obviously nonsensical than the current scheme and therefore I suspect hastens its demise, (**A Member:** Hear, hear.) and for that reason I think I am prepared to vote in favour of these proposals.

Furthermore, I am drawn to Proposition 19 which says:

To direct the Policy & Resources Committee in consultation with the Committee for Employment & Social Security to progress the second stage of the workstream, as described in section 10 of this Policy Letter, and review the structure of Social Security contributions collected for the support of health and social care services and ensure that these are appropriate, fair and sustainable ...

1075 Now that is what is really key to all of this. But although that workstream is described in very euphemistic terms in this policy letter, the States need to be absolutely clear what it means. The only logical conclusion of that piece of work will be to say we should no longer be funding health care out of largely workplace-based but certainly income-based social insurance contributions and instead we should fund health care out of general revenue, and we should do it either by raising Income Tax, introducing GST, or introducing a health care tax based on income not  
1080 earnings, and we should correspondingly reduce social insurance contributions either on the employer or the employee or a mixture of the two. That is going to be the logical conclusion of this work, what is described here as stage two set out here in this policy letter.

Now I want that work to be carried out and therefore I am prepared to vote for this set of Propositions even though the Propositions are going to leave a completely nonsensical model for  
1085 funding health care. But as I say the present model for funding health care is nonsensical.

Deputy Dorey describes its origin in very sort of principled and quite flowery terms, actually the reason that the Secondary Health Care System is funded by social insurance contributions has nothing to do with principle, it has to do with convenience. It is because –

I will give way to Deputy Dudley-Owen.

1090 **Deputy Dudley-Owen:** Thank you very much, sir, and to Deputy Fallaize for giving way.

I just query why does he have to vote in favour of all of the Propositions and why doesn't he vote against them if he does not like them and they are nonsensical and just vote in favour of Proposition 19?

1095 **Deputy Fallaize:** Because when the second stage of the review is carried out, if it is carried out, because Proposition 19 will have been passed, part of the rationale for why it will be necessary to get on to a much more sensible and logical basis for funding health care will be because we will already have moved to the model that is set out in the other Propositions. Whereas if the second  
1100 stage of the review is carried out as directed by Proposition 19 and we have not made the changes set out in the earlier Propositions, it will be much harder to get to the logical consequences of stage two.

So for any Member who wants in perpetuity health care to continue to be funded by a largely workplace-based but certainly an earnings-based social insurance scheme then vote against all of  
1105 these Propositions. But if Members believe that that is not a logical basis for funding health care, and I do not believe it is, and believe it should be funded through general revenue in some form or other then please vote in favour of all these Propositions because stage one will get us some way towards that and then the review in stage two will be able to build on that.

1110 But the reason I am speaking is I just want to make the obvious end point in all of this work clear and transparent to Members because I do not think it has been made very clear in the policy letter.

1115 I was making the point that the reason why secondary health care is funded through social insurance contributions has nothing to do with principle, it is to do with opportunism. (**A Member:** Yes.) It is because when the States wanted, 20 years ago or so, to address the problem which Deputy Dorey identified, where some people were left bankrupt by the cost of secondary health care, they at the time thought, 'Oh, crikey, we cannot put up Income Tax, we cannot introduce GST, we cannot introduce a health tax that is based on taxing peoples' income, but what we conveniently have is relatively low social insurance contributions and actually they are not as unpopular as tax so we will load this cost on to social insurance contributions.' It was an act of convenience but it was wholly illogical. So that is why I will vote in favour of –

1120 I thought Deputy Trott was going to ask me to give way but I –

**Deputy Trott:** I was, I thought twice about it.

1125 **Deputy Fallaize:** So that is why I will vote in favour of these –  
I will give way to Deputy Dorey.

1130 **Deputy Dorey:** To say it is wholly illogical is not right because there was already the fact that health funding was being funded in terms of community pharmaceuticals, subsidy for doctors and subsidy for nurses from this Fund. What the key thing you have missed is that it is not just the employee, it is the employer that pays and if you want to have a system of a health tax, the employer would not be paying.

1135 **Deputy Fallaize:** No, that is not true at all. It would depend how you raised the revenue through general revenue. There is no reason why, there is no logic behind why the employer should fund health care based on what the employer has paid the employee.

1140 The Guernsey Insurance Fund is a much more logical arrangement, because what it is paying for is a basket of benefits which relate to work so either industrial injury benefits or the lion's share of what the Guernsey Insurance Fund is paying for of course is the States' pension, but the States' pension is an income replacement scheme which is meant to replace a portion of the income foregone when somebody retires. That is why it is sensible to fund the pension out of workplace-based, or earnings-based social insurance contributions. It is not logical to fund health care out of social insurance contributions any more than it is logical to fund schools, or Police, or any other area of general revenue.

1145 So I would encourage the States, although I share much of Deputy Dorey's analysis, to vote in favour of these Propositions because I think they represent stage one of a necessary end point. But be clear the end point will be to reduce social insurance contributions substantially and to fund health care out of general revenue in some form or other.

1150 If Members do not want to do that and get to that end point do not vote in favour of these Propositions because that will be the end point, and if we get stuck in this half way house then it really is a complete dog's breakfast. It is not transparent and we will be levying social insurance contributions which are statutory, requiring people to pay for something that they will not actually be getting the statutory benefits they think they are.

1155 **The Bailiff:** Deputy Roffey.

**Deputy Roffey:** Thank you, sir.

It is quite annoying that Deputy Fallaize has beaten me to the punch because I agree with a great deal that he has just said.

1160 I actually took his seat on the Committee *for* Employment & Social Security and when I joined  
this was already a fairly mature policy letter, and the first thing I said was I felt it really jumped half  
way across the stream and not the whole way across the stream. I was assured that it was a work  
in progress, this was a stepping stone half way across the stream, if you like, from which we would  
bound to the other side. But I do share his fears that the history of the States mean that it is quite  
1165 likely we will get half way and remain there and if we do it is completely and utterly irrational.

At the core of this policy letter is something that makes absolute sense. We need one body  
determining the priorities for health spending and not two bodies. I do not think anybody can  
really argue with that absolutely right.

1170 But to have one body determining all of the priorities for spending the money, but the raising  
of the money being done through two totally different systems gives rise to huge potential  
problems. What if we need a big step change in spending on health and social care in Guernsey? I  
predict that is quite likely. Where should we get that money from? Should it be through the  
general revenue part of the income that will be going to Health & Social Care through putting up  
taxes or should it be through the Social Security route by putting up contribution rates?

1175 It is actually still presumably going to be another States' committee that would have to  
approach this Assembly to say we would like to put up contribution rates so we get more money  
through to Health & Social Care and what if they need to put up contributions rates for other  
reasons, like maybe sustainability of the main pension fund, but feel that overall they can only put  
up contribution rates so far. Health will be telling them, 'We need more money to spend,' P&R  
1180 could be saying, 'Well that should come from Social Security,' and Social Security saying, 'Well we  
cannot do that because we need to put up contributions anyway in order to make the pension  
fund sustainable and if you put them up too far it is going to make us less competitive.'

1185 I think what we need to remember here as well is that once you get above a very low threshold  
below which you do not pay any Social Security contributions you pay Social Security  
contributions on your entire income. Not when you pay Income Tax and you have got a tax free  
allowance first, maybe not as high as some of us would like to see but a tax free allowance to  
protect the lower paid. This will be health care funding if it comes through-increased  
contributions will be levied on every single Guernsey person no matter how dire their poverty may  
be. Now that worries me.

1190 I am assured it is only a temporary thing. We are doing the first part, we are putting all the  
spending decisions in one part and the rest will follow. I really want to hear that articulated by  
P&R loud and clear this morning, because if they are not willing to say what has been said behind  
closed doors to me ... The last thing I want to be is a rogue Member. I mean, poor old Deputy Le  
Clerc has already got Deputy Gollop; she does not need another one (*Laughter and interjections*)  
1195 of us going away! But my first duty is to the people of Guernsey and I think that unless we are  
going to see this through to the second stage then we are going to have real problems here.

1200 Sir, Deputy Fallaize I think was slightly wrong. He said that what would happen the logical  
extension is it will go over to Income Tax or not Income Tax, sorry general revenue, which Income  
Tax at the moment is the key component, and that we will see a big decrease in Social Security  
contributions. I actually doubt that. I actually think what we are going to see is what would have  
been a big decrease in Social Security contributions providing the headroom for the increases that  
are actually going to be needed for other things that we pay Social Security for.

1205 Because, make no mistake, the warnings have been coming loud and clear over several years  
that actually the current schemes are just not sustainable. But I take his point as far as this  
element of Social Security that would be taken off and put on to general revenue.

1210 Now I do not know how we raise that money through general revenue. I know we have the  
competitiveness issue, I know Jersey tried to get through a health tax and narrowly missed doing  
it, I know if we say our Income Tax level is, I do not know, a higher band of 25% then all the other  
Crown Dependencies competing against us will point at us and say they are less competitive than  
we are.

But there are some things you just have to fund and health care is one of them. I actually think we have probably been underfunding it in recent years and probably do need a change.

1215 So, sir, I am going to be a good boy and I am going to support my Committee here – or it is P&R’s policy letter not mine, not ours, but we have obviously both agreed to support it – but really I can only do that if I have the same assurances in public that I had in private that this is step one and that the logical step two is in the pipeline and that if all of the spending decisions are going to be taken by a States’ committee which is not Social Security then the funding route should no longer be through Social Security.

Please give me that assurance and I will happily vote for all of these Propositions.

1220

**The Bailiff:** Deputy Langlois.

1225 **Deputy Langlois:** One of the main motivations behind the ideas and these Propositions was clarity to enable us to debate health and care issues and the funding of it in this Assembly. I think it has succeeded even before we have actually voted on it because I think both Deputy Fallaize and Deputy Roffey have engaged in an interesting analysis of the funding of our Health Service and I think Deputy Fallaize nailed a lot of interesting points.

1230 The amendment we have just voted through again was ... a lot of people here seemed to be quite shocked at the bureaucracy and the complexity that somebody had to endure if they wanted aids and adaptations in their property. So I think already even though we have not actually voted on these Propositions, already they are having the right effect in that we are actually talking openly about some important issues and I do not think we would have been doing that without these Propositions and this policy letter.

1235 Deputy Fallaize described it as ‘a dog’s dinner’ and then ameliorated that to ‘half way house’ which I thought was ... but then reverted to ‘nonsensical’, which is probably as bad as ‘a dog’s dinner’ I think.

1240 Nobody is denying that there are a lot of anomalies in our health care system. I think the analogy is of our health and care system being a dark room and this is an attempt to draw back the curtains and we are not drawing them back fully but there is enough light in the room now so we will in the future be able to have a sensible debate about where we are going with it.

1245 The provision of health and care is not only extremely complex and very expensive, and likely to get more so on both counts, we simply cannot afford to have inefficiencies in that system and you cannot get something more inefficient than involving another committee and having two funding systems, which is what we have got at present and which these Propositions seek to address in some way. But also you cannot have a lack of clarity.

1250 Now Deputy Dorey has got a clarity because he was on the Social Security Department, he knows it backwards. For most people they get a deduction from their wages which is their Social Security contribution and they might know what that percentage is but they almost certainly do not analyse it in terms of, ‘Well, that percentage is going to my pension, that percentage is going to the Health Service Fund.’ There is not that clarity out there.

The fact that we debate the general revenue budget and the Social Security budget separately when the funding for health and care is spread across the two does not help at all. This is a small step in the right direction towards a coherent system.

1255 Somebody has radically mentioned a health and care charge separate from Social Security contributions and separate from Income Tax. I like that idea. Personally I would not have brought it up because I do not want to scare the horses and that is not an inevitable result of the direction we are heading but the anomalies are so large almost everywhere you look in our health and care system.

1260 We often talk about, especially in the UK, bed blocking where elderly people stay on in hospital because there are not beds available in nursing homes for them and that is a problem. But here you have somebody in a bed in hospital being funded from general revenue, then they move into

a nursing home and are partially funded from our Long Term Care Fund. We have not even talked about the Long Term Care Fund today yet, but the word is 'care'.

1265 I remember Deputy Soulsby at the beginning of this term saying Health & Social Care should be renamed Health & Care. I think she was right because there are so many anomalies in the way we have set this up, and Deputy Fallaize said for expediency, basically taking something which is Social Security contributions, which was an earnings replacement system, therefore was a tax on earnings and on employers, and for expediency's sake we have dropped a lot of care funding on to it because it was easier than finding another way of funding it. We have created a system which  
1270 very few people in this Island really understand unless they happen to have served on Social Security Department or currently on Employment & Social Security. That is not a way to have a debate about this enormous expenditure and this enormously complex system we have got which is our health and care system.

1275 So this is a small step in the right direction and where it will all lead will depend on future States, but at least it acknowledges that the current system is simply not sustainable going on and I will be voting for all the Propositions.

Oh, I will give way to Deputy Dorey.

**Deputy Dorey:** Thank you.

1280 You say it is not sustainable. It is sustainable because it is financed and I think the worry is that if you move this into general revenue it will be then subject to – you said about having two committees – you will still have two committees; you replace Employment & Social Security with P&R and then it will be subject to the Budget. The whole point is that these services were not subject to budget and they were financed properly so that the public had a decent service.

1285

**Deputy Langlois:** No. I do not think that is quite correct.

I was trying to avoid saying nobody in this Assembly really has a grip on health care funding because it is split and we debate it in separate debates.

1290 If we agree to these Propositions it will be debated in the Budget debate and everyone will be able to see quite clearly the expenditure on health and care, leaving aside Long Term Care, that can only lead to a clearer more comprehensive debate on where we are going.

1295 Also the population will see the debate will be reported in *The Press* and the population at large will see something they have probably never done which is the whole of our health and social care system debated and presented to them as holistically rather than the way we do it at present, which is extraordinarily obscure. I think you would be hard-pressed to find a single Islander who really understands how we are funding and how the system works with these two committees involved in a third of the funding. You could not design something more opaque than our current system and this is a step towards clarity and transparency.

Thank you.

1300

**The Bailiff:** Deputy Kuttelwascher.

**Deputy Kuttelwascher:** Thank you, sir.

1305 Proposition 3 has commanded some attention. I only want to reflect on one part of it and when I see that statutory provisions are going to be removed it kind of throws up a red light.

1310 My question is simply this, if the statutory provisions are removed and then it goes to being administered and managed, is that an open door to possibly means testing certain of these provisions? Now I know it is not mentioned here but I do know when we did the review of pensions and everything else a while back we were looking at removing or means testing possibly the provision of various services including the benefit you get as a subsidy when you go and see the doctor. That could be means tested. You could means test all sorts of other things. Is that at the back of anybody's mind and can we expect this to come forward? Because it is, 'Let us know now.'

1315 The only other thing is, is it possible that the need for some of these statutory benefits may be one way or another assessed. Now that is a difficult one but really my question in relation to that is: is there any evidence gleaned by the committees that the current statutory benefits are in any way being abused by some of the population? Because I could see that could be a motivation to assess the need. That really is my only point relating to statutory benefits.

1320 Thank you, sir.

**The Bailiff:** Deputy Dudley-Owen.

**Deputy Dudley-Owen:** Thank you, sir.

1325 When I first read this policy letter I looked at it and I thought, 'Gosh, this is very dry,' and actually the nature of the debate and the conversation and the comments that we have heard today have really brought out the human aspect of this, and the difficulties and the complexities that we face in dealing with the funding of our social care provision.

1330 I do not agree with Deputy Fallaize or Deputy Roffey about the stepping stone, that you have got to get to the stepping stone in order to jump across the river, and actually it was an analogy that I just said quietly to Deputy Dorey before Deputy Roffey said it. I cannot understand why we have to step into the middle of the river and why we cannot just leap it in one bound.

1335 So for me I do not like a lot of the Propositions, I am not inclined to vote for them and I really am grateful to Deputy Dorey for shedding a real clarity and focus on the reasons why we should not. I do not agree with the increase in contributions or increased weighting of contributions from employers. I have never liked that. I am an employer myself, I have declared my interest there. I have always felt that is was inequitable notwithstanding what Deputy Fallaize has said.

**Deputy Le Clerc:** Sir, a point of correction.

1340 There will be no increase to the employer contribution at all, it will remain at 6.6%. There is no anticipated increase under these proposals.

**Deputy Dudley-Owen:** But the weighting within the proposals has changed. It is proposed to change.

1345 I do not like the Proposition 3 where the statutory provisions are replaced and actually this could be administered and managed by the Committee *for* Health & Social Care, which means that actually if a future committee felt that it no longer wished to administer that then it might do. Where is the requirement for it to do so legally? I do not feel comfortable with that.

1350 There is a lot that I do not feel comfortable with, but I do like Proposition 19, and I do not see why I cannot vote in favour of that to direct the Policy & Resources Committee to progress the second stage of workstream. I cannot understand why we need this half way house. So I am inclined to vote against all Propositions up to 19 and then obviously in favour of the amended Propositions of Deputy Soulsby and Deputy Le Clerc.

So that is where I stand on this. I can be persuaded otherwise in between times.

1355 Thank you.

**The Bailiff:** Deputy Soulsby.

1360 **Deputy Soulsby:** Sir, yes, I think I need to get this debate back on track. I think people have been rather distracted on to something future funding somewhere along the line and going into the weeds, talking about leaping rivers and goodness knows what. I think Deputy Yerby covered that off yesterday about small steps might be better than one giant leap into the air.

I want to bring this debate right back down to what this is about, and this is about how Islanders will benefit. I think we have completely lost that getting into the rogue ideas about who might do what, when and how.

1365 Because navigating the health and care system can be difficult, whether on the outside trying to access a service, or on the inside trying to provide a service. The system is complicated, fragmented and slow. We know that and we know we need to deal with it.

The less efficient and timely the care we provide, the less effective it can be and the less there is available to invest in front line services and new ways of working. That is what transformation, or perhaps using the word Deputy Le Tocq used yesterday 'transfiguration' is about. I did look that up and it means a complete change in form into a more beautiful or spiritual state. (*Laughter*) That is what I want for health and social care services and that is what this is about, so what this policy letter will help achieve is actually helping to free up money that we can invest into more services.

1375 They will enable these proposals: a step change in provision and discharge; a Resolution in the Partnership of Purpose policy letter this Assembly approved a year and a half ago.

Whilst, yes, it does seem quite dry and just a transfer of responsibility from one committee to another it opens up huge opportunities to transform health and care through greater flexibility and simplification of the current system. By doing so it will help meet key aims of the new model of care including fairer access, a universal offering, and a focus on quality.

1380 Now I do not want Members to get the impression from this policy letter that the problems we face are because of silos. All too often we are told that there are these silos that stop things happening and that is not the issue here. We are very grateful to ESS for the support they have provided this term. It has been essential to enable us to achieve what we have already from extra support for the Primary Care Practice in Alderney to the Medevac contract and introduction of free contraception for under 21s.

No, this is not about silos, it is about a system structure that is dated, inflexible and restrictive, and passed its sell by date now. We should not be saying, 'Well, I want the big picture later on,' and not making the changes that we could make now.

1390 I think it might be useful just to give a few examples of the problems with the current system and the obstacles currently in our way.

Just last week the Committee approved the appointment, or the requirement for, because that is the nub of the issue, two new anaesthetists following the latest Royal College Review which was basically reflecting growing demand and changes in current best practice. These consultants will need to be paid out of the Guernsey Health Service Fund; however, an anaesthetist is not much use without the theatre staff, and they come from a different pot – general revenue. Not only does this mean two separate bids having to be made to two different committees but it also makes it harder to track total costs of acute care as well as the costs of individual operations.

1395 This is not about replacing having two committees, we will still have two committees. At the moment from our point of view, from Health & Social Care's point of view, we have to deal with three committees. Well there are three committees, we have to deal with two committees.

Another linked example is in respect of orthopaedics and, as I just said, the Guernsey Health Service Fund can be used to pay for an anaesthetist that is required to be able to increase our capacity and who works for the MSG, but it cannot be used to pay for treatments off-Island. So we have needed to use off-Island providers to deal with the backlog and meet the increased demand, which has meant we have had also to make a bid for funding from P&R. But then the complications continue, because for those people who have to go off-Island for treatment and they get paid through general revenue, HSC book the people for that care at the relevant medical establishment, but ESS book the travel, and this is not ideal for the patient or us.

1400 Earlier when we had the debate on the disability aids and adaptations and talked about the difficulties of navigating the system, this is an example of where the people have to go to the service not the service wraparound care taken to them.

1410 As I have mentioned before, pharmaceutical drugs are controlled and paid for separately depending on whether they are dispensed in the Hospital or by community pharmacists. At the moment every drug added to the White List in the community has to be added through

Ordinance. The same drug can be added in the Hospital and that requires no approval. It does not mean that any lesser drugs are available, it is just it is a different process.

1420 On that I wanted to give reassurance regarding the removal of statutory benefits and address the concerns that there may be. Deputy Merrett did kindly ask questions before this debate and I provided answers to her; I heard Deputy Kuttelwascher make similar comments and Deputy-Dudley-Owen, so I will now expand on what I said to Deputy Merrett a week or so ago.

1425 Members should be aware that the vast majority of services currently provided in health and care are done so on a non-statutory basis, most obviously the Hospital. Now that is non-statutory so shall we just get rid of the Hospital because that will make things much cheaper? Well I do not think we will get away with that.

1430 Actually Members might like to know that when we started reviewing the whole new model of care we started from first principles and we said, 'Do we need a hospital?' We actually went from that point of view, and all questions were looked at and from those discussions we understand of course in the Island that we are, the expectations of the people of Guernsey, and we want to be an attractive place to do business and of course we will retain a hospital.

1435 But it might be argued that the best way then to protect the public is to put everything we provide on a statutory footing, instead of taking all the statutory provisions away, but earlier in this States' term Members debated the bowel cancer screening service and agreed to return control of the service to HSC rather than tying it up in States' Resolutions as it had been before. We can continue to provide the service but now have the flexibility to introduce new technologies and modes of screening as scientific knowledge evolves and we understand what works best for patients and that is what we are doing now and the results of the new system seem to be really encouraging. Any service that is tied up in law does not have that flexibility, including those currently funded by ESS.

1440 Now Proposition 9 makes it clear that HSC will provide services to a standard equivalent to that currently provided with future changes aligned to the Partnership of Purpose and the P&R Plan. It also states that changes must be subject to the same requirements for consultation and if necessary approval by Resolution of the States.

1445 Now I would like to just elaborate on what that means in practice because I can see a few cynics around saying, 'Oh, yes, but what does that mean? That sounds all a bit vague,' but I can actually go into far more detail on that now – in fact what people can expect.

So firstly medical benefits, that is basically the £12 and £6 grants. Now a review of Primary Care including future funding is the subject of active work and there will be considerable consultation before proposals come to the States, hopefully by the end of the year.

1450 All States' Members approved our policy letter when we said that Primary Care needed to be put on a fairer and more affordable footing, and this was reinforced during the In-work Poverty debate. To do that and to reassure Deputy de Lisle we need to change the system we currently have and we will need a States' debate to do so. So this is not about HSC going away and saying, 'Oh, I do not want to do that anymore, let's put it into our pet projects.' This will require Members in this Assembly to make that decision in the round considering all the other budgetary challenges we are facing.

1460 When it comes to drugs dispensed in the community there is unlikely ever to be a time when no pharmaceuticals are made available. Remember the determination as to access to specific drugs is set in policy not law and Members will be aware that HSC will shortly be publishing its policy letter setting proposed changes to current policy and funding options.

Also do not forget the prescription charges will continue to still be set in law. Again, this will only govern drugs provided in the community; drugs provided by HSC in the Hospital are not covered by the same legal framework.

1465 So the law with regard to specialist medical benefit sets out what services can be paid for from the fund i.e. Secondary Health Care Services, secondary physiotherapy services, visiting consultants and primary mental health. Now apologies for the double negative but there is unlikely ever to be a time when these services are never going to be needed. The actual services

provided e.g. obstetrics and gynaecology, ears nose and throat, gastroenterology, for example, are set out in separate contracts, not the law. Even if the legal framework falls away HSC is bound by the terms of our contracts with MSG and others and will have to use usual contract management processes to change any part of those services.

In relation to the Alderney Hospital benefit it is worth noting that ESS and HSC have actually been providing services that go beyond the law. That is in order to ensure that we provide the support we believe that Alderney needs. We have a general obligation to provide health as a transferred service and will continue to do so in dialogue with the States of Alderney and the local medical practice. A review into primary care there will help to inform future provision, as will any review of the Reform Law and Transferred Services.

The travelling allowance grant to primarily fund the cost of travel for off-Island appointments is provided from the Guernsey Insurance Fund and has statutory standing under a different piece of law. Partnership of Purpose has equity of access at its heart, it would be nonsensical to remove this such that if someone is referred for off-Island care but cannot access it as they cannot afford to get there. It is not just nonsensical but I would say politically unpalatable.

The trial of free contraceptives for under-21s is also met from the fund but does not have any statutory basis. This was a service that UNICEF's President and myself were determined to get up and running and we did so as a pilot because that allowed us to get the funding out of the Guernsey Health Service Fund pretty quickly.

The policy letter will enable us to formalise it. This has already proven to be a great success and it would again be nonsensical to stop it now.

It is also important to provide assurance on the issue of appeals. Under the current statutory regime entitlement to health benefits under the Health Service Benefit (Guernsey) Law are determined by the Administrator of Social Security against whose decisions a claimant has a right of appeal. But this is not about whether someone is happy or not with a particular treatment or should have access to a particular drug, but rather relate to binary issues such as whether they qualify for free treatment under the secondary care contract.

Of the handful of health service benefit appeals that have been to tribunal in the last 25 years these are cases where people had signed their consent to be treated as a private patient but on later receiving the bill wished to revert to being treated as a States' contract patient.

HSC has in place a single complaints policy with the MSG which ensures that there is a joined-up system to enable service users to complain or raise any criticisms or concerns to be investigated further. Customer Care Team receives and triages all complaints and an investigating officer is appointed to report on the findings to the Clinical Governance Group which maintains an overview of the processes and further investigates concerns where this is necessary. Where a complaint is not adequately resolved to the satisfaction of the complainant the policy allows for the issue to be referred to an appeals panel. This comprehensive policy can easily be extended to include those areas to be transferred to HSC.

Now of course there is a lot of work to do to get the new system in place; some areas will be easier to manage than others with some changes being able to be brought in sooner than others. What will be important is to ensure that we do not get so bogged down in process that we cannot respond to crises that arise.

This term ESS and HSC have worked very closely to ensure that things can work as smoothly as possible and we have also consolidated part of the drug approval process. What is needed is flexibility in approach.

Whilst I suspect sums will be set out as part of the budget setting process from now on there is a need to understand that although we are the largest service area of the States we are still a small health and care organisation with little resilience when unexpected events occur. We have seen that most recently with radiology and orthopaedics. Not only does it require action on a timely basis – in other words, you cannot wait for a new year to make changes – it also needs consideration of funding on a longer-term horizon. I would hope that this consolidation of funding would enable that to become a reality sooner rather than later. Looking at expenditure as

1520 distinct chunks of 12 months and comparing one year directly with another can hinder progress and build in delay.

I do and I agree with Deputy Fallaize and Deputy Roffey in particular on the comments they made in this area. This has to be stage one. I put the current status as being a bit of a pressure cooker which is reaching bursting point at the moment, the need to have a thorough total review  
1525 of health care funding. Considering about how the tax structure works to enable that is frankly overdue. We put a Resolution in the Partnership of Purpose policy letter to cover this off, and I believe – and this will be for Deputy St Pier when he is summing up – some work has started on that, but this is something that needs to come to the States as soon as possible as far as I am concerned.

1530 Now we spend hours and hours on issues we think are important or things we think the public believe important, (**A Member:** Hear, hear.) but often those policy changes that make a fundamental difference are those that do not make the front page headline, that enable great change to happen.

1535 Although this policy letter does not go all the way, this will make a huge difference through increased efficiency, flexibility, transparency, and consistency; it will enable considerable transformation of health and care and at the same time reform of the public service.

I am therefore pleased to support it and hope that all Members do.

**The Bailiff:** Deputy Le Clerc.

1540

**Deputy Le Clerc:** Thank you, sir.

That is a hard act to follow.

Much has already been said that I would have responded to, and I would like to thank Deputy Fallaize, Deputy Roffey and Deputy Langlois because I think they have explained ESS's position  
1545 very clearly. I think Deputy Soulsby has re-emphasised that the transferred services will not end, they will continue and any changes to those services will be brought back to this Assembly.

I would just like to say that for me I was very surprised when I first started on the Board of Social Security Department when I think the first paper that we had, board paper that we had, that I was suddenly approving pharmaceuticals. I met Deputy Green for coffee this morning and we  
1550 were reminiscing and talking about exactly the same thing, so it just seemed that it was not part of our mandate and I was really surprised. So again it has taken seven years to do this, but I think this is the right direction to go.

Also the fact that we had control of the Health Insurance Fund we would receive lots of in-year requests, so drip-drip requests, that by-passed the budget process that would come to us and we  
1555 were under incredible pressure then to approve those in-year requests. So I think this will be more transparent and open on that budgetary process.

Deputy Dorey talked about the £110 million reserve and what it would be used for. But I think as I have just said there are already in-year requests for increases particularly for MSG services, so the pressure would remain with ESS going forward. So the pressure on that fund would remain  
1560 irrespective of whether it is with ESS or whether it is part of this Health Budget Reserve.

I would just like to emphasise that if the policy receives approval today that staff resources will also be transferred so it is not like Health & Social Care will be taking on some of the administration of these functions without the staff resources.

I think it comes down to faith and trust in Health & Social Care and Policy & Resources. I do  
1565 have that faith and trust going forward in both of those Committees. (**A Member:** Hear, hear.) (*Laughter and interjections*) Well perhaps in this respect of the Health Care Fund. (*Laughter*)

I think just picking up on Deputy Dorey's point on the contributions, people are completely unaware, they pay their insurance contribution, employers pay over their contribution, and they have got no idea of the breakdown and how that is apportioned across the three funds.

1570 For me, if we approve this today the majority of the employment related benefits will be paid for by the employer with that 6.5% going to the Insurance Fund.

1575 It is not perfect, this paper is not perfect, but as many others have said it is phase one, and to be quite honest I have sat around the table with probably 20 of us in joint meetings with Policy & Resources and Health & Social Care looking at this issue and how we would go forward. Yes, it is not perfect but it is at least a step along the way.

1580 But I just want to warn that we are going to have to face some very difficult decisions in this term, to be quite honest, and if we can approve this today I think it enables us to start that phase two and look at that process, because we have already got coming down the track potential increase in contribution rates for secondary pensions, so that will be employers and employees; we have got to look at the sustainability of our state pension; we have got to look at the sustainability of paying for the drugs, and we do not know yet how much the review on the NICE drugs is going to be; and then the biggie and it has been mentioned, I think Deputy Langlois mentioned this, is the Long Term Care Fund and the work that we are doing on SLAWS, and if we really want to look at this holistically we have to get this first phase through so that we can move  
1585 on to phase two and decide where we are going to generate the revenues to pay for these future services.

1590 So I urge you today to vote for this, it is not perfect but it is a step in the right direction to enable us to take that holistic view. If we do not do this we will not get to where we need to be, and we will just be continually just chipping away in contributions and looking at the unfairness and the inequality of raising funds in that way.

I urge you to vote for the paper today.  
Thank you.

**The Bailiff:** Deputy Gollop.

1595 **Deputy Gollop:** Well it is true I have been part of almost all I think of these joint meetings with the 20 people, members occasionally from Health & Social Care, Employment & Social Security, Policy & Resources and so on, and now perhaps people across the States on a wider level, people who advise on economic issues.

1600 Of course I was a member of the committee Deputy le Clerc referred to and Deputy Green alluded to, the early Allister Langlois committee when we had a Ministry of Social Security, in a sense. I was not as surprised as they were because I had been in the States before about the nature of Social Security, and one of the reasons I was pleased to join the board was actually to get more of a say about health expenditure, because I remember advising another Member who  
1605 for various reasons did not want to sit on Health because there could have been a conflict of interest saying well sit on Social Security because it covers so much of health anyway, and that has been true.

1610 I am a bit of a rogue Member I am afraid, I have been rebellious on this one, and it is a bit like the leap of faith that we heard in the debate yesterday of being a bit uncertain about the whole thing and sharing in quite a lot of the analytical views of Deputy Fallaize, who was a colleague of course, Deputy Dorey, a previous minister of both committees, and also Deputy Roffey.

1615 The thing is I am a little bit like the character in the Vicar of Dibley as well who says, 'No, no, no, no, no, no, yes,' because I think we are in a situation where, for many of the reasons Deputy Soulsby has explained, changing now is useful for getting a grip on difficult questions, difficult funding issues, finding your way around the contractual maze, the overly complicated bureaucracy that has grown up and the legislation, some of which is a bit irrational and anomalous.

1620 It is really a stepping stone across the stream, the douit, rather than a full jump, because Deputy Dudley-Owen might be right in theory that it would be better to do it all in one go, but we have seen where that has led Supported Living and Ageing Well – we are still working on 10 years after it started, it is too big a project. In a way we might never get to the other side if we do not start the journey now, because I think if we were to come in with the Full Monty, the complete answer, then actually it could be quite unpalatable and it is an element of being led like lambs – I will not say to the slaughter – but I think there is an element of inevitability about it.

1625 I sat of course on the Personal Tax, Pension and Benefits Review as well and I think after that  
experience Treasury & Resources came to the view they did not want too many full board  
meetings any more, of too many people sitting round the table because I was vociferous and  
frustrated.

1630 Ironically in that era we came very close to rationalising our welfare system but Deputy de  
Lisle, for example, might not have liked the answer which was I am afraid to take away the £12  
and the £6 grants. Now, yes, that saved the taxpayer money which is something which many  
Members including Deputy de Lisle often want. I reduced welfare expenditure and in theory it  
would have targeted it better. I actually supported it as part of a package, for the strange reason  
that I think it would have made more transparent the real cost of seeing the nurse and the doctor,  
and that in turn would have led to a certain competitiveness amongst surgeries and a certain  
1635 outrage and a demand from the public and maybe other providers to do something.

Nevertheless I was happy when the political mood changed with the new committee and we  
became more centrist again perhaps and focussing on more structural reform rather than what  
amounted to a form of cuts. But that is all part of the story really.

1640 Deputy Dorey is right that the promise to the public has been of an unconditional set of  
benefits and entitlements in different stages of your life, from the cradle to the grave almost.  
Whether it should be called an insurance scheme in this day and age I am not sure, because that  
was a kind of Lloyd George word and it does not mean the same as our captive insurance industry  
or commercial insurance policy. With a commercial insurance policy, providing you do not fall into  
exemption you know what you are getting, whereas ultimately in a Social Security system it is a  
1645 policy-based structure that also relies on administrative decisions and therefore sometimes  
people can say, 'I paid for that,' whereas actually they are not going to get what they think.

As a more general view I would say basically Health & Social Care gains £40 million-plus of  
spending powers and oversight in this policy letter which is currently being overseen by  
Employment & Social Security.

1650 Now some of us have spoken today as if this is a revelation and we never had the holistic big  
picture before. I would disagree with that because I remember at least one former Chief Officer of  
Health & Social Care back in the Deputy Dr Mr Hunter Adam era when Mr Cook, for example –  
and he very much on behalf of the committee went around as some Members, Deputy Brehaut  
will probably remember this Deputy Dorey – very much saying we have a whole health system in  
1655 Guernsey which is part privately provided, part voluntary provided – St Johns – and part States  
provided, and it is funded from a different selection of teapots really. That has been known for  
many years but there was reluctance to do anything about because of the maze of policy letters,  
the firefighting elements and so on.

1660 I am going to support the policy letter because I have been part of the process but I do think,  
like other Members, I will point out some of the reservations. It is a complex committee policy  
letter and I suppose I am slightly surprised to see it is just Policy & Resources' name on the tin but  
in reality we all were part of the situation.

1665 Now what this means though is Policy & Resources, on behalf of us all, will get their hands, if  
you like, on over £100 million of money that is currently in the ESS Fund. I hope they will be as  
wise or even wiser than we have been with it. I think Employment & Social Security and its  
predecessors have had an extremely good reputation in both managing money and in  
administering this fairly as was reasonable the system.

1670 They will have discretionary budgetary and transforming powers. So they will in a way have to  
listen to health arguments, clinical arguments when, for whatever reason, Health & Social Care are  
in a spot and become a kind of second health committee. Until now the second pair of eyes in  
corporate governance was Social Security and you could argue as good cop, bad cop with Health  
being kind to people and wanting to spend and give people care and Social Security occasionally  
used to say, 'Well, you have got to look at the implications of that.' So that will create a tension for  
future.

1675 The statutory protection of rights is going and the Administrator's role is being reformed into a new role through a transition period. Clearly current decisions that our very much respected office of Administrator is doing and his deputy will go to a new as yet unknown corporate structure. The public will be told that health costs around £180 million or so a year; this will be a learning exercise and a shock for some.

1680 What worries me about that information going out is that to my mind there are three consequences from it. Deputy Fallaize mentioned two and a half. The first will be possible cuts to our service, because people will say well we actually cannot afford that as a community so we will cut mainly to the most vulnerable. Hopefully that will not happen.

1685 I mentioned cuts or reductions, the second and third of course demand some more taxation, whether it be through a general sales tax, a kind of consumption tax or some form of reorganisation of Income Tax, both of which could have negative consequences for our society, but are nevertheless questions we have ducked.

You could argue one of my reasons for supporting this is, like Deputy Fallaize, it will bring the argument more vividly to understanding of where we are going with it.

1690 I think the third option that perhaps has not been identified apart from people going more into an insurance system is, as Deputy Fallaize identified, this health charge. Now one of the people who we sadly said goodbye to this year is the late and very talented Brian Walden, well known interviewer and media pundit, and I remember very well one of his columns, I think in *The Sunday Times*, in which he said that he thought Conservative government would struggle to be re-elected if they did not tackle the problem of NHS expenditure and create some form of separate semi-hypothecated structure, and indeed some of the Conservative leadership candidates are talking in that very way. Another one, a very prominent one with a charismatic personality, is openly talking of reducing Income Tax for upper-middle earners. That will not help us in this kind of conversation in Guernsey to retain competitiveness so we do have to think carefully.

1700 I do support the pharmaceutical drugs being harmonised and integrated as long as it is done upwards rather downwards, without reductions in supply or increases in cost.

Policy & Resources do not have to pay the grant anymore. But in response to Deputy Dudley-Owen I would say that it does oblige logically employers to fund significant theoretical increases in pensions.

1705 Now although that does not make any difference today, if there is a demographic shift either upwards or downwards in health expenditure or upwards and downwards in actuarial predictions of life expectancy that will in the long term have an effect. Not changing today but the fact that the formula is changing will have potential consequences, in my personal view.

1710 We have to admit that through a sleight of hand Policy & Resources is extracting £16 million plus from their budgetary general revenue expenditure unloading it on to others which will effectively be the nature of the Social Security Pension Fund.

I do worry long term that Social Security, one of the most successful and innovative committees we have had for 50 or more years, is gradually being disembowelled and weakened and we are being torn apart in the interest of efficiency and transparency etc.

1715 Equitable changes to rates will suggest that people eventually have to pay from their –  
Oh, sorry, I will give to Deputy Fallaize.

**Deputy Fallaize:** I am grateful to Deputy Gollop.

1720 Does he not agree with me that by taking out these, what actually are although they are big sums of money, peripheral activities for Employment & Social Security it will allow them to focus on provision of social welfare and the States' pension which is much more core to their responsibilities, and stop their time being diverted into these non-core activities which Health & Social Care are perfectly capable of managing?

1725 **Deputy Gollop:** Well, yes, I mean I think it will sharpen minds through Social Security at least on the political level of the need to look at a sustainable, hopefully improving pension provision. I think all this talk about means testing is not on the table and it should not be argued that it is.

Also I will be radical here, but actually I am stealing Deputy Shane Langlois' ideas here really, I think if we were a bit more bold we would have included in this policy letter the whole stuff of SLAWS and the Long Term Care Insurance Fund because clearly there is an argument that long-term care really belongs with Health rather than Social Security.

1730 But you have got to go one step at a time and there is so much work being done on SLAWS as well as the issues Deputy Dudley-Owen referred to. I think she would be pleased if she knew how advanced and how diligently we are meeting weekly or more with papers bigger than some committees' whole four-year workload on the Equality Strategy. So things are not slowing down, they are increasing.

1735 But my point is that people will be expected to pay, to use a phrase, global income like OAPs and non-employed already do. Non-employed persons and senior citizens generally have to pay for certain elements of things from their whole income.

1740 You might say what difference does it make, or people might say this listening to this, because it could do. For example, supposing you are a lucky individual who has an ordinary job on medium income of, I don't know, £28,000, £33,000 a year maybe less, maybe more, and you are paying your Social Security on that, unlike the successful lawyer or somebody who is paying it on £130,000 or more which is a bigger difference, but if you are on a lower income but you own 10 properties and you are getting lots and lots of rents or you are a whizz on the stock market privately or you have all kinds of other benefits you are not going to pay anything on that. When the truth gets out maybe that people might in the medium to longer term at stage two or stage three have to pay throughout on that, the centre-right of society will not be happy about some of the implications. So believe you me it will be an election issue and an issue across the corporate society maybe as well.

1750 The new model is a Civil Service/Treasury dream. I think it has been influenced very much by Policy & Resources that the current system is historical rather than logical. There is a reduction in the roles of checks and balances from Social Security but there will be an increase in checks and balances from the centre, from Policy & Resources. There will be political engagement; I hope drugs, as I say, being used in Hospital will not be charged to the patient.

1755 I worry self-employed in the long term will be under greater pressure, and if you look at figure 6.1 you will see there is a slight variance of £100,000 somewhere in the figures. I should have pointed it out at the draft stage but maybe it is my maths that is wrong.

1760 If health costs exponentially rise then employees might see a reduction in wealth as employers will be no longer liable, as Deputy Dorey explained, for this Health Service allocation which is kind of hypothecated but not insurance managed for the future.

1765 It is clearly stated this is only stage one and subsequent stages are to look at how these changes are structured in a fair, appropriate and sustainable way. But of course peoples' ears should prick up at that point because it implies change. It implies redistribution and that implies there will be winners and losers. In fact a system that goes more and more to being based on total income rather than earnings, would in some ways be more left of centre.

1770 I would argue a lot of the basis of thinking about Guernsey's model has been actually a very unusual kind of political philosophy the Islands have, which has been very successful; and that is the kind of populist middle class kind of redistributed motivation because, for example, we do not have free going to the doctor, which is a struggle for many people at GP level, but we effectively resolved the problem of people getting into debt for operations. It benefited the middle of society. So much of what we have done, if you look back over 40 years, did that rather than focused on the ultra-poor perhaps.

1775 Now we are rethinking all of that and that will lead to the squeezed middle, who pundits write about, becoming more populist, more confrontational and we have to find ways of this. Because my final criticism of this is although it does bring benefits, maybe, it is a journey we are starting on

with no real final destination. So it is a mystery tour, a bit like they used to have from the Picket House a few years ago.

1780 So there you go. I support it but with a lot of reservations and we do need a more serious debate on income generation and expenditure.

**The Bailiff:** Deputy St Pier, do you wish to reply to the debate?

**Deputy St Pier:** Yes, please, sir, thank you.

1785 Sir, I would perhaps suggest by drawing Members' attention to paragraph 3.3 of the policy letter, which gives a hypothetical example of somebody with joint pain walking through our health system ... If anybody can read through that paragraph and say that they understand the system and that members of the public can understand the system and that it is logical, then I would say they are doing better than most of us. I am going to come back to 3.3 a little bit later when  
1790 talking about the statutory versus non-statutory, because that is relevant in that context too.

Deputy de Lisle asked for categorical reassurance in relation to the medical benefit grant and the pharmaceutical benefit and I can give him that categorical assurance over these Propositions in this policy letter do not in any way impact in relation to those benefits.

1795 Clearly what may happen in the future in terms of future policy letters that may come forward by any other people at any other time I cannot say, but certainly in relation to the adoption of these Propositions as Resolutions I can give him that categorical reassurance that he was looking for.

1800 He also asked what was the state of play in relation to the review of Primary Care, and I think that was something that Deputy Soulsby spoke to, that is something that is being undertaken by the Committee for Health & Social Care, but what I will say is that that process, I would suggest, would be made more difficult if these Propositions are not indeed adopted.

Deputy Dorey I think as always gave a very accurate articulation, as Deputy Fallaize acknowledged, of the history of the fund.

1805 I think it is worth saying in relation to some of Deputy Dorey's comments to emphasise that there will be no change in the total contributions as a result of this policy letter. It is only the allocation between the funds. In relation to Deputy Dudley-Owen's comments expressing concern about that, and I think Deputy Gollop spoke to this as well. I think actually there is a very logical case for directing more of the employers' income-related contributions to the income replacement benefits, including of course potentially, or most importantly, the Pension Fund as a  
1810 result of the changes that are being recommended.

1815 I also do not think it was ever anticipated that this buffer fund would reach £110 million and have such limited access to it resulting in the nonsense of, frankly, Health & Social Care and Employment & Social Security having to dream up a pilot project in order to be able to access a perfectly sensible policy change in relation to the provision of free contraceptives to those under 21.

1820 Deputy Laurie Queripel asked whilst Deputy Dorey was speaking what do we think people thought they were getting? Deputy Merrett, I think, very accurately described what they are getting because that is set out in the policy letter. But, sir, I do not think that that is necessarily what people think they are getting. I think that people, as in fact Deputy Le Clerc spoke, have no idea what they are getting, it is simply a deduction from their pay cheque that heads off in one particular direction, some of it goes to Income Tax some of it goes to Social Security, and they get a pension when they retire. The rest of the detail is completely lost and the statutory, non-statutory split, which again I will return to, is a detail which I would suggest 99.9% of the population do not have an awareness of.

1825 I will give way, sir.

**Deputy Dorey:** I do not think that is accurate. I think if you were in Guernsey in the early 1990's when the very first insurance schemes were proposed and the amount of public

1830 involvement and the public attendance at meetings, you would know how much people cared and understood about the proposals and the original proposal scheme which was to cover primary and secondary care, and that was then rejected and it was only to cover primary care and we used, I think, Norwich Union as the insurance fund. I think there was very detailed understanding at that time.

1835 **Deputy St Pier:** Sir, I was in Guernsey in the early 1990's. It was 30 years ago and I would suggest that the recollection of the vast majority of the public is not as acute as Deputy Dorey's.

I think the reality is that it was opportunistic – that was a word which I think Deputy Fallaize used – and it was historical rather than logical, which is what Deputy Gollop said and I think that describes it perfectly.

1840 Deputy Fallaize described this as a dog's breakfast, a phrase which he has used on many occasions in this Assembly, sir, but I think Deputy Le Clerc's description of it not being perfect is a far fairer description. But I think probably both of them indeed, as Deputy Le Clerc said, you have to acknowledge that the proposals are far better than what is currently before us in terms of the present system.

1845 To be fair to Deputy Fallaize he has been a purist on this issue when he was sitting on the Committee *for* Employment & Social Security and absolutely in a Chairman Maoesque-like fashion wanted a great leap forward to a perfect world. I think the rest of us involved in the discussions took the view that politics was the art of the possible and therefore it was sensible to move in a stepped way and this is the first step on that journey.

1850 Deputy Fallaize also quite rightly identified the iniquity in the present system in muddling earnings and income, and we have to remember the many Resolutions, which now I have lost track of the number of them but there must be half a dozen that make reference to directions to P&R to take the necessary steps through proposals before this Assembly to ensure that the burden falls more on those that have the broadest shoulders to bear that. Deputy Gollop hinted at that too. I think this journey is part of that response to those Propositions.

1855 Deputy Roffey really wanted confirmation that there would be a stage two and I think a number of people have spoken to that and I think I absolutely can give that assurance that that is firmly the intention of all those that have been involved in bringing this before the Assembly.

1860 Sir, Deputy Kuttelwascher asked two questions; he was seeking confirmation that there would be no means testing. I do not think anybody in this Assembly would be brave enough to suggest means testing health benefits that are currently regarded as a right by the population. Certainly they form absolutely no part of the proposals, and I am not aware of any discussion that has taken place by any of the committees or any of the discussions I have been involved in in relation to that. So I hope that is a sufficient articulation of the position for his benefit.

1865 He also asked whether there was any evidence that the statutory benefits had been abused. I am not aware of any evidence that the statutory benefits have been abused, but it is worth pointing out that of course that is not the reason for these proposals.

1870 It is this point I just want to return to, this question of statutory versus non-statutory because I think Deputy Soulsby spoke to this very well. The reality is the vast majority of the benefits and services that we provide are non-statutory. So if we walk back to that example in 3.3. the hypothetical patient has a statutory right to the subsidy on their GP appointments, a subsidy on their nurses appointment, a full subsidy on the cost of the health specialist consultant, and a full subsidy on physiotherapy, and a subsidy on their community drug prescriptions, but they have no statutory right at the moment to anything else including the diagnostic testing, going to Hospital and theatre in which the surgery is carried out, the nursing staff that provide that surgical support and after care, all the other support staff running the Hospital, occupational health assessment and the community support services and rehabilitation when they go home.

1875  
1880 Now clearly the system cannot function without all of those elements together and there is absolutely no good reason for some of them to be statutory and others not. So it is entirely sensible to place these on the same basis and provide the Committee *for* Health & Social Care

with much more flexibility, as Deputy Soulsby said, to transform services without the restrictions that currently exist on the Guernsey Health Service Fund.

1885 Deputy Gollop was looking for some reassurance about the care and attention which Policy & Resources would spend looking after the £110 million. I think the track record of Policy & Resources in relation to the £2.2 billion under our care probably should speak for itself. (A Member: Hear, hear.)

1890 Of course we also do already play that second fiddle pair of eyes, if you like, that he argued was a function a governance, a function played by the Committee for Employment & Social Security because Health & Social Care come to P&R regularly during the year seeking additional funding through general revenue and have done it very recently, for example, in relation to the budget reserve for additional funding for orthopaedic services this year. So it will be no different to that role we have already exercised.

1895 So I hope I have responded to most of the concerns expressed in the debate and with that, sir, I do encourage Members to support all the Propositions.

Thank you.

1900 **The Bailiff:** I remind Members that there are now 22 Propositions, having inserted the additional two Propositions from the successful amendment from Deputy Soulsby and Deputy Le Clerc. I take all 22 together, nobody has requested –

**Deputy Fallaize:** I am requesting a recorded vote please, sir, but together –

1905 **The Bailiff:** Nobody has requested a separate vote on any of them unless Deputy Dorey is about to do so.

**Deputy Dorey:** I would like the two new ones, please.

**The Bailiff:** You would like those to be a separate vote?

1910 **Deputy Dorey:** Yes, 21 and 22.

1915 **The Bailiff:** Okay, shall we take that first then? Can that go *aux voix*? It was *aux voix* last time. If we can do the two new Propositions, those inserted by the amendment, which are 20 and 21. We will take those first *aux voix* and then we will have a recorded vote on the remainder. So Propositions 20 and 21. Those in favour; those against.

*Members voted Pour.*

**The Bailiff:** I declare them carried.

Now we have a recorded vote on the remaining Propositions, that is numbers 1-19 and 22, as renumbered.

*There was a recorded vote.*

*Carried – Pour 34, Contre 1, Ne vote pas 0, Absent 5*

**POUR**

Deputy Gollop  
Deputy Parkinson  
Deputy Lester Queripel  
Deputy Le Clerc  
Deputy Leadbeater  
Deputy Mooney  
Deputy Trott

**CONTRE**

Deputy Dorey

**NE VOTE PAS**

None

**ABSENT**

Deputy Inder  
Deputy Lowe  
Deputy Roffey  
Deputy Oliver  
Deputy Tooley

Deputy Le Pelley  
Deputy Merrett  
Deputy St Pier  
Deputy Stephens  
Deputy Meerveld  
Deputy Fallaize  
Deputy Laurie Queripel  
Deputy Smithies  
Deputy Hansmann Rouxel  
Deputy Graham  
Deputy Green  
Deputy Paint  
Deputy Le Tocq  
Deputy Brouard  
Deputy Dudley-Owen  
Deputy Yerby  
Deputy de Lisle  
Deputy Langlois  
Deputy Soulsby  
Deputy de Sausmarez  
Deputy Prow  
Alderney Rep. Roberts  
Alderney Rep. Snowdon  
Deputy Ferbrache  
Deputy Kuttelwascher  
Deputy Tindall  
Deputy Brehaut

1920 **The Bailiff:** Well, the voting on those remaining Propositions was 34 in favour, with 1 against. I declare them carried.

## DEPARTMENT & PLANNING AUTHORITY

### II. Department & Planning Authority – Election of a Member – No nominations; post remains vacant

*Article II.*

*The States are asked:*

*To elect, in accordance with Rule 16 of The Rules of Procedure, two members of the Development & Planning Authority to complete the unexpired term of office (that is to the 30th June 2020) of Deputy D. A. Tindall who has been elected as the President of that Committee and that of Deputy M. P. Leadbeater who has resigned and whose letter of resignation is appended hereto.*

**The Bailiff:** Deputy Greffier, we need to return now to the Election of a Member for the DPA.

**The Senior Deputy Greffier:** Yes, sir.

Article II – Election of a Member of the Development & Planning Authority.

1925

**The Bailiff:** Are there any nominations? No.

In that case that post will remain vacant.

I will perhaps liaise with the President of Development & Planning Authority as to when we bring this back before the States on a future occasion.

**POLICY & RESOURCES COMMITTEE**

**VIII. Schedule for Future States' Business –  
Approved as amended**

*Article VIII.*

*The States are asked to decide:*

*Whether, after consideration of the attached [Schedule for future States' business](#), which sets out items for consideration at the Meeting of the 25th June 2019 and subsequent States' Meetings, they are of the opinion to approve the Schedule.*

1930 **The Bailiff:** That brings us to the Schedule, Greffier.

**The Senior Deputy Greffier:** Article VIII – Schedule for Future States' Business.

**The Bailiff:** Deputy St Pier. We do have an amendment. Do you wish to say anything before we deal with the amendment?

1935

**Deputy St Pier:** No, sir.

**The Bailiff:** So there is an amendment to be laid by Deputy Merrett, seconded by Deputy Fallaize. Would you like it to be read?

1940

**Deputy Merrett:** As it has got different amendments to one I circulated early days to Members, I think that would be a good idea, sir.

1945 **The Bailiff:** Right well, I do not know whether I have got the right one so that will help me as well. Have you got the right one?

**The Senior Deputy Greffier:** I hope so, sir.

1950 **The Bailiff:** I have not got a signed copy; I do not know if there is a signed copy. No. They are not signed any more. Shows what I know about what goes on here! (*Laughter*)

*The Senior Deputy Greffier read the amendment.*

[Amendment](#)

*To insert the following wording at the end of the Proposition –*

*"subject to deleting the first item (P.2019/41 Requête – Island Development Plan) under the heading "Items for Ordinary Meeting of the States commencing on the 4th September 2019" and inserting the item immediately after item P.2019/43 ("Committee for Home Affairs – Independent Monitoring Panel: Re-appointments and Notification of Resignation") in paragraph (g) of "Items for Ordinary Meeting of the States commencing on the 17th July, 2019."*

1955 **The Bailiff:** May I just remind Members that under the Rules, Rule 3(18), we can only have two speeches at this stage and that will be from the proposer of the amendment who also happens to be the lead requérant otherwise we might have three speeches. So we have two speeches, one from Deputy Merrett and then one from Deputy St Pier. Neither of those may exceed two minutes.

So Deputy Merrett.

**Deputy Merrett:** Thank you, sir.

1960 Firstly, we really do need to consider how we balance the contents of Billets. July's Billet is quite light, there are only two substantive items on the Agenda for it apart from the IDP potential requête. We expect September's to be a lot heavier it will probably include the much awaited ESC policy paper, P&R's policy paper on fiscal rules and I think some HSC policy papers. I do not know what else is coming forward from other committees but we know there are bound to be more substantial policy papers coming forward over the summer aiming for September's debate.

1965 Further, surely States' Members and our community are right to expect that requêtes should come before this Assembly in a timely way so that they can be debated. The Requête was submitted on 20th May; is it really reasonable to wait almost four months to debate it?

1970 We debate far more reaching matters within even shorter time frames. We only get four weeks' notice for the Budget debate, the Requête will have been in the public domain for longer than the FTS paper that we debated yesterday. I could give very many more examples.

1975 Further, sir, there are many ambitious timelines in the Requête and we need to give the committees involved time to do them justice in the last year of this States' term and remember the DPA are newly reconstituted. Would it not be fairer to let them know what the States expect of them as soon as possible rather than leaving this hanging over them all summer? (**A Member:** Hear, hear.)

1980 Debating the Requête in July will not hurry us into hasty changes, as P&R have suggested. The Requête asks for a few important issues to be investigated in more detail with reports coming back to this States. That is when they can change it if we decide we need, but we need to start that work soon to allow us to reach those decisions, sir.

This Assembly enacted the IDP, sir, I believe this Assembly are accountable for it. We should not shy away from it, and we should not defer it, and we should not kick the can down the proverbial old road.

1985 **The Bailiff:** Your two minutes are up.

**Deputy Merrett:** Oh, okay. I could say more, sir.

**The Bailiff:** Deputy Fallaize, do you second the amendment?

1990 **Deputy Fallaize:** Yes, I do, sir.

**The Bailiff:** Deputy St Pier, you have two minutes as well.

1995 **Deputy St Pier:** Okay.

Sir, to achieve and satisfy the requirements of Rule 4(2), P&R will need to consult the committees for E&I, Economic Development, ESS and the DPA itself. We believe that it is a very wide ranging Requête, it covers a majority of the Island's planning and development legislation policies and procedures as well as the political responsibility for planning decisions.

2000 For example, it is asking for a review of both the SLUP and the IDP; it also requires consultation with third parties, in particular the owners of Leale's Yard site and possibly the Guernsey planners, Planning Agents Forum as the Propositions could result in very different planning policy and decision-making frameworks which may impact on each and every planning decision.

2005 The Island Development Plan contains 77 individual policies and the Requête potentially relates to a review of at least 47 of those. Now the Requête also seeks a review of the role and function of DPA; whether the planning legislation should be variously amended; the relationship between SLUP and the IDP with the P&R Plan; and the appeals process.

2010 Each of the committees does need a reasonable time to consider its position and opinion on these issues and we think we need some time to consider that before providing our letter of comment.

In terms of quick wins I am aware that the DPA is intending to embark on a communications campaign over the summer and I think that may address some of the concerns in the Requête.

2015 Members will be concerned about the time frames for a tight meeting in September but the priority must be to debate things in a fully informed sense and that is always difficult and challenging with a requête of its nature whilst most of the material before us in terms of policy letters it has much greater support.

2020 It is a matter for the States, sir, obviously hence this process but in our view actually a few more weeks would be sensible to allow this States to make a fully informed decision based on feedback from those committees.

**The Bailiff:** We vote then on the amendment proposed by Deputy Merrett, seconded by –

**Deputy Merrett:** Can I have a recorded vote please, sir?

2025 **The Bailiff:** – Deputy Fallaize on a recorded vote.

*There was a recorded vote.*

*Carried – Pour 25, Contre 9, Ne vote pas 1, Absent 5*

**POUR**

Deputy Gollop  
Deputy Parkinson  
Deputy Lester Queripel  
Deputy Le Clerc  
Deputy Leadbeater  
Deputy Mooney  
Deputy Le Pelley  
Deputy Merrett  
Deputy Meerveld  
Deputy Fallaize  
Deputy Laurie Queripel  
Deputy Smithies  
Deputy Hansmann Rouxel  
Deputy Graham  
Deputy Green  
Deputy Paint  
Deputy Dudley-Owen  
Deputy Yerby  
Deputy de Lisle  
Deputy Soulsby  
Deputy de Sausmarez  
Deputy Prow  
Alderney Rep. Roberts  
Alderney Rep. Snowdon  
Deputy Kuttelwascher

**CONTRE**

Deputy Trott  
Deputy St Pier  
Deputy Stephens  
Deputy Dorey  
Deputy Le Tocq  
Deputy Brouard  
Deputy Langlois  
Deputy Ferbrache  
Deputy Brehaut

**NE VOTE PAS**

Deputy Tindall

**ABSENT**

Deputy Inder  
Deputy Lowe  
Deputy Roffey  
Deputy Oliver  
Deputy Tooley

**The Bailiff:** Well, the voting on the amendment was 25 in favour, with 9 against and 1 abstention. I declare the amendment carried.

We now vote on the Schedule as amended. Those in favour; those against.

*Members voted Pour.*

**The Bailiff** I declare it carried.

2030 That concludes the business for this meeting, Greffier.

*The Assembly adjourned at 12.49 p.m.*