

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

**COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY, COMMITTEE *FOR* HEALTH &
 SOCIAL CARE, COMMITTEE *FOR* EDUCATION, SPORT & CULTURE**

BUILDING A BETTER FUTURE: CHILDREN'S HEALTH AND EDUCATION

The States are asked to decide:-

Whether, after consideration of the Policy Letter entitled 'Building a Better Future: Children's Health and Education', dated 29th June 2020, they are of the opinion:-

1. To agree that the States will subsidise the cost of primary care appointments, and will revise its own charges for Emergency Department visits, for children up to the age of 18, such that:
 - a. The charge for a visit to the GP will be £25;
 - b. The charge for a visit to a practice nurse will be £15; and
 - c. The charge for a visit to the Emergency Department will be £25;

subject to the Committee *for* Health & Social Care negotiating an appropriate funding arrangement with each GP practice in order to facilitate this.
2. To note that the estimated total cost of subsidising primary care GP and nurse appointments as set out in Proposition 1 is anticipated to be in the region of £820,000 per annum, and the estimated income foregone from Emergency Department charges is expected to be approximately £380,000 per annum.
3. To agree that children, up to the age of 18, will be entitled to a free annual dental check-up, including fluoride varnish treatment, from a General Dental Practitioner, at an estimated cost of £270,000 per annum, subject to the Committee *for* Health & Social Care negotiating an appropriate funding arrangement with each private dental practice in order to facilitate this.
4. To agree that a supervised toothbrushing programme ('Super Smiles') will be provided for children at pre-school, and that children at primary and secondary school will receive regular dental health education, provided by the Children's Dental Service, at an estimated cost of £110,000 annually.
5. To agree that children in primary school will receive additional cultural enrichment activities, at an estimated cost of £150,000 annually.

6. In order to fund the services set out at Propositions 1 to 5 above:
 - a. to agree that families with a gross household income of £120,000 or more shall not be entitled to receive Family Allowance (resulting in an estimated saving of **£1,580,000**);
 - b. to reaffirm the importance of Family Allowance, and to agree that it shall continue to be paid to families with gross household income of less than £120,000; and
 - c. to agree that Family Allowance shall only be payable in respect of children up to the date of their eighteenth birthday (resulting in an additional estimated saving of **£320,000**).
7. To direct the Policy & Resources Committee to recommend Cash Limits for the Committee *for* Health & Social Care for 2021 and subsequent years which include specific funding for the services in propositions 1 to 4 (an estimated full-year costs of approximately £1,580,000, or £525,000 pro rata for four months in 2021).
8. To direct the Policy & Resources Committee to recommend Cash Limits for the Committee *for* Education, Sport & Culture for 2021 and subsequent years which include specific funding for the services in Proposition 5 (an estimated full-year cost of approximately £150,000, or £50,000 pro rata for one school term in 2021).
9. Only if propositions 6(a) to 6(c) are approved:
 - a. to note that the Committee *for* Employment & Social Security's formula-led expenditure on Family Allowance will decrease by approximately £1,900,000 per annum;
 - b. to direct the Committee *for* Employment & Social Security to write to all households in receipt of Family Allowance informing them that they will cease to receive Family Allowance unless a declaration is returned stating that they anticipate that their gross household income will be less than £120,000; and
 - c. to note that the Committee *for* Employment & Social Security, in conjunction with the Revenue Service, will implement a mechanism for verifying a sample of the declarations referred to in sub-paragraph (a) for the purpose of preventing fraud.
10. To agree that the above propositions, if approved by the States, shall be implemented from 1st September 2021, and to direct the Committee *for* Employment & Social Security to communicate the changes to affected households well in advance of that date.

11. To direct the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture jointly to publish evidence of the impact of these changes two years after their introduction.
12. To direct the preparation of such legislation as may be necessary to give effect to the above decisions.

The above Propositions have been submitted to Her Majesty's Procureur for advice on any legal or constitutional implications in accordance with Rule 4(1) of the Rules of Procedure of the States of Deliberation and their Committees.

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**COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY, COMMITTEE *FOR* HEALTH &
SOCIAL CARE, COMMITTEE *FOR* EDUCATION, SPORT & CULTURE**

BUILDING A BETTER FUTURE: CHILDREN’S HEALTH AND EDUCATION

The Presiding Officer
States of Guernsey
Royal Court House
St Peter Port

29th June, 2020

Dear Sir

1. Executive Summary

1.1. The Committee *for* Employment & Social Security, the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture (‘the joint Committees’) are inviting the States to invest in providing more affordable primary health care services and educational opportunities to the Bailiwick’s children. These proposals include:

- GP appointments and Emergency Department visits priced at £25;
- Primary care nurse consultations priced at £15;
- A free annual dental check-up and fluoride varnish treatment for all children;
- Dental health education at pre-school, primary and secondary school; and
- Extended cultural enrichment opportunities at primary school.

1.2. These proposals are an important step towards addressing the in-work poverty¹ experienced by many families with children. They contribute towards our Children and Young People’s Plan² aims of creating a Bailiwick in which every child and teenager is protected, cared for, and has every opportunity to flourish.

¹ [Billet d’État I of 2019](#), Article III – In-Work Poverty Review

² <https://www.gov.gg/cypp>

- 1.3. These proposals have been agreed on by the joint Committees, following a working group established this term to fulfil the terms of an amendment agreed by the States in October 2015³, which directed that:

“after consultation with other relevant committees of the States, the Committee *for* Employment & Social Security shall report to the States by no later than October, 2017 setting out their opinion on whether the universal payment of family allowances should be altered, reduced or ceased and the costs thereof redirected to allow the States to provide additional financial support for some or all of the following children’s services:

- medical and paramedical, including but not limited to primary care, dental, optical and physiotherapy provided either by States-employed clinicians or contracted private practitioners; and
- breakfast clubs, after school homework clubs, school meals and holiday clubs at States’ schools.”

- 1.4. If approved, expenditure on these proposals will be an estimated £1,730,000 per year, at no additional cost to general revenue, as follows:

Subsidy for GP and nurse consultations	£ 820,000
Emergency Department income foregone	£ 380,000
Subsidy for dental check-ups	£ 270,000
Dental health education	£ 110,000
Cultural enrichment opportunities	£ 150,000
TOTAL	£ 1,730,000

- 1.5. The joint Committees have explored how these proposals can be funded through changes to Family Allowance, as envisaged in the original amendment. This policy letter recommends two changes, saving an estimated £1,900,000 per annum; namely that:

- Family Allowance payments should stop after the child’s 18th birthday (saving around £320,000 per annum); and
- Family Allowance should not be paid to households with a combined income of at least £120,000 (saving around £1,580,000 per annum).

³ [Billet d’État XVIII of 2015](#), Article VIII – Benefit and Contribution Rates for 2016

- 1.6. The previous States debated a proposal that Family Allowance should be phased out, but did not reach that conclusion. However, the States did note the view of the then Treasury & Resources and Social Security Departments, that Family Allowance should be phased out altogether. The joint Committees do not agree with that view. This policy letter results from the Dorey/Fallaize amendment and recognises that Family Allowance is an important source of income for many households, especially those on lower incomes. It ensures that families who rely on this direct financial assistance will continue to receive it, while reinvesting the remainder of the Family Allowance budget into services (primary health care and dentistry, educational opportunities) that directly contribute to the wellbeing of all children and young people.
- 1.7. If approved by the States, the Committee *for* Health & Social Care will be directed to negotiate with the Islands' GP and private dental practices to agree subsidy arrangements which will enable low-cost GP and nurse appointments, and free annual dental check-ups, to be provided to the Island's children.
- 1.8. Changes to the Emergency Department charging system, and the introduction of new educational opportunities within the Island's primary schools, are within the direct mandate of the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture respectively.
- 1.9. The joint Committees are of the view that a one-year lead-in is appropriate, to enable all the necessary arrangements to be made for these new services to be provided. This will also give households in receipt of Family Allowance, who may be directly affected, a reasonable period of advance notice in which to prepare for the changes. If this policy letter is approved by the States in August 2020, it is therefore proposed to introduce these new services, and to bring into effect the new eligibility criteria for Family Allowance, from 1st September 2021.

2. Introduction

- 2.1. This policy letter includes proposals for affordable primary health care and dental care for children and teenagers. It would set the cost of a visit to the GP or the Emergency Department at £25, or £15 for a primary care nurse consultation. It would provide all children with a free annual dental check-up and fluoride varnish treatment.
- 2.2. If approved, these services would be funded by a States' subsidy, estimated to cost around £820,000 per annum for primary care and £270,000 per annum for dentistry, the terms of which would need to be negotiated with the Island's GP practices and private dental providers. In addition, the modelling work undertaken has provisionally shown that the States would forego approximately £380,000 in Emergency Department charges as a result of changing the fee structure for children.

- 2.3. Children would also benefit from dental health education in pre-school (in the form of a supervised toothbrushing programme known as ‘Super Smiles’) and in primary and secondary school, provided through the Children’s Dental Service. This would cost around £110,000 per annum.
- 2.4. Finally, primary school children would benefit from a range of new cultural enrichment activities which would be incorporated within the school day. This would cost around £150,000 per annum.
- 2.5. These proposals have been developed by the Committee *for* Employment & Social Security, the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture in the course of this States’ term. The proposals follow an amendment laid in October 2015, which directed that:
- “after consultation with other relevant committees of the States, the Committee *for* Employment & Social Security shall report to the States by no later than October, 2017 setting out their opinion on whether the universal payment of family allowances should be altered, reduced or ceased and the costs thereof redirected to allow the States to provide additional financial support for some or all of the following children’s services:
- medical and paramedical, including but not limited to primary care, dental, optical and physiotherapy provided either by States-employed clinicians or contracted private practitioners; and
 - breakfast clubs, after school homework clubs, school meals and holiday clubs at States’ schools.”
- 2.6. This policy letter sets out, in a little more detail, each of the services which it is proposed to introduce or subsidise; the estimated cost of provision; and the direct benefits to children and families of doing so. It demonstrates that straightforward, practical changes to improve the welfare of our Island’s young people can and should be at the heart of Guernsey’s ongoing recovery.
- 2.7. The policy letter also takes the opportunity to set these proposals in the context of some important developments in respect of primary health care, more generally, which took place in and around the Island’s recent response to the COVID-19 pandemic.
- 2.8. Finally, this policy letter examines how these proposals could be funded by reallocating Family Allowance, in line with the previous resolution of the States. The Committees, unlike their predecessors, are of the view that it is not appropriate to phase out Family Allowance altogether, as it is an important source of income for many households, and this policy letter invites the States

to reaffirm its support for maintaining this benefit. However, some changes to the way Family Allowance is paid – in particular, stopping payment once a young person reaches their 18th birthday, and not paying the benefit to households with a combined income of over £120,000 – could save £1.9 million a year: enough to fund all the services set out in this policy letter.

3. Low-cost GP and Emergency Department Visits

- 3.1. The principle of early intervention to address health needs and prevent poor outcomes is at the heart of the States' approach to health policy. This is all the more important in respect of children and young people, where poor health can have a critical impact on children's development and ability to flourish, in childhood and beyond. It is vital to ensure that any barriers which prevent children from accessing healthcare when they need it are identified and, as far as possible, removed.
- 3.2. The cost of an appointment with a primary care GP in Guernsey varies from £53 to £58, depending on the GP practice. These figures are given net of the £12 subsidy provided by the States of Guernsey: the full cost is £65 to £70. The cost of a nurse consultation is £30 to £33, net of a £6 subsidy per visit from the States of Guernsey. In general, these fees apply equally to adults and children; although one local practice advertises appointments at a lower rate for children under 5, provided that the charge can be paid on the day.
- 3.3. The cost of a visit to the Emergency Department can vary considerably. There are two components to this charge: an attendance fee, which is higher for 'out of hours' visits, and a treatment fee, which varies depending on the nature of the treatment needed. Table 1 below sets out the range of possible combined charges, showing that visits can cost anything from £55 to £505, depending on the time of the visit and the type of care needed:

Table 1 – Emergency Department fees

		Type of Treatment				
		No treatment (£0)	Minor treatment (£45)	Intermediate treatment (£85)	Major treatment (£165)	Critical treatment (£340)
Attendance	Weekdays (£55)	£55	£90	£140	£220	£395
	Evenings & Weekends (£110)	£110	£155	£195	£275	£450
	Overnight (£165)	£165	£210	£250	£330	£505

- 3.4. It is understood that about 50% of children registered with GP practices in Guernsey are covered by private healthcare, and another 10% are funded through Income Support. The direct costs of primary healthcare fall on families who do not have workplace or private health insurance, but who do not fall into the lowest-income bracket (and so are unable to access medical cover through Income Support).
- 3.5. There is some evidence that the current cost of primary health care acts as a barrier to accessing care for low-income families.⁴ For example, from July 2018, almost all families in receipt of Income Support have been entitled to assistance with medical costs, and GP practices have begun to see patients who they had rarely seen previously. This is because, when the Income Support scheme was created in 2018, it merged two previous welfare schemes, one of which (supplementary benefit) previously entitled families to support with medical costs, and the other (rent rebate) which did not. Doctors report that these extra GP visits have been necessary consultations to address medical conditions – in other words, there had previously been a level of unmet need, with the cost of GP appointments preventing people from seeing a doctor when they needed to.
- 3.6. It is reasonable to assume that a level of unmet need also exists among the 40% of children whose families are not entitled to Income Support and do not have private health insurance, although the precise level is all but impossible to estimate.
- 3.7. The joint Committees believe it is important that children and families should be able to access primary and emergency health care when they need it, without financial concerns presenting an undue barrier. The Committees are strongly of the view that reducing the cost of GP appointments and Emergency Department visits will be beneficial to the health of children and young people; providing fairer and more equitable access to care for all.
- 3.8. This policy letter therefore recommends that the Committee *for* Health & Social Care should negotiate a subsidy arrangement with the Islands' GP practices, and that the Committee should make the necessary changes to its own charging structure for the Emergency Department, so that:
- The cost of a GP visit for a child under 18 will be £25,
 - The cost of a nurse consultation for a child under 18 will be £15, and
 - The cost of an Emergency Department visit for a child under 18 will be £25.

⁴ See also [Billet d'État I of 2019](#), Article III – In-Work Poverty Review

- 3.9. The joint Committees estimate that it will cost in the range of £720,000 to £770,000 to subsidise GP visits (the figures in this policy letter are based on the upper end of the range) and a further £50,000 per annum approximately to subsidise nurse consultations in primary care. These figures are modelled on a slight increase in demand for primary care appointments, assuming that there is some unmet need at present.
- 3.10. If a £25 flat fee is introduced for children attending the Emergency Department (that is, a single payment, with no additional attendance or treatment charges), it is estimated that the States will forego approximately £380,000 of income per annum, compared to the current fee structure. This includes an estimate of £5,000 to £10,000 in respect of children attending the Alderney Emergency Department.
- 3.11. The Committees are strongly of the view that the fee for attending the Emergency Department and the fee for a GP appointment need to be broadly similar in order to ensure that families base their decisions on which service is more medically appropriate to their needs, rather than being influenced by price differentials between the services.
- 3.12. The Committees consider that it would be inappropriate to provide primary care for children that is entirely free at the point of use, while adults still have to pay around £50 per GP visit. There are many adults with limited resources and chronic conditions for whom this cost is prohibitive, and this is an inequity which also needs to be addressed. In order to provide free or low-cost primary care to any part of our community, a significant investment is required on the part of the States. It is important to ensure that such investment is well-targeted, to address the areas where there are the greatest gaps between people's health needs and their resources. The Committees believe that there are some significant issues, for example, in respect of the cost of care faced by people with long-term health conditions, which may be a greater priority for the use of States' funding than the provision of wholly-free consultations for children.
- 3.13. However, the joint Committees are firmly of the view that providing low-cost GP and nurse appointments, and Emergency Department visits, will help to ensure that children and families are able to access health care when they need it. This will help to reduce the medical costs that, as outlined in the Scrutiny Management Committee's recent review of In-Work Poverty, are, for many families, significant and unavoidable drivers of in-work poverty.

4. Developments in Primary Health Care

- 4.1. The Committee *for* Health & Social Care (HSC) wishes to take the opportunity to briefly set out some of the work it has done, in respect of the future of primary

care, before and during the COVID-19 pandemic. This may provide a useful context to the decisions that the States are being asked to make on this policy letter.

- 4.2. Prior to the pandemic, HSC had been working on proposals for a policy letter on affordable primary care for all, in the context of the Partnership of Purpose. In particular, it was exploring how the States' already-extensive investment in primary care through benefits and subsidies might be better targeted to address some of the existing inequities in access to care. This was intended to run alongside the work set out in this policy letter (which is specific to children and young people) – the two pieces of work are complementary, and both seek to address different parts of the jigsaw.
- 4.3. During the pandemic, every part of the health system had to adapt its ways of working to meet the particular challenges and demands of COVID-19. The primary care practices played an integral role in the Island's response, working closely with HSC's own services, and the Committee wishes to put on record its gratitude to them.
- 4.4. Whilst the pandemic has provided occasion for HSC to reconsider how it prioritises its work in this area, it remains of the view that universal, affordable and timely primary health care is an important component of any health system; that Guernsey currently falls short of providing this on an equitable basis; and that this continues to be a critical issue for the States to address as part of building a better future for the Island. The Committee's work on the affordability of primary care is therefore likely to run into the next term of the States, when it may well form part of the Health-focused Recovery Plan.
- 4.5. While this work remains ongoing, the Committee *for* Health & Social Care is of the view that it would be a mistake to further delay, and not to address, the question of affordable primary care for children as set out in this policy letter. Extensive work has been done on this area during the current States' term, and the proposals in this policy letter can only be seen as a positive step forward for children and families.

5. Improved Dental Health Care for Children

- 5.1. Poor dental health can have a significant impact, not just on a child's health, but on their wellbeing and that of their family. Children who have toothache or need treatment may have pain, infections and difficulties with eating, sleeping, socialising and concentrating at school.

- 5.2. A high proportion of hospital admissions for children are for tooth extractions and other dental treatment under general anaesthesia. This presents a small but real risk of life-threatening complications for children.
- 5.3. This shows that dental health care is an important, but often undervalued, component of good healthcare for children and young people. According to the WHO⁵, most oral health conditions are largely preventable and can be treated in their early stages. However, around the world, dental treatment tends to be expensive and stands apart from other forms of primary care.
- 5.4. In Guernsey, certain dental care is provided free of charge through the Children's Dental Service, operated by HSC. This includes:

Table 2 – Current provision of free dental care in Guernsey

Age Group	Additional Criteria	Service Provided
Children aged 3.5 years		Check-up
Children in Reception		Screening
Children aged 0-12	whose families are on Income Support	Check-ups and treatment as required
	with active dental decay or acute gum problems	Single course of treatment to address the health issue
	who would particularly benefit from being seen by a children's dentist, due to their health condition	Treatment as required
Children in Year 6		Screening
Children aged 0-15	with significant orthodontic need (Level 5)	Orthodontic treatment

- 5.5. In addition, some local dentists provide free cover to children if their parents are registered (and have regular check-ups) with the practice. In the majority of cases, this cover extends to children under the age of 4 or 5, although one practice provides free cover up to the age of 16 and another up to the age of 18.
- 5.6. This policy letter recommends that the Committee *for* Health & Social Care should negotiate a subsidy arrangement with the Islands' dental practices in

⁵ WHO Oral Health Factsheet (Online) <https://www.who.int/news-room/fact-sheets/detail/oral-health>

order to further expand this coverage, so that all children up to age 18 have access to:

- One **free** annual dental check-up and fluoride varnish treatment, and
 - Dental health education at pre-school, primary and secondary school.
- 5.7. Regular dental consultations for children are a critical part of preventive health care. The consultations help to protect children's oral health as they give the dentist an opportunity to detect problems early, when they are most treatable. Annual consultations should be offered from the child's first year, as baby teeth start to appear from 6 months onwards.
- 5.8. The English Oral Health Prevention Tooth Kit recommends varnish is applied for all children from age 3. It is recommended that fluoride varnish should be undertaken, if required, as part of the free consultation. This is already common practice among the local dentists who offer free consultations for young children. In addition, the consultation must include the provision of oral health advice to the parent(s) or carer(s) and to the child.
- 5.9. However, it is important that the provision of dental health education should not be limited to a single check-up with a dentist, once a year. Providing suitable oral health education in primary and secondary schools, and outreach to the parents and carers of younger children (aged 0-11) in particular, is an important part of a preventive approach towards maintaining good oral health.
- 5.10. The Committee *for* Health & Social Care estimates that by investing an additional **£110,000** in dental health education, the Children's Dental Service can provide a robust school-based programme which will help to improve children's oral health, and avoid the need for costly interventions later on. This investment would include:
- Two Oral Health Educators (£40,000 x2)
 - Input from Senior Dentist (£20,000 – approx. 0.2 wte)
 - Delivery of Guernsey Super Smiles programme (£10,000)
- 5.11. The Super Smiles programme was developed by the Children's Dental Service to work with very young children. It is a supervised toothbrushing programme, using fluoride toothpaste, which was trialled in some of the Island's pre-schools during 2014. Research shows that brushing at least twice a day with a fluoride toothpaste can help prevent tooth decay and the programme aims to teach pre-school children and their parents or carers the importance and value of good tooth brushing at an early age. This initiative can have a positive impact on the children's dental health for the rest of their lives. However, without this

additional investment, there is presently no budget to enable this programme to be delivered sustainably.

- 5.12. The overall investment in children's dental care (estimated at £270,000 per annum for free annual check-ups and an additional £110,000 per annum for oral health education) is much smaller than the investment recommended in general primary and emergency health care. However, it could have a major beneficial impact for children and families in terms of addressing a significant, and often neglected, source of disease and discomfort – which is wholly treatable, but which, if left untreated, can have lifelong consequences.

6. Cultural Enrichment Activities in Primary School

- 6.1. Although education is freely available for children aged 4-16 in Guernsey and Alderney, many factors can prevent children from achieving their full potential during their school years. It is well understood that the strength and breadth of the educational foundations laid down in the primary phase have life-long implications for the student.
- 6.2. 'Improving Education Outcomes' is one of the 23 policies prioritised within the Policy & Resources Plan. Allocating funds to activities that will enrich students' educational experience supports one of the key aims of the Committee *for* Education, Sport & Culture's mandate.
- 6.3. It is widely recognised that the routine curriculum-based activities provided for pupils during the normal school day form only part of the overall education experience that should be offered to children. Other activities offered by schools or other providers outside of the more formal lesson structure contribute significantly to the quality of education provided locally.
- 6.4. All schools in Guernsey and Alderney currently offer additional activities to children outside of formal lesson time. These are normally offered during the lunch break and after-school. The vast majority of these activities are run on a voluntary basis by teachers and other school staff, sometimes supported by volunteers from among the parent group or the wider community.
- 6.5. Access to these activities, particularly those taking place after school, is not universal. Often, reliance on school buses means children are not able to attend after-school activities. For other children, attendance requires parental support in providing transport at alternative times, and this can create difficulties for some families. Where activities do not take place on the school site, these problems are exacerbated. As a result, not all children have equal opportunities to participate. Invariably students who might stand to gain the most from their involvement in extra-curricular activity are those most likely to have barriers preventing or compromising participation.

- 6.6. Examples of cultural enrichment include: bringing established authors, musicians, artists, actors and sports people to the island to run workshops for students; enhanced outdoor adventure learning; creating 'pop up' museums and galleries in schools; showcasing students' work through its formal publication; running STEM (science, technology, engineering and maths) workshops; off-island visits to museums, sporting events and places of historic or cultural significance; and gifting students high-quality books focused on expanding their cultural knowledge.
- 6.7. The Education Endowment Foundation's (EEF's) report on Outdoor Adventure learning⁶, suggests the evidence consistently shows positive benefits on academic learning, particularly on non-cognitive outcomes such as self-confidence, perseverance and resilience, all of which can have a knock on impact on academic outcomes, as well as their health and wellbeing.
- 6.8. An Independent Review on Cultural Education in England by Darren Henley, OBE, Chief Executive of Arts Council England, noted:
- "The best performing schools bring Cultural Education practitioners into schools, alongside classroom teachers, to share their knowledge with pupils. These include artists, designers, historians, writers, poets, actors, musicians, curators, archivists, film-makers, dancers, librarians, architects and digital arts practitioners. Many of these in-school experiences are provided by cultural organisations, who have dedicated education departments, or by private sector companies from within the Creative and Cultural Industries" ⁷
- 6.9. The reforms to secondary education, which are currently paused pending review, included plans for some of the substantial efficiency savings to be reinvested in enrichment activities for students. The proposals in this Policy Letter therefore address enrichment in the primary phase of education only. And there is no proposal to extend the length of the school day in the primary phase – the proposal is to provide enrichment opportunities during the current school day.
- 6.10. For the younger students, the school day is already sufficiently long and many of the children would find additional hours too tiring to be beneficial. This becomes less of a difficulty for older Primary students, but if the length of the school day was to be more greatly differentiated this would likely increase the difficulties associated with unequal access to activities and lead to the transport

⁶ <https://educationendowmentfoundation.org.uk/evidence-summaries/teaching-learning-toolkit/outdoor-adventure-learning/>

⁷ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/260726/Cultural_Education_report.pdf

difficulties as set out above. Unless enrichment activity beyond the usual school day was mandatory, it would be difficult to predict and cater for variable take up rates.

- 6.11. The Committees recognise that the provision of enrichment activities is of significant benefit to Primary-aged students, particularly if it exposes them to new experiences that they might not otherwise be able to access. Therefore, it is proposed that funds diverted from Family Allowance should be made available to increase and diversify the range of enrichment activities offered **during** the school day. Doing so would ensure that all Primary-aged students had equal access to enrichment activities and would overcome the logistical problems associated with extending the school day.
- 6.12. The Committees propose that enrichment activities should focus on cultural enrichment, with the expressed aim of improving each child's 'cultural capital', that is to say, *"...the essential knowledge that children need to be educated citizens... ...helping to engender an appreciation of creativity and achievement."*⁸ It is this knowledge that helps prepare children for future success and is measured by indicators of participation in cultural activities, a child's reading climate, and extracurricular activities. Evidence suggests that the 'cultural capital' passed on through families helps children do better in school and impacts their aspirations throughout their educational involvement.
- 6.13. However, in any society, and our society is no exception, not all children and young people have a rich cultural diet. For many families financial and time constraints are limiting factors. The proposed investment in additional cultural enrichment activities for students as part of their primary school experience would ensure that all children are exposed to a range of culturally rich experiences. It would also renew the focus on early intervention strategies to overcome the socio-economic barriers that prevent some students from engaging in a wide range of cultural experiences.
- 6.14. Based on the current primary school population in Guernsey and Alderney of c3,930 students, a budget allocation of £150,000 would amount to an annual cultural enrichment 'allowance' of approximately £38 per student. Affording schools autonomy and flexibility over the use of this funding (so long as it remains ring-fenced for its intended purpose for the equal benefit of all students) will enable them to be creative in securing cost-effective opportunities to increase culturally diverse experiences that will enhance the enrichment offer during the school day. This will ensure universal provision and participation and overcome the logistical problems associated with activities outside the normal school day.

⁸ *Ofsted School Inspection Handbook 2019*

- 6.15. It will also empower leaders who are currently developing the curriculum in, for example, RE, History and Art, to bridge existing cultural gaps by expanding cultural opportunities for all students. These 'gap bridging' experiences will allow students to deepen their understanding of the world around them and provide fresh insight into their studies, particularly if it exposes them to experiences that are not commonplace in smaller communities such as ours.
- 6.16. The range of activities schools can focus on to develop cultural enrichment is diverse and for this reason costs vary significantly. By varying the activities on offer from one year group to another, and/or by pooling resources across year groups or across schools for the same year group, activities that might be beyond the reach of an individual family can become much more accessible.
- 6.17. Cultural enrichment brings with it three distinct benefits: (i) a direct educational benefit to students through the acquisition of knowledge and skills; (ii) additional benefits to creative industries through exposure; and (iii) wider benefits to society as whole in fostering an understanding of our common cultural heritage. The proposed additional enrichment experiences will allow our children to deepen their understanding of the world around them, and provide fresh insight into their studies, particularly if it exposes them to experiences that would not otherwise be readily available to them.
- 6.18. Perhaps most importantly, the universal provision of meaningful cultural enrichment activities will ensure that some of our most disadvantaged students will have a broad range of experiences, access to which might otherwise be denied to them, and which they will share with their peers as part of their shared educational development. This will serve to reduce knowledge deficits at an early age, with the aim of increasing the enjoyment of, and engagement in, all school activities, thus directly supporting the States' strategic priority to improve education outcomes.

7. Family Allowance – Purpose and History

- 7.1. This work originated with an amendment directing the joint Committees to consider how Family Allowance could be repurposed to fund health and educational services for children and young people. During the debate on the review of Personal Tax, Pensions and Benefits earlier the same year, the States had noted the view of the then Treasury & Resources and Social Security Departments that universal benefits such as Family Allowance should eventually be phased out altogether.
- 7.2. This policy letter recommends some targeted health and educational services which, the joint Committees believe, will be particularly beneficial to children and young people. Providing low-cost primary and emergency health care, and a core of free dental check-ups and oral health education, will help to ensure

that children and families have access to timely, affordable care without facing undue financial barriers.

- 7.3. With regard to enrichment activity in primary schools, the students who stand to gain the greatest benefit from the proposed cultural activities are those for whom financial and/or social barriers mean they are unlikely to be exposed to such a broad range of activities outside of school.
- 7.4. However, in the course of this work, the joint Committees necessarily also revisited the question of the purpose of Family Allowance: Who benefits from it? And are the services that would be funded by a reduction in Family Allowance at least as beneficial to the health, wellbeing and development of the Island's children and teenagers, as the alternative of continuing to provide their families with this additional income?
- 7.5. Family Allowance is a weekly payment of £14.20 per child, paid to all families in Guernsey and Alderney with qualifying children. It is paid in respect of children in full time education, until the end of August following the child's nineteenth birthday. Family Allowance is described as a universal benefit: it applies to all families, irrespective of family income or other conditions. The allowance is financed wholly from taxation (general revenue). At the end of 2019, Family Allowance was being paid in respect of 11,275 children in 6,742 families. The full year cost of Family Allowance in 2019 was £8.49m. The cost for 2020 is estimated to be £8.54m.
- 7.6. A single, flat-rate, universal Family Allowance was introduced in Guernsey in 1981. This rationalised three existing schemes: a child tax allowance (on income tax), a supplementary family allowance for lower-income families (paid through the States Insurance Authority), and a benefit of just 37 pence per week, payable for the second and subsequent children of a family.
- 7.7. In 2007, the then Social Security Department examined the feasibility of an income-related system of family allowances. A consultation exercise, with over 1,000 responses, was undertaken. At the time, the States concluded that it was not possible to design an income-related family allowance scheme on a cost-neutral basis, and resolved not to pursue it further. However, the need to improve financial assistance for low-income families was acknowledged. This work has been pursued, over the past ten years, through a review of supplementary benefit and the introduction of Income Support.
- 7.8. The appropriateness of universal family allowance was raised again in 2015, when the then Treasury & Resources Department and Social Security Department submitted a Policy Letter entitled 'Planning a Sustainable Future – The Personal Tax, Pensions and Benefits Review'. The States noted that, "in the opinion of the Treasury & Resources Department and the Social Security Department, between 2016 and 2025 the payment of a universal Family

Allowance under the Family Allowances (Guernsey) Law, 1950, should be phased out through gradual reductions in the amount paid having regard to the increases in personal tax allowances as outlined in Proposition 27 below."

- 7.9. The amendment which ultimately gave rise to this policy letter was laid in October 2015. A step towards realising it was taken in 2016, when the States resolved that provision of free pre-school education for three to four-year-olds should be funded by measures including a reduction in the rate of Family Allowance by £2.40 per week.
- 7.10. The presumption, since at least 2007, has been that Family Allowance should not continue as a universal benefit. However – until the States agreed a way forward which involved converting (some of) the benefit into services that address specific needs for children and young people – the practicalities of providing a more targeted alternative seemed to be out of reach.
- 7.11. The joint Committees recognise that Family Allowance is an important source of income for many lower- and middle-income families. As a cash payment, it is not prescriptive, and enables them to meet their children's needs flexibly: providing additional income that could cover food, clothing, books, access to sports and activities, medical costs, and so on. On the other hand, because it is a cash payment, there is nothing which obliges families to spend it in a way that contributes to their children's welfare, and not all families do so.
- 7.12. Bearing in mind the history of States' attempts to reform Family Allowance, this policy letter proposes a balance: A proportion of Family Allowance should be reinvested in services that directly benefit children and young people, including primary and emergency healthcare, dental care, and educational enrichment opportunities. However, the remainder should continue to be paid out as a benefit to families with children.
- 7.13. The Committees recommend two relatively straightforward adjustments to Family Allowance which could save approximately £1,900,000 per annum, enabling that funding to be reinvested into the services described in Sections 3 to 6 above.
- 7.14. The first is that payment of Family Allowance should stop after a child's 18th birthday, rather than in the August following their 19th birthday. This would save around £320,000 per annum.
- 7.15. The second is that Family Allowance should not be paid to families with a gross household income of more than £120,000 per annum. It is estimated that this would result in additional savings of £1,580,000 per annum. While many households will have seen a fall in income as a result of the COVID-19 pandemic, it is clear the people who have been hardest hit are generally those

in lower-wage industries. The joint Committees therefore believe that the level of savings estimated here continues to be realistic.

- 7.16. The total amount saved by ceasing payment of Family Allowance in respect of young people over the age of 18, and in respect of households with gross income of more than £120,000 per annum, is approximately **£1,900,000** a year. The total cost of the services set out in this policy letter is estimated at **£1,730,000** a year. These two measures are therefore sufficient to fund the proposed service changes, with a contingency of £170,000 (10%).
- 7.17. The Committees acknowledge that, if there is an income cut-off for receipt of Family Allowance, it would act as a so-called cliff-edge. A family of three children with family income of £119,000 per year would currently be receiving Family Allowance of £2,215 per year. If their income increased by £1,000, to the cut-off figure of £120,000 per year they would lose the Family Allowance and be £1,215 worse off overall. While this is recognised, at that level of family income it is not considered to be a problem that calls for the complication of any form of tapering.

8. Implementing Changes to Family Allowance

- 8.1. The Committee *for* Employment & Social Security explored a number of options for implementing these changes to Family Allowance. It is straightforward to stop paying Family Allowance following a young person's 18th birthday, but more challenging to implement an income cut-off.
- 8.2. In the longer term, the Committees are of the view that it would be more effective to utilise the new Revenue Service system to withdraw Family Allowance from higher earners. This was discussed with the Policy & Resources Committee at an early stage in the drafting of this policy letter, and the Committees understand that this is unlikely to be possible until 2023 at the earliest. Given the benefit that more affordable primary healthcare, dental care and educational enrichment opportunities will have for children and families, the Committees are of the view that it is not appropriate to delay these changes until that work can be prioritised. Therefore, as a short term measure, a light-touch system administered by the Committee *for* Employment & Social Security is proposed.
- 8.3. The simplest, lightest touch system would be to ask all recipients of Family Allowance to complete a declaration that their family income is expected to be below £120,000 in the next year, and to accept that declaration without further checking, apart from where there was cause to do so, or for random or risk-based audits to check for and encourage compliance. There would be an obligation on the recipients of Family Allowance to inform the Committee if circumstances changed and family income increased above £120,000 during the benefit year, in which case the allowances would be stopped. On the other

hand, if the family's income fell below £120,000, payment of Family Allowance would be restored.

- 8.4. The more complicated, heavier touch (and more resource-intensive) system would be to require declarations of expected income from all adults in families receiving Family Allowance, with the signed consent of those adults for the Director of the Revenue Service to disclose to the Administrator of Social Security details of the individuals' income sufficient to verify entitlement to benefit. Declarations and consent from both members of a couple would be required because although the Revenue Service currently has knowledge of a married couple's income for the purposes of allocating unused personal allowance on income, the intention is to move to separate taxation. However, this would require waiting until completion of the Revenue Service programme, some years in the future.
- 8.5. Whichever approach were to be taken, the systems would need to respond to in-year changes of circumstances, including families forming and breaking up and changes in employment, unemployment and levels of earnings.
- 8.6. It should further be noted that, if the States approve the proposals to remove eligibility for Family Allowance for households with a combined income above £120,000, this will also remove the linked entitlement to a contribution credit for those families. It is not uncommon for the person who receives Family Allowance, in a high-income household, to have a relatively low income in their own name, particularly where children are young and one parent or carer is not working. However, that person will retain the option to pay voluntary Class 3 contributions (£20.52 per week in 2020) to maintain their insurance record, and the Committees anticipate this would be paid from the family income.
- 8.7. This policy letter recommends the simple, light-touch system; noting that similar 'high income' caps exist in respect of a number of other States' services and benefits (such as access to free pre-school education, and eligibility for Carer's Allowance). The Committees consider that delaying the proposals in this policy letter for several years while the Revenue Service programme is completed is not advisable, and consider that the administrative overheads are not justified, given the relatively small scale of the change.

9. Financial Modelling, Budgeting and Reporting

- 9.1. The modelling work which has been used to estimate the anticipated additional costs in this Policy Letter has been based on a number of assumptions about future demand and the associated cost of subsidising GP and nurse appointments and dental check-ups for children, and the likely number of visits to the Emergency Department by those aged under 18 years.

- 9.2. While every effort has been made to test those assumptions, as is usual with work of this nature, there is likely to be a certain margin of error around these demand estimates and the anticipated costs for future years, particularly as the cost of appointments are variable over time.
- 9.3. By necessity the figures have been developed based on the current model of primary care. As part of the wider work being developed by the Committee *for* Health & Social Care, this model is expected to change over time, with new ways of working adopted in order to better support islanders of all ages to live healthier lives, and to improve access and reduce the costs of services for all. This will directly impact, and improve, the services available to children.
- 9.4. In this context, despite best efforts, it is not possible to forecast with absolute certainty the anticipated costs, and the figures in the policy letter are the best available at this time.
- 9.5. The overarching policy intention of this policy letter is that a reduction in Family Allowance payments to higher income families will provide the principal source of funding for these service changes. The Committees recognise that there are a number of variables affecting this, including the level of demand for services, and the number of families who fall outside the income cut-off for Family Allowance from year to year. The cost of service provision, and the extent to which that is balanced by a reduction in the cost of Family Allowance, will therefore need to be kept under review.
- 9.6. The joint Committees have aimed to set out a sustainable trade-off between a reduction in Family Allowance and the cost of improving services for children and families. If there is an imbalance in future years, the States may need to consider further measures to redress this. However, the Committees wish to make it clear that this should not be by way of enforced budget cuts to other, equally important, service areas.
- 9.7. Propositions 7 and 8 therefore make it clear that the general revenue budgets of the Committee *for* Health & Social Care and the Committee *for* Education, Sport & Culture should be set at a level which enables these services and subsidies to be fully funded from year to year. Further to this, Proposition 11 directs the two Committees to publish an assessment of the impact of these service changes for children and families after two years, enabling the States to fully understand and evaluate their effect.

10. Timeframes and Next Steps

- 10.1. If this policy letter is approved, there are a number of steps which need to take place before these changes to services and benefits can be implemented.

- 10.2. The joint Committees believe that it is realistic to target 1st September 2021 as the date at which these new services will be introduced, and at which changes to Family Allowance will come into effect.
- 10.3. Importantly, assuming this policy letter is debated in August 2020, this gives a full year's notice to households who might be impacted by the changes to Family Allowance. It gives the Committee *for* Employment & Social Security the opportunity to communicate directly with those families and to explain what will change; and to put in place a light-touch but effective system for managing the implementation of the income cut-off.
- 10.4. This also allows time for the Committee *for* Health & Social Care to negotiate with GPs and dentists in order to agree suitable terms for a subsidy which will enable low-cost children's health appointments and free annual dental check-ups to be provided. The Committee recently worked together with GPs to agree a funding scheme which would enable the free provision of contraception to people aged under 21, and trusts that GPs and dentists would be equally willing to engage in respect of providing a service for children and young people.
- 10.5. With regard to cultural enrichment in primary schools, time will be invested during the 2020-21 academic year to ensure that a broad range of activities are researched and readied for implementation from September 2021.
- 10.6. The other changes discussed in this policy letter (low-cost Emergency Department visits for children, and the introduction of dental health education for all school-age children) are directly within the remit of the Committee *for* Health & Social Care. While it may be possible for these changes to happen more quickly than some of the others envisaged in this policy letter, it seems appropriate that the package of measures set out here should all be introduced at the same time, when funding becomes available.
- 10.7. Therefore, if the States agrees these proposals, the Committees will work towards an implementation date of 1 September 2021 for the introduction of low-cost primary healthcare and Emergency Department visits for children and young people under the age of 18; the introduction of free annual dental check-ups and provision of oral health education for pre-school and school-aged children; and cultural enrichment activities in primary schools.

11. Conclusions and Compliance with Rule 4

- 11.1. The proposals in this policy letter have been developed by a working group consisting of members of the Committee *for* Employment & Social Security (Chair), the Committee *for* Education, Sport & Culture and the Committee *for* Health & Social Care, and agreed by the members of all three Committees. The Committee *for* Employment & Social Security also consulted the Policy & Resources Committee on earlier drafts of these proposals.

- 11.2. The joint Committees have set out proposals to introduce affordable primary and emergency health care, dental care, and cultural enrichment opportunities for children and young people. The Committees seek States' support for the propositions, which are based on the Committees' purpose to "protect, promote and improve the health and wellbeing of individuals and the community" (HSC), "encourage human development by maximising opportunities for participation and excellence through education, learning, sport and culture at every stage of life" (ESC) and "foster a compassionate, cohesive and aspirational society in which responsibility is encouraged and individuals and families are supported" (ESS).
- 11.3. In particular, the propositions are aligned with the priorities and policies set out in the Committees' Policy Plans; the Partnership of Purpose; and the Children and Young People's Plan. The Committees are of the view that these proposals are an important contribution to Guernsey's Recovery, by making practical changes, in terms of the affordability and availability of key health and educational services, which promote the welfare of children and families.
- 11.4. In accordance with Rule 4(4) of the Rules of Procedure of the States of Deliberation and their Committees, it is confirmed that the propositions have the unanimous support of the three Committees.

Yours faithfully

M K Le Clerc
President

H J R Soulsby
President

M J Fallaize
President

S L Langlois
Vice President

R H Tooley
Vice President

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J A B Gollop
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R G Prow
D A Tindall

M H Dorey
P J Roffey
R H Tooley

M J Brown
Non-States Member

R H Allsopp
Non-States Member

R Conder
Non-States Member

A R Le Lièvre
Non-States Member

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY

BUILDING A BETTER FUTURE: CHILDREN'S HEALTH, DENTAL CARE AND EDUCATION

The President
Policy & Resources Committee
Sir Charles Frossard House
La Charroterie
St Peter Port
GY1 1FH

29th June 2020

Dear Sir

Building a better future: Children's health, dental care and education

In accordance with Rule 4(2) of the Rules of Procedure of the States of Deliberation and their Committees, the Committee *for* Employment & Social Security requests that 'Building a better future: Children's health, dental care and education' be considered at the States' Meeting to be held on 19th August 2020.

It would be helpful for the aforementioned Policy Letter to be considered at the earliest opportunity, in order that it be debated by the current Assembly. Taking into account the likelihood of the General Election taking place in October, it is probable that the meeting of 19th August 2020 will be the last in the current political term.

Yours faithfully



Michelle Le Clerc
President

Shane Langlois
Vice President

John Gollop, Emilie McSwiggan, Peter Roffey

Mike Brown, Andrew Le Lievre
Non-States Members