

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

5th February, 2025

Proposition No. P.2024/114

Committee for Employment & Social Security

The Need to Stabilise the Private Care Home Market and Incentivise Growth to Meet Demand

AMENDMENT

Proposed by: Deputy A Brouard

Seconded by: Deputy A Cameron

1. For Proposition 9, substitute the following:

“9. To agree to amend one of the conditions of entitlement to long-term care benefit and respite care benefit relating to residency in Guernsey or Alderney from five years’ continuous residency at any time to 20 years’ aggregate residency as an adult since 1st January 2003, when contributions were first payable to the Fund, subject to –

- a) periods of residency as a child being taken into account for those claiming benefit under age 38,
- b) periods of residency of less than one year not being taken into account in calculating the aggregate period of residency, and
- c) the transitional arrangements set out in Proposition 9A,

and to give the Committee for Employment & Social Security the power to prescribe the transitional arrangements by Regulations.

9A. To agree that any person who meets the current residency conditions on the day before the change takes effect would remain eligible to receive care benefit, provided that they meet the other eligibility criteria and remain ordinarily resident in Guernsey or Alderney prior to requiring care, and that the new residency condition for care benefit, including the transitional provisions, be brought into effect one year after the necessary legislation has been approved by the States.”

Rule 4 Information

- a) The Propositions contribute to the Sustainable Health and Care Services Strategic Portfolio agreed as part of the Government Work Plan.
- b) In preparing the Propositions, consultation has taken place with the Committee *for* Employment & Social Security. The Committee does not support the Propositions.
- c) The propositions have been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.
- d) The Propositions in this amendment result in a transitional period of 15 years for the implementation of a 20-year residency requirement. During the transitional period, the annual reduction in the benefits payable from the Long-term Care Insurance Fund (LTCIF) will gradually increase from nil at the outset, to an estimated £2m a year after 15 years. This is projected to add a further five years to the lifetime of the LTCIF.

However, care will still need to be provided to those not eligible for benefits. It is estimated that around 25% could have the means to fund their own care, meaning that care for the remaining 75% will need to be met through Income Support, at an estimated cost of £1.5m a year once fully implemented. Therefore, the net reduction in cost to the States of adopting a 20 year instead of a 10-year residency requirement is £0 initially, increasing to around £0.5m a year after 15 years.

Explanatory note

This Amendment provides the States with an alternative option to the Committee *for* Employment & Social Security's proposal to amend one of the conditions of entitlement to long-term care benefit and respite care benefit relating to residency from five years' continuous residency at any time to 10 years' aggregate residency as an adult since 1st January 2003. Under this option, the proposed 10-years' aggregate residency condition is extended to 20 years' aggregate residency. All other aspects of the proposal are the same as the Committee's proposal, except for the necessary consequential change to the age under which periods of residency as a child would be taken into account (i.e. under age 38 rather than under age 28) and the length of the transitional period which is extended by ten years from five years to 15 years. The rationale for the change is the same as that outlined by the Committee *for* Employment & Social Security in its Policy Letter.