

# STATES OF JERSEY



## PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): FIFTH AMENDMENT

### APPRENTICESHIP SUPPORT

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Lodged au Greffe on 8th November 2024  
by the Children, Education and Home Affairs Scrutiny Panel  
Earliest date for debate: 26th November 2024

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STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024):  
FIFTH AMENDMENT

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**1 PAGE 4, PARAGRAPH (o) –**

After the words “Appendix to the accompanying Report” insert the words –

“, except that on Page 43, after the words “This investment will meet the cost of enhancing grants to students both in distance learning and in person learning.” should be inserted the words “We will also review the scheme available for apprenticeships and increase the funding and support available.”.

**CHILDREN, EDUCATION AND HOME AFFAIRS SCRUTINY PANEL**

**Note:** After this amendment, the proposition would read as follows –

**THE STATES are asked to decide whether they are of opinion –**

to receive the Government Plan 2025 – 2028 (entitled “Budget 2025-2028”) specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2025 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law.
- (b) to approve the proposed Changes to Approval for financing/borrowing for 2025, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.
- (c) to approve the transfers from one States fund to another for 2025 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.
- (d) to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2025 of up to £25 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2024 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2025.
- (e) to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund in 2025 of up to £2 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2024 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2025;

- (f) to approve each major project that is to be started or continued in 2025 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.
- (g) to approve the proposed amount to be appropriated from the Consolidated Fund for 2025, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.
- (h) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2025 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.
- (i) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2025 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.
- (j) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2025 as set out in Appendix 2 – Summary Table 8 to the Report.
- (k) to approve an updated and consolidated policy of the Strategic Reserve Fund as follows:

“The Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, is a permanent reserve only to be used:

- i. in exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.
- ii. if necessary, for the purposes of providing funding (up to £100 million) for the Bank Depositors Compensation Scheme established under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009, including to meet the States contribution to the Scheme and/or to meet any temporary cash flow funding requirements of the Scheme.
- iii. to support the development of future healthcare facilities and the borrowing costs for such work, in line with a financing strategy agreed by the Assembly;
- iv. as a holding fund for any or all monies raised through external financing until required, and for any monies related to the repayment of debt raised through external financing used to offset the repayment of debt, as and when required; and
- v. in accordance with Article 24 of the Public Finances (Jersey) Law 2019, where the Minister for Treasury and Resources is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants

of Jersey, to the stability of the economy in Jersey or to the environment, for which no other suitable funding is available.”

- (l) to approve the transfer to the Strategic Reserve of the amounts due as a result of the move from prior-year basis taxation after 31st December 2025, as and when these payments are received (estimated at £280 million).
- (m) in relation to the new Government Headquarters (office), to approve;
  - i. the exercising of the option to acquire the new Government Headquarters (estimated at £91 million), by the Public of the Island, in line with the pre-agreed terms; and
  - ii. the acquisition of the new Government Headquarters as an investment of the Social Security (Reserve) Fund (including authorising the meeting of expenses incurred in connection with the acquisition); and
  - iii. the subsequent leasing of the new Government Headquarters by the Public of the Island from the Social Security (Reserve) Fund, with commercial terms to be agreed between the Minister for Infrastructure (on behalf of the Public) and Minister for Social Security and the Minister for Treasury and Resources (both on behalf of the Fund); and
- (n) in relation to the new Government Headquarters, to authorise H.M. Attorney General, the Greffier of the States, the Ministers for Infrastructure, Social Security and Treasury and Resources, and the Public of the Island, to enter into such arrangements, including financing, and pass any contracts as are necessary to put into effect paragraph (m).
- (o) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2025-2028, as set out in the Appendix to the accompanying Report **except that on Page 43, after the words “This investment will meet the cost of enhancing grants to students both in distance learning and in person learning.” should be inserted the words “We will also review the scheme available for apprenticeships and increase the funding and support available.”.**

## REPORT

The purpose of this amendment is to ensure that the Government is committed to reviewing the scheme available for apprenticeships and increasing the support available as part of the Government's commitment to lifelong learning.

As part of the Government's Common Strategic Priorities (CSP) the following revenue expenditure growth funding has been proposed for 'Investing in Lifelong Learning and Future Skills Provision':

CSP Revenue Expenditure Growth				
	2025	2026	2027	2028
£'000	Estimate	Estimate	Estimate	Estimate
Investing in Lifelong Learning & Future Skills Provision	1,158	1,544	1,882	2,209

The Panel heard from the Minister for Education and Lifelong Learning on 11<sup>th</sup> October 2024 that £500,000 of the £1,158,000 million funding for 2025 would go towards apprenticeships:

*£500,000 is regards in developing apprenticeships, but some of that will be significantly used because of the increase in assessments, for example, which are costs that we do not want to pass on to employers because we have not done that in the past.<sup>1</sup>*

The Minister advised that the costs of the apprenticeship assessments had increased significantly:

*There are some costs in the apprenticeship programme that come from some really practical things. So, for example, the cost of the assessments in some areas [...] have certainly increased significantly, and we are going to have to cover those costs if we want to continue with those programmes and extend and target what we are training on the Island.<sup>2</sup>*

However, the Panel was concerned that this appears to suggest that the additional funding would go towards increased costs of the existing provision, rather than any extension or improvement to the apprenticeship scheme on the Island. The Minister advised the Panel that:

*While there is a clear ambition to strengthen and extend apprenticeship provision, no detailed plan is currently set for implementation within this term of Government. However, ongoing evaluations and collaboration with stakeholders are laying the foundation for future improvements and advancements in apprenticeship programmes.<sup>3</sup>*

With regards to the current provision, the Panel was advised that Highlands College currently delivers 418 apprenticeships, including higher apprenticeships<sup>4</sup>. The Panel

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<sup>1</sup> [Transcript](#) – Public Hearing with the Minister for Education and Lifelong Learning – 11th October 2024, p. 7

<sup>2</sup> Ibid, p. 6

<sup>3</sup> [Letter](#) – Minister for Education and Lifelong Learning – 30th October 2024

<sup>4</sup> [Transcript](#) – Public Hearing with the Minister for Education and Lifelong Learning – 11th October 2024, p. 21

was provided with the following table outlining the current funding in relation to apprenticeships:

Area	2023 Funding	2024 Funding
<b>Higher Level</b>		
Degree Programs - Construction - UCJ	137,900.00	146,000.00
<b>Apprenticeships</b>		
Construction (Painting / Bricklaying)	14,800.00	15,000.00
Plumbing	186,300.00	209,000.00
Carpentry	250,800.00	285,000.00
Electrical	424,300.00	483,000.00
Mechanic	251,200.00	286,000.00
Welding	64,500.00	73,000.00
Hairdressing	29,600.00	37,000.00
Beauty Therapy	39,400.00	45,000.00
Culinary Arts & Hospitality Studies	48,000.00	59,000.00
Childcare	107,200.00	127,000.00
Youth Service - Apprenticeships	16,000.00	19,000.00
<b>Total Gross Cost</b>	<b>1,570,000.00</b>	<b>1,784,000.00</b>
<b>Less Course Fee income</b>	<b>(576,000.00)</b>	<b>(689,000.00)</b>
<b>TOTAL</b>	<b>994,000.00</b>	<b>1,095,000.00</b>

It was explained that the balance of funding for Higher level (degree level) apprenticeships came from a combination of Highlands College's CYPES core budget, Student Finance and personal finance. The Level 2 and Level 3 apprenticeships were funded from Highlands College's CYPES core budget, personal finance and business funding<sup>5</sup>.

The Panel asked about the support provided to business to help them take on apprentices. It was confirmed that there was ongoing engagement with representative bodies and employer groups to ensure that apprentice programmes meet industry needs and engagement events. The Minister explained that the apprentice course fees were covered if they were 'entitled' or of 'entitled to work' status and it was explained that this approach was:

*easing the financial burden on both employers and apprentices, and further encouraging businesses to participate in the apprenticeship programme. The budget is finite and can in some years be exhausted prior to all applicant receiving support.*<sup>6</sup>

The Panel wrote to the Minister and asked for further detail about how the additional £500,000 would be spent and was advised that:

<sup>5</sup> [Letter](#) – Minister for Education and Lifelong Learning – 30th October 2024

<sup>6</sup> [Letter](#) – Minister for Education and Lifelong Learning – 30th October 2024

*The additional £500,000 in funding will be dedicated to modernising the current apprenticeship pathways to align with recent changes to industry standards and remain compliant with awarding body regulations. This investment will support the continued development of bespoke assessment and training areas, establish individualised assessment criteria, and provide additional workplace assessors as required by individual awarding bodies. A key focus will be on embedding sustainable practices, ensuring that Jersey meets modern standards in construction design and development.*

[...]

*It's important to note that this investment does not alter the existing delivery model for apprenticeships or the balance of funding between the government, students, and employers<sup>7</sup>.*

The Panel was interested to note that the additional public investment of £500,000 does not change the scheme and that the improvements it will provide are in order to help it keep pace with changes to industry standards and awarding body regulations.

The '[Further Education and Skills Actionable Agenda](#)', published by the previous Government in December 2022 highlighted a number of points in relation to apprenticeships:

*Jersey's apprenticeship system has some strong features, most notably the mentoring and coaching support that is provided to young apprentices under the Trackers scheme. Apart from the Trackers support, however, it is essentially a 'parallel' system, rather than an 'integrated' system with off-the-job learning at Highlands, or with other providers, following a parallel trajectory from learning in the workplace.*

*An integrated strategy where learning in the workplace is extended and developed off the job would require more consistent assessment in the workplace and project work in college that is related directly to workplace experience. Such an approach would, however, require more staff and resource.*

*The costs of apprenticeship provision in Jersey is notably opaque, and most likely significantly underfunded, being effectively cross-subsidised from other funding schemes within Highlands College. A cooperative review of apprenticeship provision is underway between Skills Jersey, Highlands College and Edge (a charity expert in vocational education).*

*As well as recommending a further review of apprenticeship funding, the current review also proposes that funding for all apprenticeship provision be routed via Highlands College, which currently makes over 90% of the provision, with the proviso that they sub-contract provision where necessary and advantageous. This would have the benefit of reducing bureaucratic overheads and allow for more direct conversations with employers regarding provision.*

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<sup>7</sup> Ibid

*Improvements in apprenticeship funding and more streamlined administration would allow Jersey to build upon the strengths of the current system to expand apprenticeship provision for young people and for existing employees to upskill<sup>8</sup>.*

The Actionable Agenda had also recommended, *inter alia*, that the mandatory participation age for education was raised to 18, with a corresponding entitlement and requirement for all young people to be in full-time education, or employment with training and, also, for funding to follow the learner for all 16–19-year-olds (and up to age 25 for SEND), based upon a transparent formula.

In response to queries from the Panel about possible extension of support in future, it was confirmed that the Minister “*is committed to modernising training schemes with a strong focus on sustainable and long-term goals*”<sup>9</sup>, which included the evolving demands of industry. In the letter to the Panel examples provided were training in Electric and Hybrid Vehicle systems and enhancing skills in modern construction techniques, including energy-efficient solutions like air source heat pumps, solar power installations, and future renewable energy developments.

### **Conclusion**

The Panel believes that, as the additional expenditure growth does not extend the current scheme of apprenticeships but supports the existing provision, further work should be undertaken to review the scheme available for apprenticeships, to ensure that it is providing the right skills for students, but also incentives for employers to employ apprentices and teach required skills. Access to the scheme, and funding and support for apprentices and employers should be transparent and easily accessible.

As the budget is “*finite*”, the Panel believes that the Government should consider the appropriateness of the funding and support available in order to extend the scheme and support on Island skills provision and lifelong learning in future years.

### **Financial and manpower implications**

The Panel does not anticipate that this amendment will create additional financial or manpower requirements for 2025. As this expands on an existing Ministerial priority and because there is ongoing work on Lifelong Learning and Future Skills provision, the Panel expects that the requirement to review the scheme available for apprenticeships and any redirection of funding, if suitable, could be met within current budget and staffing capacity.

### **Children’s Rights Impact Assessment**

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.

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<sup>8</sup> ‘[Further Education and Skills Actionable Agenda](#)’, Government of Jersey, December 2022

<sup>9</sup> [Letter](#) – Minister for Education and Lifelong Learning – 30th October 2024