

# STATES OF JERSEY



## **MEDIUM TERM FINANCIAL PLAN 2016 – 2019 (P.72/2015): ELEVENTH AMENDMENT**

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**Lodged au Greffe on 22nd September 2015  
by the Education and Home Affairs Scrutiny Panel**

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**STATES GREFFE**

MEDIUM TERM FINANCIAL PLAN 2016 – 2019 (P.72/2015):  
ELEVENTH AMENDMENT

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**PAGE 2, PARAGRAPH (b) –**

After the words “Summary Table C” in sub-paragraph (i) insert the words –

“except that the net revenue expenditure of the Education, Sport and Culture Department shall be increased by £263,200 in 2016”;

and after the words “Summary Table D” in sub-paragraph (ii) insert the words –

“except that the allocation to Contingency for 2016 shall be reduced by £263,200 to offset the increase in the net revenue expenditure of the Education, Sport and Culture Department”.

EDUCATION AND HOME AFFAIRS SCRUTINY PANEL

## REPORT

On 30th April 2015, the Sates of Jersey approved the [Draft Strategic Plan 2015 – 2018 \(P.27/2015\)](#), a document designed to set the strategic direction for detailed delivery plans. One of the priorities within the plan is Education. The Strategic Plan is specific in the direction to be taken:

*‘Between 1999 and 2009, Jersey children consistently out-performed their English counterparts in achieving five or more GCSEs at grades A\*–C. Since then, however, Jersey’s academic performance has plateaued and the Island has been overtaken. This is because the United Kingdom invested in education reform aimed at improving standards and reducing educational inequalities. It is vital that we close the gap.*

*The fact that some of our children are not fulfilling their true potential is a waste of Jersey’s most precious resource – our people – and an economic inefficiency we can ill afford.’*

*(Draft Strategic Plan 2015 –2018, page 12)*

This clearly requires investment in Education, investment in our children in order that they may fulfil their true potential.

The Education and Home Affairs Scrutiny Panel has examined the figures contained within the Medium Term Financial Plan (MTFP) relating to the Education, Sport and Culture Department (ESC). In line with all other departments, ESC have been required to make some savings. Unlike other departments, there has also been the inclusion of some additional funding. At first glance, the MTFP suggests that the priority to invest in Education within the Strategic Plan, is being followed:

Additional funding 2016	£4,807,000
Savings 2016	£1,786,200
Total:	<u>£3,020,800</u>

However, the Minister for Education, Sport and Culture is obliged by the [Education \(Jersey\) Law 1999](#) to provide places within schools for the Island’s children (Article 7, Duty of Minister to review the provision of school places). The Island is expecting an increase in numbers of children over the next few years and the Minister has a legal requirement to meet this change in demographics. This requires additional revenue just to stay still, to provide facilities for the increase in numbers of children. Money spent in this area cannot be considered new growth or investment in education in Jersey, as it is purely maintaining the legal responsibilities of the Minister.

In addition, there are areas of previously committed spend, revenue consequences new premises (which is connected to the demographics increase) and ICT skills. Being previously committed spend, these are not new growth and do not reflect the investment required within the Strategic Plan.

Separating out these figures is not possible from the level of detail within the MTFP, so the Panel requested detail from the Minister. The following table was provided:

Proposal	Category	2016 £000	2019 £000	2019 Fte	First time Growth bid
Primary School	Demographics	745	1,744	20.6	No
Secondary School	Demographics	1,313	2,100	35.0	No
Nursery Education Fund	Demographics	376	303	-	No
ICT Skill Strategy	Committed	750	808	-	No
Revenue consequences new premises	Committed	100	525	-	Yes
Raising Achievement	New Growth	837	2,365	8.0	Yes
Provision of Data Team	New Growth	120	127	1.0	Yes
Extending Professional Partnering	New Growth	288	306	2.0	Yes
Early Years	New Growth	278	295	7.0	Yes
<b>Total</b>		<b>4,807</b>	<b>8,573</b>	<b>73.6</b>	

From the table, it can be seen that the figure of £4,807,000 growth for 2016 contains areas that are legal requirements connected with the demographics and would need to be met by the States anyway. They are not growth.

Taking only the actual new growth, the picture is very different:

Excluding 'Demographics' and 'Committed':

Growth 2016	£1,523,000
Savings 2016	£1,786,200
<b>Total:</b>	<b>- £263,200</b>

The overall change in the budget, available to the Department to invest in education as required within the Strategic Plan for 2016, is not an investment, but a reduction of £263,200. This figure has been discussed and agreed with the Minister at a public hearing. Should this reduction be implemented, it will be to the detriment of the education of children of the Island and is in direct opposition to the priorities within the Strategic Plan.

As a result, the Panel recommends that the States amend the MTFP to meet the requirements of the Strategic Plan by increasing the net revenue expenditure of the Education, Sport and Culture Department by £263,200 in 2016 and reducing the allocation to contingency ('Central Allocations') by the same amount.

### **Financial and manpower implications**

There are no manpower implications arising from this amendment, and there would be a neutral impact on the total Departmental Net Revenue Expenditure.