

STATES OF JERSEY



SKILLS DEVELOPMENT FUND (P.116/2022): AMENDMENT

Lodged au Greffe on 31st January 2023
by the Council of Ministers

STATES GREFFE

SKILLS DEVELOPMENT FUND (P.116/2022): AMENDMENT

1 PAGE 2, PARAGRAPH (a) –

After the words “to agree in principle that a new Skills Development Fund,” delete the words “administered by Skills Jersey,”

2 PAGE 2, PARAGRAPH (b) –

After paragraph (a) insert the following new paragraph (b) and rename the remaining paragraphs accordingly:

- (b) to request the Population and Skills Ministerial Group to undertake a review and feasibility study into the establishment of Individual Lifelong Learning Accounts to be allocated to all working age residents of Jersey to enable lifelong reskilling and upskilling and that such a review should establish the feasibility of such accounts as well as provide options for their operation and their potential sources of funding, with the review being presented to the States Assembly no later than December 2024;

3 PAGE 2, PARAGRAPH (c) –

In the renamed paragraph (c) substitute the words “Social Security” with the words “Children and Education” and after the words “to engage with” insert “the Population and Skills Ministerial Group and other”.

MINISTER FOR CHILDREN AND EDUCATION

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

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

(a) to agree in principle that a new Skills Development Fund, should be created to invest in the upskilling and reskilling of Islanders to meet skills gap and human labour needs across the economy;

(b) to request the Population and Skills Ministerial Group to undertake a review and feasibility study into the establishment of Individual Lifelong Learning Accounts to be allocated to all working age residents of Jersey to enable lifelong reskilling and upskilling and that such a review should establish the feasibility of such accounts as well as provide options for their operation and their potential sources of funding, with the review being presented to the States Assembly no later than December 2024;

(c) to request the Minister for Children and Education to engage with the Population and Skills Ministerial Group and other Stakeholders and to report back to the Assembly with proposed funding requirements for the Skills Development Fund no later than December 2023, such funding to be included within the Government Plan 2024-27; and

(d) to request the Minister for Treasury and Resources to create the fund no later than January 2024.

REPORT

Responsibility for Delivery

The Minister for Children and Education supports the development of a Skills Fund and notes it is a recommendation within the [Further Education and Skills Actionable Agenda](#) she published on 20th December 2022.

This amendment, discussed with Deputy Andrews, further demonstrates the Minister's commitment and support, but importantly makes some minor wording changes to ensure adequate flexibility of administration options to be considered; and clarity on the appropriate political oversight.

Deputy Andrew's proposition mandates that the administration of any Skills Fund that is developed must be carried out by Skills Jersey. Whilst this may seem a natural and good choice, and indeed, the Minister is not unsupportive of this option, she is also aware that it is best practice to consider all options when developing policy. For that reason, the Minister would prefer to remove any prescription at this time, to ensure that all appropriate administration options can be considered by her, and others, when developing the Fund.

The proposition also assigns the responsibility for stakeholder engagement and reporting back to the Assembly, to the Minister for Social Security. The Chief Minister is ultimately responsible for assigning political responsibilities and in consultation with her, and the Council of Ministers, it has been agreed that the Minister for Children and Education is the most appropriate Minister to lead on this work.

The Minister is supportive of Deputy Andrew's proposed timings for the formulation of a Skills Fund, as these align with her intention to progress this work for inclusion in the proposed Government Plan 2024-27. Accordingly, the Minister has instructed her Officers to identify sources of funding and options for the operation and governance of a Fund for initial establishment in 2024. The Minister will liaise with the Minister for Treasury and Resources in developing these options in accordance with Article 6 of the [Public Finances \(Jersey\) Law 2019](#) with reference to the statutory duties when establishing new States Funds.

Addition of feasibility for Individual Lifelong Learning Accounts

This amendment would also require the Population and Skills Ministerial Group to undertake a feasibility study into the establishment of Individual Lifelong Learning Accounts.

Lifelong Learning Accounts are employee-owned educational savings accounts which contribute towards an individual's training, upskilling and educational development through their working lives.

Given changing working patterns and the adoption of new technologies in the workplace, the need for a skilled and agile workforce is readily apparent. It is becoming less and less common to work in a single sector for our entire career and the share of jobs once classed as high skilled is increasing. We have also seen the demand for established employees to have the opportunity to re-train and upskill to ensure they can

continue their professional development even as the working environment develops around them.

Similar schemes have proven successful in [France](#), the [Netherlands](#) and [Singapore](#). In Singapore for example, every citizen over the age of 25 has access to an individual learning account which can be used education and training programs. In 2020, 540,000 individuals and 14,000 individuals benefited from the programme.

In the Netherlands, employees can access a *STAP* budget for those looking to retrain or upskill. This budget provides a compensation of up to €1,000 and replaces the tax deduction for employee training and education.

Financial and manpower implications

The amendment will be delivered within existing Heads of Expenditure, as part of the overall programme of work on skills development.