



Scrutiny Panel
By email scrutiny@gov.je

25 April 2016

Dear Sirs

NEF Funding

I am writing further to the scrutiny meeting on 6 April 2016 in relation to the proposed loss of NEF funding for families earning over £75,000.

I have previously sent a facebook message to Deputy Doublet but following the meeting wanted to formalise my comments in writing.

My family like others in Jersey earn over £75,000 and so would in September 2017 when my son is due to start his NEF year, lose out on the funding. We delayed having a family until we were both into our 30's because of the high cost of living in Jersey. This has meant we have both been working for about 13+ years and our joint income is consequently greater than £75,000

We have paid into the tax system all our lives. Following my maternity leave in 2014, I made the decision to return to work part time rather than be a stay at home mum. This was, as it is for others, a difficult decision to make. Taking into account the NEF funding we were due to receive in 2017 we planned to expand our family and are expecting another baby next month, in May 2016.

The fact that the NEF funding will be taken away from us puts us in a very difficult position financially. We did our calculations to expand our family based on the funding being available and are now left in the position that we will have to pay nursery fees for two when I go back to work in 2017 until my son starts school in September 2018. The Education Department should have been considering implementing any changes over a longer period so it did not affect people who had made family decisions based on funding being in existence at the time.

The financial detriment is the most obvious concern that our family would have. It means a decision has to be made again about whether it is in our interest for me to return to work following my upcoming maternity leave. We are a hard working family, who pay our taxes and social security. We take very little from the Government but are the ones

who will suffer from the loss of the 20 free hours. Over the years, we have been squeezed by the government with the increase in tax, loss of allowances and the introduction of the long term care fund fund and again, we are the ones who are expecting to take the burden financially.

The NEF provides the opportunity for valuable education for children as part of the early years. Children's experiences in their first few years of life have a major impact on their development. All children should be given the same opportunity, so my child like any other should not miss out on the benefits of early years education because his parents earn over a certain threshold. As I understood, part of the benefit of sending a child to nursery at the age of 4 was also to bridge the gap for when they start at primary school. With less children potentially having access to early years education there is potential for the reception class to be a very disruptive place for learning.

£75,000 does not get you very far in Jersey with tax at 20%, social security at 6% and the 1% long term care fund. People in this earnings bracket like us will be paying mortgages / rent, travel / parking to get to work, electricity and other services and nursery / education fees. We currently pay £850 per month towards nursery and try to get family members to help out too in order to keep the cost down. We have lost tax benefits such as life assurance relief and the phasing out of mortgage interest relief. We don't have an extravagant lifestyle and often go without so our son does not miss out. You also cannot discount that people in this earnings bracket have debt because of the high cost of living in Jersey. Given the volume of people who I have spoken to who this affects I cannot see how the Education Department has calculated it would only affect 100 families.

The loss of the NEF could have a substantial effect on the Island's economy. If mums (or dads) were to give up work to lower their income then they would be paying no income tax or social security, likely far greater a figure than the NEF funding they would have been receiving. They would also have less disposable income to spend which could ultimately have an effect on the high street in Jersey.

For us, States nursery would not be an option because we both work all year round and start work early in the morning before the nursery would be open. Our private nursery is open 7.30am-6.15pm. However, I note in any event the Education Department is considering whether this should no longer be free to those earning over £75,000.

In the UK a decision was made to increase the NEF funding to 30 hours per week beginning in September 2016. David Cameron is quoted as saying:

'My message is clear. This government is on the side of working people – helping them get on and supporting them at every stage of life. That is exactly why we are pressing ahead with these reforms - so that not a moment is lost in getting on with the task - going further than ever before to help with childcare costs, helping hardworking families and giving people the opportunity to get into work'.

The Minister for Education, Priti Patel is quoted as saying:

'Having the right childcare in place will mean more parents can have genuine choice, security and peace of mind when it comes to being able to support their family.'

Yet in Jersey, it would seem that the Education Department want to penalise these hard working parents and it certainly does not feel like the Government is on our side. The imposition of means testing for early learning years feels like a barrier for mums (or dads) returning to work and is a move backwards by the Education Department.

Any decision made to pay back the deficit of the government should not be at the cost of a child's education.

Kind regards

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