

# STATES OF JERSEY



## GRANT AIDED SCHOOLS: GRANTS (P.72/2011) – COMMENTS

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Presented to the States on 7th June 2011  
by the Council of Ministers

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STATES GREFFE

## COMMENTS

Education Sport and Culture’s original CSR proposals included reducing the subsidies to fee-paying schools over a 3 year period. This equates to an annual saving of £4.566 million by 2013 and contributes to ESC’s £11.1 million total CSR savings.

However, following discussions with the relevant schools during late 2010 and early 2011, the Department put forward a re-phasing of the subsidy reduction which, combined with some restructuring funds to facilitate the change within the schools, would achieve the original target, but by the extended deadline of 2016. This highlighted a shortfall in the original CSR target of £2.7 million by 2013, albeit made up by the savings in the following 3 years. The Council of Ministers endorsed this proposal and has been working with the Department to identify alternative savings to ensure the target of £65 million across the States is achieved by 2013.

The financial impact of Senator Shenton’s proposition is significant. It is unlikely that a White Paper can be published (paragraph (a)) and a debate ahead of the 2013 Business Plan take place (paragraph (b)) in time for subsidies to start to be reduced in 2013 (assuming the States approve such a move). Given this, no subsidy reductions for those schools mentioned in the Proposition can be achieved by 2013, that is, within the current CSR period. This shortfall equates to £4.2 million. Furthermore, another ESC CSR proposal sought to introduce a Property Occupancy Charge for these schools and, if P.72/2011 is successful, this proposal would also not be achievable. This would add a further £0.4 million to the shortfall, making a total of £4.6 million, and result in over 40% of ESC’s CSR savings being unachievable.

If Deputy De Sousa’s amendment is approved, the total impact on the £65 million savings target is £7.9 million comprising:

	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Shortfall on Subsidy Reduction	761	2,013	1,444	<b>4,218</b>
Property Occupancy Charge	-	80	320	<b>400</b>
<b>Total Impact of P72</b>	<b>761</b>	<b>2,093</b>	<b>1,764</b>	<b>4,618</b>
Non-Fee Paying Schools Proposals	-	-	3,300	<b>3,300</b>
<b>Total Impact of P72 plus Amendment</b>	<b>761</b>	<b>2,093</b>	<b>5,064</b>	<b>7,918</b>

Fee-paying and non-fee-paying schools comprise 58% of ESC’s budget, and excluding them from the CSR savings will place significant pressure on the non-educational element of the ESC budget to achieve that Department’s CSR savings target of £11.1 million. Alternatively, to ensure that the overall target of £65 million as approved by the States in the 2011 Budget is delivered, all other States departments would have to identify additional savings to bridge the shortfall.

**Statement under Standing Order 37A [Presentation of comment relating to a proposition]**

This comment was submitted to the States Greffe after the noon deadline as the Chief Minister was unavailable to approve it until after noon on Friday 3rd June.