

STATES OF JERSEY



MEDIUM TERM FINANCIAL PLAN 2013 – 2015 (P.69/2012): THIRD AMENDMENT (P.69/2012 Amd.(3)) – COMMENTS

**Presented to the States on 6th November 2012
by the Council of Ministers**

STATES GREFFE

COMMENTS

Deputy M. Tadier of St. Brelade proposes that total States net revenue expenditure and the net revenue expenditure of the Education, Sport and Culture Department shall be increased by £25,000 in each of the years 2013, 2014 and 2015 in order to provide additional funding for Language Assistants. This will have the effect of reducing the proposed surplus for the States to £682,000, £34,000 and £173,000 for 2013, 2014 and 2015 respectively.

The Education, Sport and Culture Department has already improved the provision for the teaching of French in secondary schools, and these improvements can be rolled out to primary schools once the facilities are embedded in practice. This provision has been improved by an investment of significant time, resource, new technology and partnerships with teachers at La Manche schools. The Department has also given primary school teachers additional training to deliver French in Upper Key Stage 2 (9–11 years).

However, the Council of Ministers recognises that there is a benefit in having sufficient resources for children to have access to native French teaching from language assistants from primary school age. The Education, Sport and Culture Department has indicated that they would be able to fund the additional teaching hours outlined in Deputy Tadier's amendment from within their existing resources.

On this basis, the Council of Ministers has asked the Minister for Education, Sport and Culture to provide this service from within existing budgets and, therefore, opposes the amendment.

Department Comments

Education, Sport and Culture (ESC)

The reduction in the funding for language assistants was part of ESC's CSR saving delivered in 2011. In order to offset the impact of these savings, there was investment in training for staff and new technologies. The paragraphs below are an extract from the proposition at the time and explain the position –

- *To further develop the teaching of French in our primary schools, the Education, Sport and Culture Department has invested significant time and resources over the past 2 years. This has resulted in the primary teaching resources being re-written, new assessment tools being developed to ensure progression into secondary schools, and 20 primary teachers receiving additional training to teach French in Upper Key Stage 2 (9–11 years).*
- *With the benefit of a further 20 primary teachers trained in teaching French, updated resources and curriculum and new technologies, primary schools should be able to compensate for the loss of one hour per week per school of language assistant support. For parents who wish their children to access further language development beyond the Jersey Curriculum there are other organisations available to support this.*

In addition, during the school year 2011/2012, over £20,000 was invested in video-conferencing equipment across all secondary schools who opted to participate (all States schools chose to do this). In-school training was provided for teachers and technicians to use this equipment. Alongside this, a conference was held in Jersey involving teachers of French in Jersey and teachers of English from La Manche schools. Partnerships have been established, and this school year should see structured links to develop French language.

When embedded, in practice these facilities will be accessible to be used by our primary schools to forge links with primary schools in La Manche.

These developments are fully supported by the Council of Ministers, but there is recognition of the benefit of having French foreign language assistant teaching in primary schools. The Education, Sport and Culture Department has indicated that they could fund the proposed additional funding of £25,000 per annum to fund 24 hours per week for French language assistants in primary schools.

On this basis, there is no requirement to support Deputy Tadier's amendment to the MTFP.

Council of Ministers' Key Themes

Key Theme – Growth

The States approved initial growth allocations in the 2012 Business Plan of £6 million in 2013 and £16 million in 2014. As part of the initial work on the Medium Term Financial Plan and the resource statement in the States Strategic Plan, a level of £26 million was proposed for growth in 2015 as part of the total States spending limits for the Medium Term Financial Plan.

Against these original growth allocations, the Council of Ministers received growth requests from departments amounting to almost £35 million. The growth requests also proposed that a higher level of growth was required in 2013 to address the immediate priorities of Getting People Back to Work, Economic Growth and Reform of Health and Social Services. In addition to the main growth bids, initiatives for 'Back to Work' and Employment projects (which may not be permanent and recurring) of £7 million by 2015 were also proposed.

The Council of Ministers and the Corporate Management Board conducted a significant prioritisation process with departments which attempted to reduce the requests to the level of growth funding available. The Treasury worked with departments to identify if there were other ways that the growth requests could be funded within existing spending limits. Departments were encouraged to reprioritise existing services and identify efficiency savings wherever possible.

The Council of Ministers then went through a process of 7 iterations. A fully funded package of proposals was agreed which will prioritise the growth bids, taking into account changes to resources that the Treasury could identify, to help deliver the Strategic Priorities.

The prioritisation process dovetailed with the work being carried out by a number of Ministerial Oversight Groups, for example on Health and Social Services and Housing Transformation. White Papers were due to be published, and the MTFP has been

prepared to be consistent with what will be proposed, without in any way pre-empting the support of the States for the funding proposals in the MTFP.

The Council of Ministers considered that there remained a priority to find additional funding for Reforming Health Services, Getting People Back to Work and Stimulating Economic Growth, and proposed to allocate all available growth in the Medium Term Financial Plan. This was not the original plan, which would have left some growth available to allocate in future years, but the immediate funding of these initiatives in 2013 was felt to be vital to provide a stimulus to employment, the economy and also to begin the essential reform of Health and Social Services.

The Council of Ministers was conscious of the need to provide some future flexibility, especially for 2014 and 2015, and this has been achieved, for example through the provision of contingencies and the agreement of the £222 million capital programme on an annual basis.

The Council ultimately considered 3 final options –

- All prioritised growth bids to be included in MTFP;
- Removing selected growth bids to get closer to a fully funded position;
- Removing all 2013 growth except Health and Social Services.

One of the Council of Ministers' key resource principles is to maintain a balanced budget position and deliver affordable and sustainable public services, and this determined the final option, which required a final prioritisation process to select growth bids to be removed and not funded as part of the Medium Term Financial Plan proposals. These removed or deferred growth bids amounted to £11.6 million in 2013, £7.4 million in 2014 and £5.1 million in 2015.

Financial implications

The amendment proposes that the total States net revenue expenditure and the net revenue expenditure of the Education, Sport and Culture Department shall be increased by £25,000 in each of the years 2013, 2014 and 2015 in order to provide additional funding for Language Assistants. This will have the effect of reducing the proposed surplus for the States to £682,000, £34,000 and £173,000 for 2013, 2014 and 2015 respectively.

Additional funds will be withdrawn from the Consolidated Fund in these years, leaving less flexibility available in future years.

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

These comments were forwarded to the States Greffe later than noon on Friday 2nd November 2012 as, after the Council of Ministers' meeting on Thursday 1st November, it was necessary to arrange meetings in an attempt to identify an acceptable solution to meet Deputy Tadier's objectives.