

BUDGET 2003: AMENDMENT (P.212/2002) - COMMENTS

**Presented to the States on 19th November 2002
by the Health and Social Services Committee**



STATES OF JERSEY

STATES GREFFE

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Comments

The Health and Social Services wishes to lend its support to Deputy Southern's proposition to reinstate the funding for the school milk service from central reserves and placing responsibility for the administration of the fund with the Agriculture and Fisheries Committee. In doing so, the Committee would like to clarify its own position on this matter.

As the House will recall, the responsibility for administering the funding of school milk was transferred from the Education Committee to the Health and Social Services Committee in 1998 after the Education Committee announced its decision to withdraw the Service. The House intervened to retain the service and funding was found from the Treasury to continue the provision under the administration of Health and Social Services.

This remained the position until the request earlier this year for Committees to identify 2% savings from within their existing budgets to fund growth in the 2003 revenue budgets. Because the provision of school milk was now placed under the administration of a Committee which faced significant challenges in meeting important unfunded needs within essential health and social services, the funding of school milk was identified among the savings to be surrendered and this decision was subsequently endorsed by the States decision conference process in April of this year.

On reluctantly making this decision, the Health and Social Services Committee remained intent upon pursuing talks with the Finance and Economics Committee to increase its revenue allocation for 2003 which would have allowed the Committee to consider reinstating the school milk service from within an increased budget. When these discussions proved to no avail, the Committee then sought to bring a proposition to the States for the creation of a Health and Social Care Modernisation Fund which, if established, would have provided another option for the ongoing funding of school milk. However the States decided, at the request of the Finance and Economics Committee, not to debate the proposition pending the outcome of the Health Care Funding Review which has only just been published.

The Health and Social Services Committee, responsible as it is for providing essential health and social care services for the local population, and facing serious financial pressures as a result of persistent underfunding of budgets over recent years, had no alternative but to surrender the provision of school milk as a service which is low in priority against the other essential health and social services which the Island requires. In the context of such important fundamental health services it is inevitable that school milk was allocated a relatively low priority and deemed a non-core service.

However, the Committee is also well aware that the Island faces wider issues of concern to its future and its industrial stability and it acknowledges that the financial stability of the Dairy Industry is high on *that* list of priorities. It also acknowledges that had the original budget for school milk, now surrendered to the Treasury to fund growth in 2003, rested under the Agricultural and Fisheries Committee, that Committee may well have given the service a much higher priority and also deemed it an important core service within its particular area of responsibility. The Health and Social Services Committee, in acknowledging these wider considerations and in reflecting that the original decision of the States to place the budget within a beleaguered health budget unwittingly rendered it victim to the new budgetary processes and constraints, is minded to support the proposition brought by Deputy Southern.

However, in doing so the Committee wishes to make clear that the funding for the Service has been surrendered to the Treasury as of the end of the current financial year, and if the service is to be restored new funding will have to be identified for the purpose. Any attempt to force the Health and Social Services Committee to find the funding from within its 2003 revenue budget can only result in the Committee having to make cuts in essential health services to the public. That would be quite unacceptable at a time in which the Committee is struggling to meet significant demands for funding from a range of charitable and voluntary partners, as well as its own Service Areas, all of which are providing much needed and essential services to the local population.

In the event that Deputy Southern's amendment is defeated, the Committee is of the view that the Agriculture and Fisheries Committee, or its successor, should bring a substantive proposition to the States to restore the Service as we are aware of the grave issues which are facing the Dairy Industry at this time.