

STATES OF JERSEY



PROPOSED GOVERNMENT PLAN 2022- 2025 (P.90/2021): SEVENTEENTH AMENDMENT

TARGETED NURSERY EDUCATION FUND FUNDING FOR 2-3 YEAR OLDS

Lodged au Greffe on 30th November 2021
by the Children, Education and Home Affairs Scrutiny Panel

STATES GREFFE

PROPOSED GOVERNMENT PLAN 2022-2025 (P.90/2021):
SEVENTEENTH AMENDMENT

1 PAGE 2, PARAGRAPH f –

After the words “set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report” insert the words –

“, except that, in Summary Table 5(i) – 2022 Revenue Heads of Expenditure, the Head of Expenditure for Children, Young People, Education and Skills shall be increased by £750,000 in order to allow for targeted support for nursery provision for 2–3-year-olds from the Nursery Education Fund from September 2022”.

CHILDREN, EDUCATION AND HOME AFFAIRS SCRUTINY PANEL

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

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

to receive the Government Plan 2022 – 2025 specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2022 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law
- b) to approve the Changes to Approval for financing/borrowing for 2022, as shown in Appendix 2 – Summary Table 3 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approvals;
- c) to approve the transfers from one States fund to another for 2022 of up to and including the amounts set in Appendix 2 – Summary table 2 to the Report, noting that the transfer from the Consolidated Fund to the Technology Fund is subject to the Assembly’s approval of a proposition to create such a Fund in 2022, in line with Article 9(2)(b) of the Law;
- d) to approve each major project that is to be started or continued in 2022 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 - Summary Table 4 to the Report;
- e) to endorse the efficiencies and other re-balancing measures for 2022 contained in the Government Plan as set out in Appendix 2 Summary Table 6 and reflected within each gross head of expenditure in Appendix 2 – Summary Table 5(i);

- f) to approve the proposed amount to be appropriated from the Consolidated Fund for 2022, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report, except that, in Summary Table 5(i) – 2022 Revenue Heads of Expenditure, the Head of Expenditure for Children, Young People, Education and Skills shall be increased by £750,000 in order to allow for targeted support for nursery provision for 2–3-year-olds from the Nursery Education Fund from September 2022”.”.
- g) to approve up to £480 million to be appropriated from the Consolidated Fund for the Past Service Pension Liabilities Refinancing head of expenditure, subject to the availability of funding, which may include, in full or in part, use of the borrowing/financing referred in paragraph (b);
- h) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2022 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 7 to the Report;
- i) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2022 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 8 to the Report;
- j) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2022 as set out in Appendix 2 – Summary Table 9 to the Report;
- k) to approve an amendment to the policy of the Strategic Reserve Fund to enable that Fund to be used as a holding Fund for any or all monies related to the repayment of debt raised through external financing, with the monies used to offset the repayment of debt, as and when required; and
- l) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2022-2025, as set out at Appendix 3 to the Report

REPORT

The Panel has agreed to bring forward this amendment in response to information provided to it by the Minister for Children and Education in respect of its review of the Proposed Government Plan 2022-25. The Panel has brought forward a separate amendment in respect of Early Years funding, specifically in order to provide additional funding to meet the estimated maximum costs of 3–4-year-olds accessing the Nursery Education Fund (NEF) in 2022. That amendment, if adopted, would increase the funding allocated to the Improving Educational Outcomes: Early Years project to £3.32 million in 2022 (an increase of £2.05 million to that allocated in the Proposed Government Plan) which would be allocated to the Heads of Expenditure for Children, Young People, Education and Skills (CYPES).

This amendment sits separately to this and seeks to provide additional funding for one specific policy within the recommendations of the EYPDB.

The Panel notes that one of the policy areas recommended in the EYPDB report is as follows:

Policy 3 - The Board recommends a Best Start Plus part-time early education offer for 2 – 3-year olds, initially to children at risk of disadvantage.¹

Whilst undertaking information gathering in relation to its review of the Government Plan, the Panel requested an estimate of the funding implications associated with all six of the policy areas identified in the EYPDB report. In respect of Policy three as outlined above, the Panel was provided with the following information:

*The requirement for this area of policy development will be significant in order to have the greatest benefit. Although a fully costed and accurate model of funding is not possible due to many variables that need to be agreed (e.g., an appropriate hourly rate to fund providers, how many hours of nursery would be funded, how many children will be eligible), an estimate of £1.8 million was made in the previous Government plan.*²

However, due to the decision to extend the Nursery Education Fund (NEF) hours allocated to 3-4-year-olds from 20 to 30, and the decision to increase the hourly rate for these hours (increased to £6.70 per hour), alongside the reduction of £1.43 million to the funding of Early Years agreed in the Government Plan 2021-2024, the impact on this policy area has been that all funding identified in the Proposed Government Plan has been diverted solely to funding 3-4-year-old NEF hours.³

It was also noted in the response from the Minister that, had the reduction of funding in 2021 and increase in hours and hourly rate not taken place, an additional £1.84 million would have been available to extend the NEF funding to 2-3-year-olds on a targeted basis.⁴ Further to this, the Minister confirmed that, without further work being undertaken to bring forward an implementation plan for the EYPDB report, the best estimate at present in relation to the funding required to purchase these hours in the private sector is £2.25 million.

¹ Early Years Policy Development Board Report – p.8

² Letter – Minister for Children and Education – 22nd November 2021

³ Letter – Minister for Children and Education – 22nd November 2021

⁴ Letter – Minister for Children and Education – 22nd November 2021

The Panel's amendment has therefore sought to provide funding of £750,000 (a third of the total estimated cost of £2.25 million) to allow for further work to be completed to identify the full costs of purchasing these hours, whilst at the same time providing for the scheme to be accessed from September 2022. This would also allow time for consultation with private nursery providers and discussions to take place in respect of the required level of funding from 2023 onwards.

The Panel believes that this increase in funding to support the implementation of policy three of the EYPDB will support the policy intentions of the Minister in this regard and resource it so that targeted NEF support for 2-3-year-olds can be in place for September 2022. This is in direct support of the Common Strategic Priority 'Putting Children First', and the Panel would urge Members to support the amendment

Financial and manpower implications

The financial implications of this amendment would require the Council of Ministers to ensure that an additional £750,000 is allocated to the Heads of Expenditure for Children, Young People, Education and Skills in 2022 through increased borrowing or other sources. Subsequent Government Plans will need to ensure that any recurring funding identified from the additional £750,000 is allocated as well.