



Scrutiny Office

Education and Home Affairs
Scrutiny Panel
Nursery Education Fund

WEDNESDAY, 6th APRIL 2016

Panel:

Deputy L.M.C. Doublet of St. Saviour (Chairman)

Deputy S.Y. Mézec of St. Helier

Deputy J.M. Maçon of St. Saviour

Deputy T.A. Vallois of St. John

Witnesses:

The Minister for Education

Chief Education Officer

Director of Policy and Planning

Director of Resources

[12:05]

Deputy L.M.C. Doublet of St. Saviour (Chairman):

We will begin. Good afternoon, everybody. My name is Deputy Louise Doublet. I am chairing this hearing today and we are the Education and Home Affairs Scrutiny Panel. Before we begin, I would really like to thank the members of the public who have been involved so far in looking at this issue. We have had so many people contact us and this is what Scrutiny is for, to be the voice of the public, so thank you for making the most of the Scrutiny function and helping it to work effectively. Could everybody please just have a look at this code of behaviour? I think there is

some scattered around on chairs. The first thing to do is make sure all mobile phones are switched off, please, and we would be very grateful to keep the room as quiet as possible so that the Minister's responses are picked up on the recording here. I think the media are only filming for the first 5 minutes, am I right about that? Yes, and then they will not be filming after that, the recording.

Member of the Public:

Could you give us an assurance that the media are only taking pictures of the public with the public's permission, please?

Deputy L.M.C. Doublet:

Yes, I think we will be addressing that, there should not have been any members of the public filmed, so we will make sure that we iterate that message to the media after as well. So the purpose of this hearing is just to hear from the Minister. You are very welcome to observe and there will be an opportunity for you to speak to us next Wednesday evening at the Pomme d'Or Hotel from 7.00 p.m., so do come along if you would like to speak to us. Of course there is always the option to phone us or email us, as many of you, I assume, have done already. I just want to thank our officer, Mick, before we begin, who has dropped everything for the last 2 weeks and worked just on this and gone above and beyond, so thank you, Mick, for that. I will let my panel introduce themselves.

Deputy J.M. Maçon of St. Saviour:

Yes, good afternoon, everyone. Deputy Jeremy Maçon of St. Saviour, Petite Longueville.

Deputy S.Y. Mézec of St. Helier:

Afternoon. Deputy Sam Mézec of St. Helier No. 2, panel member, and Chairman of Reform Jersey.

Deputy T.A. Vallois of St. John:

Tracey Vallois, Deputy of St. John and a panel member.

Scrutiny Officer:

Mick Robbins, Scrutiny Officer.

Deputy L.M.C. Doublet:

Minister, welcome to the hearing. Could you please introduce yourself and your officers?

The Minister for Education:

Certainly. Good afternoon, my name is Deputy Rod Bryans, the Minister for Education.

Chief Education Officer:

Afternoon. Justin Donovan, Chief Education Officer.

Director of Policy and Planning:

I am Keith Posner, Director of Policy and Planning at the department.

Director of Resources:

I am Christine Walwyn, Director of Resources.

Deputy L.M.C. Doublet:

Okay, so it is just about 12.10 p.m. now. We are aiming to finish at 1.30 p.m., but we do have some flexibility for an absolute finish of 2.00 p.m. I know there are some people with children in here. If you do need to pop out, you are very welcome to do so, and that goes for anybody else. If you do need to leave, just do so as quietly as possible, please. Minister, we have got quite an extensive list of questions here for you, so as always, we need the answers to be to the point and as direct and brief as possible, please. You may find that we do move you on if we need to so that we can cover all the areas of concern. Could you also make sure that you speak up? I am trying as much as possible to project my voice so that everybody can hear, because that was raised as a concern at one of our previous hearings, so please feel free to raise your hand if you cannot hear us as well. Minister, there is a statement in front of you. Have you read and understood it?

The Minister for Education:

I have indeed, yes.

Deputy L.M.C. Doublet:

Okay. The first question, could you just please give a yes or no answer, Minister? Are you aware of the public response to your recent proposal?

The Minister for Education:

Yes.

Deputy L.M.C. Doublet:

Okay. As a result, do you intend to withdraw the proposal?

The Minister for Education:

No.

Deputy J.M. Maçon:

I wonder then if you could elaborate for us, for the record, what is the Minister's intention? What does the Minister want to achieve by these changes?

The Minister for Education:

I think all States Members will be aware of the situation we find ourselves in with the structural deficit. We have been looking at this for some time, over the last year or so, with regard to the priorities that we need to establish to make cuts in savings in various areas. This was the last and probably the most emotional, I understand that, and I sympathise quite deeply with the people who are in here today and the public in general, but it was seen that we had unsustainable nursery education funding that needed to be addressed and we also realised that we had to make some cuts. It is the same pie for everybody, so it is where we make a cut. If we cut from somewhere else, it means that if we want to give it to one place, we have to cut from somewhere else.

The Deputy of St. John:

Sorry, Minister, you said you had to give it to one place. Where are you diverting the money to then?

The Minister for Education:

In this particular case, special educational needs is receiving a very similar amount of money from where we cut from this particular place moving forward.

Deputy L.M.C. Doublet:

What is the exact sum of money that you are diverting to special educational needs?

The Minister for Education:

I think there is a growth bid in for £90,000 for this year, but Christine will know.

Director of Resources:

If you remember the last hearing, we spoke about our growth bids. It is the growth bids that we are talking about, the money that has been diverted and that is where we have to make savings.

Deputy L.M.C. Doublet:

So this cut to the Nursery Fund is part of your planned cuts that the Council of Ministers have agreed, that is what this is part of?

The Minister for Education:

Yes. I understand the concern obviously from everybody. Having just come back yesterday, I was not aware of everything that was going on, but we have been looking at this for over a year. First of all, we had gone through various different ways of looking at it, removing it altogether, breaking it down, so possibly just offering 15 hours and so on and so forth, but it was felt as we went through that process that this was perhaps the least obstructive of things.

Deputy S.Y. Mézec:

Minister, in the letter which you sent to the private sector providers you said, and I quote: “A great deal of this is as a result of changes in the U.K. (United Kingdom) that we have had to follow” but how do you reconcile this with the fact that the U.K. has recently passed the Childcare Act 2016, which provides for 30 hours’ free childcare entitlement for children ages 3 and 4?

The Minister for Education:

Yes. The U.K. is different to the way we operate and we have had a look at what the U.K. does. Principally what we are talking about is raising the standards, to some extent. So we have a different budget, we have a different way of looking at things than the U.K. and we wanted to preserve, as much as we could, the 20 hours for those who are the most vulnerable, but we had to make the cut in some area to do that.

Deputy S.Y. Mézec:

Just to be clear then, when the letter says: “A great deal of this is as a result of changes in the U.K. that we have had to follow” you are actually doing the opposite to what the U.K. is doing, you are reducing entitlement, where the U.K. is increasing entitlement? That is the case, is it not?

The Minister for Education:

No, that is a very simplistic overview in terms of the figures.

Chief Education Officer:

I think it is important, if you look at the nature of the education budget here, it is difficult to compare to the U.K. I think there are 2 very important characteristics of the education budget here in Jersey which is relevant to this discussion and probably other discussions we will have in the coming months.

Deputy L.M.C. Doublet:

As briefly as possible, please.

Chief Education Officer:

Briefly as possible, okay. The first thing to bear in mind is the budget here in Jersey compared to, for example, the local authorities to which you refer, is constrained. Our budget is broadly similar, but before we start, we take 18 per cent off the top to pay for higher education and further education. That does not happen in the U.K., where you are quoting. So already we start with a very constrained budget. The second point I would make is our budget - it is not a criticism, this is an observation - because of the level of selection here on the fee-paying, if you look at the way we spend money in education here, those children with least need have the most money spent on them and those with greatest need have the least money spent upon them. Therefore when you take a budget of £100 million, and we need to take about 8 per cent out, already missing 18 per cent, it is very important that we focus these savings on those areas to avoid the most needy children. This is an example of that. This is us saying: "We are currently spending £1.9 million on a non-statutory function for the right reasons. We cannot afford that to continue, so we are going to reduce it around about £1.6 million, but focus on those families on the lower incomes."

Deputy L.M.C. Doublet:

So are you making an assumption that it is only children whose parents earn less than £75,000 that are in need of early years' education before they go to reception?

Chief Education Officer:

No, we might have to disagree. What I am saying is parents on £20,000, £30,000, £40,000 combined income have a greater need for this money than parents on £75,000, £100,000, £150,000, £200,000. By reducing the level of payment to £75,000, what we are doing is saving on non-statutory budget, but focusing, in my view, on the most needy children.

[12:15]

You might disagree with that, but my view is, on the whole, children are more needy from families who are earning less than that.

Deputy S.Y. Mézec:

So the money which is being saved by this is being redirected at those at the lower end of the scale, is that what you are saying?

Chief Education Officer:

Broadly, because what we are doing there, we have got growth bids which are focused on the most vulnerable, pupil premium, special needs, as the Minister just said, particularly for very young children and the savings were made ...

Deputy S.Y. Mézec:

But this specific money which is saved by this, is that money being redirected or is it just a cut?

Chief Education Officer:

It is not as simple as that. We have got an overall budget and we have to balance it out. If we do not take the cut here, we cannot afford to put the money into pupil premium and the work we are doing with our most vulnerable children. It is one pot of around about £100 million, however you cut it, and we have some growth and we have some savings. We do not get our growth if we do not make our savings, so in that sense, yes, you are correct, by making these savings it makes possible investment elsewhere. The idea here is maintain our statutory services, which I think - I am biased, so I would say this - should have more money spent on them, I will always say that, and focus the money we have got on the most needy children. Although there is an impact on families and that is something we would love to avoid, but what we are saying here is we are retaining the fund and focusing it on the most needy children. We will still be spending £1.6 million.

Deputy L.M.C. Doublet:

I know you are saying it is over-simplifying, but the public would like to know if there has been something available to them, and now it is not because savings have to be made, they would like to know what is going to be done with the money that is saved. Minister, can you please try and answer that question for the public?

The Minister for Education:

I think the Director has already answered it to some degree, which is it is placing it back where it is most needed, in the most vulnerable areas, which is special educational needs, more than anything else.

The Deputy of St. John:

But technically you are not getting any growth, what you are doing is providing a nil position, so you are being asked to make the savings in order to put the money somewhere else. I mean, it is just accountancy speak, so in actual fact what you are doing is taking the money from the Nursery Education Fund and putting it into special needs.

Chief Education Officer:

In effect, or pupil premium. I mean, what we cannot do is we cannot invest money in the pupil premium, in special needs for nursery children - and the list goes on - without making our savings so it balances out. You are quite right, this does give us a broadly net budget through the M.T.F.P. (Medium Term Financial Plan), but to be fair to the politicians here and the Council of Ministers,

that is protecting education, because other departments are making very significant cuts in their expenditure. At a time when you have taken £145 million out ...

The Deputy of St. John:

Yes, but health and education are a strategic priority of the Council of Ministers and there is a significant amount going into health, and yes, they are making savings, but not to the scale that education are. So what fight is the Minister making at the Council of Ministers to make that point?

The Minister for Education:

I think you would have heard some of the fights yourself, you were privy to it in your original role ...

The Deputy of St. John:

I have been there, I have done that, yes.

The Minister for Education:

Yes, and I think that is the point, we do explicitly make a lot of noise about this situation. I am not coming here to sort of defend these on the basis that this is something that the Council of Ministers have orchestrated. This is very difficult, we knew it was bad news, it is bad news for everybody in terms of the context and the people. It is very emotional. I would love to be in a position where I did not have to make these sort of cuts and changes, but we are where we are.

Deputy L.M.C. Doublet:

Minister, it is clear that obviously you admit this is bad news and it is not something that you would have wanted to do. If it is clearly something that you do not think is going to have a positive impact on children, why have you not told the Council of Ministers: "You cannot make these cuts to education"? Why have you not taken that step?

The Minister for Education:

No, we have worked hand in hand with the Government in terms of telling them right from the beginning - again, I think Deputy Vallois would have heard it in her role as Assistant Minister - all the considerations that we put on the table. I work very closely with my Finance Director and my Project Director to look at where we can make these cuts and changes and then to identify which are the ones that are most effective.

Deputy L.M.C. Doublet:

So about this specific cut that you are making, what discussions have there been between yourself and the other Ministers about this particular cut?

The Minister for Education:

I think I have just said, it goes back almost over a year now they were initiated, that we said in terms of what we would have to produce for the figures that were first discussed. We looked at various options. They were always discussed with the Council of Ministers and it is only in the last week or last 2 weeks that it was signed off by the Council of Ministers.

Deputy J.M. Maçon:

So this has the backing of the full Council of Ministers, this proposal?

The Minister for Education:

Yes.

Deputy S.Y. Mézec:

Did you say it was a year that this has been on the table?

The Minister for Education:

The Council of Ministers, when we first got into looking at the situation with the strategic £145 million, it grew and grew and grew, so we looked at £60 million, it rose to £100 million and then £145 million. All the way along we have been playing our part.

Deputy S.Y. Mézec:

But this as a specific measure?

The Minister for Education:

This as a specific measure was ...

Deputy S.Y. Mézec:

Cutting from £75,000 a year free nursery provision, this has been on the table for a year, is that what you are saying or has this evolved to ...

The Minister for Education:

I think, no, not that specific.

Deputy S.Y. Mézec:

How long has it, as a specific proposal, been on the table for then?

The Minister for Education:

I would think about 6 months.

Deputy S.Y. Mézec:

Six months? Right, okay.

Deputy L.M.C. Doublet:

So every single Minister would have known this was coming?

The Minister for Education:

Yes.

Deputy L.M.C. Doublet:

Have you got documentary evidence of the meetings that this has been discussed in?

The Minister for Education:

If it is discussed in the Council of Ministers, it is always documented.

Deputy L.M.C. Doublet:

We would like that forwarded to the panel, please. Obviously we understand it is confidential.

Chief Education Officer:

If I could just add one point of clarification. Ministers are aware of this, it was discussed in some length, but along with many, many, many other proposals and it would be very difficult if you stop a Minister and say: "Do you remember this one?" You have to go back to the paperwork, so it is part of a spreadsheet. You cannot take £145 million out of the system without an awful lot of detailed savings and they all been discussed line by line on the spreadsheet. So this was one of many proposals that have been discussed over a long period of time.

Deputy L.M.C. Doublet:

So are there other savings that you will be bringing forward imminently?

Chief Education Officer:

We still have to make additional savings and we have not yet finalised what they will be.

The Deputy of St. John:

If the saving is the ultimate aim, who have you spoken to outside of the department to establish where else this saving could come from? What other options were on the table?

Chief Education Officer:

We looked at everything. We took all of our managers away, spent a whole day looking through every single line, so we went through a zero-based budgeting process, twice we looked at that. We had an external consultant in to go through our budget with us line by line.

The Deputy of St. John:

How much did that cost then?

Chief Education Officer:

It was funded centrally by the Council of Ministers. I think everyone is aware of the fact that Kevin Keen was employed to work with us to try and find these savings. He spent a lot of time going through our budget with us line by line, very helpfully. What you cannot do is take 8 per cent out of an education budget without there being consequences.

The Deputy of St. John:

No, but surely this is the issue though, it is not about taking a certain percentage from each department or a certain requirement. This is the mistake that the last C.S.R. (Comprehensive Spending Review) made in terms of salami-slicing. My question therefore is in terms of what else was on the table outside of education and what discussion was there to look into possible tax changes, possible removal of funding from various other funds that we dish out?

Chief Education Officer:

They were the papers in those original meetings you were at, and there is just a whole range of discussions.

The Deputy of St. John:

But at the meetings I was at, this was not on those papers and I read those papers thoroughly.

Chief Education Officer:

It has been on the papers for a year.

The Deputy of St. John:

This was not on there.

Chief Education Officer:

The review of the N.E.F. (Nursery Education Fund) has been on there right from the beginning.

The Deputy of St. John:

Review of N.E.F., but not the specific amount.

Chief Education Officer:

Not the specific amount.

The Minister for Education:

Not the specific proposal, which is what the Deputy has set out at the time.

Chief Education Officer:

But reducing the N.E.F. budget has been on the table for a very long time, over a year, and we looked at various ways. One way is to remove it completely, because it is non-statutory. We looked at reducing the hours and then in the end we decided the hours are important, so we went for the means-testing.

The Minister for Education:

To go back, Deputy Mézec was asking about the specific proposal. It was mooted at £60,000 and then I was not particularly happy with that situation. That then went up to £90,000, but it dropped back to £75,000 through those discussions over that 6-month period.

Deputy J.M. Maçon:

If I can rephrase Deputy Vallois' question then, where has the joined-up Government been in this particular proposal? Has no other Minister come forward and said: "We would prefer a cut from our budget than it coming from this fund"? Has that not occurred?

The Minister for Education:

There was a massive amount of deliberation that happened since this whole process began, since we all became the new Government and became aware of the deficit and the growing deficit. We have had, as the Director has already described, lots of meetings where we had to all come forward and declare what we thought were palatable cuts at that point in time. So as the Director said right at the very beginning, N.E.F. was on that documentation. It is not the thing we would like to do, but in this situation we found ourselves having to. This was rising up the agenda.

Chief Education Officer:

To be fair to other Ministers, I am not a politician. Other Ministers are taking very substantial cuts in their spending to allow us to remain broadly flat, so in a sense the answer to your question is yes, other Ministers are making very substantial cuts and their budgets will reduce between now

and 2019 very significantly indeed, allowing us to remain flat. So other Ministers have participated in protecting education against the cuts that other departments have had to make.

Deputy S.Y. Mézec:

Minister, do you accept the anger that there may be from members of the public when they read the paper regularly and see expenditure which many of them would consider to be wasteful, for example, travel expenses for top level civil servants, and then pick up the paper one day to find out that a provision, which for their families matters a lot, is going to be cut, when for them they do not appear to see some of the easy savings, they might say, in other departments' budgets? What are you doing as a Minister to relay that public view and say to the other Ministers around the Council of Ministers' table: "I do not want to be making these decisions, but you need to be looking at the wasteful spending in these areas instead, because that is what the public would expect"?

The Minister for Education:

That was a very convoluted question, but I think the first answer to what you are asking is yes, I am annoyed that we are in a situation that we see profligate spending in particular areas that we are not comfortable with. To follow on from your question, if I have read it right, do we discuss these, is the review with regard to what you have just mentioned, and I think talking about travel expenses and that sort of thing, there is a review underway and we will bring those people to account. So yes, it is very uncomfortable to be in this position, and just to highlight the fact that I have got a 10-month old granddaughter with the contemplation of another child on the way, so I am very acutely aware of the situation in terms of emotionally how this affects all these people in this room.

Deputy L.M.C. Doublet:

Do you think it is good enough though, Minister? I hear that you are saying you are aware of these things and that you are having the discussions. Do you think it is good enough that you have not managed to convince the other Ministers not to cut your budget and to protect the children of the Island, as that is your role as Education Minister? Do you think it is good enough that you have failed to do that?

The Minister for Education:

I have done what I can do in terms of where I stood up in the Council of Ministers and I think the Chief Minister described me as "not a shrinking violet." I certainly have voiced my concerns about one place or another, but as the Director says, there are other departments taking massive cuts.

Deputy L.M.C. Doublet:

But do you think you have done enough?

The Minister for Education:

That is for the public - or yourselves even - to question, but I think at this moment in time, yes.

The Deputy of St. John:

Just how does the Minister round that with what happened in terms of the budget then? The Council of Ministers decided to increase the childcare tax relief by £2,000, losing £100,000 in revenue, but yet we are going to cut the Nursery Education Fund by £250,000. The argument for the childcare tax relief and from the Nursery Education Fund go hand in hand, surely?

Chief Education Officer:

I do not quite understand the point.

Deputy L.M.C. Doublet:

We would like to see how it all fits together.

The Deputy of St. John:

How does it all fit together?

The Minister for Education:

You are asking about the holistic overview of ...

The Deputy of St. John:

The Council of Ministers have brought in an increase in the childcare tax relief, which loses £100,000 in revenue, but yet the Education Department are now taking away 20 hours' free nursery for over £75,000 earners in order to make up a saving of £250,000. How does it work? How does it work in together as an overall policy, as strategic direction?

The Minister for Education:

Each department will make their own considerations and judgments as we move forward. As I have already explained from the beginning, we were already looking at cuts, quite considerable cuts, that grew and grew and grew. What we tried to do as Ministers is discuss it, and you yourself will know that we discussed it a great deal with Social Security to make sure there is some sort of balance and equity between what we are doing, but equally, it is up to each department then to put forward what they think they can do in terms of that.

Deputy L.M.C. Doublet:

So you are saying there is still this way of working, of each department being its own silo and working separately, that is still a problem in our system?

The Minister for Education:

No, I have not described it as a silo, they are your words. I think there is some way to go to greater communication within the Council of Ministers, but I think it is proving much more effective than it was.

Deputy L.M.C. Doublet:

This is an example of it being more effective?

The Minister for Education:

Probably not, from your perspective, I would not have thought.

Deputy S.Y. Mézec:

Minister, you said before that you are looking at lots of other potential savings and this is one that to us seems to come out simply on its own.

[12:30]

Is it part of a broader package, and if so, what other savings alongside this are you looking at making and can we expect unpleasant surprises in the M.T.F.P.?

The Minister for Education:

I do not think there is any ...

Chief Education Officer:

We are short of our £8 million-ish, because bear in mind the target we have set is around £8 million, so we are working on £8 million. We are still short of around about £1 million that we need to bring forward in terms of savings, so we are going through every single budget. For example, we have reduced the management costs across the system, so we have taken very senior posts, deleted them and not replaced them, so we have got fewer people doing the same amount of work. We have reduced the management systems in, for example, Highlands College, we have taken £500,000 out of that. So we are still trying to squeeze everywhere we possibly can to avoid further bad news, but we cannot reassure you that might be the case. We have still got between now and early spring to come up with another £1 million worth of savings, roughly speaking.

Deputy S.Y. Mézec:

So when the extra sections of the M.T.F.P. come out, we can expect there to be some surprises which some people will find controversial and not welcome?

Chief Education Officer:

As we bring proposals forward, we will reduce. We are not going to hang on, as soon as we have made a decision on something, we will make it available. We wanted, for example, to bring this to light quickly, because we took the decision and this gives a year and a half notice before this kicks in, so it gives parents and the commercial sector some notice. So as soon as we make decisions, we want to make them available to the public. Hopefully therefore when the M.T.F.P. is discussed there will not be any surprises, but we are still working very hard to squeeze the budget wherever we can.

Deputy J.M. Maçon:

We have heard that the motivation to this was in order to meet budgetary pressures. Are there other drivers behind these changes, and if so, what are they?

Chief Education Officer:

No, simply we have to make some savings and so the driver behind this, it is an issue ...

Deputy L.M.C. Doublet:

That is fine, that is fine. No, that is fine.

Chief Education Officer:

No, there is another issue. It might be worth pointing out, Keith, in terms of we need to get some control of the N.E.F., because if we do not restructure it, it will continue to grow and so therefore additional costs will play into our hands. It might be worth asking Keith to ...

Director of Policy and Planning:

Yes, we have about 70, 80 children who currently are in what we call private nurseries, do not get N.E.F. funding, do not get States funding, the private schools that do not get grant funding from reception onwards. They are not part of the scheme at the moment. Now, there is no reason why they cannot apply for the scheme. They have not yet, but if they did, that would increase our costs quite considerably, about £250,000 to £300,000, and we have to be mindful of that. The vast majority of parents who will be sending their children to those schools at the moment that are paying for nursery will be earning a substantial amount of money.

Deputy L.M.C. Doublet:

So 80 children coming into your system would cost you £250,000 to £300,000?

Director of Policy and Planning:

Yes, additional children, so we do not fund them at the moment. So if those nurseries became registered tomorrow for the N.E.F., we would then have to pay for it.

Deputy L.M.C. Doublet:

Okay, yes. Minister, you said in your press release that you want to save £250,000 and it will affect 100 families. Have you done the sums on this?

Director of Policy and Planning:

Yes, these are families that are not part of the scheme at the moment. By introducing the means-testing, it would prevent the funding of those nurseries, or the individuals within the nurseries, and the vast majority, if not all of those, would be above the threshold because these are the private prep schools, where they have nurseries at the moment which are not States-funded.

Chief Education Officer:

Both issues are financial. They are not ideological or philosophical, purely to get our budget under control.

The Deputy of St. John:

How did you determine then that £75,000 was the right number?

Chief Education Officer:

We spent a long time looking at this and as the Minister said, we kind of tried to get a balance. So we took average earnings, we took average household earnings and eventually we looked at the median for household income for families with under-5s in them, and that is just under £53,000. So the median household income for a family with under-5s, at least one under-5, is £52,900, somewhere around £53,000. Therefore we wanted to be well above that and so we went to £60,000 and then £75,000. We also looked at £90,000 and £100,000, but if we do that, the savings we will make will not be sufficient, they will come down to £100,000, £150,000. So to make the savings we need, I think we have got the balance right here, so that if we have got families at the median or slightly or well above it, they will not be caught by the £75,000 threshold. So that is the thinking behind it.

Deputy L.M.C. Doublet:

Minister, just to clarify, you are intending to target the high-earning families and protect the more vulnerable lower-earning families, that is what you are intending to do?

The Minister for Education:

Yes, in that context.

Deputy L.M.C. Doublet:

Okay. Are you aware of what the average income is in Jersey?

The Minister for Education:

Yes.

Deputy L.M.C. Doublet:

Can you say, for the record, what it is?

The Minister for Education:

Yes, I have got it down here as a figure, £35,360.

Deputy L.M.C. Doublet:

So do you consider £75,000 as a joint income for a family to be a high income?

The Minister for Education:

In the context, yes. It is the average.

Deputy L.M.C. Doublet:

Can you just state again what the average income is in Jersey?

The Minister for Education:

Yes, £35,360.

Deputy L.M.C. Doublet:

So maybe ...

The Minister for Education:

But we are putting 2 together.

Deputy L.M.C. Doublet:

So given that the average family might be earning around £70,000, do you stand by that you think £75,000 is a high ...

The Minister for Education:

Those are the wrong figures. Perhaps Keith could explain.

Director of Policy and Planning:

Yes, you are absolutely right, the average income is £35,360. What we did, we looked at household ... we are looking at household income here, okay, and we are looking at households with a child under the age of 5. If you lined up all the households in Jersey, the mid-point would be £52,900, so that is the figure we are looking at. I think it is confusing when you start adding 2 average incomes because if you put 2 average incomes together and compare it, the household income for children with a child of 5 and under, it is considerably more and that is what we looked at.

The Deputy of St. John:

That does not explain how you reached £75,000 because if the median income is £53,000 what I took from your answer before was that £75,000 was chosen because of the savings that you need to make.

Chief Education Officer:

Yes, it was a balance between getting ...

The Minister for Education:

Balance between the 2.

Chief Education Officer:

... well above the median, so we do not want to cut off at the median, we wanted families to be well above that figure to benefit from the N.E.F., but not so high that we would not make any savings at all because if we did not make any savings at all we would have to take the savings from the growth, which is absolutely targeted at our very most vulnerable children. So this is a balance between getting some savings which are substantial in terms of knocking off ...

The Deputy of St. John:

But does it not seem like a blunt tool?

Chief Education Officer:

No, I do not think it is a blunt tool at all. I think it is ... I think it is very sensible. As I said right at the beginning, if we have to take £8 million out of a very constrained budget, it is very important we do it in such a way that we have the least impact on the most vulnerable children. We might not agree on this, but that is the line we have taken and that is why we have taken this. Our view is children from households well under £75,000 are potentially more vulnerable than those on £100,000, £150,000, £200,000. So I think it is rational and it is an appropriate balance between targeting the right children and yet making savings in order to make sure we get our growth, again to focus on our ... so it is a balancing act, accept it is a balancing act.

The Deputy of St. John:

Yes, but have you taken into account the potential impact on tax revenue with regards to the extra expenditure?

Director of Policy and Planning:

Yes, I had a look at that as well and again, you know, it depends on the numbers that come out. But based on ... are you referring to tax relief here or are you referring ...?

The Deputy of St. John:

Yes, the childcare tax relief.

Director of Policy and Planning:

Yes, in terms of ... yes, okay.

The Deputy of St. John:

So if they are going to have to spend more money on ...

Director of Policy and Planning:

Yes. Looked anywhere between £40,000 and £60,000 based on the average tax relief figure of 15 per cent, which I took, but then you can go up and down the scales with that.

The Deputy of St. John:

Roughly £60,000 ...

Director of Policy and Planning:

Yes, at the upper end, £40,000 on the lower end.

The Deputy of St. John:

That is based on how many families?

Director of Policy and Planning:

That is based on ... I did do a handout which I can give you afterwards if you want.

The Deputy of St. John:

It would have been useful to have it before.

Director of Policy and Planning:

Yes, sorry, it is just taking a lot of the stuff off the spreadsheets, which has been in there, which has taken time. We have done some estimates based on the numbers in terms of ... we look at the number of the cohort and then we work out the impact this will have on families, and then it depends whether they will be in the States sector or the private N.E.F. sector. So then we get a range of possible savings and a range of possible numbers. So then in terms of numbers it can vary between ... we have looked at 3 years, 2017, 2018 and 2019. 2018 is the lowest year because we have different demographics in that year, so we took that as the lowest figure, and the impact will be on 66 families, giving a saving of £258,000, hence where the £250,000 comes from. However, if we then look at it in slightly different ways and think, well, you could argue that a higher proportion of affected parents would be in private sector nurseries as opposed to States nurseries, so then we do another modelling and then the highest number which then in the following year where the figure goes up could be as high as 124, that gives us the range.

Deputy L.M.C. Doublet:

So, okay, I can appreciate that you have done some calculations but I am not really feeling that they are the right calculations. Minister, have you considered whether a family who is earning £75,000 can afford to pay for the nursery? Not whether they are in the middle of whichever graph but can they actually afford this? Did you take that into consideration?

The Minister for Education:

Yes, I mean, there was a lot of discussions about that, particularly in the Council of Ministers, and I think the problem with any of these sorts of figures - it is like we were discussing last time in the previous scrutiny about something to do with summer babies - there is a point when you say there is always a cut-off point. It does not matter what level you go to. That is why we wanted to ... we shifted the figures so many times. Again, for us it was about the balance of what we could achieve against what we were losing.

Deputy L.M.C. Doublet:

So, just I want to know again if the Council of Ministers are working to some kind of coherent policies that are consistent between Ministers. So is there a consensus between the Ministers as to what a high income is in Jersey?

The Minister for Education:

I could not say what the other Ministers feel. It has been discussed several times in terms of different areas and different departments. I do not think there is a consensus in terms of an actual figure.

Deputy S.Y. Mézec:

So, Minister, you are saying that you believe that £75,000 a year should be considered a high income and you do not know if the other Ministers also agree that £75,000 is a high income?

The Minister for Education:

Not in the context of the different departments.

Deputy S.Y. Mézec:

Right, okay.

The Deputy of St. John:

Can I just ask then ... I will quote from the Budget 2016 where the increase in childcare tax relief was made, and it stated that a married couple with one child under the age of 16 would not move on to "20 means 20" until they earn £106,000. Therefore, that type of family would be able to claim childcare tax relief under marginal relief up to £106,000 under the tax system, but yet you have decided that £75,000 is the appropriate figure. Can you see where we are having difficulty in trying to tally this up?

The Minister for Education:

Yes, I can see where there is a dislocation but, of course, this goes back to what the Director was saying about the balance of what we have to make in terms of our savings and what we can set as a figure.

Deputy L.M.C. Doublet:

But, Minister, the numbers on the paper are one thing. We understand that you are trying to make the best decisions, but what matters is the impact on the families.

The Minister for Education:

Obviously.

Deputy L.M.C. Doublet:

This is what we are trying to understand, if you have an understanding of it. Are you aware in the U.K., the new policy for providing 30 hours of nursery education for 3 and 4 year-olds, the cut-off is £100,000 that a family has to earn before they do not get that? What can you say about that?

Chief Education Officer:

Well, that goes back to the point ...

Deputy L.M.C. Doublet:

Can I have the Minister ...?

The Minister for Education:

Yes, okay. I mean, this is the difficulty looking across in different jurisdictions and trying to balance ourselves against it. I think Guernsey has a different figure as well.

Deputy L.M.C. Doublet:

Do you know what Guernsey's figure is?

Chief Education Officer:

What, for means testing?

The Minister for Education:

Yes.

Chief Education Officer:

It is £150,000.

Deputy L.M.C. Doublet:

Thank you.

The Minister for Education:

But then, you see, you have the situation if you look at Guernsey as an example, they are closing primary schools and they are contemplating closing a secondary school.

Director of Policy and Planning:

Also, they are offering ... sorry, Minister.

The Minister for Education:

That is all right.

Director of Policy and Planning:

They are offering 15 hours as well ...

Chief Education Officer:

The other point, just, sorry ...

Deputy L.M.C. Doublet:

I am not sure if the Minister has answered the question. So, anything else to comment on the fact that ...

The Minister for Education:

Sorry, could you repeat the question?

Deputy L.M.C. Doublet:

When you compare the average wage with the U.K., obviously the average wage in the U.K. is a lot lower, yet they are still setting their bar at £100,000.

The Minister for Education:

Yes, sorry. I think it goes back to what the Director was saying. It is apples and pears. It is not looking at the same thing at all. I understand how we have moved on to the U.K. and we keep looking at what the U.K. has done, and I think there are still considerations about what they may do in the future that we are aware of, yes.

Chief Education Officer:

I just do need to add 2 things. In the U.K. they do not pay 20 per cent tax. That is the first point. If we wanted to pay 30, 40, 50 per cent tax then we could afford all sorts of things. I think the first thing is comparing us with England I think is unhelpful in some ways because it is a completely different tax regime. The second reason is those local authorities that are providing this are not paying for the higher and further education of people in those areas. We are. So I think it is not reasonable to compare our spending with similar areas in England because they are quite different.

Deputy L.M.C. Doublet:

Why was the U.K. used as a justification in your press release for this then?

Chief Education Officer:

Well, I would have to go back and read the press release. I do not have it in front of me.

Deputy L.M.C. Doublet:

I have it here if you would like to see it.

The Minister for Education:

It is not necessarily a justification. It is an explanation more than anything else.

Chief Education Officer:

You know, we are running a 20 per cent tax system here in Jersey, which is great overall, but it does mean we do not have the same level of revenue available that England does.

Deputy S.Y. Mézec:

The point, though, is that it is not just about budget, it is also about the opportunities you are providing for families by doing this, including employment opportunities of both parents to continue having decent careers once they have had children. The ethos of why the U.K. has just introduced ... or is looking to increase the number of free hours is because they want to encourage working families to keep working, to stay in work, to be economically active, and to give the best start in life to their children. Is budget literally the only thing you are looking at here or are you looking at the impact that this will have on families, many of whom are going to be forced to take incredibly tough decisions and may end up less economically active by the end of this?

[12:45]

The Minister for Education:

You are right in your context but we are not taking away the N.E.F. in total. We are means testing it, so there is 70 per cent of those individuals who will still be under that median line. So it is not ... we understand it is going to be difficult but it is not singularly cutting across in that way.

Deputy S.Y. Mézec:

How do you justify a situation where a family who is on £74,500 a year with 2 children at nursery age are now going to be financially much better off than a family that are on £76,000 a year with just one child? How does that ... how do you justify that in terms of fairness and in terms of budget?

The Minister for Education:

Well, it goes back to the point we were making earlier. There has to be a line at some point in time and there is a balance to be struck between what we are attempting to achieve and where we can take the cuts.

Chief Education Officer:

We have a year and a half. We are going to take the next 6 months to look at those kind of details of how this is going to work.

Deputy S.Y. Mézec:

Is there a chance that the policy could end up changing then and that you may look at other ways of putting in place a means-testing system, for example, having a sliding scale that affects people who have different family circumstances rather than just a blanket number, that is it, you are not entitled to any more no matter what your situation is?

Director of Policy and Planning:

Well, we can model and we can look at these things.

Deputy S.Y. Mézec:

Is that likely to be looked at then, to look at altering the strict, very clear proposal that is on the table now? Are you saying that that could change drastically?

Director of Policy and Planning:

We can look at that. As I say, we have set aside the next 6 months to get into the details. We can look at that. What we cannot do ...

Deputy L.M.C. Doublet:

Can we just hear from the Minister?

The Minister for Education:

Yes, I mean, I am just going to replicate what the Director is saying. The important thing for us was at this point in time to get a situation where we were ... got this information out into the public domain as quickly as possible once the decision made had been signed off by the Council of Ministers so that there is 18 months in terms of how long it is between making this decision and it then affecting the public. As the Director says, there is 6 months for us to keep reviewing the situation to see what we can possibly do.

Deputy S.Y. Mézec:

So could we, therefore, be in a situation where families who had their plan for the next few years for their family circumstance and what they were going to do with their children, who have now had to change their plan because of the announcement that has been made, and it could well be the case that within the next 6 months they have to change their plan once again because you may end up changing the criteria once you have had a look at it?

Chief Education Officer:

Well, if you would like to just leave it as it is, you know, we either want to look at it or we do not. We are happy either way, but our plan is to look at the detail over the next 6 months.

Deputy S.Y. Mézec:

So the families who believe that they may be affected by this cannot at this stage believe they have any certainty in what plans they will need to look at for their own financial situations moving forward?

The Minister for Education:

No.

Deputy S.Y. Mézec:

Right.

Deputy J.M. Maçon:

Can I ask whether there is a concern from the Minister whether, as we have seen in the university funding issues where some parents came up with some very inventive ways in order to get under the thresholds in order to qualify for the university funding, that similar arrangements will not happen just so people can also achieve the N.E.F. funding?

The Minister for Education:

I think you will be aware that the way this will be administered is with the higher education funding team so that they will be fully aware of what they need to do when people approach somebody with regard to providing the certificate. So they will have background of having dealt with this in the first place.

Deputy J.M. Maçon:

But the inconsistencies that we found ... so, for example, parents divorcing just before a child reaches university age, them living separately so they qualify for this threshold?

The Minister for Education:

I could not comment on what ...

Director of Policy and Planning:

We are going to have to look at the detail over the next 6 months on things like that.

The Minister for Education:

Yes.

Deputy L.M.C. Doublet:

Minister, could you please explain how this proposal is in the best interests of children?

The Minister for Education:

Well, it still provides, as we have already said, N.E.F. for 70 per cent of the children already attending nurseries, which still means that they have that opportunity for 20 free hours.

Deputy L.M.C. Doublet:

Okay, but as Minister for Education you do have a responsibility to all children in the Island regardless of whether their parents are earning X or Y amount of money. So how are the children who are in these families where the parents are earning over £75,000 ... how does this benefit those children? What effect will it have on those children?

The Minister for Education:

I am not sure that it does benefit them in the way you describe. I mean, this is about choice at the end of the day and parents were always in this situation. I myself, having had a young family, I had to make choices all the way along.

Deputy L.M.C. Doublet:

Could you pass the press release back to me? So, if families affected by this are forced to take children out of nursery provision that they are currently in, will that benefit those children? What impact will it have on those children?

Chief Education Officer:

Well, they will not have to because they have been given a year and a half notice, so children who are currently in the N.E.F. system will remain in the N.E.F. system. These are for children who will come into the N.E.F. system in a year and a half's time so that will not be ...

Deputy L.M.C. Doublet:

So, say a family has a very young child in a private nursery because they are working in jobs where both parents are working full-time, which is likely if they are earning over £75,000, and that child ... they were planning for that child to stay in that private nursery through to the age of 3 and 4 before they go to school. That family might now have to take that child out of the nursery. What impact will that have on that child if they have to go to a different nursery before they go to school?

The Minister for Education:

Well, equally, I think you are aware that we are also trying to increase the nursery provision within the schools as well, so we are contemplating 3 extra nursery provisions in Trinity, Springfield, St. Mary's. That is because there is an inequity in the schools at the moment. Most schools have some sort of nursery provision. I think there are 5 that do not, so beyond that there will be still 2 that cannot, which is Les Landes and St. Luke's. So we are planning to provide on one hand extra provision for those schools.

Deputy L.M.C. Doublet:

But yet that did not answer the question. So if there is a child in a private nursery ...

The Minister for Education:

Well, it is about choice is what I am trying to say.

Deputy L.M.C. Doublet:

Okay, but the parents will not have a choice here because they will only get the 20 free hours in one of your States nurseries. If the child is happy and settled and has made attachments to caregivers in a private nursery, which the parents need to use because of their working hours, and then that child then can only obtain the free hours in a States nursery and has to be transferred, what impact will that have on that child?

The Minister for Education:

Well, hopefully it should have a minimal impact. I mean, the nurseries within our States schools are very effective. It depends on the particular child and the particular circumstances.

Deputy L.M.C. Doublet:

What evidence do you have to support that?

The Minister for Education:

I do not have any evidence to support that in that context.

The Deputy of St. John:

I do not think it is just about the fact that they are effective. It is the case that a lot of working parents may choose to use the private sector because of the wraparound care ...

The Minister for Education:

Yes, I understand.

The Deputy of St. John:

... in terms of the longer hours that have to be worked. If you are earning £75,000, you are having to work the full day or you are on shifts even.

The Minister for Education:

These are difficult choices, I understand that.

The Deputy of St. John:

Yes, but I cannot understand how it is a level playing field when in 2011 the States agreed to create a level playing field between private and public sector nurseries and now basically what we are doing here is unwrapping that level playing field and saying that it is okay for a public nursery to have 20 hours free but for private nurseries it is not.

The Minister for Education:

But the circumstances have totally changed. The background to those decisions has totally changed. As a Government we are now having to address the structural deficit, which we did not have at that point in time.

Deputy L.M.C. Doublet:

The thing that has not changed is the needs of children. That has not changed at all.

The Minister for Education:

No, I understand the ...

Deputy L.M.C. Doublet:

Sorry.

The Deputy of St. John:

That is not true and we have had a structural deficit for quite a while now and it was all down to the Zero/Ten and everything. We can go into that conversation another time, but coming to the point,

the strategy has not changed. The early years requirements have not changed and the concern for the future of the children and the need for the care of the children, that has not changed, has it?

The Minister for Education:

In terms of statutory requirements from myself as the Minister for Education, I think the Director has already said that there are 2 areas that fall out of those. One is the early provision and the other one is the higher education. So in terms of statutory, we have to make sure that the budget fully complements and deals with what we have on the table. Then what we try to do is try to accommodate both ends of the scale. He has already brilliantly described the situation we find ourselves in with higher education: do we have to take that funding out of the budget that we already have? So all the time that we are making these considerations, difficult though they may be, it is about choices.

The Deputy of St. John:

But you are making these considerations, and I will come back to the question that the only reason why we are going down the road of creating an unlevel playing field is because of budgets, because of a quarter of a million.

The Minister for Education:

It is not the only reason. I think, as my colleague on my right says, it is to do with also the demographic situation of the shift and also the situation we find ourselves in that people are accessing the universal benefit when, in fact, they do not need to.

Deputy J.M. Maçon:

But that is not entirely the case, though, is it, Minister, because ... unless I am wrong, because this will only apply to those parents who have children in private nurseries, not for those children who are going to States nurseries? Therefore, one family earning £75,000 will get the 20 hours free and one earning £175,000 will not. Is that ...?

Deputy L.M.C. Doublet:

Because of their working hours or other circumstances.

The Minister for Education:

Yes.

Deputy J.M. Maçon:

Yes, and that is the correct understanding of the proposals?

The Minister for Education:

Yes.

Deputy J.M. Maçon:

Yes, so then it is not equitable at all.

The Minister for Education:

Well, it is not equitable in the way you have described it, no.

Deputy J.M. Maçon:

Well, then can you explain to me how you think it is equitable?

The Minister for Education:

Well, what we are trying to do, right from the outset what we have been trying to establish is a balance between what we have to provide in terms of our cuts and what we find is ... and necessity. I mean, these 2 things have conflated themselves in terms of the private provision and the States nursery provision. So we wanted to make sure that going back to original decisions about providing extra care for early years that the States schools have that opportunity to increase their nursery provision, and equally we have to provide cuts for the structural deficit.

Chief Education Officer:

Can I just make this point? This is about priorities and what we are saying is we would rather not do this. Nobody in the room thinks this is something we would all want to do, but what we are saying is this money - we only have one pot - the greater priority are nursery children with very significant special educational needs, which are currently not funded. Children on very low incomes, the 18 per cent on very low incomes who are very vulnerable and struggle in terms of schools, are a greater priority than this. So we are not saying it is unimportant and it does not make an impact. We are not saying that. It does give people difficult choices, but the alternative is worse. What we are trying to do here is make sure that the overall budget we have is focused on the most needy children, and that is not the case at the moment and we need to get to that position during this budget cycle.

Deputy S.Y. Mézec:

The overarching question that is being asked is explain how this proposal is in the best interests of children. The amendment to the 2009 Business Plan for education, where this was first brought up about the 20 hours, it makes the case in the report for universal provision. It says: "A universal system provides free and equitable access to all regardless of income. There is a better social mix, which can lead to broader learning opportunities, and there is no stigma attached to children

from poorer families.” So by going back on this, do you accept that in that context it is not in the best interests of the children?

Chief Education Officer:

What we are saying is we would rather not do this but when that plan was written ...

Deputy S.Y. Mézec:

Are you also saying ...

Chief Education Officer:

Can I just finish the point? Just finish my ...

Deputy S.Y. Mézec:

Can I ... you are avoiding my question. I would like you to answer the question.

Chief Education Officer:

When that plan was written ...

Deputy L.M.C. Doublet:

Well, let us ask the Minister. Minister?

Deputy S.Y. Mézec:

Minister, I am asking you the question.

Chief Education Officer:

When the plan was written we had more money available to us than we have now.

Deputy S.Y. Mézec:

We are asking a question, so I would appreciate the answers. I am trying to get to the actual point of this question. The question was: explain how this proposal is in the best interests of the children. Given what I have just said about why this was introduced in the first place, do you accept that this is a step back from the situation we are in where we have up until now had an inclusive system which has provided broader learning opportunities and no stigma attached to children from poorer families? Do you accept that this is a step back in the direction we have gone?

The Minister for Education:

I accept it is a step back, yes. I mean, this is the ...

Deputy S.Y. Mézec:

Okay, that was the answer ... that was what I was looking for.

The Minister for Education:

Yes, that is the difficulty we find ourselves in that, as the Director said, we do not want to do this. There is not any point when we got to this position, not one of us in looking at this circumstance, did we think this was a great idea and in no way did we identify that this was going to be of benefit to children. What we are trying to do is to present the situation as best we could and come up with the best situation that was available to us.

Deputy L.M.C. Doublet:

Minister, just going back to trying to establish the needs of children and what is best for children, what advice have your early years advisers within the department given you on this?

Chief Education Officer:

The early years advisers are supportive of this because, I agree, it is a step back on this, but it is an enormous step forward. We have just written personally letters from me to over 2,000 families on the Island saying: "Because of your income levels we are going to spend £800 or so on your particular child," which we were not spending. That is an enormous step forward, so this is a small step back but it comes in line with an enormous step forward both in terms of pupil premium and special educational needs. One cannot be done without the other and our early years advisers - perhaps we should have brought one with us - will say that overall in terms of the wellbeing of children, being able to support 2,500 families from very low income through the pupil premium has a huge impact, a much bigger impact, on the wellbeing of children in Jersey than this slight step back. So it is a compromise, I agree, but overall it is an enormous step forward for the education service of the Island.

[13:00]

Deputy L.M.C. Doublet:

Minister, why did you not bring your early years advisers given that this is about young children?

The Minister for Education:

They are away, unfortunately. It is Easter.

Director of Policy and Planning:

They are on leave. It is holiday time.

Chief Education Officer:

Staff need to take their holidays whenever we can during the school holidays.

Deputy L.M.C. Doublet:

So do you think this was a good time to release this announcement if all your staff are away?

The Minister for Education:

Well, we could have released it after people came back from their holidays, but we wanted to get the information as soon as we ... we have taken a policy that as soon as we have information of any kind, does not matter whether it is good or bad news, we want to get it out into the public domain.

Deputy L.M.C. Doublet:

We will come back to that.

The Minister for Education:

So it was a consideration from our position that even though the 2 of us were on holiday - and I know that we have drawn some fire for that - that we would get it out into the public domain so that we can begin the discussion.

Deputy L.M.C. Doublet:

We will come back to that later.

Deputy S.Y. Mézec:

So, in terms of your early year advisers then, if we ask for documentary evidence that they support this move, you can provide that to the panel?

The Minister for Education:

Yes, we can give that, yes.

Deputy S.Y. Mézec:

Okay. Well, we would like that confirmation then, please.

Deputy J.M. Maçon:

So, you mentioned the actual provision that you are trying to set up potentially 3 extra nurseries. Just for the record, what extra provision are you providing in schools for children who have not attended a nursery as a result of this change and may, therefore, be less ready for starting school?

The Minister for Education:

I am not sure I understand the question, sorry.

Deputy J.M. Maçon:

It is not a problem. For those children who may not opt into ... who may not be able to go to nursery due to the financial situation, what has been put in place for those children to make them school ready, as it were?

Chief Education Officer:

Well, first of all, of course, they will ... rather than not go to a nursery, they could go to a States nursery free of charge. That is the first thing. If they decide not to go to a States nursery ...

Deputy L.M.C. Doublet:

Or if their parents are working hours which means they cannot access that provision?

Chief Education Officer:

Well, it depends, does it not? I mean, I think one thing we do need to look at - perhaps in a different discussion - is the way in which our nurseries do operate and whether we do need to look at wraparound care because this is a fantastic facility that is lying idle, but that is perhaps for another day. But what happens is when children ...

Deputy J.M. Maçon:

It is our next question, but carry on.

Chief Education Officer:

When children arrive at our nurseries or into reception, they are dealt with on an individual basis. So, at the moment we do get children who have not been through a nursery and the schools will work with those children and their family on an individual basis to make sure they are ready and able to participate and engage through the reception years. That is already the case.

Deputy J.M. Maçon:

Certainly, from our call for evidence, a lot of parents have contacted us explaining their preference for private nurseries is the wraparound services due to both parents working. So at the moment, then, has any consideration been given to changing the current work practices of the States nurseries?

Chief Education Officer:

That is something we ... sorry.

The Minister for Education:

I was just going to say that is something that has been in our consideration for some time. Certainly, when it was first mooted we would look at that because you have highlighted that it does not provide that wraparound care. As the Director has already said, we do not like the fact that these things are lying dormant at the point in time we could use them, so we have been looking for a long time at opening up educational facilities right the way through all year round if that is possible. This is something that is, again, ongoing discussions.

Chief Education Officer:

Again, that is something that over the next 6 months or longer we can have a conversation with the private sector about because if we have facilities lying available that is an area that we need to explore. I am uncomfortable with the fact ...

Deputy J.M. Maçon:

But presumably none of that is costed at the moment let alone growth bids being in place?

Chief Education Officer:

No, that is something we would have to look at.

Deputy J.M. Maçon:

So that is going to be of less comfort to parents today?

Director of Policy and Planning:

How do you mean? But then that would be wrap care. I do not understand your point. This is about opening up States nurseries to wraparound care before/after school, during holidays, and just making that facility more available to working parents. I take your point of what you are saying in terms of working parents with nursery children in a school nursery class environment may not get the opportunities for their child to be cared for in those hours. What we are saying is we want to look at that quite closely. We are already looking at the requirements for registration and so we can ...

The Deputy of St. John:

But you cannot afford it.

Deputy J.M. Maçon:

That is what we are saying. It is all good and well saying that, but given the timing of these proposals and ...

Director of Policy and Planning:

This would be something that parents would pay for outside of free hours. I am not entirely sure what your point is.

The Deputy of St. John:

Because teachers cost money and you would have wraparound care at a school out of school hours.

Director of Policy and Planning:

Outside of 20 hours, outside of school hours, as you would ...

Deputy L.M.C. Doublet:

That will cost extra money.

Director of Policy and Planning:

That is what parents would pay for, would they not? They do that in private nurseries at the moment. They get free hours and then outside of those hours they pay, and that is the whole issue or one of the issues I hear from working parents. What we are saying is there is not that opportunity or less of that opportunity anyway in the nursery age years within the States school environment so what we want to do is open that up and make that more available. That would then be around parents making that choice and, therefore, paying for that extra wraparound care.

Deputy L.M.C. Doublet:

So just to confirm, by the time this change comes in, will you have enough flexible places within the States nurseries available to all families that want them?

The Minister for Education:

We are trying to work towards that, yes.

Director of Policy and Planning:

That is what we are going to have to look at.

The Minister for Education:

Yes.

Chief Education Officer:

We cannot guarantee it, though.

Deputy L.M.C. Doublet:

So are you ... how certain ...

The Minister for Education:

We cannot guarantee it.

Deputy L.M.C. Doublet:

Right.

The Deputy of St. John:

So will you be changing the allocation process?

Director of Policy and Planning:

In terms of access into nursery?

Deputy L.M.C. Doublet:

Will places be guaranteed to the families that are earning over £75,000? Will their child be guaranteed a place in a States nursery?

Director of Policy and Planning:

We have not had that discussion yet, but I would imagine no, that would not be the case, no. There will be other children who would be of far greater priority than those parents.

Deputy L.M.C. Doublet:

So those parents cannot even have the certainty that their child will have a place, Minister, in a States nursery?

The Minister for Education:

Not at this point in time.

Director of Policy and Planning:

However, we are increasing the capacity of the States nursery classes from 545 to 623 over the next 3 years.

The Deputy of St. John:

So how much has that cost?

Director of Policy and Planning:

That will be funded ... in terms of the actual places, it is funded from ... there are less children in the private sector nurseries. It would equal out with funding in the States sector.

The Deputy of St. John:

But it has forced you to increase that provision for nurseries?

Director of Policy and Planning:

Why do you say that? Sorry, I do not ...

The Deputy of St. John:

You said before that you increased nursery provision in the public schools. You have got a nursery coming in at Springfield. You mentioned that in one of your answers. How much has that cost?

Director of Policy and Planning:

There are set-up costs for opening a new nursery, yes. You have got to buy new resources and things like that. When you look at the staff costs and you look at the cost of the N.E.F. you can get more hours delivered in a States nursery class for the cost of the N.E.F.

Deputy J.M. Maçon:

So the motivation behind these proposals is an efficiency saving?

Director of Policy and Planning:

No.

The Minister for Education:

No.

Deputy J.M. Maçon:

No? Okay.

Chief Education Officer:

The difference is in our primary schools we already have fixed costs. There is head teachers management systems and the rest.

The Deputy of St. John:

Minister, you mentioned before when we talking about impacts on families, particularly on families, I am not quite convinced by the answers I have heard so far that actually work has been going on with other departments looking at the impact of this. So, putting an example of a young family who have 2 children, who earn just above the £75,000, use their monthly income to support a mortgage and childcare, how will this allow them to both continue to work, bearing in mind Social Security do not support people who have a mortgage either?

The Minister for Education:

No, I understand that. The work has been going on. In fact, I am just going to ask my project manager to get into the detail of it, certainly with regard to Social Security. I am sorry that you are not convinced but certainly the discussions that have been going on with the Finance Director and my budget ... do you want to just mention the stuff we have done with the Social Security, the planning provision?

Director of Policy and Planning:

I missed the question. I am sorry.

The Deputy of St. John:

I gave a hypothetical, an example, of a family who have a young family, they have 2 children, they earn just above the £75,000, and they use their monthly income to support a mortgage for a modest 3-bedroom house, let us say, and childcare for their children. Would that allow them to continue to work with this new proposal?

Director of Policy and Planning:

If they are earning over £75,000 and therefore they have to pay the additional amount of money, could they afford to do that?

The Deputy of St. John:

Yes.

Director of Policy and Planning:

I cannot answer that question. It depends on their monthly outgoings. It depends on the size of their mortgage.

Deputy L.M.C. Doublet:

So how on earth can you justify this policy if your adviser cannot answer that question, Minister?

The Minister for Education:

Again, the difficulty is always about the choices that you are having to make and in this situation you would have to draw a line at some point in time.

The Deputy of St. John:

But a large amount of the schemes that come in in the States for funding in various areas, or even the tax system itself, has some form of sliding scale, so it takes into account particular individual circumstances, whereas this is just a cut-off point of £75,000.

The Minister for Education:

Yes. I thought we looked at the sliding scale situation.

Director of Policy and Planning:

We looked at the impact of £75,000, we looked at the impact of £100,000, but in terms of sliding scales that is something which we have not developed as much. But again I think we said earlier in the hearing it is something we can look at, yes, if that is something that the scrutiny panel ...

The Deputy of St. John:

But would you look at that in conjunction with how the tax system works as well, bearing in mind what I said earlier about ...

Director of Policy and Planning:

About the £103,000?

The Deputy of St. John:

£106,000.

Director of Policy and Planning:

£106,000.

The Deputy of St. John:

Would you not agree there would be further money lost? If people are paying out more money for childcare, we are going to lose, as the States, money from tax revenue because of the childcare tax relief.

Director of Policy and Planning:

You are absolutely right, yes. There will be a tax loss implication because of increased tax relief application, yes.

The Deputy of St. John:

How does that work into the figure of saving then?

Director of Policy and Planning:

That is what we said earlier. I gave you that figure between £40,000 and £60,000. Now, on the upper end of £60,000 that is based on the saving being in the region of £400,000. At a lower amount it is in the region of £250,000, so there is still a saving.

The Deputy of St. John:

Is that worked out on a per hour of the N.E.F., £5.15 per hour in terms of the savings?

Director of Policy and Planning:

It is based on the number of parents this would affect and then the cost of the N.E.F. and, therefore, that N.E.F. amount would not be paid because they would not be entitled to it.

Deputy L.M.C. Doublet:

What is the N.E.F. amount that you are using in your calculations?

Director of Policy and Planning:

£3,914.

The Deputy of St. John:

So that is £5.15 per hour?

Director of Policy and Planning:

£5.15, yes.

The Deputy of St. John:

Whereas in the private sector the hours are actually more than £5.15, according to the Jersey Child Care Trust website. If you look on the hours, it actually states higher than £5.15, so it could be a higher amount being paid out by parents. Is that not true?

Director of Policy and Planning:

It could be. I would have to look at the different rates for nurseries but I believe some nurseries are cheaper than £5.15, are they not?

Deputy L.M.C. Doublet:

Well, perhaps we will be able to look at some of these calculations.

Deputy S.Y. Mézec:

Just a yes or no question: do you accept that this change has the potential to lead to some parents giving up their careers to stay at home and care for their children instead?

The Minister for Education:

Again, I could not possibly answer that as a yes or no question. There are going to be circumstances where that is possible.

Deputy S.Y. Mézec:

So the answer is yes, then?

The Minister for Education:

Possibly.

Deputy S.Y. Mézec:

The answer is yes, if that is what the answer is. On that basis then, have you had any discussions in the process of doing this about the impact this will have on gender equality in Jersey society?

The Minister for Education:

No, I do not think we have.

Deputy S.Y. Mézec:

It has not come up whatsoever? You have not considered the disproportionate effect that this could have on women and their careers?

The Minister for Education:

No.

Deputy S.Y. Mézec:

No. No discussions at all.

Deputy L.M.C. Doublet:

I want to go back to looking at how this is working in conjunction with policies from other Ministers to see if there is any joined-up thinking here. How will this extra expense on the affected families affect finances in terms of the average middle-Jersey family when you look at it in combination with G.S.T. (goods and services tax), long-term care charges, high housing costs, the rising cost of living, the recent removal of mortgage tax relief, an imminent sewage charge, an imminent healthcare charge, and I could go on?

The Minister for Education:

It is very difficult. We understand that. As the Director has said several times, it is very unpalatable for us to be in a situation where we are having to discuss this matter, but it is a case of really this is down to a Treasury situation to understand how this affects everybody in this context. We do not understand all the possibilities.

Deputy L.M.C. Doublet:

So what you are saying is that not all of the Ministers understand the other Ministers' policies when they are forming their own?

The Minister for Education:

No, that is not what I am saying. It has been explicit, as I said at the very beginning, that all of this information - and there is a considerable amount of it - has been discussed for quite a long time, so we have all been privy to each of the other departments and what they have had to do.

Deputy L.M.C. Doublet:

So have you, as a Council of Ministers all together, considered the cumulative impact of the list of things I have just read out to you upon an average middle-Jersey family?

The Minister for Education:

I do not think there has been a study done but I think there has certainly been information provided on each of the departments.

Deputy L.M.C. Doublet:

Have you considered collectively, as Ministers, the impact?

The Minister for Education:

Collectively we have always looked at this situation but I think the Deputy, Deputy Vallois, was asking for this to be provided as a separate piece of information. I am not sure that was actually produced.

Deputy L.M.C. Doublet:

Are you personally aware, do you have an idea of the impact, the cumulative impact of all the things that I have just read out to you? What kind of impact do you think that those are having on families?

The Minister for Education:

Of that list you have read out to me, no, I do not know what that would be.

Deputy L.M.C. Doublet:

You have not considered, as a Minister, how your new policy will interact with all these other pressures that families are under?

The Minister for Education:

Well, certainly, it is going to be difficult choices for those parents to make at this point in time with that cumulative effect.

Deputy L.M.C. Doublet:

Have you considered the level of difficulty? Have you considered it might actually be an impossibility for some families?

The Minister for Education:

The more cuts we make the more the difficulty rises.

The Deputy of St. John:

We have got the M.T.F.P. addition coming up in June. Is there not a case to argue the fact that the tax and spend policy, in order for you to achieve the goals of education, needs to be changed in terms of the amounts around what the States agree?

The Minister for Education:

Again, as the Council of Ministers, we are constantly looking at the plan. This is the difficulty we found ourselves in.

[13:15]

The Deputy of St. John:

But you have stated many times ... talking about a structural deficit, you have talked about the fact that you do not really want to do something like this and it is quite clear. You have mentioned

many times the fact that I was on the Council of Ministers and I know for a fact there was no impact analysis done on the majority of the stuff that was in the M.T.F.P. done last year. So, on that basis if there is no impact analysis there needs to be a reconsideration of the overall budget, does there not?

The Minister for Education:

Not on the overall budget. There certainly is consideration to be made on a wider basis.

The Deputy of St. John:

How are you pushing, as Education Minister, to ensure there is an impact analysis done?

The Minister for Education:

In this context, I have not done that.

The Deputy of St. John:

Why not?

The Minister for Education:

Well, you have already identified the way in which we operate as a Government. We sit down and we discuss each of the departments' cuts. We have worked on this for a year. We have provided information to all of the Ministers and the considerations that have been across the board.

Deputy S.Y. Mézec:

As a Minister as part of a Council of Ministers which is collectively responsible for its overall policy and as a Member of the States Assembly who has voted in favour of the strategic plan, has voted in favour of the budget and has voted in favour of the M.T.F.P. and who presumably as part of that collective responsibility, unless you decide to resign at some point, will continue to support the overall plan, which includes what the Corporate Services Scrutiny Panel judge to be tax rises amounting to about £1,000 year for the average Jersey family, you have not considered that directly in the context and produced a piece of work alongside what you are doing in Education, including this cut for free nursery care for families of over £75,000 a year and the effect that will have on their ability to make ends meet? You have not done that work?

The Minister for Education:

I think you are looking for a yes or no answer. No, I have not done that piece of work.

Deputy S.Y. Mézec:

Why have you not brought this specific change to the States Assembly for a full debate and vote from elected Members?

The Minister for Education:

I am not sure that that is necessary in terms of the remit of my role as the Minister for Education. It was to go away and look at what we could do, working with my colleagues, to provide the best result, in terms of priorities, we could do.

Deputy S.Y. Mézec:

In terms of the public feeling that this has inspired, would you be prepared to bring it for a debate in the States Assembly and ultimately a vote?

The Minister for Education:

I do not think it is appropriate to bring a debate on this particular matter.

Deputy S.Y. Mézec:

Do you accept the possibility that any Back-Bench Member could lodge a proposition tomorrow to force you to do that?

The Minister for Education:

I understand that, yes.

Deputy S.Y. Mézec:

Would you be prepared for that if that eventuality did arise?

The Minister for Education:

As you have described, any States Member can do that.

Deputy L.M.C. Doublet:

Minister, this Nursery Education Fund, since before some of us were born the States policy was to establish nursery care for 3 and 4 year-olds - at every stage, in the research that we have done, we can see it has come to the States Assembly, every single decision. How can you justify taking this decision away from the States Assembly?

The Minister for Education:

We had to make the decision. That is why we have done it in the way that we have. We made the decision ourselves in consultation with other Ministers. We have sat down and discussed it among

ourselves and then we felt the best thing to do at that point in time was bring it before the public, talk to the private sector first and then bring it before the public.

Deputy L.M.C. Doublet:

So your justification is you thought it was the best thing to do?

The Minister for Education:

Yes.

Deputy L.M.C. Doublet:

Can you provide some more detail?

The Minister for Education:

In what sense?

Deputy L.M.C. Doublet:

Why do you think it was the best thing to do? I think this is a political question. I think it has to be for the Minister.

The Minister for Education:

In terms of the decision that had to be made, I do not see how bringing it to the States Assembly would change the way in which we operated in the first place. The point you made earlier: was I making the right decision at the right time? I think I was, yes.

Deputy J.M. Maçon:

Minister, you pointed out that these proposals had been in discussion with the private sector. Can you just explain on this particular proposal what consultation happened with the private sector?

Chief Education Officer:

We decided not to consult because the position was we had to balance our books, we had to prioritise our most vulnerable children. No excuse for that. That is something we will continue to do in the coming years for the reasons I stated right at the beginning. I think it would have been disingenuous to launch a consultation process on an area we felt we have to press on with. So what we did instead was to make sure we informed the private sector first before announcing it. I think that was important professional courtesy. I really do not think you should enter into consultation on something that you really need to get on and do because of the importance of ...

Deputy J.M. Maçon:

Can I then ask, we have had from our public submissions various people in nurseries write to us and explain that should they lose a significant amount of the 3 year-olds it could have a knock-on effect to their overall business, bearing in mind that these nurseries cater for 2 and younger. They explained that then their businesses might fold and, therefore, that would reduce choice to parents. Is the department aware of these sentiments?

Chief Education Officer:

Yes, absolutely. We had, I think it would be described, a very frank evening and a very helpful evening. At that evening we said we will work very closely with the commercial sector if they want to do that. But to be absolutely frank, we cannot change policy around a States department and a statutory service based on the commercial interests of the private sector. We do not do that with the private schools and so we try to work very closely ...

Deputy L.M.C. Doublet:

No, sorry, it is not about the commercial interests. It is if those nurseries close it will affect the wellbeing of children in the Island who you have a responsibility towards, because their parents may not be able to find appropriate care for them if those nurseries close.

Chief Education Officer:

As I said, we are very happy to work with the commercial sector, looking at business models, and we can bring people in from the U.K. that have taken these changes through.

Deputy S.Y. Mézec:

Which will presumably be very expensive and negate all the savings that you would have made by going through this.

Chief Education Officer:

No, that is not the case. We have contacts in the U.K. who will come here free of charge and work with us.

Deputy S.Y. Mézec:

Good to hear.

Chief Education Officer:

If you look at the consultation, we could say the same to you, you have had expensive consultants working with you in terms of scrutiny panel. We bring consultants in when we need them. If you look at ...

The Deputy of St. John:

Not as expensive as the Council of Ministers.

Chief Education Officer:

If you look at the money we spend on consultants in the Education Department, it is very, very small indeed.

Deputy J.M. Maçon:

Just to clarify then, the Minister is not concerned by the impact that these changes could have on potential 2 year-old provision on the Island?

The Minister for Education:

No. You are putting words in my mouth. I would be concerned.

Deputy J.M. Maçon:

I will give you a chance to clarify that.

The Minister for Education:

Of course I am concerned, but the situation is where we find ourselves and it is difficult. We understand that.

Deputy L.M.C. Doublet:

So you are still intending to press ahead with this even though you are concerned about how it will impact on younger children and whether they can access it?

The Minister for Education:

I think we said earlier that we are still intending to move ahead with it but we will have consultations over the next 6 months or we will have discussions with various sectors.

Deputy L.M.C. Doublet:

Would it not have made sense to have those discussions before you made the decision and made the answer?

The Minister for Education:

No, I think we had to make our decisions first of all in this particular instance. This is different from doing a consultation like you would have done for Les Quennevais where you would get people in and you go through the process. At the end of the day, if you said to people this is a situation

where we may have to make cuts, everybody is going to turn round and say: "Well, yes, it is not a good decision. It is a bad decision." But we have to do something.

Deputy L.M.C. Doublet:

Why is it different to consulting about secondary schoolchildren? Why are these younger children not as important?

The Minister for Education:

No, no, no. I did not say it was to do with primary or secondary schools. I meant it is a different sort of consultation.

Deputy L.M.C. Doublet:

Why?

The Minister for Education:

Well, you are having to take a community in the particular case to make considerations about placing of the school. That is what we were looking at with Les Quennevais. It is a completely different context.

Deputy L.M.C. Doublet:

Is it because Les Quennevais is statutory and this is not something that you have to do?

The Minister for Education:

No. It was about just dealing with a different form of consultation. In this particular case we had made the decision and we thought the best way to do this is get that information out as quickly as possible.

Deputy L.M.C. Doublet:

You stand by your decision to not consult with parents, with the nurseries, with anybody, before you made this decision. Do you stand by that?

The Minister for Education:

Yes, because we have already ... we said that we will still make some considerations or have discussions with those individuals.

Deputy L.M.C. Doublet:

Do you understand the feeling of limbo, the feeling of uncertainty that families will now be in?

The Minister for Education:

I do.

Deputy L.M.C. Doublet:

Do you think that is acceptable?

The Minister for Education:

It is unfortunate but it is one of those situations we find ourselves in.

The Deputy of St. John:

Minister, you stated before that you were making this decision balancing budgets, you have not consulted, you are not taking it to the States Assembly. I would just like to know exactly where it is, either in legislation or policy, that you derive the power from to impose these particular changes?

The Minister for Education:

Again, it is a situation we find ourselves in where it is non-statutory in this particular case. So it is not that difficult when we are looking at our funding and our budget. It goes back to the very first question I answered, I think. You have got your budget and you have to decide where you place those monies. As the Director said, we want to make sure that we have covered all of the most vulnerable areas.

The Deputy of St. John:

There is a certain amount of statutory requirement with regards to the N.E.F. though, is there not?

The Minister for Education:

In what context?

The Deputy of St. John:

With regards to the regulations that were brought in 2011.

Director of Policy and Planning:

The Minister has no statutory responsibility to provide early years education. I think that is the point he is making. He does not have to in law.

The Deputy of St. John:

No, but the regulations specified about the 20 hours, did they not?

Director of Policy and Planning:

Yes, but he is not bound to fund that age group of children for education.

The Deputy of St. John:

What I am asking is is there anything in that particular regulation that requires you either to make an order or to bring something to the States Assembly?

Chief Education Officer:

We do not believe so.

Deputy L.M.C. Doublet:

Is there a ministerial decision to go with it?

Chief Education Officer:

No. Basically the debate around this will be part of the wider debate we were referring to earlier. When the M.T.F.P. detail comes out there will be a whole range of proposals within that. This will be one of many, many. So it will be a case of when it is debated whether this will be homed in on or whether more controversial or more challenging decisions will be taken on board.

The Deputy of St. John:

So the absolute decision will not be made until September then?

Chief Education Officer:

Just to finish that point, if we did not make this decision so we knew we could balance our books, we would not be able to implement the pupil premium. We would have had to reduce the number of families it could go to.

The Deputy of St. John:

Hang on. You just said that it will come in the M.T.F.P. addition, so therefore it will be coming to the States and parents will not know any certainty until September?

Chief Education Officer:

I am assuming all of the savings that all of the departments are making will be part of the final M.T.F.P. Am I wrong in that?

The Minister for Education:

The Deputy mentioned earlier, the Deputy can bring a proposition to the States any time he likes.

The Deputy of St. John:

I am just trying to understand exactly where in the decision-making process how this has worked.

Chief Education Officer:

This will be one of many, many savings proposals that will make up the M.T.F.P., the detail of the M.T.F.P. for 2017, 2018, 2019, and I suspect that the States will not be able to debate every one because it would go on for a long, long time, so I suspect there will be some prioritisation. But it will be part of the M.T.F.P. and if it is defeated we will have to come back and make other cuts because our overall cash limits have been set.

The Deputy of St. John:

Unless somebody decides to change those.

Chief Education Officer:

Unless the cash limits change, correct, yes.

Deputy J.M. Maçon:

Can I ask the Minister why the decision to only means test those in private nurseries instead of means testing across the board? Why is there that differentiation?

Director of Policy and Planning:

Why not in States school but in ...

Deputy J.M. Maçon:

Yes.

Director of Policy and Planning:

I think the reason is that the States sector is fully funded. It is from reception onwards in terms of it being non-fee paying education. A grant is applied to private sector schools, as it is applied to the N.E.F., and that is the reason for targeting them.

Deputy J.M. Maçon:

Can you just rephrase that, sorry?

Director of Policy and Planning:

Yes. Non-fee paying education, fully funded in the States from reception onwards. In the schools you have grant funding that goes to the colleges and at the moment you have grant funding for

private sector nurseries as well. So it is just looking at the grant that is available to those nurseries.

Chief Education Officer:

It is taking the existing funding model and extending it. I do think, though, we need to look at ... the last time we had scrutiny we talked about looking at the early years curriculum and I think that is something we do need to look at, both in the commercial and the States sector. At the same time, the nature of nurseries and the wraparound care, opening times, support for parents, family support, that kind of thing, needs to be looked at, at the same time. It is a long overdue discussion. What we have not had here but it has taken place in England is the development of children's sectors which have transformed nurseries and we have not had that experience here other than the work of Samarès. So we need to have a look at what our nurseries do before, during and after the current hours.

Deputy L.M.C. Doublet:

Minister, just briefly, how is this move consistent with the 1001 Days strategy which the States Assembly has signed up to?

The Minister for Education:

It is not consistent in the way you describe because there is a differential, but in terms of we still are providing for at least 70 per cent of those people.

Deputy S.Y. Mézec:

Did you have any discussions about this move with the 1001 Days taskforce before announcing it?

The Minister for Education:

They would be aware. Certain Ministers would be on that taskforce or on the C.A.V.A. (Children and Vulnerable Adults), which is Senator Green, Deputy Moore, Deputy Pinel, who is Social Security, and so on. So they will be aware of that situation.

Deputy S.Y. Mézec:

Did you ask for their views before you went ahead with it?

The Minister for Education:

They would understand it is part of the situation that we were all progressing towards, so they were fully ... they would be fully briefed on that.

[13:30]

Deputy S.Y. Mézec:

So you did not ask them for their views specifically on this move and its compatibility?

The Minister for Education:

To the taskforce, no.

Deputy S.Y. Mézec:

You did not? Okay.

Deputy L.M.C. Doublet:

I think we will just move on. That speaks for itself. Minister, can we just go back to the consultation with the private nursery providers. From the research that we have done, historically there have been very good procedures in place for consulting and it seems to be that this has fallen away recently. How can you justify completely abandoning the Nursery Education Fund partnership agreement in this move that you have made?

The Minister for Education:

I do not feel that we have abandoned it. Like I say, we are in a situation where we have to make these decisions and these changes, as difficult as they are, and we have tried, where we can, to discuss it with as many people as we could possibly. Then certainly the Director went and had a discussion with the private sector that was, as he put it, quite frank and forthright.

Chief Education Officer:

We will still be spending £1.3 million on the N.E.F. programme. We have not removed it. We did look very hard at whether we could afford the N.E.F. at all and we are making cuts elsewhere in order to protect £1.3 million. So, we are not removing the N.E.F. We are simply targeting it at the most needy children.

Deputy L.M.C. Doublet:

Minister, how can you justify making this decision when you act as both the regulator and the competition to the private sector?

The Minister for Education:

Well, that is a difficult role and there is an element of conflict there but, again, we have to operate within our statutory needs.

Deputy L.M.C. Doublet:

Will you be making any changes in terms of how you regulate the private nurseries?

Director of Policy and Planning:

We are reviewing that at the moment.

Deputy J.M. Maçon:

When will that work be completed by?

Director of Policy and Planning:

We will be doing it over the next 6 months.

Deputy L.M.C. Doublet:

Are you doing that alone as a department or are you doing that in conjunction and consultation with the private nurseries?

Director of Policy and Planning:

We will be doing it with the private nurseries, absolutely.

Deputy L.M.C. Doublet:

Are they aware of it?

Director of Policy and Planning:

We are going to start the process of looking at the requirements of registration now. That piece of work has already started.

Deputy J.M. Maçon:

When was the last time they were reviewed?

Director of Policy and Planning:

I am sorry, I do not know that. A while back I would imagine.

Chief Education Officer:

Long overdue.

Deputy S.Y. Mézec:

This news that this was going ahead came as a surprise to many individuals and organisations, including this scrutiny panel who had no idea about it until it was publicly announced. Why did you

decide to do it this way and why was there not at least a period beforehand for politicians who would have the potential ability to scrutinise this and take a proactive role rather than reactive? Why was that opportunity not taken?

The Minister for Education:

I think we said we wanted to put the information out as soon as it had been signed off by the Council of Ministers, and we did that. I am sorry that I was away at the time but myself and the Director were taking leave in the same way that anybody would with regard to education with the least possible ... it was over a holiday period. We could have waited until we came back. But in terms of scrutiny, we have attempted several times to meet with yourselves and unfortunately that has not happened. I am not sure we would have had ...

Deputy L.M.C. Doublet:

Can I just state for the public record, at no point, Minister, did you request for any of us to attend an urgent meeting.

The Minister for Education:

No, I am not saying an urgent meeting. We have tried to attempt to have discussions between ourselves.

Deputy L.M.C. Doublet:

If we had known that this was an imminent matter that was going to be announced and it was urgent, we would have dropped everything to meet with you.

The Minister for Education:

I think this relates to the role of scrutiny. We would not be in a position where we would invite scrutiny in to do this, otherwise we would be accused of being too cosy, I would have thought, at this point in time. So what we would have done is taken the procedure that we have done.

The Deputy of St. John:

What date was the Council of Ministers agreement to this? What was the date?

Chief Education Officer:

I would have to look at my diary. It was several weeks ago. Quite recent.

The Deputy of St. John:

On 21st March we had a hearing with the Minister. There was 53 references to nursery education in that hearing and you were asked whether there was anything else that you would like to add. Nothing was mentioned.

The Minister for Education:

No, we would not have done before we had consultation with the private sector.

The Deputy of St. John:

When did you have consultation with the private sector?

Director of Policy and Planning:

23rd March, I think it was. It was the evening of the Wednesday. I believe it was the 23rd.

Deputy L.M.C. Doublet:

You just told us you had no consultation with anybody. Was that meeting at the same time the press release went out?

The Minister for Education:

Sorry?

Deputy L.M.C. Doublet:

It was the same time that your press release was released to the general public.

Chief Education Officer:

The day before.

Director of Policy and Planning:

Yes, it was that evening.

Deputy L.M.C. Doublet:

It was the same evening.

Chief Education Officer:

It was important to make clear our decision to the commercial sector before releasing it anywhere else.

Deputy L.M.C. Doublet:

Just to be clear for the record, you had a meeting with the private sector providers at which you informed them of this news and the press release with which you informed parents, the public, the media, that was released the same evening. I had that in my inbox on the same evening.

Chief Education Officer:

Either that night or the following morning, yes.

Deputy L.M.C. Doublet:

It was that night. I had that by email that night.

Chief Education Officer:

After the meeting.

Deputy L.M.C. Doublet:

How soon after the meeting was it?

Chief Education Officer:

If it was in the evening it would have been straight after, because we met about 4.00 p.m. or 5.00 p.m. I think, finished about 5.30 p.m., 6.00 p.m.

Deputy L.M.C. Doublet:

Do you think that is acceptable?

The Minister for Education:

It was a decision we made and we ...

Deputy L.M.C. Doublet:

How do you justify that to the private nursery providers, not consulting them and then telling them at exactly the same time as the rest of the public?

Chief Education Officer:

We told them before. What I said before was I think ... I can only repeat what I said before. I think it would be disingenuous to set out on a consultation process over a decision that we felt we had no alternative but to make. We cannot balance the budget without having an impact and this impact impacts on some children but provides a much more positive impact on a larger number of more needy children. So I think to set out on a consultation knowing that we had made our decision would have been disingenuous and unhelpful.

The Deputy of St. John:

Does the Minister believe the communications released to the media were clear and fully explained his plans?

The Minister for Education:

Yes.

The Deputy of St. John:

Are you sure?

The Minister for Education:

You obviously do not think so but ...

The Deputy of St. John:

I am quite concerned that you do not think so.

The Minister for Education:

I think the point we were making earlier was that we wanted to get as much information out into the public domain as quickly as we could do and that is the route we decided to take. It is questionable whether we did the right thing or not in terms of what is written in the press release, but we still have some consultation to do, some discussions to have over the next 6 months.

The Deputy of St. John:

Sometimes this wave of media communication is put about and a press release goes out and then there is not really any real information or explanation. These people are having to plan their lives around a decision that has just been made but there is no impact analysis been done in terms of how this might affect people. I do not get how there was no real ... it does not have to be consultation even, the discussions. The Council of Ministers probably would have met 16th March, the States were in sitting on the 22nd, we had a hearing on the 21st, and your press release went out on the evening of the 23rd. There was a week there where there could have been discussions had with the private sector and even we could have been told in terms of what had happened and we could have suggested that we could have done a review on it to look at impacts and things but ...

Chief Education Officer:

But the role of scrutiny is not to review proposals as they develop. The role of scrutiny is to do what you are doing now. You scrutinise decisions made, policies developed.

The Deputy of St. John:

I do not think we need to be told what the role of scrutiny is.

Chief Education Officer:

Well, that is the role of scrutiny. We would not normally ...

The Deputy of St. John:

The role of scrutiny is to look at policies and legislation.

Chief Education Officer:

Once they are made.

The Deputy of St. John:

The problem is when you do not receive a work programme about what is happening, then how are you supposed to scrutinise policy and legislation, only to find out about a policy decision that has been made in the media?

Deputy L.M.C. Doublet:

It is reasonable for the Minister to provide a scrutiny panel with some notice of decisions such as this so that we can plan our work programme and so that we do not have to just react and drop all of our other reviews that we are working on to focus on something completely unexpected.

The Minister for Education:

I can say from my position I am sorry that you feel that we have not been open enough with you in this particular way. Up until now we have had a very good relationship and I think we have provided all the information that you wanted in one form or another, and today we are here. We have not gone anywhere. We are here to discuss it with you and I look forward to seeing what your review will produce or this discussion will produce.

Chief Education Officer:

There is always a first point. When you provide information, there is always a point at which the first time you tell people, whenever that is, no matter when it is, issues will arise. We have done this as quickly as we can so that parents have a year and a half to have that conversation. We now have 3, 4, 5, 6 months to talk around some of the detail.

Deputy L.M.C. Doublet:

Just going back to the lack of consultation, Minister, even if you were to have some brief conversations with the nursery providers, how do you know that your decision ... what tests do you apply to ensure that it is reasonable and practical if you have had no discussion with the people involved? How do you know that?

The Minister for Education:

I cannot condition what the private sector do at all. Certainly we know it will impact them in terms of what we have decided to do at this moment of time.

Deputy L.M.C. Doublet:

But how do you know the full impact if you have not talked to them?

Director of Policy and Planning:

To give you just an example ...

Deputy J.M. Maçon:

That was a question to the Minister.

Director of Policy and Planning:

I can give you some facts which might clarify the position.

Deputy L.M.C. Doublet:

I would like the Minister to finish speaking.

The Minister for Education:

It is one of those unknown unknowns. We do not know what the full impact will be.

Deputy L.M.C. Doublet:

So you have made this decision without really knowing what the impact is going to be. You have just said that.

The Minister for Education:

No. We sat down among ourselves and worked out as far as we can, and my colleague is going to produce some factual information for you that relates to that. But we cannot know the full extent.

Director of Policy and Planning:

All I was going to say was that we talked about it affecting around 100 families. There are 29 nurseries. That is 3 families per nursery. It is going to impact nurseries in different ways, I am not suggesting otherwise, but they are the facts.

The Deputy of St. John:

I would just go back to the communication side of things, Minister. You believe that what was stated in the press release was appropriate and there was enough information, but you are just telling us now, you stated that this is not in line with the 1001 Days agenda, which it says on the press release that it is. You also said that there is another 6 months to work around certain things, whatever they may be, but that is not mentioned in the press release. How could that have been clear?

The Minister for Education:

It depends what information you want to put out at one time. The reason it still is in line with the 1001 Days is that we have not removed it. We have still got the nursery education funding in there for at least 70 per cent of those individuals. It could be questioned that we did not do it in the way in which you feel is the most appropriate but, as the Director has already said, there is a point when you start these discussions, which is what we have done and we have done it well ahead of the actual decision being evoked.

Deputy L.M.C. Doublet:

Minister, you have made several admissions this afternoon about not having consulted with people, about understanding the difficulties of this decision. Having been through all of this, seeing the strength of public feeling ... these are the submissions from the public. We have had 2 who agree with you; these are the ones that disagree with you. Having seen all of this, are you prepared to withdraw this proposal?

The Minister for Education:

Not at this point in time, no.

Deputy J.M. Maçon:

Will the figures that have been presented today be published on the Education website?

Director of Policy and Planning:

I can send them to you and then you can ...

Deputy J.M. Maçon:

We will put them on the scrutiny website.

Director of Policy and Planning:

We can discuss the best way of putting them on but, yes, we can get them to you, of course.

Deputy J.M. Maçon:

Thank you.

Deputy L.M.C. Doublet:

Does anybody want to add anything? We have come to the end of the questions. Minister, is there anything that you would like to add before we close the hearing?

The Minister for Education:

No.

Deputy L.M.C. Doublet:

Nothing at all?

The Minister for Education:

No.

Deputy L.M.C. Doublet:

Before I do draw the hearing to a close, on behalf of the panel I want to state for the public record that we do find the behaviour in terms of how this announcement was made, Minister, to be completely unacceptable. We do not expect it to be repeated in the future. Your actions in releasing really confusing and incomplete information to the public with no prior warning, no consultation, and then leaving the Island for 2 weeks falls far short of what the public expect and what your fellow States Members expect from a Minister. You mentioned the relationship with the scrutiny panel. We expect to see a considerable effort in repairing the working relationship with the panel and, more importantly, in you rebuilding the trust that the public have in you as a Minister. I will draw the hearing to a close. Thank you to everybody in the public gallery for attending today. We hope to see you on Wednesday next week at 7.00 p.m. in the Pomme d'Or Hotel and you can tell us your views on this issue.

Member of the Public:

Will the Minister be coming next week?

Deputy L.M.C. Doublet:

He is welcome to come.

The Minister for Education:

I do not know what my diary looks like next week.

Deputy L.M.C. Doublet:

Thank you everybody.

[13:44]