

RESERVE FUNDING FOR CYPES FOR SPECIAL EDUCATIONAL NEEDS

1. Purpose of Report

To enable the Minister to approve the allocation of up to £2 million in 2022 from the General Reserve (AME) to the Children, Young People, Education and Skills (CYPES) head of expenditure for Special Educational Needs (SEN).

2. Background

As part of the Government Plan 2022-2025 the Council of Ministers agreed additional funding for CYPES to respond demographic pressures with education. The associated business case identified significant funding requirements for children with SEN. At the time that the Government Plan was agreed, CYPES was undertaking an Inclusion Review, which sought to review the ways in which the government provides for children with SEN. Accordingly, the Council of Ministers agreed to make a specific funding provision within the Reserve for this purpose until the results of the Review and its implications for funding requirements were known, as the costs of resourcing increasing pupil numbers may have been different to the forecasts set out in the application for Government Plan funding.

The Inclusion Review has now reported its findings and the costs of resourcing increases in pupils with SEN for 2022 are now known to be up to £2 million. Further policy development work stemming from the Review will determine future years' funding requirements.

3. Recommendation

The Minister is recommended to approve the allocation of up to £2 million in 2022 from the General Reserve – Annually Managed Expenditure (AME) to the CYPES head of expenditure for Special Educational Needs (SEN) and Record of Need (RON).

4. Reason for Decision

Article 15(3) of the Public Finances (Jersey) Law 2019 states that the approval by the States of a Government Plan authorises the Minister to direct how an approved appropriation for a reserve head of expenditure in the plan may be spent (including on another head of expenditure) in the first financial year covered by the plan.

The current Policy for Allocations from the Reserve, presented to the States Assembly as R.60/2021 sets the requirement that all allocations from the General Reserve (AME) are recommended for approval by the Treasurer of the States, taking into account comments from the Principal Accountable Officer (PAO), prior to submission to the Minister for approval. Where a request for funding is made by Treasury and Exchequer, the Policy requires that the Principal Accountable Officer also recommends the request to the Minister.

This decision has been circulated to the Council of Ministers in accordance with the requirements of the policy.

The Investment Appraisal Team had previously reviewed the business case for this request as part of the Government Plan 2022-25 revenue investment workstream and recommended that an amount was held within the General Reserve until such times as the Inclusion Review had reported its findings. The business case has been updated to include the findings and, following the review of the business case, the Treasurer, taking into account comments from the PAO, recommends that the Minister allocates funding from the General Reserve (AME) for 2022.

5. Resource Implications

The General Reserve (AME) to decrease by up to £2 million and the CYPES head of expenditure to increase by the same amount.

The future years' effects of this allocation will be addressed and resourced in the proposed Government Plan 2023-2026, subject to approval by the States Assembly. This decision does not change the total amount of expenditure approved by the States in the Government Plan 2022-25.

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