

## RESERVE FUNDING FOR THE 2024 PAY AWARD – THIRD ALLOCATION

### 1. Purpose of Report

To enable the Minister to approve the allocation of up to £7,466,345 in 2024 from the Central Reserve to fund the budget allocation of the 2024 pay award in respect of the Nurses and Midwives pay group including Family Nursing & Homecare and the Fire pay group.

The 2024 pay award for Nurses and Midwives comprises a consolidated 8% increase and the award for Fire is an additional consolidated 0.5% increase. This is in addition to the 7.5% previously awarded.

The Junior Doctors are yet to agree a pay award and funding will be allocated in a subsequent Ministerial Decision when agreed.

### 2. Background

Pay award provisions were made in the Government Plan 2024-2027 in the Central Reserve Head of Expenditure for the 2024 pay award. This included the funding for the 2024 pay award for the pay groups listed above.

#### Pay Awards

The States Employment Board has agreed the 2024 pay award for the nurses and midwives and fire pay groups. The 2024 pay award comprises a consolidated 8% increase for nurses and midwives and an additional consolidated 0.5% increase for Fire. This pay award is effective from 1st January 2024 and will be funded from the Central Reserve Head of Expenditure.

### 3. Recommendation

The Minister is recommended to approve the allocation of up to £7,466,345 in 2024 from the Central Reserve Head of Expenditure to the Heads of Expenditure as detailed in the table below, to cover the costs associated with the 2024 pay award:

| 2024 Pay Award - Third Allocation per Head of Expenditure |                       |
|---|-----------------------|
| Head of Expenditure                                       | 2024<br>Pay Award (£) |
| Cabinet Office  | 31,687                |
| Children, Young People, Education and Skills              | 185,000               |
| Justice and Home Affairs                                  | 36,749                |
| Health and Community Services                             | 7,212,909             |
| <b>Total - Reserve for Centrally Held items</b>           | <b>7,466,345</b>      |

### 4. Reasons 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.

## Allocations from the Central Reserve

The current Policy for Allocations from the Reserve for centrally Held Items (published as R.76/2022) sets the requirement for all allocations from the Reserve for Centrally Held Items to be reviewed by the Investment Appraisal Team who will provide the Treasurer of the States sufficient information to allow him to reach a decision to recommend the funding.

This has been reviewed by the Investment Appraisal Team and the Treasurer now recommends this to the Minister for Treasury and Resources for approval.

### **5. Resource Implications**

The Central Reserve Head of Expenditure to decrease by up to £7,466,345 and the respective Heads of Expenditure to increase by up to £7,466,345.

This decision does not change the total amount of expenditure approved by the States in the Government Plan 2024-2027. The recurring impact of the consolidated element of this award will be included in Government Plan 2025-2028.

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| MD sponsor: <i>Treasurer of the States</i>   |  |