

STATES OF JERSEY



PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): TWELFTH AMENDMENT

**Lodged au Greffe on 11th November 2024
by Deputy H.L. Jeune of St. John, St. Lawrence and Trinity
Earliest date for debate: 26th November 2024**

STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024):
TWELFTH AMENDMENT

1 PAGE 4, PARAGRAPH (o) –

After the words “as set out in the Appendix of the accompanying Report” insert the words –

“; except that, on Page 17 after the words “grouped by Island Outcomes.” there should be inserted a new paragraph –

“Sustainable wellbeing will be embedded within all business-as-usual activities in conjunction with Ministerial plans and portfolios. Included within any issuance of financing to third parties and public bodies will be the requirement to obtain transparent reporting relating to the application of funding, detailing how the funding will actively contribute to sustainable wellbeing, align with the Future Jersey vision and be monitored and measured further to the standards set by the Jersey Performance Framework.”

DEPUTY H. JEUNE OF ST. JOHN, ST. LAWRENCE AND TRINITY

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

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

to receive the Government Plan 2025 – 2028 (entitled “Budget 2025-2028”) specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (“the Law”) and specifically –

- (a) to approve the estimate of total States income to be paid into the Consolidated Fund in 2025 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law.
- (b) to approve the proposed Changes to Approval for financing/borrowing for 2025, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.
- (c) to approve the transfers from one States fund to another for 2025 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.
- (d) to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2025 of up to £25 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2024 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2025.

- (e) to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund in 2025 of up to £2 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2024 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2025;
- (f) to approve each major project that is to be started or continued in 2025 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.
- (g) to approve the proposed amount to be appropriated from the Consolidated Fund for 2025, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.
- (h) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2025 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.
- (i) to approve the proposed amount to be appropriated from each States trading operation’s trading fund for 2025 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.
- (j) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2025 as set out in Appendix 2 – Summary Table 8 to the Report.
- (k) to approve an updated and consolidated policy of the Strategic Reserve Fund as follows:

“The Strategic Reserve Fund, established in accordance with the provisions of Article 4 of the Public Finances (Jersey) Law 2005, is a permanent reserve only to be used:

- i. in exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.
- ii. if necessary, for the purposes of providing funding (up to £100 million) for the Bank Depositors Compensation Scheme established under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009, including to meet the States contribution to the Scheme and/or to meet any temporary cash flow funding requirements of the Scheme.
- iii. to support the development of future healthcare facilities and the borrowing costs for such work, in line with a financing strategy agreed by the Assembly;
- iv. as a holding fund for any or all monies raised through external financing until required, and for any monies related to the repayment of debt raised

through external financing used to offset the repayment of debt, as and when required; and

- v. in accordance with Article 24 of the Public Finances (Jersey) Law 2019, where the Minister for Treasury and Resources is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants of Jersey, to the stability of the economy in Jersey or to the environment, for which no other suitable funding is available.”
- (l) to approve the transfer to the Strategic Reserve of the amounts due as a result of the move from prior-year basis taxation after 31st December 2025, as and when these payments are received (estimated at £280 million).
- (m) in relation to the new Government Headquarters (office), to approve;
- i. the exercising of the option to acquire the new Government Headquarters (estimated at £91 million), by the Public of the Island, in line with the pre-agreed terms; and
 - ii. the acquisition of the new Government Headquarters as an investment of the Social Security (Reserve) Fund (including authorising the meeting of expenses incurred in connection with the acquisition); and
 - iii. the subsequent leasing of the new Government Headquarters by the Public of the Island from the Social Security (Reserve) Fund, with commercial terms to be agreed between the Minister for Infrastructure (on behalf of the Public) and Minister for Social Security and the Minister for Treasury and Resources (both on behalf of the Fund); and
- (n) in relation to the new Government Headquarters, to authorise H.M. Attorney General, the Greffier of the States, the Ministers for Infrastructure, Social Security and Treasury and Resources, and the Public of the Island, to enter into such arrangements, including financing, and pass any contracts as are necessary to put into effect paragraph (m).
- (o) to approve, in accordance with Article 9(1) of the Law, the Government Plan 2025-2028, as set out in the Appendix to the accompanying Report, except that, on Page 17 after the words “grouped by Island Outcomes.” there should be inserted a new paragraph –

“Sustainable wellbeing will be embedded within all business-as-usual activities in conjunction with Ministerial plans and portfolios. Included within any issuance of financing to third parties and public bodies will be the requirement to obtain transparent reporting relating to the application of funding, detailing how the funding will actively contribute to sustainable wellbeing, align with the Future Jersey vision and be monitored and measured further to the standards set by the Jersey Performance Framework.”.

REPORT

Ensuring Public Funds Drive Sustainable Wellbeing for Jersey

Jersey is one of a small number of jurisdictions that have enshrined into law a requirement to consider sustainable wellbeing in Government decision making. Under Article 9 (6) of the Public Finances (Jersey) Law 2019 (the 2019 Law), the Council of Ministers is required to take account of the medium-term and long-term sustainability of the States' finances and the outlook for the economy in Jersey in preparing Government Plans (now called Budget). In addition, under Article 9 (9) of the 2019 Law, the Council of Ministers must take into account the sustainable wellbeing (including the economic, social, environmental and cultural wellbeing) of the inhabitants of Jersey over successive generations in preparing the Government Plan (sic: Budget). It is also required to set out in the Government Plan (sic: Budget) how the proposals in the Plan take that sustainable wellbeing into account.

However, the Comptroller & Auditor General (C&AG) has highlighted, in multiple reports¹, the need for stronger alignment between sustainable wellbeing, the *Future Jersey* vision, and measurable outcomes via the *Jersey Performance Framework*, especially in cases where public funds support third parties, including Arts, Heritage, and Cultural Organisations, Arms-Length Organisations (ALOs), businesses, and charities.

Currently, sustainable wellbeing obligations under the Public Finances Law remain at a high level and do not extend to third-party recipients of public funding, which risks rendering the *Future Jersey* vision and *Jersey Performance Framework* ineffective. Without embedding sustainable wellbeing into these decision-making and outcome measurement processes, public funds may fail to effectively support Jersey's sustainable wellbeing objectives and may lack accountability regarding their impact. Key recommendations from C&AG reports aimed at addressing these issues have also been subject to delays.

The Budget (Government Plan) is a key element of planning and resource allocation within Government. As the C&AG states in her latest report "*Sustainable wellbeing should therefore be central to considerations underpinning the way in which the Government plans, makes decisions and designs public services in Jersey*".

This amendment thus calls on the Government, the Principal Accountable Officer, and other Accountable Officers to ensure that public funds issued to third parties and public bodies are aligned with sustainable wellbeing outcomes as outlined in the Public Finances Law. It also mandates that funded activities are monitored and measured against the standards of the Jersey Performance Framework, with a clear emphasis on advancing the *Future Jersey* vision.

Why is this essential:

- 1. It maximises impact:** When financial support to third parties aligns with Government goals, funds are used more efficiently to drive key objectives like

¹ Jersey Performance Framework, [14 October 2024](#); Oversight of Arm's Length Bodies, 30 July, 2024 ; [Commissioning Services, 22 July 2024](#) ; Grants to Arts, heritage and Culture Organisations, 23 December 2022; Grants and Subsidies, 7 December 2017,

economic growth, social equity, and environmental sustainability. This alignment ensures that every pound spent contributes directly to government priorities, maximizing the impact on citizens and the community.

2. **It ensures accountability and transparency:** Requiring third-party funding recipients to adhere to Government priorities promotes transparency and accountability. Clear alignment enables better tracking of how funds are spent, and fosters trust among the public as they can see that resources are used in ways that reflect community needs and government commitments.
3. **It supports the Sustainable Development Goals:** Many Government priorities, such as climate action, social equity, and public health, overlap with the UN Sustainable Development Goals (SDGs). Aligning finances with these priorities reinforces Jersey's role in addressing global challenges while meeting local needs, ensuring that funds support long-term, positive change – The Jersey Performance Framework is a start – but as the C&AG states in her report, - *The Jersey Performance Framework has not been based specifically on the United Nations Sustainable Development Goals (SDGs). The Island Outcomes set out long-term sustainable wellbeing outcomes that have been chosen for Jersey by Islanders. The SDGs however are a common standard for sustainability reporting globally. To avoid confusion it would be helpful to set out and explain the similarities, differences and interactions between the Island Outcomes and the SDGs to enable broader comparisons between Jersey and other jurisdictions.*
4. **It is consistent with policy frameworks:** When financial support to third parties is aligned with established frameworks like the *Future Jersey Vision* and the Jersey Performance Framework, it creates coherence across government initiatives. This consistency helps streamline objectives and simplifies the process of evaluating the effectiveness of funded projects against broader policy goals.
5. **It encourages responsible partnerships:** By making alignment with government priorities a condition of funding, the government can incentivize third parties to adopt practices that are socially, economically, and environmentally responsible. This fosters partnerships that contribute to sustainable wellbeing and reinforce Jersey's commitment to a resilient, inclusive economy.
6. **It is efficient resource allocation:** With limited resources, it is crucial that government finances are allocated toward activities that contribute directly to its strategic priorities. Alignment helps avoid funding duplication and ensures resources go where they are needed most, improving overall governance and fiscal responsibility

Aligning all third-party financing with government priorities thus serves as a powerful lever to advance Jersey's economic, social, and environmental goals while fostering a transparent and accountable funding process.

Financial and staffing implications

The financial and staffing implications of this amendment will be limited as the outcome will be embedded in the processes when issuing third parties public finances.

Any additional monetary or staffing costs will be covered by the relevant departmental budget.

Children’s Rights Impact Assessment

A Children’s Rights Impact Assessment (CRIA) has been prepared in relation to this proposition and is available to read on the States Assembly website.