

# STATES OF JERSEY



## **PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024): NINTH AMENDMENT (P.51/2024 AMD.(9)) – SECOND AMENDMENT**

---

**Lodged au Greffe on 28th November 2024  
by the Minister for Treasury and Resources**

---

**STATES GREFFE**

PROPOSED BUDGET (GOVERNMENT PLAN) 2025-2028 (P.51/2024):  
NINTH AMENDMENT (P.51/2024 AMD.(9)) – SECOND AMENDMENT

---

**1 PAGE 5, SUB-PARAGRAPH (b) –**

For the words “and towards promoting” substitute the words “through the promotion of”.

After the words “Sustainable Finance”, insert the word “. This”.

After the words “embedding sustainability into” delete the word “all”.

**2 PAGE 5, SUB-PARAGRAPH (c) –**

For the words “and the delivery of”, substitute the words “identified and delivered through”.

MINISTER FOR TREASURY AND RESOURCES

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

**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 38 –

- (a) after the words “improve the competitiveness of the Island” there should be inserted the words “with a specific focus on funding the delivery of the Sustainable Finance Action Plan and supporting the transition to a net-zero economy”;
- (b) after the words “ease of doing business here.” there should be inserted the words “Ensuring that funding is made available to support the transition to a net-zero economy **through the promotion of** Sustainable Finance. **This** will support these goals and provide a clear action plan and delivery framework, embedding sustainability into financial practices.”; and
- (c) after the words “seeking to reduce operating costs.” there should be inserted the words “Specifically, making funding available for drivers to a net-zero economy **identified and delivered through** the Sustainable Finance Action Plan which will embed sustainability into financial practices and business practices and support the decarbonisation of the finance industry.”.

**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. Page - 3 P.51/2024 Amd.(9) (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. Page - 4 P.51/2024 Amd.(9)
  - 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 38 –
- (a) after the words “improve the competitiveness of the Island” there should be inserted the words “with a specific focus on funding the delivery of the Sustainable Finance Action Plan and supporting the transition to a net-zero economy”;
  - (b) after the words “ease of doing business here.” there should be inserted the words “Ensuring that funding is made available to support the transition to a net-zero economy through the promotion of Sustainable Finance. This will support these goals and provide a clear action plan and delivery framework, embedding sustainability into financial practices. ” and;
  - (c) after the words “seeking to reduce operating costs.” there should be inserted the words “Specifically, making funding available for drivers to a net-zero economy identified and delivered through the Sustainable Finance Action Plan which will embed sustainability into financial practices and business practices and support the decarbonisation of the finance industry.”.

## **REPORT**

The Minister for Treasury and Resources is sympathetic to the amendment and supports parts (b) and (c) subject to the minor amendments specified below.

The Minister remains wholly supportive of the Carbon Neutral Roadmap and the work being done to ensure a transition to net-zero. The amendments to part (b) and (c) seek to clarify that the work identified in the amendment on net zero is suitably linked to the actions specified within the Sustainable Finance Action Plan.

### **Proposed amendment to Parts (b) and (c) of Amendment 9**

The Minister supports parts (b) and (c), subject to the changes set out below:

- (b) after the words “ease of doing business here.” there should be inserted the words “Ensuring that funding is made available to support the transition to a net-zero economy through the promotion of Sustainable Finance. This will support these goals and provide a clear action plan and delivery framework, embedding sustainability into all financial practices.”; and
- (c) after the words “seeking to reduce operating costs.” there should be inserted the words “Specifically, making funding available for drivers to a net-zero economy identified in and delivered through and the Sustainable Finance Action Plan which will embed sustainability into financial practices and business practices and support the decarbonisation of the finance industry.”

The Sustainable Finance Action Plan does not directly address the matter of the financial services sector’s transition to net zero and indeed this is not expected to be at cost to the Government of Jersey. Financial services businesses, like other businesses, will be taking steps in relation to their transition to net zero. However, the Sustainable Finance Action Plan does address issues of governance, including climate risk, which will be relevant to the financial services business’ own transition to net zero. The above proposal therefore adequately aligns with the work contained within the Sustainable Action Finance Plan.

### **Financial and staff implications**

There are no financial implications arising from this amendment. The amendment relates to allocations already proposed in the Proposed Budget (Government Plan) 2025-2028.

### **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.