



States Greffe

Deputy Ian Gorst  
Minister for External Relations

**BY EMAIL**

13<sup>th</sup> September 2024

Dear Minister,

**Economic and International Affairs Scrutiny Panel**  
**Proposed Budget 2025-2028 Review**

To inform the Panel’s review of the Proposed Budget 2025-28, the Panel would be grateful if you could consider the following written questions and provide a formal response by no later than Friday 20<sup>th</sup> September 2024.

**Income and Expenditure**

**Table 5i - Revenue Heads of Expenditure**

2025 £'000	Income	Expenditure	Head of Expenditure
<b>Departmental Expenditure</b>			
Ministry of External Relations	(330)	3,737	3,407

1. The Ministry of External Relations is projected to have approximately £330k of income earned through operations in 2025. Please could you provide detail about the source of this income?

## Statement of Comprehensive Net Expenditure

	2025	2026	2027	2028
£'000	Estimate	Estimate	Estimate	Estimate
<b>Revenue</b>				
Levied by the States of Jersey	-	-	-	-
Earned through operations	330	330	330	330
<b>Total revenue</b>	<b>330</b>	<b>330</b>	<b>330</b>	<b>330</b>
<b>Expenditure</b>				
Social benefit payments	-	-	-	-
Staff costs	1,976	1,897	1,897	1,897
Other operating expenses	527	554	554	554
Grants and subsidies payments	1,234	1,207	1,207	1,207
Impairments	-	-	-	-
Finance costs	-	-	-	-
<b>Total expenditure</b>	<b>3,737</b>	<b>3,658</b>	<b>3,658</b>	<b>3,658</b>
<b>Net revenue expenditure (near cash)</b>	<b>3,407</b>	<b>3,328</b>	<b>3,328</b>	<b>3,328</b>
Depreciation and amortisation	-	-	-	-
<b>Net revenue expenditure after depreciation</b>	<b>3,407</b>	<b>3,328</b>	<b>3,328</b>	<b>3,328</b>

2. Please could you provide a more detailed breakdown of the following expenditure, as detailed in the [statement of comprehensive net expenditure](#) for the Ministry for External Relations:
  - a) Staff Costs
  - b) Other Operating Expenses
  - c) Grants and subsidies payments

### Savings Proposals

3. The previous Government Plan 2024-27 identified £50k of value for money savings for the Ministry for External Relations in 2024. Are you able to confirm if those savings have been or are on track to be achieved, where savings were identified and how this will impact the approximately £79k of savings proposed in 2025?
4. The Ministry for External Relations has targeted approximately £79k of savings in 2025. Please could you provide a breakdown of where the savings will be achieved?
5. The Savings Proposals in the Proposed Budget 2025-2028 detail £52k under 'Roles' in 2025. However, the Service Level Analysis with the Annex to the Proposed Budget 2025-2028 states 'nil' in relation to 'FTE Role Reduction' in 2025. Please can you clarify the £52k under 'Roles' as detailed within the Savings Proposals of the Proposed Budget 2025-2028?
  - a. Please can you provide a breakdown of the total planned 'Role Reductions' within the Ministry for External Relations in 2025?
  - b. Please can you detail the nature of the roles affected by the 'Role Reductions' within the Savings Proposals in 2025?

### Bank Depositors Compensation Scheme

The Panel notes that P.51/2024 will propose to approve an updated and consolidated policy of the Strategic Reserve Fund including, if necessary, funding of up to £100m for the Bank

Depositors Compensation Scheme in the Proposed Budget 2025-2028, and that “*The Jersey Bank Depositors Compensation Scheme (DCS) would provide protection of up to £50,000 for deposits placed in Jersey per person, per Jersey banking group, for local and international depositors in line with international standards.*”<sup>1</sup>

The Panel also notes that the previous Economic and International Affairs Scrutiny Panel questioned the level of depositor compensation at a Quarterly Public Hearing on 21<sup>st</sup> June 2023, and heard that, “*I believe that is something that the board [\[Jersey Bank Depositors Compensation Board\]](#) wish to look at. They may wish to bring proposals forward. When the £50,000 was set, I am not sure if it is necessarily something that has to be inflation linked.*”<sup>2</sup>

The Panel would be grateful if you could provide clarity in relation to the following points:

6. Noting that Regulation 28 (1)(b) of the Banking Business (Depositors Compensation) (Jersey) Regulations 2009 identifies that the maximum that the Board may expend in relation to a default is £100 million, would the Government of Jersey envisage fully meeting the expenditure of the Jersey Bank Depositors Compensation Board?
  - a. What consideration has been undertaken to ensure that the figure of £100 million is sufficient to meet the requirement of compensation under the relevant legislation?
  - b. Would the figure of £100 million need to be altered should the maximum level of compensation under the scheme be amended?
7. Please can you provide more details about how the level of compensation for Jersey bank deposits, currently set at £50,000 per bank, is monitored to ensure it is set at the correct level?
8. Please can you confirm what discussions or considerations have been given to the level of bank deposit compensation covered by the Scheme following the change in Government in January 2024?
9. Please can you advise whether the level of depositor compensation was considered as part of the Proposed Budget 2025-2028 process in relation to the Scheme?
  - a. If so, please can you describe what considerations were given to amending the current level of bank deposit compensation?

### **Other Special Funds**

10. Please can you confirm the balance of the ‘Dormant Bank Accounts Fund’ as set out within the ‘Other Special Funds’ section of the Proposed Budget 2025-2025.

Yours sincerely,



Deputy Montfort Tadier  
**Chair**  
**Economic and International Affairs Scrutiny Panel**

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<sup>1</sup> [Jersey Resolution Authority – How Resolution works](#)

<sup>2</sup> [Quarterly Public Hearing – Minister for External Relations – 21<sup>st</sup> June 2023](#)