

STATES OF JERSEY

OFFICIAL REPORT

THURSDAY, 11th DECEMBER 2025

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The Roll was called and the Dean led the Assembly in Prayer.

Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

I was wondering if it might be a convenient time now, before we start the day, to propose that we shorten the lodging period for an amendment that I have lodged as Minister for Sustainable Economic Development to Amendment 33.

The Bailiff:

I have not seen a hard copy yet, and I do not think we can do it until I have got a hard copy, but as soon as we have then we can do that.

Deputy K.F. Morel:

Of course, thank you.

Connétable A.N. Jehan of St. John:

Can I advise you and Members that I have to attend a funeral later this morning, Sir.

The Bailiff:

Thank you for letting us know. Apparently there is a problem with the sound and the webcasting has broken down and, accordingly, we need to pause to reboot. Are Members are content for the sitting to be suspended for 3 minutes for that purpose, so the public can continue to watch our proceedings? So we will suspend the sitting for a few moments until that can be attended to.

Deputy R.J. Ward of St. Helier Central:

While we are doing that, can we try and turn the heating down, quite realistically? Yesterday afternoon it was unbearably warm down here. I actually felt quite ill during the day. I know you have to wear a lot more than I do. **[Laughter]**

The Bailiff:

I am not sure how to respond to that. I know what you mean and personally I sympathise with you. I think it is turned off now. It is turned off. The problem really is that, as I understand it, we cannot turn off what is around us. We are like in a hot doughnut. **[Laughter]** The heating is off here but all around us the heating is on, and I do not think much can be done about that. But we will look into it.

Deputy M.B. Andrews of St. Helier North:

Please may I raise the défaut on Deputy Wilson?

The Bailiff:

Are Members content to raise the défaut? The défaut is raised. Greffier, have we still got the problem with the sound? It will take a few minutes, so we will suspend the sitting until the sound has been resolved. Leave the mace here.

[9:40]

ADJOURNMENT

[9:52]

PUBLIC BUSINESS - resumption

Male Speaker:

Before we start, could I raise the défaut on the Constable of St. Helier?

The Bailiff:

Are Members content to raise the défaut on the Connétable? The défaut is raised.

Deputy M. Tadier of St. Brelade:

Could I also ask to raise the défaut on Deputy Kovacs, please?

The Bailiff:

Are Members content to raise the défaut? The défaut is raised on Deputy Kovacs.

Deputy L.V. Feltham of St. Helier Central:

Members may have noticed that this morning I have lodged an amendment to Amendment 11. I had previously lodged an amendment to that amendment, which was lodged originally by the Scrutiny Panel. Following positive discussions with the Scrutiny Panel, it is my intention to withdraw the original amendment that was lodged and replace it with the amendment lodged this morning. So I seek leave of the Assembly to do that and reduce the lodging period.

The Bailiff:

Yes, I have not got a hard copy in front of me; I have seen it. We will do that in due course, Deputy Feltham.

1. Reduction of Lodging Period

I now do have a copy, Deputy Morel, of your second amendment to the thirty-third amendment. Do you wish to propose the lodging be reduced in relation to that matter?

1.1 Deputy K.F. Morel:

Yes, if I may, Sir. My understanding, just briefly for States Members, is that Deputy Tadier and I have worked to reach an agreement and so I hope Deputy Tadier will agree that this amendment that I am lodging is one that he would be able to accept, and so reduce the debating time for the thirty-third amendment.

The Bailiff:

Is that proposition seconded? **[Seconded]** Does anyone wish to speak on that matter? Are Members content that the lodging period be reduced? The lodging period is reduced in relation to the second amendment to the thirty-third amendment. We believe that the webcasting issue has resolved itself. Even if it has not, Deputy, anyone attending online still has access. If the webcasting issue has not resolved itself, it may be we will proceed in any event.

2. Proposed Budget (Government Plan) 2026-2029 (P.70/2025): twenty-sixth amendment (P.70/2025 Amd.(26)) - Inflation adjustment to apprenticeship grants

The Bailiff:

The next matter of business is the twenty-sixth amendment lodged by Deputy Gardiner. I ask the Greffier to read the amendment.

The Greffier of the States:

Paragraph (b)(xii) – After the words “in the Appendix to the accompanying report” insert the words - “, except that on page 16 after “Figure 6: Common Strategic Policies” there should be inserted a new paragraph – “Additional funding will be allocated to increase apprenticeship grants from the current rate of £1,852 per student to a maximum amount of £2,350 per student, to factor in inflation from the date at which the rate was set. The additional funding required for 2026 shall be allocated from the Better Business Support Package.”. Paragraph (b)(xii) – After the words “in the Appendix to the accompanying report” insert the words - “, except that on page 16 after “Figure 6: Common Strategic Policies” there should be inserted a new paragraph – “During 2026, the Minister for Education and Lifelong Learning, in consultation with the Minister for Treasury and Resources and

other relevant Ministers, shall develop proposals for an apprenticeship grants funding model to be managed using an Annually Managed Expenditure (A.M.E.) model rather than as part of general departmental budgets.”.

2.1 Deputy I. Gardiner of St. Helier North:

I am glad that the public is able to hear this debate clearly. I will start with a quote from a training provider: “Apprentices are the future of our industries.” Every pound invested in apprenticeships today returns multiple pounds in future growth and reduces our reliance on imported labour. If we genuinely want to improve life chances for Jersey’s young people, no tool is more effective than a well-funded apprenticeship route. In prison support, it is not a cost. It is an investment in our young people, our businesses, and Jersey’s long-term prosperity. I believe that everyone in this Assembly might not disagree with it. These are the words that most of us probably used also during the election campaigns, our manifestos, and during these debates. The question is where are the actions? Also, let us examine this future understanding why apprentices are essential now even more. Studies of workforce trends show that 25 per cent of U.K. (United Kingdom) traditional trade workers - plumbers, electricians - plan to retire in the next 5 years. I assume Jersey is similar, and I am sure just a little bit of research, a bit of conversation with trades, you will know a large proportion of them will retire in the next 5 years, and some of our tradesmen even seem to be working past retirement. When I wanted a little bit of plumbing done recently there was over 6 weeks wait if it is not an emergency. I am sure that others had similar experiences. Above 50 per cent of businesses this year reported that finding skilled employees is the main challenge. If there is a time to boost the whole apprenticeship scheme in efforts to increase qualified workforce, it is now. Coming to the amendment. My amendment updates the apprenticeship grant to return to 2016 value after inflation. From 2016 until 2 weeks ago - which was just indicated in the answer to my Written Question, it is nowhere in the Budget - it was £1,600. We do have funds that were unused, and during the Common Strategic Policy Review were identified that the funds that were allocated for skills as part of Better Business Support £1.5 million approximately were not used, were not claimed. So we did have unused funds that were allocated to Skills, in the pot of the Economy Department, but at the same time Tracker at C.Y.P.E.S. (Children, Young People, Education and Skills) Department did not raise with inflation. Now, in the comments by the ... the Minister is trying to make things right, by the way. He has proposed a small uplift and I welcome this, but it is not enough. In the comments paper, the Minister rightly said the Highlands rate uplift was 5.5 per cent in 2025. But what we need to think, what was the Highlands cost for training of the apprenticeship uplift from 2016? Actually from 2019, I did the numbers, and the uplift was 28 per cent in the cost that employers or apprentices need to pay for Highlands. Put it in the perspective, apprenticeship grant value had the real term cut of 33 per cent from 2016.

[10:00]

Highlands fees from 2019 until this year have risen by 28 per cent; 33 per cent real term cut, 28 per cent of rising fees for Highlands. This inequality needs to be addressed. We already have this money, like I said, set aside in Skills fund. My amendment redirects the existing pot to restore the value of the grant in line with inflation. This is the only thing this amendment does. It is an affordable, practical change. About the future model, I also offer the future model similar to what I prepared and worked entirely with the officers from Treasury and from C.Y.P.E.S. in 2023 for higher education. It is working now from 2024, ensuring that it will not fall behind without coming back to the States. Apprenticeship funding will be moved to what we call an A.M.E.-style model. We do not have A.M.E., but what is A.M.E.? It is annual management expenditure. We have similar arrangements for social security benefit, pension adjustment, and from 2024, higher education student grants; all of them working under this system. We have equivalent methodology in the Public Finance Manual that works for social security benefits. But it is flexible. If the new Government will decide on a different model, this amendment offers flexibility from 2027. The next Council of

Ministers can make their decision and they are bringing a different framework, but there is a model that is working for higher education; it can work for the apprentices. Because currently we do not have a sustainable model, we have different pots in different departments. Members might ask why I did it for higher education and not for apprentices, which is a very valid question. The answer is simple. We had a Population and Skills Ministerial Group and had these plans to be activated in 2024. A Population and Skills Ministerial Group does not exist, and I would remind Members that in July 2024 I brought a proposition to the States to debate post-16 education, and the Minister for Education and Lifelong Learning made a very clear commitment. He asked the Assembly to trust him, to reject the proposition and, in his own words, that this work will be brought back to the Assembly and the Members would have an opportunity to shape a new model for funding 16 to 18 education and vocational training. All what I am trying to do now, I am trying to at least support partially to achieve what was promised. He acknowledged that publicly the current system leaves a funding gap almost of £1 million for vocational and educational pathways for 16 to 18 and unfairness needed to be addressed at the current Government Plan period. But despite these commitments, and also the commitments ... actually it was a commitment in Budget 2025-2028, it was another statement that the proposal will be brought forward. We did not have proposal. It might be in 2026, I do not know, but we are 2 years down the line, and we do not have a proposal. To compare ourselves to the Isle of Man, the Government subsidy budget, the £1 million subsidy covers 100 per cent of the course fees. Our subsidy is just under £500,000 for the Tracker, and now it will cover £1,800-plus. Now, Guernsey, they do have £2.4 million for apprentices and course full cover. We do not cover full course. We are covering just part of it. Something that really brought me ... I think that if I could not find the money I would not bring this amendment and I will continue to wait. But because £1.5 million was unused in the pot, this is the money that needs to be used for the apprentices. We all received this book? Everyone has this book? I am not sure if everyone has this book in the Assembly. Have you done a search in ... there is an electronic version, you can do control F. If you do control F, you put “vocational education”, how many times in this book you would find vocational education? Zero. If you put word “apprentice”, how many times you would find ...

The Bailiff:

Do you want to put a clarification?

Deputy M.R. Scott of St. Brelade:

Yes.

The Bailiff:

Will you give way?

Deputy I. Gardiner:

Actually no, I will finish my speech.

Deputy M.R. Scott:

I just wondered if the ...

Deputy I. Gardiner:

I will finish my speech. I might miss it, if I put in this book “apprentices”, I could not find “apprentice” or “apprenticeship”. I did find 3 times the word “skills”. One time word “skills” was used in the Commerce Strategic Policy table that we all approved 2 years ago. The second time “skills” was found in Invest in Jersey fund that would be created. The third time the word “skills” was found in a G.P. (general practitioner) training. Again maybe my computer did not do the proper search, I will be happy to be corrected. How can we value skills in apprentices when our apprenticeship funding is basically telling that they are worth less than the academics. We have full funding for A-levels at Hautlieu School, and it costs an average between £7,000 to £8,000. We can

dispute the numbers because numbers have never been presented but if you take in the total budget of the A-levels in Hautlieu divided by the number of children it will be this amount. We do fund 9,250-plus maintenance for the high education. By the way, I believe that we need to fund, it is not against the funding. But the students doing apprenticeship training only get £1,600 2 weeks ago, £1,850 now, and it was from 2016. Vocational students need to fill the gaps themselves. For example, self-funding or from the employer or some from other grounds. It is not fair. It is bad for the economy because we need to increase the skills and our workforce. Actually, there are lots of students that we fail in our schools and not able to continue to A-levels and to do university. I believe we are failing them again. We want plumbers, electricians, mechanics, career techs, engineers, all roles that Jersey desperately needs. The comment on the Facebook, this is a perception: an academic is worth more than a plumber until the scholar's drain is blocked. There were other interesting comments there. We have several pots of funds that are not connected. Actually during the Common Strategic Policy it was clear the Minister for Education and Lifelong Learning did not sit and discuss the skills and training with the Minister for Sustainable Economic Development. It is on the record of the transcript of the public hearings. Employers can apply for training grants and receive one-fourth of the true cost of apprenticeship training if any funds are left in the Skills Tracker pot. We had applications when the Skills Tracker pot ran out and they did not receive. To be honest, if you choose Highlands you are in better situation. There are historic funds allocation to support apprentices in Highlands and also for years it was effectively cross-subsidised from other funding schemes within the Highlands. The students who will go to Highlands will receive more public money through different funding mechanism. But again, it is not the full funding. A training provider emailed me. Private training providers have been advised that there will not be increased funds until 2027 at the earliest. How is this fair? It feels like they want us to close and keep everything in Highlands, despite the cost. At the time that Government needs to be cutting costs, it could be and should look closer at the cost and benefit working closer. What can be delivered privately and what can deliver in Highlands. But this is for another day; really for another day. Today, do we bring the apprenticeship grant in line with inflation from already existing and unspent funds supporting much-needed skills on the Island or not? This is what the amendment is about.

The Bailiff:

Will you take a point of clarification from Deputy Scott?

Deputy I. Gardiner:

Actually not.

The Bailiff:

Is the amendment seconded? **[Seconded]**

2.1.1 Deputy R.J. Ward of St. Helier Central:

A couple of things, I just want to start by clarifying one thing. I am not being difficult here, but I did not like the phrase that students fail and do not get on to A-level. They do not fail. They succeed in their own way, and we have to be careful with our language around students because that is what sets up the false dichotomy between vocational and academic education. Sorry, it is the educationist in me coming out. I want to be as positive as I possibly can because I think we need to be here. First of all, I would like to just give a little context, and I promise Members I will be as concise as possible. We have got a long day ahead. I just want to set a context here because I think we get into again a world of absolutes. I want to make clear there are currently 384 apprenticeships going on, and if you add the higher apprenticeships there are 407 apprenticeships going on, on the Island. The delivery of those, the people who deliver those both at Highlands are highly skilled, incredibly committed and doing an incredibly good job, and I would like to thank them and I would like to thank employers who take the time and make the effort to take apprentices. I think that needs to be recognised. We

are not starting from a point where we have a system that does not work. It does but of course we want to make improvements. I think it is really important that we point that out from the beginning otherwise those who are currently delivering those apprenticeships might be sat there today thinking: “Well, we cannot do anything right.” I think they do an enormous amount right and when I have been to speak to them and visited on a number of occasions it is a really exciting place to be. I will just cover one thing about the word “apprenticeship”. The Government Plan 2023 to 2026 did not have the word “apprenticeship” either. It did eventually when Deputy Alves brought an amendment for the bus passes to include apprentices.

Deputy I. Gardiner:

It was the Budget 2026. I was twice misquoted.

The Bailiff:

Sorry, do you accept ...

Deputy I. Gardiner:

I was misquoted twice already during the speech. One I said that we failed them and second ...

Deputy R.J. Ward:

Is this a point of order, Sir?

Deputy I. Gardiner:

... it is this Budget 2026-2029.

The Bailiff:

It is a point of clarification. She is clarifying something she said in her speech, which are you prepared to give way?

Deputy R.J. Ward:

Dou know what, Sir, I usually do but I am not going to because in the last couple of days I have had nothing but attacks and I have not pushed back on them because I would like to raise the level of debate to an intelligent level in this Assembly, a professional level, so that what is seen outside this Assembly is actually on the topic itself. So I will continue with my speech, if you do not mind. If there are points of clarification I would like to take them at the end rather than getting into one of these shouting matches. We all share the same goal to strengthen apprenticeships and give our young people the best possible start in their careers, but good intentions must be matched by good policy and this amendment unfortunately falls short. So let us look at the facts. Highlands College increased apprenticeship fees by 5.5 per cent this summer. In response, the maximum grant was raised by 15.5 per cent to £1,852. That is a significant improvement, and it shows that I am listening and taking sustainable action. “Sustainable” is a key word. It is worth noting that during 2022, 2023, 2024, no inflationary increases were made to grants for apprentices. The opportunity was there, but it was not taken. This amendment proposes another increase funded by the Better Business Support Package. This money is available for one year only. The proposal makes the money available for one year only. Here is the problem. Apprentices do not necessarily last one year. They spend 2 years, sometimes 3 years, so what happens when that funding disappears? If we approve this amendment, we create uncertainty and instability across the system. For apprentices, it means they could start the course believing the higher grant will continue, only to face cuts later. That could lead to financial hardships, dropouts, and even job losses where qualifications are a condition of employment. For training providers, it means setting fees based on higher grants, then facing revenue shortfalls when funding falls away. That risks disruption to courses and undermines confidence in the entire apprenticeship system; an apprenticeship system that has over 400 apprentices already in place and working. Is it perfect? Of course not. There will always be gaps, and that is what we are working

on. The wider economy, it means wasted potential because every dropout is a missed opportunity for skills development and productivity, linked to that Better Business Support Programme, which is based around productivity. Short-term fixes sound attractive. They make headlines. But they do not solve the real problem. In fact, they create new ones. What apprentices, employers, and providers need is clarity and stability, a funding model they can trust for the duration of the programme. I am already working on this. As mentioned, P.38, I think it was the second major proposition I faced after I took over very rapidly, which somewhat determined the work I will be doing, but that is okay.

[10:15]

I have taken real action to increase the apprenticeship grant for the first time in years by 15.5 per cent. Consultation has taken place. Four in-person sessions were held throughout September 2025. Each session brought together participants from a range of industries to ensure a diverse mix of perspectives. The diversity was key to exploring eligibility criteria that could balance the needs of different sectors. We need to balance the need of different sectors. A report will be published in the new year as the reaction to P.38 in June 2024. In 2026, the focus will be on shaping a new policy framework to address the issues identified in the review. We will take action based on information and fact that fits Jersey. We have to do that otherwise it will not be sustainable. If Members do not think this is fast enough, okay; but we are working on it. We are not just working on it, we are trying to develop a whole new model. Further input will be sought from stakeholders to evaluate any proposals to ensure they are realistic and fit for purpose. Some of the actions will be policy development. I have to say, and I am going to talk about civil servants again, policy is probably the least interesting, exciting thing that happens, although there are Deputies who would say no. But it is the most important, to structure future sustainability into the future. Those policy officers are working at speed doing some absolutely superb work. They come to me with policy ideas, we discuss them, we meet regularly. I think we meet every couple of weeks to look at where we are, and that is developing. The consultation, there is engagement with stakeholders throughout the process, check proposals, and confirm their work in practice before final decisions are made. We cannot make piecemeal changes and expect them to be sustainable into the long term. It does not work. Once these principles are agreed, consideration will be given the most appropriate governance arrangements. That may involve legislative changes to align apprenticeship support with other forms of financial assistance, such as student finance for higher education. What we have to do is define how that financial framework will work into the long term, ensuring available funding meets demand and includes provision for inflationary driven adjustments. I will talk about the A.M.E. principle; I do not necessarily disagree with that but we have to get it right. I will also say we have acted on the trainee wage and the trainee wage was an issue. I thank the Minister for Social Security because it is one of the drivers behind apprenticeships. From 1st September 2025, the Minister for Social Security reinstated the one and 2-year trainee minimum wages in very short order as a reaction to what the industry was telling us through those consultations that we had. One-year trainee rate ... I will not go through the rates because you can look them up. Those trainees already involved on approved training courses, or even in year one or 2, will continue to be entitled to the minimum wage of £13 an hour. The differential could be addressed by the Better Business Support Package, but not if it is spent, not if it disappears. So the structures and the support mechanisms that were set up underlying all of these complex things are there for a reason. The Minister for Treasury and Resources is reviewing whether any managed expenditure model could provide predictable and sustainable funding. I am not sure, it might. The Minister for Treasury and Resources perhaps does not think it will. We have to have the structure right. If we get the structure right and know precisely how that is sustainable in the long term, that is the time to make that decision. There are pros and cons for managing managed expenditure, and I could bore the Assembly rigid for 20, 30 minutes. I promise I will not; I look at the Constable sat over there. That is the right conversation to have, the long-term solution we need. I would say let us not undermine that work with a quick fix that sells nothing beyond next year and actually does not provide a solution, it provides an unsustainable level

of funding that could have the effects I talked about earlier. I ask in the best possible way to reject the amendment and commit to a proper multi-year approach, one that gives apprentices the confidence to start, providers the certainty to deliver and taxpayers the assurances that their money is spent wisely. Members, apprentices are too important for stopgap measures. Let us do this properly. We are working on exactly that and I urge you to vote against the amendment.

Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

Point of clarification.

The Bailiff:

Point of clarification, Deputy Morel. Will you accept that, Minister?

Deputy R.J. Ward:

Yes.

Deputy K.F. Morel:

I was just wondering if the Minister would clarify that despite his own views on policy development, there are many States Members in the Chamber who find policy development perfectly interesting and quite a rewarding process.

The Bailiff:

That is not really a point of clarification.

Deputy R.J. Ward:

I must answer that because that was not my view on policy development. The Deputy has put me into a really difficult position of a policy officer who is going to kill me for that. It is extremely exciting, it is vital for what we do, and I was trying to point out that perhaps inappropriately it is viewed as unexciting, but it is not.

2.1.2 Deputy L.M.C. Doublet of St. Saviour:

I am pleased to follow the Minister for Education and Lifelong Learning, and I can see that he is really passionate about this this area, as indeed is the proposer. I think sometimes we need to remember that we are all working towards similar aims a lot of the time and it is just the detail about how. Also to apologise for briefly being on Teams this morning and the reason for that was I was briefly imprisoned in my partner's house. I hope it was inadvertent but she locked the door and went to work, but I managed to break free and make it to the Assembly. I hope it was inadvertently. But to return to the proposition, I am supporting this, and when I was reflecting on this amendment I remembered a witness that had come before my Scrutiny Panel when we did ... I think it was our first review into the prescription of A.D.H.D. (Attention Deficit Hyperactivity Disorder) medication. This person spoke to us about his experiences in life and his experiences that had been helped by learning a trade. I truly do believe that having access to a trade and the ability to learn a trade and be supported can be really life-changing for some people. I will not repeat what has been said about the value of apprenticeships, and Deputy Gardiner mentioned that we are failing some young people and failing them in a very big way because work is a huge part of our lives, is it not? It brings meaning and purpose to our lives, and we are excluding some young people from accessing that currently. Deputy Jeune has raised questions in the past about constituents, who I am also aware of, that have desperately tried to access apprenticeships and have tried tens, possibly hundreds, but certainly tens of different businesses and tried to find one that would take them, but they either do not have room or they do not have the means to adequately support these potential workers. There is a big gap there, and I understand that the Minister's intention is to work on this. Reading the comments, the main argument against this amendment is that it only provides one year of funding, which puzzles me somewhat because it is my understanding that we are on a one-year budget cycle and everything in

this Budget is only certain for the one year that we approve it. We cannot bind future Assemblies. However much we plan for multi-year recurring spending, we cannot actually bind future Assemblies. I feel quite confidently that I could vote for this and that having that in place would give a reason for the next Government to continue it and to take it really seriously. Because I can see it is something that I think many of us do think should be taken seriously. I think we should send that message to the next Government. But I recall the evidence that this young man, it took quite a lot for him to come on his own and sit in the Scrutiny room with an entire Scrutiny Panel and talk to us about his experiences. It was not just the A.D.H.D. medication that had changed his life, but what came through for me was the fact that he had been accepted by his employer and he had been supported in that workplace environment to learn a trade, and how life-changing that was for him. I would really like his story to be heard today and I really hope that some Members who might have been on the fence about this would give this amendment a chance today, and give these young people a chance.

2.1.3 Deputy M.R. Scott of St. Brelade:

I probably should have stood up a bit earlier because when I was asking Deputy Gardiner to give way, I just thought it would be helpful if she actually said what this book that she was waving was for the purposes of the Hansard report. I did not notice that she had actually said what its title was, so maybe she can do this in her closing speech. Generally, I have admired a lot of her work during this Budget. I think we are all agreed on the value of apprenticeships and the need to support them, and the need for their funding. One thing that struck me only yesterday, I was looking at some stats on what is happening globally in the U.S. (United States), in Europe and the U.K., in terms of jobs prospects for graduates, which actually have been declining. The actual need to support people with practical skills rather than perhaps more academic ability is really quite clear. It also reminds me of the anecdote that if you have got a society that values its philosophers more than its plumbers, then neither its theories nor its pipes will hold water. I think that the Council of Ministers' comments about the Better Business grant funding just being perhaps a quick fix or a proposed quick fix, which again would be desirable in plumbing terms, is valid too. The comments make the fair point that generally we do need to have a much greater focus on how we are providing and funding apprenticeships. I do know that there is this work that has been going on in Social Security and in Education. I think a lesson has been learned from what happened with the minimum wage increase without a kind of safety net having been worked out before in a more organised way. I think that the lessons have been learned, this is happening, but what is being proposed right here is not really aligned with what we are trying to achieve there. Finally, I do hope that policy officers will not kill the Minister for Education and Lifelong Learning because it is the season of goodwill.

2.1.4 Deputy C.D. Curtis of St. Helier Central:

The Scrutiny Panel has just started a review on lifelong learning with a focus on apprenticeships. We have had our first meeting last week and we will have expert help to examine apprenticeships with recommendations to Ministers expected early next year. We have a very tight timeline, and we are receiving submissions currently. At this point, I am going to have to abstain.

2.1.5 Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

I think we need to reflect that I think it is clear that there has been a drop in apprenticeship numbers in the last year or 2, and we have to recognise that this Assembly played its part in that. When we agreed to remove the trainee wage, because, yes, of course, businesses could be productive using school leavers, we completely overlooked that many businesses cannot. I know of many businesses who have stopped taking apprentices because of the removal of the trainee wage. That was a very poor decision, as it turns out by this Assembly. As Deputy Scott says, and as Deputy Morel said at the time, I believe, we cannot make decisions like that without further consideration of the economic impacts. We do have to shoulder some blame for the current situation regarding the lack of

apprenticeships. I do not support this amendment. The educational principles the Minister has already dealt with, but from a finance perspective it creates an ongoing pressure. It is not financially prudent. I would particularly like to speak about part 2 of the amendment and the proposal to move to an annually managed expenditure, which I will call the A.M.E. model, which is not appropriate in a Jersey context, and why it is appropriate that we maintain annual budgeting. The Government in Jersey does not currently use an A.M.E. model because all approvals are made annually. In the U.K., A.M.E. applies only to demand-led, volatile and hard-to-forecast spending, in particular, benefits, pensions and debt interest. Social benefits are treated differently there. Forecasts are updated for the appropriate inflationary uplifts in line with established policies and forecast volume changes. Underspends cannot be repurposed without permission and overspends are managed *via* central contingencies. Social benefits, as we all know, and I think this applies here, are generally payable to any individual who meets the qualifying criteria under law, so Government has limited control over the costs of social benefits. Here, apprenticeship grants are paid to companies and businesses and to Highlands College, and not to individuals. There is no automatic entitlement to an apprenticeship or apprenticeship funding.

[10:30]

Annual review is important because it allows each Government to balance the level of funding against other priorities, to consider relative costs and benefits and to ensure that taxpayers' money is spent in a way that delivers maximum impact. In a small jurisdiction with limited budgets, we have to always think about impact and how we spend money and where it is most required. Many areas of spend in Government are impacted by volume, so where would we start and stop with this kind of approach? If we adopt it for apprenticeships, where will we have to go next? Again, in the U.K., A.M.E. covers benefits and welfare, pensions, debt interest and other non-controllable spending such as BBC services and public service pensions. We know how popular that subject is. In the U.K., apprenticeships are given an expenditure limit, which is not the same as A.M.E., so the A.M.E. model does not apply in the U.K. Budgets are set annually or at spending review where they are controlled and predictable, so they are not demand-led. Underspends are returned and overspends need Treasury approval. That is not a model that I think we should adopt here, because we do understand volume and we should continue with our current annual process, except to the extent, as the Minister says, that we need to ensure that if someone starts an apprenticeship in year one, that the funding is there for year 2. I ask Members to reject certainly part 2 of the amendment, if not part 1 ... although also part 1.

2.1.6 Deputy D.J. Warr of St. Helier South:

I am pleased to follow the Minister for Treasury and Resources because she makes a valid point about it is important where and how we spend money. I have been approached by someone who does training in the hairdressing industry, and they have pointed out to me about this 33 per cent real fall in training fees. Basically, what it appears to be is that we are actually pricing the private sector out of the market by not upgrading the fees. Her commentary is that we operate our private facility on a fraction of the cost of larger institutions and have long outstanding relationships. Basically we have Government who is delivering a service which the private sector could be doing at an immense amount of cost. When we talk about savings in Government and what Government could be doing, surely here is an absolutely classic example where we should be challenging ourselves and saying: "Should we be delivering this? Can the private sector do this in a more sustainable way?" If we actually pay the right amount of money, the private sector will have a sustainable future. I think this is an opportunity to reduce overall costs. We can talk about individual costs per apprentice, but it is an opportunity to look at the thing in the round, and I think it is really important ... and she makes a really valid point to that. She says, at a time when there are increasing demands on the taxpayer our model represents a genuine opportunity to deliver value and quality at significant lower cost. But she is battling delivery costs, wages, compliance costs, and trying to deliver all of this at this 33 per

cent effectively lower fee that they are obtaining. Surely that is where this energy should be put by this Government into let us have a look at working with the private sector and seeing what Government can do less of.

2.1.7 Deputy K.F. Morel:

I am grateful to everyone who has spoken so far as well; it has been a short, so far, but interesting debate. I just wanted to pick up on a few things. Number one, I think as Deputy Doublet said, we all agree that we want people in Jersey to be able to access apprenticeships. We do, I think as an Assembly, value apprenticeships and wish that they were perhaps more highly used. I think it is really interesting to look at the proposition before us, and while I entirely agree with the Minister for Treasury and Resources, I will not go over the fiscal reasons or the financial reasons why the amendment should be rejected, but I want to pick up on the piece that Deputy Doublet said to the Assembly about that young man who was speaking to the Scrutiny Panel. She referred to the fact that young Islanders were unable to find employers willing to take apprentices. That is really at the heart of where I think Deputy Gardiner's amendment goes inadvertently wrong. By taking money from the Better Business Support Scheme, the amendment would harm the ability for employers to take on apprentices. The Better Business Support Scheme is designed to provide that money. It is designed to incentivise employers to take on apprentices. The money goes to the employer. It is there to help them, and this speaks partly to what the Minister for Treasury and Resources said, which was yes, that in a high-cost environment, which Jersey is, it is difficult already to take on apprentices. The decision that we made in the Assembly to remove the trainee rate made that harder. I am pleased that the trainee rate has been reinstated but harm was done and that has not the confidence of employers. So the Better Business Support Scheme is entirely designed to encourage employers. Deputy Gardiner's amendment, as I understand it, would provide that money to training providers who also need to be incentivised. I actually think in regard to Deputy Ward's comments, most of that money would probably go to Highlands as the biggest training provider on the Island, and so would not necessarily deal with the matters that Deputy Warr ... as much as I have sympathy for the matters that Deputy Warr was speaking about, would not necessarily deal with those matters. I think it is really important that we do not play around with a scheme that is designed to incentivise employees, designed to make it easier for employers to take on apprenticeships, because there is not much incentive to take on an apprentice when you can get an already trained person for a similar rate of pay. We do need to reduce the cost to employers. If we want to provide more money for apprenticeships, and I completely agree with the Minister for Education and Lifelong Learning that he is working, and he is working in a collegiate manner, to improve the apprenticeship scheme, and we hope in time to perhaps put more money into that scheme, but that is the right way to do it. I was really pleased to hear Deputy Catherine Curtis talk about the work of her Scrutiny Panel, and I look forward to seeing that report. I am very pleased that that will be reporting before the end of this term because it will be very useful to see what happens there. It is really a case of please, fellow Members, colleagues, let us not mess with something which is in motion at the moment, is designed to incentivise the training providers on the one hand through the Minister for Education and Lifelong Learning's side, the employers themselves through the Better Business Support package side, which is also only one more year of funding, but it does incentivise those employers. We will see the work that comes out of both the Scrutiny Panel and the Education Department to understand how best to move forward with the apprenticeship scheme, but now is not the time to suddenly throw out all that work and start making changes via this Assembly rather than via the more evidence-based approach that the Minister for Education and Lifelong Learning and the Scrutiny Panel will deliver.

2.1.8 Deputy M. Tadier of St. Brelade:

Just to briefly say that I am pleased to also join, effectively, what is a sub-panel of the Education and Home Affairs Scrutiny Panel, because I think this does cross both education and economy, of course. I think it was recognised that what we are talking about here in vocational education is both

educational, and I think we often have a false dichotomy between what is considered academic and vocational. A lot of the vocational jobs that we traditionally call them, that have a high level of technical skills that are required in that - indeed, mathematics or whatever - technical expertise that either you need to have before you go into the workplace or what you need to learn while you are on the job. I think that is important to say. I also do recognise the shift that Government has had in the way it considers the trainee rates. I think certainly there was a legitimate concern in the past that just because somebody was, for example, a young person doing a certain job, that does not mean that they could be automatically used as a cheap source of labour if there was not any genuine apprenticeship scheme to go with it. I think what this Government has done is that it has recognised the fact that, yes, it is difficult for certain sections of the economy to take on people as trainees, but also the fact that there do need to be genuine schemes that add value and that do genuinely train people up. Of course, one of the questions we may be interested in as a panel looking at this, is how this applies across the board. Because this is not simply about young people. A lot of the focus inevitably will be on how young people train up for the workplace. Also, of course, there will inevitably be a question about education for the market versus education for education's sake. Again, I think that can be a false dichotomy because the skills that one needs to learn to be a functioning citizen in Jersey or elsewhere are also skills that will be applied in the workplace. Soft skills and more technical skills. But, of course, this will apply to the older generation. It may well be, of course, that there will be people wanting to retrain in their 30s, 40s, and 50s, and maybe even further in life. The question then arises: are they able to do so and work and earn a meaningful wage as a trainee if they are getting less than the minimum wage? There will be different models, no doubt, depending on different areas of the economy. This will be an area, I think, of great interest to us as a panel, of course, but I think more widely in the Assembly and in Jersey at the moment. Like the chair of the panel said, I will also be abstaining on this, not because I do not have any views or because I am not listening to the debate, but because actually I think for us there is a body of work to be done and we do not want to be seen to prejudice the outcomes of any of the evidence that we get.

The Bailiff:

Does anyone else wish to speak on this amendment? Accordingly, I call upon Deputy Gardiner to reply.

2.1.9 Deputy I. Gardiner:

I can see around the Chamber, Members left and Members are not interested, but the speech from the Minister for Education and Lifelong Learning and the Minister for Sustainable Economic Development brought clarity that they did not read my amendment properly, or maybe they did read it, because what was presented it is not what I am proposing. £1,600 is the grant that an employer can apply for through the Tracker at Skills from this Education Department. Employer. Not private provider, not training provider, not the apprentice, employer applying to get this grant to pay for the training. The Better Business Support, also an employer can apply to get extra money for the training but it was almost impossible this year, and this is why there is £1.5 million left. It is exactly the same employer that needed to go to 2 different departments to receive a fund towards the training, to pay for the training provider; if it is Highlands or if it is private. What we have been presented here that I am saying this is going to different directions. No, it is just to create in one pot, not between 2 different departments, for an employer to get a grant towards the training. This is the first part. The Minister for Treasury and Resources spoke, and said that it is a demand race and it is only social security benefits. It is demand-led, as is any grant demand-led. We have 300 or 400 or 350 applications. It is demand-led. We do not need to log the money because we do not know how many would apply. Actually in Jersey, in the Public Finance Manual, we do have this structure already for the higher education. It is very difficult to understand why we do not have to not have it for the apprentices. It is a bridging plan. We did have money that we did not use that the employer can

apply, but instead of employer filling forms for 2 different departments it could be in one place. It is about the efficiency and the correct distribution of the money, and thank you for Deputy Scott, she is not here, but actually it was the Budget 2026-2029 where the apprentices and skills were used hardly. The Minister is saying that the policy is boring. Actually I really enjoy developing the policy and this is why we did develop the scheme that the higher education grants would not be raised with inflation, and they did move to a different calculation.

[10:45]

There are lots of options to deliver policy, and after 2 years that we have heard from the Minister for Education and Lifelong Learning that he will bring to the Assembly policy options and we all debate, and it was the same commitment 18 months ago, it was a commitment a year ago. We still hear that it will be under development. I will not extend because I realise where the Assembly is at. The only thing I would like to ask this Assembly; this amendment is providing an option to just get fair and lift in line with inflation that was eroded by 33 per cent. This business is paying, not us. Other Governments do have a mechanism how to continue this, but they can create something different if they decide. But every Member in this Assembly would ask what this Assembly has done for apprentices and vocational education. Which decisions we have taken to make the life of these young people easier and to support the businesses. I do not believe that in the last 2 years was any decision made by this Assembly. We have been promised that we will be discussing but nothing happened. It probably was the last option to do something and I have made my case and I call for the appel.

The Bailiff:

The appel has been called for. Members are invited to return to their seats. I ask the Greffier to open the voting. If all Members have had the opportunity of casting their votes, I will ask the Greffier to close the voting.

Deputy K.M. Wilson of St. Clement

I do not know whether my vote has been recorded properly.

The Bailiff:

Unfortunately I have closed the voting but ... that is unfortunate. I can announce the amendment has been rejected:

POUR: 9		CONTRE: 27		ABSTAINED: 5
Connétable of St. Saviour		Connétable of St. Brelade		Connétable of Grouville
Deputy L.M.C. Doublet		Connétable of St. Clement		Deputy M. Tadier
Deputy I. Gardiner		Connétable of St. Ouen		Deputy H.M. Miles
Deputy K.L. Moore		Connétable of St. Mary		Deputy C.D. Curtis
Deputy Sir P.M. Bailhache		Deputy G.P. Southern		Deputy R.S. Kovacs
Deputy D.J. Warr		Deputy C.F. Labey		
Deputy J. Renouf		Deputy S.G. Luce		
Deputy H.L. Jeune		Deputy K.F. Morel		
Deputy L.K.F. Stephenson		Deputy M.R. Le Hegarat		
		Deputy S.M. Ahier		
		Deputy R.J. Ward		
		Deputy C.S. Alves		
		Deputy I.J. Gorst		
		Deputy L.J. Farnham		
		Deputy S.Y. Mézec		
		Deputy T.A. Coles		
		Deputy B.B. de S.V.M. Porée		
		Deputy M.R. Scott		
		Deputy L.V. Feltham		

		Deputy R.E. Binet		
		Deputy M.E. Millar		
		Deputy A. Howell		
		Deputy T.J.A. Binet		
		Deputy M.R. Ferey		
		Deputy A.F. Curtis		
		Deputy B. Ward		
		Deputy M.B. Andrews		

Deputy M. Tadier:

Could I ask a point of order? It sounds like Deputy Wilson did try and vote but there was a technical issue.

The Bailiff:

I think the solution there, if it is a technical issue during the vote, is to declare your vote.

2.2 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): fourteenth amendment (P.70/2025 Amd.(14)) - Mortgage Interest Tax Relief

The Bailiff:

We now move on to the fourteenth amendment lodged by Deputy Warr. Deputy Warr, there is an amendment to your amendment and you do not accept the amendment do you, I do not think?

Deputy D.J. Warr of St. Helier South:

I do accept the amendment, Sir.

The Bailiff:

You do accept the amendment?

Deputy D.J. Warr:

I do.

Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

I know that the Deputy has said that he would like to accept the amendment, but I would like to propose, if we can, a separate debate. The 2 things are quite different.

The Bailiff:

Any Member is entitled to demand that.

Deputy M.E. Millar:

I would like the amendment to be done separately.

The Bailiff:

I invite the Greffier to read the fourteenth amendment.

The Greffier of the States:

Paragraph (b)(xii) – After the words “in the Appendix to the accompanying Report” insert the words – “, except that on page 31 after the words “increases in financial services”, insert the words – “The Minister for Treasury and Resources will undertake to re-introduce the policy of Mortgage Interest Tax Relief for personal income tax, with such relief to be implemented in January 2027”.

2.2.1 Deputy D.J. Warr:

It is a pleasure to bring this because I think the amendment actually addresses middle Jersey, and they are hurting. I think it is time we held out an olive branch to those hard-working individuals who generate the taxes that pay towards so much of the good work that is done in our society. The Minister for Treasury and Resources queried in an interview recently: “Who are middle Jersey?” Well middle Jersey for me are Jersey’s taxpayers. They are in the engine room of our economy who demand the least from Government’s services. They are the net contributors to our economy. They too are suffering the impact of the cost-of-living crisis, and I think we should be giving them a break. A startling fact is that since 1990 wages have doubled while over the same period house prices have quadrupled. To paraphrase the Minister for Treasury and Resources, what is the point of having our money tied up in our house when we may not be able to afford the electricity bill. I am, as many of us are in this Assembly, from a very fortunate generation who have benefited from mortgage interest relief in an era when housing costs were significantly lower than they are today. It is therefore bizarre that at a time of higher interest rates, and significantly higher housing costs, we are abandoning this tax relief. It is also an anomaly that those with mortgages on second homes are still entitled to tax relief on their mortgage, which is why I was happy to accept Deputy Catherine Curtis’s amendment. If we encourage home ownership as a long-term aspiration, facilitating this surely has to be a good thing. Then there is the multiplier effect of the individuals having more money in their pocket. It is a recognised metric that for every £1 spent in the local economy, that is worth between £2 to £4 as it is recirculated in our economy. It is estimated that the loss of revenue to Treasury by the reintroduction of this tax break would be around £10 million. That is the same amount as was spent in the economy when the Buy Local card was introduced to boost local economic activity post-COVID. It was recognised that recirculation generates tax through G.S.T. (goods and services tax), it makes businesses more sustainable and, ultimately, any tax lost to the Treasury in the short term is paid back in spades in the long term. The annual F.P.P. (Fiscal Policy Panel) report for 2025 also paints a very challenging economic picture. The clear message is we need more economic activity to get us out of our current malaise. Here is an opportunity to help do just that, an action that could not be timelier and which also makes people feel financially better off. Homeowners are saving and building an asset that one day they may be able to use to enhance their income when they retire in an era when we are on average living longer. Stamp duty, legal fees, moving expenses, increasing red tape all contribute towards an increasing hole being punched in people’s savings. We want people to own their own home and there is an opportunity to facilitate that. I remind Government that one of its key objectives is to facilitate. By generating more activity in the housing market, we benefit our economy. The multiplier effect is significant. The whole ecosystem of removal firms, architects, furniture stores, all benefit, which in turn means that the coffers of Government also benefit. There are many policy options available. For example, the tax relief on second-home mortgage could be significantly reduced if not removed altogether, as per the amendment. This additional income could be used to finance the gap created by mortgage relief on a first home. The level of relief could also be reviewed and targeted. The vast majority of home sales are for between £400,000 and £1 million. Why not target this sector of the market? I would like the Government to consider options throughout 2026 and implement such a policy by January 2027, with any necessary reports brought back to the Assembly. I move the amendment.

The Greffier of the States (in the Chair):

Is the amendment seconded? **[Seconded]**

2.3 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): fourteenth amendment. (P.70/2025 Amd.(14)) – amendment (P.70/2025 Amd.(14).Amd.) - Mortgage Interest Tax Relief

The Greffier of the States (in the Chair):

There is an amendment brought by Deputy Curtis. I ask the Greffier to read the amendment.

Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

With regard to declarations, with regard to people who have mortgages or second mortgages, is that an appropriate thing to do in this debate, making such declarations?

The Greffier of the States (in the Chair):

Normally, in that situation, it is whether that is shared with a large body of people and then it is not necessary for it to be an interest that is declared. For comfort's sake, I think that it is probably advisable that Members do. If we let the Greffier read out the proposition, then maybe we can note those when he has moved back into his seat.

The Assistant Greffier of the States:

Page 2, paragraph 1 – After the words “personal income tax”, insert the words – “, to also include removal of tax relief for buy-to-let mortgages”.

The Greffier of the States (in the Chair):

Deputy Curtis, if you make your speech and then we will deal with declarations of interest after that.

2.3.1 Deputy C.D. Curtis of St. Helier Central:

Just listening to Deputy Warr's speech, I have to say I agreed with everything that he said and I do not know why the Minister for Treasury and Resources was looking puzzled during some of that. I thought it was very clear. On my first look at Deputy Warr's amendment, I thought it would not be successful and that I would not support it for 2 reasons; (1) it is inequitable to those paying rent and, (2) it is a proposal to cut potential tax revenues without suggesting any means to recover lost revenue. Perhaps Deputy Warr did not have time to include detail or perhaps he just wanted to make a general statement. I do not know. I think we have all been so busy in the last few weeks that there has been little time for conversations. However, it is not best practice to take a quick look and then discard the intentions of an amendment, and with further consideration this is an amendment that could help many people. I am really pleased that Deputy Warr has brought it. There is a cost-of-living crisis and while people who own a property do have an asset, many are struggling to pay their mortgage, especially due to changing interest rates and struggling to manage everyday expenses. My amendment to Deputy Warr's amendment aims to provide focus by bringing fairness to the proposal and making up for lost revenues. That is why I have stated that there should no longer be mortgage interest tax relief on buy-to-let mortgages. Having had more time since drafting the amendment to research this further, I would also suggest that mortgage interest tax relief be only applicable to first mortgages, and probably only to first-time buyers. As I have written in my reports, there have been improvements for renters with the introduction of the Rental Tenancy Laws earlier this year, and the First Step scheme has supported first-time buyers. However, there has been no thought given to buyers once they have locked into a mortgage who may be struggling, especially when interest rates change. Mortgage interest tax relief is already capped, firstly on the maximum capital balance of £300,000 and, secondly, on the amount of interest relief available per individual. In 2025, the reduction to revenues was around £9 million due to mortgage interest tax relief. So how could this loss in potential revenue be addressed? The consultation which the Government references in their comments paper states that removing mortgage interest tax relief from buy-to-let mortgages is estimated to raise £2 million per year. Going by those figures, the potential loss in revenues could be reduced to £7 million, and if mortgage interest tax relief is applied only to first-time buyer homes that £7 million would be much lower. If we look at the number of first-time buyer homes, they are around 30 per cent of all home purchases per year, and not all of those will have a mortgage.

[11:00]

Also of course, the percentage of first homes in the housing market overall may be much lower with many of those having paid off their mortgage. As a Back-Bencher, I do not have the same resources

as the Ministers to get exact figures, but I do not think it would be beyond their capabilities to find the proportion of mortgaged first-time buyer homes in Jersey. If mortgage interest tax relief only applies to first-time buyers and to first mortgages that £7 million in lost revenues would be very much reduced if not wiped out completely. So potentially mortgage interest tax relief could be reinstated with these conditions or similar conditions without any loss in revenue. One argument put forward in the consultation document against scrapping buy-to-let mortgage interest tax relief is that landlords may, in response, increase rents. This is not an effective argument, considering the consultation report itself states that around 80 per cent of rental properties are held mortgage-free. While acknowledging that there are many good landlords and they provide an essential service, our aim must be to increase home ownership. If Jersey does not want to lose its young people and permit them the space and security to have families, then we must prioritise their needs. As I have already stated, the great majority of landlords do not have a mortgage on their properties, so this will not be affecting those we think of as accidental landlords. The exact wording of the amended amendment requests the Minister to undertake to reintroduce the policy of mortgage interest tax relief for personal income tax to also include removal of tax relief for buy-to-let mortgages, with such relief to be implemented in January 2027. That is very clear and does not prohibit the Minister from applying other restrictions to mortgage interest tax relief in order to make up for any lost revenues. I hope that there will be consideration in the Chamber for those families who may be struggling to pay a mortgage. If we genuinely want to encourage home ownership and any lost revenues can be accounted for, then there is no good reason to reject the amended amendment.

The Greffier of the States (in the Chair):

Is the amendment seconded? **[Seconded]** As the interest is shared with a wide number of Islanders, it does not, under Standing Order 106, stop Members from participating, but I think for full transparency it would be good for Members to indicate if they would be impacted by this amendment if it was adopted. Perhaps if Members could stand so that the Greffiers can take note of their names, if anybody has an interest. Deputy Coles, Deputy Morel, Deputy Moore, Deputy Warr, Deputy Rose Binet, Deputy Jeune. Online I believe, Deputy Gorst. Just for Members to declare an interest, Deputy, if you have that.

Deputy T.A. Coles of St. Helier South:

Sorry, I am just trying to be sure whether this is for personal mortgages or just for buy-to-let mortgages because obviously the proposition covers both in the end.

The Greffier of the States (in the Chair):

I think it is all mortgages. **[Aside]** Sorry, I am confusing everybody. I think in this instance, because this is in relation to Deputy Curtis's amendment, it should be in respect of buy-to-let mortgages only in the first instance.

Deputy M. Tadier of St. Brelade:

My spouse I think has a buy-to-let mortgage.

The Greffier of the States (in the Chair):

Thank you, Deputy Tadier. Better to err on the side of caution. So that is Deputy Moore, Deputy Morel, Deputy Jeune and Deputy Rose Binet, and Deputy Tom Binet. And Deputy Gorst online. Does any Member wish to speak on this amendment?

2.3.2 Deputy M.E. Miller of St. John, St. Lawrence and Trinity:

I ask Members to reject this amendment. We are just talking about the amendment here because it is simply not necessary. Deputy Mézec successfully amended a previous Budget I think in 2023, which amendment was itself successfully amended by the Council of Ministers. That amendment, as amended, required several criteria to be met before any decision on interest relief for landlords

could be considered. Those criteria included reference to the Fiscal Policy Panel's report on the housing market, a consultation and an economic impact assessment. The relevant F.P.P. report did not cover this specific topic, but the consultation was conducted earlier this year and a summary of the results have been published and are available now on the Government website. Officers are presently working on a full report, including their economic impact assessment, which will be presented to the Council of Ministers in early 2026. That will consider matters such as impact and timing. Given what we have discussed this morning - the impact on apprenticeships and the availability of apprenticeships by making a decision without understanding the economic impact - I encourage Members to consider the need for that economic impact assessment before going forward. In short, the matter is already in hand and it will be presented quickly next year. Adopting the amendment would have the effect of ignoring a recent decision of this Assembly instead of allowing the careful work envisaged by that decision to continue its natural course. Of course, it means a complete loss of the cost of doing that work and can hardly be said to represent value for money or effective use of Government resource. The amendment is pre-emptive of that work and, for that reason, I ask Members to reject it.

The Greffier of the States (in the Chair):

Deputy Kovacs, I am sure that Members appreciated the festive addition at the beginning of the Minister for Treasury and Resource's speech, and the Christmas Charities Appeal will appreciate your contribution too.

2.3.3 Deputy S.Y. Mézec of St. Helier South:

The Minister for Treasury and Resources referred to a previous amendment that I brought to the Government Plan in 2023, and she described me as having succeeded in getting it passed, and I have to say it did not feel like a success at the time because it was, as she mentioned, subjected to an amendment by the then Council of Ministers that rather than do what my amendment said, which was agree it and get on with it, it was to instead consult on it. I was not happy with that at the time and one of the reasons I was not happy with that is because I had this inkling that if you do a consultation asking people who benefit from a tax relief how they would feel about losing that tax relief that it might come back and say they are not keen on the idea. Here we are 2 years later, that consultation has been done and I wish I would put money on it, because it came back exactly the way that I suggested it would. It says that those who currently benefit from that tax relief would prefer not to lose it. What a surprise. The Minister has also suggested that there subsequently be an economic impact assessment. There is something that sticks in the teeth about that because I was here in those debates years ago, and I can say this because Deputy Gorst is not in the room, but this was in the 2014 to 2018 austerity period where a Budget [Aside] ... he is online. Well, I am delighted he will be able to hear it then. I am sure he will want to contribute afterwards. But I remember that era, the austerity era as I call it, where that infamous Budget was proposed that had some very harsh measures in it, some of which caused misery for some of the poorest people in our society, but that was when the decision was made to phase out mortgage interest tax relief over 10 years. I voted against it at the time - I voted against everything at that time - and I cannot recall a consultation or an economic impact assessment being done at the time about the abolition of mortgage interest tax relief. I do think that speaks to a double standard, does it not? That when it came to abolishing a tax relief, which you can put an objective argument as to whether it is right to have that relief or not, and I accept that there are arguments on both sides to it, but when it came to getting rid of it and making lots of people, the exact kind of people that Deputy Warr described in his speech, ordinary people trying to live a decent life in Jersey and get by and invest in their futures in the form of their own home, we did not see fit to do a consultation or economic impact assessment. But years later, when it comes to the same thing for those buying second homes, which there is an economic argument to say inflates the housing market for the rest of us, we could not possibly do anything to change that without going through this long exercise which, having started that 2 years ago, we are now officially

no further forward on actually implementing it. If, as the Minister for Treasury and Resources says, when that work is completed it arrives back in this Assembly again, there is no guarantee that we would choose to do it at that point. We may choose to ignore what any of that consultation or impact assessment suggests. We may choose to have completely different political reasons for doing one thing or the other. I obviously have to maintain a consistent position with what I have said throughout all of the Budget debates that I have taken part in, which is that it is important for our economy's sake, and for the sake of the well-being of the people who we represent, that we need to be agile and we need to have enough foresight and determination to actually get on and do things instead of constantly talking about them. I mentioned this in the debate on Deputy Moore's amendment a couple of days ago that one of the biggest sources of waste in our public sector is other consequences of indecisiveness where on a multitude of issues we are constantly chasing our tail and not taking the opportunity to make decisions, and that can be very convenient if you want to say no. But know that saying no does not look good, so would prefer to spend time running around and kicking the can down the road and not making that decision. It is very frustrating for those of us who just want to say yes and get on with it. If we want to save money in Government, something we all know is desirable and necessary, I think the safest way to do it is by being politically decisive, not constantly u-turning on things, not running around in circles, avoiding making a decision and get on with making decisions. The benefit of having an agile political system where you make decisions quickly is that if they turn out to be the wrong decisions you have also got the agility to correct them. Whereas if it takes you years to make the wrong decision it may well end up taking you years to fix that wrong decision. I have to maintain a consistent position on this. I am grateful for Deputy Catherine Curtis for bringing this. I think it is important that in establishing fairness that this particular form of tax relief for people in second homes should go.

2.3.4 Connétable R.D. Johnson of St. Mary:

In my capacity as a member of the Corporate Services Panel, we have "shadowed the progress" or otherwise on this proposition. We received a briefing from the Minister for Treasury and Resources or officers as to the state of play and were advised that work was in hand. On that basis, and on the basis that the Minister will come back with detailed proposals as a result of that consultation during this term, I see little advantage in approving this on the hoof now, but let us receive full information. On that basis, I shall be voting against the amendment, purely to ensure that I have full information to enable me to make the proper decision at the right time. My level of understanding, is that in her proposition Deputy Curtis referred to changes on interest fees being applied only to first-time buyers, and I do query whether that is sensible. Most people ... well, my own situation, I bought my first house with a mortgage, I moved on and bought my second house in mortgage. If mortgage relief had not been available to my second house, I might have had to stay put, which would have effectively deprived the younger people in the market from buying my home. It could be a negative result to restrict mortgage relief, if it did come in, to just-first-time buyers. In the fullness of time, I hope that that aspect will be taken into consideration. With that, I close.

2.3.5 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

I have a lot of sympathy with Deputy Curtis's amendment here. I would have supported it at a different time in the economic cycle.

[11:15]

At this present time, I do not consider that it is the correct direction of travel, and I would just like to lay out a couple of reasons why I would like to support the amendment of Deputy Warr but not sadly, at this point, the amendment of Deputy Curtis because this is a market intervention that is being proposed and, as we are all very aware, the market is in a period of difficulty. There is not the general quantum or volume of transactions going through at this time, and property ownership and those who rent properties in the private market, are looking at the cost of holding this capital in property at the

moment, the cost of maintaining them, meeting the requirements that have rightly come through this Assembly upon those landlords to meet their commitments and to protect their tenants, which I have largely no problem with. But all of this does come with a cost, and people are looking at the situation and wanting to exit their position. However, it is very difficult to sell a property in the current market. Costs are high for those who want to buy ownership for their own occupation, and one of my election commitments is to see an increase in owner occupation, which I think we all want to see in this Assembly but, at the moment, this measure would increase the cost and the disbenefits of renting property in the private sector. It does not assist those who want to enter the market as an owner-occupier, and so it becomes a conundrum. I think it is simply a timing matter. We also have an issue in that there is not enough property available in the private sector market to rent, and so rents are high because of that difficulty. We need to, at this point in time, in my view, be encouraging people to have properties for rental in the private sector market and not discouraging them. With some regret I will not be supporting Deputy Curtis today but I would like to support Deputy Warr. But I would like to make it very clear that I am not doing so because I think that the Minister for Treasury and Resources' review is a good idea. I think we can quite easily take a view on the position of the market and make a considered view. Just to comment on Deputy Mézec's point, I think the Government he joined last year promised us that there would not be reviews that would delay the progress of decision-making. So he has made that bed and I am sure he is enjoying lying in it.

2.3.6 Deputy K.F. Morel:

It is very interesting. I still remember - I guess it must have been 10, 15 years ago now - when the Government - and I obviously was not part of the Government, I was not a States Member - decided to remove mortgage interest tax relief for, I assume it would be the majority of Islanders, but those who did not have it as an investment for those who had it in their own residential properties. I remember there was a deep sense of unfairness that I felt and many other people felt. That was because obviously on the investment side, the mortgage interest tax relief was maintained. It is partly an assumption on my part, but I think it is correct, I also understood why mortgage interest tax relief was maintained on the investment side. That is because effectively it was a business and, as far as business expenses are concerned, they can be put against tax, and therefore your cost of your interest is a business expense. Effectively it is being treated as one, and therefore you can offset it against your tax. That is how business taxation works. It was, in my opinion at the time, definitely a decision that the Government took because it obviously wanted more money and access to more money via Treasury, but it is a decision that most Islanders would not be able to understand and spoke to a narrative, which I believe Deputy Mézec would have seen as well and understood, where "ordinary Islanders" were being treated differently to Islanders who either had more or had businesses, and it was not a good narrative. It is one that I think does need to be corrected. In my view, you should either have no mortgage interest tax relief on any mortgages, or you should have mortgage interest tax relief on all mortgages, regardless of your situation. I do not believe, and for exactly the reasons that the Constable of St. Mary mentioned, an idea of mortgage interest tax relief for first-time buyers only would work. It would cause problems, exactly as the Constable said, moving to your second home, which in itself would then cause problems for first-time buyers. I think that would be a short-sighted move. So I am fully in agreement that the way forward is for the Treasury Department to do their work, to decide one way or the other. We are either all in or all out as far as mortgage interest tax relief is concerned, and in my view we should all be in. I believe it is useful to Islanders to be able to claim some benefit from paying interest on their mortgages by the tax system, and I believe it is also an appropriate business expense for people to claim as well, and so that should maintain. I am entirely supportive of the Minister for Treasury and Resources' position on this. With regard to Deputy Catherine Curtis's or is ... I apologise, I cannot remember if it is a Scrutiny Panel amendment or Deputy Curtis. Deputy Catherine Curtis's amendment, thank you. I do find it hard because I do have this ... despite yes, I own a property or 2 properties which I rent out, this feels like the first proposition where there is a direct financial benefit; a really direct financial benefit. I know how

much mortgage interest tax relief I receive on those 2; I think it is in the tens of pounds it is not a lot of money. It really is because it is not a big mortgage. It is in the tens of pounds but I do not like the fact that there is a direct implication depending on the way that I would vote with regard to Deputy Catherine Curtis's amendment. For that purpose, I will be abstaining on this amendment vote because it just feels wrong to me, for my own sense of good standing, et cetera, for me to vote on that, so I will abstain on this. But I do urge Members to vote against Deputy Catherine Curtis's amendment because I do not think it is the right amendment at the right time. Certainly, if ever there was one about first-time buyers, I think that would be very much the wrong amendment.

2.3.7 Deputy M. Tadier:

I am happy to support this proposition from my party colleague, but I would like to give some observations, which may be of use to any future Minister for Treasury and Resources before this comes back in January 2027. The first observation, of course, is that I am still slightly confused how the Minister for Treasury and Resources can undertake to reintroduce something in January 2027 when there is an election in the way. We do not know who the Minister for Treasury and Resources is going to be, but I presume the intent here is that the piece of work will start now and that this Minister for Treasury and Resources will start instructing her officers to work on this if it is adopted by the Assembly today. Election cycles are nothing new, and there will always be these kind of hangovers when we get to election periods and new Governments decide what work they are going to continue or not. But I hope the new Minister for Treasury and Resource will take into account, if indeed it is a new Minister for Treasury and Resources, the will of this Assembly today. I did ask the same question I think, when I spoke to the Deputy who is moving this proposition, that Deputy Morel raised about whether this is a legitimate business expense and how that would work. I have always found it a bit of a conundrum, speaking slightly more widely now but not too widely, about the fact that depending on how whether one is a company or a private citizen then your taxes are treated differently. For example, if I go out and buy a £30,000 car tomorrow I have to do that with my post-tax capital, so any capital that I have managed to save in my account I have already paid my taxes on, but of course if I were to have my own company I could buy that same car for the company and I could do it with the company's capital. Of course my company is taxed at zero more than likely in Jersey, so that is something that I can get to use both privately and as a company, and there may be other implications for that from the tax point of view. But that is something that as a private citizen you do not have the ability to do. I think there is this dichotomy between investment properties and personal properties, but ultimately ... I do not want to pre-empt the next debate because I think there are questions about whether or not mortgage interest tax relief should apply to general ... the homes that you live in, shall we say. But I would also ask for consideration about whether or not any distinction is going to be given to interest-only mortgages or full capital payment mortgages, and what loan-to-value is on those mortgages. I think those are the key points to make on those in regard to buy-to-lets, and at this point I will sit down, having made those points. I hope that made sense to the Minister for Treasury and Resources. No? Happy to speak privately to her, if that helps.

2.3.8 Deputy Sir P.M. Bailhache of St. Clement:

I am in a bit of a quandary because unlike, I think, at least some of the previous speakers, I would like to support Deputy Curtis, but I would not like to support the principal proposition, and that places me in a difficulty because the one is pinned to the other. I agree with Deputy Curtis that I can see no real justification for mortgage interest relief on buy-to-let properties because the benefit that a person who is acquiring a buy-to-let property derives is really from the increase in the capital value, which will come over a period of time. I see no particular necessity for subsidising the mortgage interest which will have to be paid. Conversely, I think the decision made in 2014 was the right one, and I think mortgage interest relief ought not to be restored. My reason for taking that view is simply a question of equity between land property owners and tenants. Tenants do not get relief on the rent that they pay. Why should a property owner get mortgage interest relief on the equivalent payment

which is being made for the mortgage? So I am not quite sure what I am going to do. If Deputy Curtis had brought a freestanding proposition I would have been much happier, but she has not and so I am not quite sure which way I am going to vote.

2.3.9 Deputy I. Gardiner of St. Helier North:

I am in genuine support of this original proposition, and I would like to ask Deputy Curtis how she envisages how it would work to make my final decision on the amendment. When, for example, some of the young people might purchase a one bedroom when they were a couple as a first property and they would receive a tax relief for their mortgage as a first property, but they would have child or 2, they will outgrow of their first property, they need to sell first property and to buy a bigger one because the family has grown, would they lose the support of tax relief on their second bigger property but it is still first family property? I am not sure how it would work but it is important to understand. Would the family receive the same tax relief if they buy the second property. Does she envisage if it will be bridging mortgages or not? Also, if people are right-sizing and they coming from a bigger property to the smaller property I am not sure how it would work. For me it is more important family growing up buying the bigger property to accommodate the family, would they receive the same relief?

The Greffier of the States (in the Chair):

Does any other Member wish to speak on this amendment? If no other Member wishes to speak, then I call upon Deputy Curtis to respond.

[11:30]

2.3.10 Deputy C.D. Curtis:

Deputy Millar stated there is no need for this amendment to the amendment. That is a slap in the face for all those struggling. We do hear about people struggling with the cost of living, and that includes people with mortgages. The consultation to which Deputy Millar refers received 18 responses; just 18, 11 of whom are landlords. It is not representative. There are more of us here in this Assembly. I think we can make our own minds up. We do not need to wait for the outcome of that consultation. The consultation and the economic impact assessment is not going to tell us anything that we do not already know. As Deputy Mézec himself has said, we have been waiting years for this consultation. States Members do need to take responsibility and there is no good reason for us that we do not make a decision now. The Constable of St. Mary and Deputy Morel raised concerns about the suggestion that mortgage interest tax relief be only applied to first-home buyers. That is just a suggestion, it is not the actual amended amendment. It is not a valid reason to vote against. If the Constable believes that there should be mortgage interest tax relief on buy-to-let mortgages but not on homeowners' mortgages, that would be a reason to vote against, but that is of course a fundamentally unjust reason. Deputy Moore talks about the market, and we need to stop this. For too long this Chamber has prioritised the market, and look where that has got us. Probably some of the most expensive housing in the world which young people cannot afford, so they are leaving, with the resulting ageing society. We are representatives of the people who are overwhelmingly not holding buy-to-let mortgages and many of whom are struggling. I completely agree with Deputy Bailhache's comments about mortgage interest tax relief on buy-to-lets but as for inequity to tenants, I do agree with that also; I have experienced it myself. However, I do think we can give more support to homeowners, and that should be the priority. Deputy Gardiner also asked about my suggestion regarding first-time buyer only mortgage interest tax relief; again, I say it is a suggestion, it is not part of the amendment. As a Back-Bencher, I do not have the resources to come up with all these answers. If the will is there in Government, I am sure that they can find a way to make this effective. I have outlined the ways that we can help struggling families with a mortgage without loss in revenues. I hope there will be consideration in the Chamber for those families who may be struggling to pay a mortgage. If we genuinely do want to encourage homeownership and any

lost revenues can be accounted for, then, as I said before, there is no good reason to reject the amended amendment.

The Greffier of the States (in the Chair):

Do you call for the appel, Deputy? The appel has been called for. I ask Members in the vicinity to return to their seats and I ask the Greffier to open the voting. If all Members have had an opportunity to cast their votes, then I ask the Greffier to close the voting. I can announce that the proposition has been lost.

POUR: 19		CONTRE: 21		ABSTAINED: 2
Connétable of St. Clement		Connétable of St. Helier		Connétable of Grouville
Deputy G.P. Southern		Connétable of St. Brelade		Deputy I. Gardiner
Deputy M. Tadier		Connétable of Trinity		
Deputy L.M.C. Doublet		Connétable of St. Ouen		
Deputy R.J. Ward		Connétable of St. Mary		
Deputy C.S. Alves		Connétable of St. Saviour		
Deputy S.Y. Mézec		Deputy S.G. Luce		
Deputy Sir P.M. Bailhache		Deputy M.R. Le Hegarat		
Deputy T.A. Coles		Deputy S.M. Ahier		
Deputy B.B. de S.V.M. Porée		Deputy I.J. Gorst		
Deputy D.J. Warr		Deputy L.J. Farnham		
Deputy H.M. Miles		Deputy K.L. Moore		
Deputy J. Renouf		Deputy M.R. Scott		
Deputy C.D. Curtis		Deputy R.E. Binet		
Deputy L.V. Feltham		Deputy M.E. Millar		
Deputy H.L. Jeune		Deputy A. Howell		
Deputy R.S. Kovacs		Deputy T.J.A. Binet		
Deputy K.M. Wilson		Deputy M.R. Ferey		
Deputy M.B. Andrews		Deputy A.F. Curtis		
		Deputy B. Ward		
		Deputy L.K.F. Stephenson		

2.4 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): fourteenth amendment (P.70/2025 Amd.(14)) - Mortgage Interest Tax Relief - resumption

The Greffier of the States (in the Chair):

We return to the main amendment. Before we do, if the Members who have a shared interest because they have a mortgage would wish to declare that interest then they should do so, so that we can record that for the minutes; anyone who would benefit from this amendment. Yes, anyone who would benefit from this amendment. I am seeing the Constable of Grouville, Deputies Stephenson, Warr, Doublet, Coles, Feltham, Alves, Rob Ward, Deputy Porée, Deputy Tom Binet, Deputy Tadier, Deputy Rose Binet and the Chief Minister. Thank you. Does any Member wish to speak on this amendment?

2.4.1 Deputy T.A. Coles of St. Helier South:

I rise because I do support this amendment because I believe that the security we gain from homeownership means we have more stability as we get into our older age. As the Deputy in his opening speech remarked, that obviously property prices have increased dramatically. We are also now in a position where not only has the property price quadrupled in the time that he mentions but even in the time that I have had my mortgage myself I have seen the interest rates quadruple. We have this gaining and growing effect where the interest rates now that we are paying may still be lower compared to what my parents paid in the 1980s, and they were paying 12 per cent and 13 per

cent. But of course my parents paid £16,000 for their first property, so the balance is very different. That interest is really a struggle for a lot of people and it is one of those points where because you have to commit to what you are paying back in your mortgages and your loans, that it can be a deterrent for some people to then have to go through the phases that comes through. I had considered then bringing an amendment to Deputy Warr's amendment about considering maybe putting a cap on the amount of relief that we should have because I do not believe it should be on the full total value. Because I think then we are maybe unbalanced where we are directing the relief to. But I think a certain amount of relief for all homeowners would be beneficial to help them get through those initial struggling days or those first couple of years of paying the mortgage so they get into that flow of everything. Where that equity balance shifts where your loan-to-value ratio goes down and your interest rate sometimes comes down with it, and then you would get to a point where you pay less on your mortgage than you would on average rent. I think there could be a period of time where some sort of mortgage interest relief would be beneficial. This is why I feel that I can support this because it is words to request the Minister for Treasury and Resources to reintroduce a policy of mortgage interest relief. This policy can be wide or it could be very narrow in scope, as Deputy Curtis mentioned in her speech for the amendment to the amendment. It could just help first-time buyers for the first 5 years. It could just be something as simple as that. I think this is something that needs to be investigated, something that should come back. Because, yes, as the Deputy says, middle Jersey is struggling and this will help many Islanders.

2.4.2 Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

On the face of it I accept that this may seem like an attractive amendment. The Government absolutely wants to support homeownership, and we know that some households are struggling with the cost of living. We must, however, ask ourselves a fundamental question: why should we, as an Assembly, support a measure that helps those with mortgages and thus own their own homes but does nothing for families who are struggling to pay the rent? The Assembly voted to phase out mortgage interest tax relief over a 10-year period in 2015 and it did so for very good and economically sound reasons. Deputy Mézec was not right to say earlier that such a decision was not based on evidence. International research, as well as analysis, undertaken specifically for Jersey at the time shows that this type of relief has no positive impact on homeownership rates and in fact will have detrimental effects on the housing market. That evidence informed the decision taken by States Members in 2015 and it holds true today. This is year 10 of that 10-year phase-out project proposal, which will end at the end of this year; this is the last year which it will be available. Sometimes I think that Assembly took a very brave decision and I wonder if we would ever manage to take such a brave decision here. In jurisdictions in which supply cannot keep up with demand, mortgage interest tax relief has been shown to support artificially high prices which benefit current owners, while causing unnecessarily high barriers to new buyers. The relief encourages the use of debt with, potentially, negative consequences for financial stability and household finances. Most importantly, mortgage interest tax relief drives a wedge between the cost of owner-occupation and the rental market that primarily disadvantages those on lower incomes and those with less capital available to them. For these reasons, mortgage interest tax relief has been removed in the majority of O.E.C.D. (Organisation for Economic Co-operation and Development) jurisdictions, including the U.K. Given our fondness of the Fiscal Policy Panel, in its report on the housing market a year or 2 ago the F.P.P. welcomed the phasing out of mortgage interest tax relief. Jersey's housing market is in recovery following years of unsustainable price increases. House prices are falling and housing affordability is improving. Any measure that could contribute to housing inflation and slow this progress, such as mortgage interest tax relief, should not be reintroduced. I believe rather than targeting tax relief at one specific group of Islanders, the broader tax system should deliver benefits for all taxpayers. That is why successive Governments have focused on increasing income tax allowances which benefits 90 per cent of Islanders and, in particular, those on lower incomes, rather than those at the higher end of the scale. To support homeownership the Minister for Housing has been working very hard on

the First Step scheme and widen access to Andium's affordable Purchase Pathway, and I am sure he will wish to discuss those efforts. There have been questions raised earlier why mortgage interest relief was removed for homeowners but retained for landlords. As I have already discussed, that is a live issue that will be considered in 2026. As far as tax is concerned, there is a fundamental difference between mortgage interest tax relief and interest deductibility for landlords. Interest deductibility for landlords is treated as a cost of doing business, offset against the income to which it relates. Sorry, I am just trying to clarify questions that came up earlier. Jersey's system taxes business, including property business, on profit, not gross income. That is true whether you are renting out a shop or renting out a flat above. Mortgage interest relief for homeowners on the other hand is not targeted and is not deducted from a source of income. We need to be clear about what mortgage interest relief is. It is a poorly-targeted Government subsidy that happens to operate through the tax system. It could just as easily be replaced by a system in which the Government sends cheques direct to mortgage payers. We need to remember that mortgage payers own their home, subject to that mortgage. As Deputy Warr himself said, homeowners are building an asset for their old age; that is an asset that is not available to renters. If any Member stood up today to propose that Government should send cheques to mortgage payers to help with their cost of living but nothing to renters and nothing for those who, unlike those with mortgages, are often in the lower-income bracket, I think we all know how that debate would end; that is, effectively, what we are doing here. Then there is a cost; the amendment is silent on this point but here are the facts. To maintain the current relief available in 2025 which provides a deduction of £1,500, which is just under £400 of benefit per taxpayer per year, would cost £9 million per annum. To return to the 2015 levels of relief would cost in the region of £20 million to £25 million a year.

[11:45]

It is also a hostaged fortune because we cannot control interest rates. I agree with Deputy Warr, I am also from the very lucky generation but when I bought a flat it was at a 9 per cent interest rate and I was there in the early days of that mortgage when interest rates went to 15 per cent. They are not something we can control, and that is another reason why it is very difficult to introduce this for homeowners because it has the potential to have huge income impacts on Government incomes and budgets in future years. Deputy Warr does not suggest where this money should come from or which department's budget should be cut to afford it. He suggests that reducing landlord interest relief would help fund it. But I believe that would raise some £2 million a year, which does not come close to funding the cost in either scenario. With those numbers in mind, it is hard to see that this amendment can be accepted. The Deputy has not presented a compelling case for reintroducing mortgage interest relief supported by proper reasoning, sound economics and thorough research. In fact all of those things go against the proposition, as I have discussed. That would have given the Assembly a difficult decision, but in the absence of that information this is not a difficult decision. I urge Members to support the good work this Government is doing to improve housing and homeownership in a targeted way and to reject this amendment.

2.4.3 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

In my earlier speech on Deputy Curtis' amendment I spoke about the impact on owner-occupiers. I think I slightly misspoke in that brief speech and would like to correct what I said. Because I do believe that homeownership is a very important thing and something that we all want to see increase in the Island. There have been many factors that have prevented people from buying their own homes in the Island in recent years. I believe that as an Assembly we should be doing all we can to assist, particularly for young families who find themselves at the most stretched time of their lives when they are newly together, hopefully starting a family; the costs are high. I believe strongly that removing mortgage interest tax relief can really help to ease the burden, particularly as interest rates are much higher at the moment than they have been in the past. I do take a different stance to the Minister for Treasury and Resources on this one. I believe that this is something that could help to

encourage people to step into the homeownership space, and that in itself might increase Treasury's coffers in a different way in stamp duty revenue where it has seen a significant decline in recent years.

2.4.4 Deputy J. Renouf of St. Brelade:

Very briefly, Ma'am. It is a shame Deputy Bailhache is not here. Last night when we left the Chamber I was on the receiving end of a magisterial telling off from Deputy Bailhache, who said to me: "Really, Jonathan, voting for an amendment where there is only half a page report, disappointing." That referred to the long-term care cap, which I voted in favour of removing. I did so on the principle, rather than on the fact that there was a lack of report. But on this occasion I think the lack of report is very telling. I think the case has not been made. I do accept that middle Jersey is squeezed of course and the shortness of this speech is not a reflection of a lack of concern in that area. But I do think that a £10 million subsidy uncoded for where it is going to come from, so something else will have to give for homeowners, where there is no equivalent subsidy for renters in the market I think is wrong. My principle is that we should remove mortgage tax relief in all cases, which is why I voted for Deputy Curtis's amendment. But my position on that is consistent and has always been the case. I do not think that we should give mortgage tax relief to homeowners.

2.4.5 Deputy L.V. Feltham of St. Helier Central:

I agree with a lot of what the previous speaker had to say. My concerns around this particular amendment is the specific lack of detail. The fact that it is untargeted and uncoded and the fact that I do not know what the effect of those costs would be on my departmental budgets and, of course, the income support budget. I have a lot of sympathy around wanting to do something, particularly for people who are struggling with a first mortgage and struggle with the cost of buying a home. But I am conscious that this amendment is unequal because it does not then deal with the same issues for people renting as well. I do want to say to the Assembly that, as Minister for Social Security, I have been doing some work over the last few weeks. A number of people have come to me, including some Members of this Assembly, concerned around the provision of income support or what may be a lack of provision for income support for people with a mortgage who may be on a low income. I have instructed officers to do a piece of work. We now have a calculation to, I believe, make the provision more equitable. I am hoping to make an announcement on that in the coming weeks and be introducing a measure early in the new year. I do want to give Members some comfort that, as Minister for Social Security, it is my intention to make some targeted support available to some low income people who have a mortgage who may be struggling with the cost of living. For my part, while I am tempted to support what I am sure will be a popular amendment out there in the public, I think because it is not targeted it runs the risk of helping people who may well be well off in their second, third, fourth home and may well be able to afford their mortgage. Because of the fact that it is not targeted, not coded and runs the risk, potentially, of harming my own departmental budgets and those budgets that are there to help those people that most need help with the cost of living, I cannot support this amendment at this time.

2.4.6 Deputy M. Tadier of St. Brelade:

I think it is worth taking a step back to look at what the underlying reason for this amendment is. The way I see it is that you are never going to have the perfect mechanisms in most cases to deliver on a particularly underlying policy, but it does not mean that we should not give it consideration. It seems to me here that the test really is, is this a proportionate mechanism to deliver a legitimate aim? First of all, what is the legitimate aim or what are the legitimate aims that are being sought here? For me, I think it is presumably the fact that on the one hand we, as an Assembly or some of us in this Assembly, want to encourage homeownership and that we recognise that for some that is difficult. It is difficult in the first few years, in particular if you have to take out a mortgage. It is usually the first 5 years which can be quite difficult, especially if it is a very large percentage of loan-to-value,

and it seems that it is not going down very quickly at all. It is legitimate; whether it is proportionate is another question. I think that is where the proportionality comes in. Inspiring homeownership is generally seen as a staple for many Governments and Parliaments around the world. Of course it is not universal, there are some countries which have that less. I think it is particularly prominent in the British psyche to want to own your own home; an Englishman's and an Englishwoman's home is her castle or his castle, as the saying goes, and of course that is not universal. I think it can be argued that it is a proportional mechanism to delivering a legitimate aim, and of course there is a cost to that. The problem is we do not have a joined-up plan for encouraging homeownership, and I do not think this Assembly does want to encourage homeownership. Because it has got at best a very disjointed view when it comes to the aspiration. Because if we did want to encourage homeownership we would recognise that, first of all, we are a small Island with a finite amount of properties and potential homes and that, even if we were building lots, that is still going to be the case. If it were the case that we wanted to encourage people to own their homes, we would presumably have a system which discourages people to own more units than they need. At the moment there is no disincentive, so somebody can go out there and buy much more than they need, which in any system where a product is in shortage, it is absolute madness not to have some kind of rationing. During the Occupation if there was a limited supply of butter or potatoes you would not say to people you can go and buy lots more than you needed to, and that product was rationed. But not only in Jersey do we not have that, we have an incentive for people to accumulate more properties than they need. We have literally just seen an example of that in rejecting Deputy Curtis's amendment on a very close vote. What we are saying on the one hand, what this Government I think, certainly this Assembly is saying, is if you have got the capital go out there and buy as many homes as you want, hoard them if you want to and we will actually help you do that by giving you a tax rebate. The speech that the Minister gave, which I listened to when I was outside the Chamber, with a whole list of reasons that this does not make sense, that presumably also applies to buy-to-let landlords but she did not give that speech during that debate. The message that we will give to the public today if we vote against this amendment, which I think has much merit to it, is that this Assembly is quite happy to give landlords tax rebates, to give them that cheque that the Minister for Treasury and Resources spoke about, that targeted benefit from the taxpayer, including many taxpayers who may not be landlords, who may not even be paying their own mortgages or even ever be able to own their own homes but are paying tax in Jersey while they rent but we are not willing to do that to people who are aspiring to buy their own homes, who have mortgages but who may well be struggling. I think that is a very dangerous message that we will be putting out as an Assembly. It might be surprising that the person who has spoken up until now who I think I am closest aligned to is Deputy Bailhache, in what he said is that we need to be consistent in this. I would say that we either apply mortgage interest relief to everyone ... there is definitely a case to say that it could be applied to homeowners only and not to landlords or that it should apply to nobody. But it is completely perverse to say that those who have got the capital to buy multiple properties should be given a tax rebate, while those who are scrimping and saving, possibly working 2 jobs to pay a mortgage, especially in the first few years of life with children, et cetera, that they should not be given that mortgage interest relief. I think given the fact that that is the decision we have just made, I think it would be completely wrong for us to reject this amendment. The last point is that Deputy Bailhache is right, tenants do not have that ability at all. Tenants cannot claim interest mortgage relief because they are not paying off a mortgage. But at the same time they do not get any relief on the rent that they pay. It may well be a policy that Advance Jersey wants to consider, in the same way that this Assembly has agreed to give landlords up to £10,000 off tax free if they rent a room out in their house. Maybe Advance Jersey would also like to put forward the proposition, the proposal in their manifesto, that the first £10,000 of rent you pay in Jersey could also be tax-claimable. But we will maybe have those discussions outside the Assembly. But certainly when it comes to what is in front of us today, I think we need to take both a moral position on this and a consistent position. Certainly for me I cannot not support this. I would say to any Ministers who are worried about their budgets, there is time to look at this. This is not going to

kick in until 2027 and there are other progressive measures I think that can be put in place to make sure that on the one hand we do not harm those struggling middle-Jersey families and other aspirant families who this may help in the future just because we are worried about future budgets. I think those future budgets, as we know, can be looked at in the future in a more holistic way.

2.4.7 Deputy M.R. Scott of St. Brelade:

I heard the last speech with an element of confusion because I believe that this is a debate on whether to reintroduce the policy of mortgage interest tax relief for personal income tax. I had some difficulty with my fellow Deputy of St. Brelade's position.

[12:00]

Because I think if you do not vote contre against this and just basically are going to give tax relief to everybody who has got a mortgage, and bearing in mind how many people do finance business deals or whatever in our community, he may well be supporting a move that gives tax benefits to multimillionaires, of which there are few in our constituencies. I think that he needs to focus a bit more on the more means testing, trying to do this targeted assistance for buying housing. But we currently do have an Assisted Housing Scheme that is looking more at the people who perhaps otherwise would struggle to buy. It is not dissimilar, I suppose, even from that argument that we come across with the G.S.T., everybody is saying we would like to not have this tax here but then when you look at the numbers you are in danger of assisting people who are relatively wealthy. Therefore, on the basis of the reasoning that I believe the Minister for Treasury and Resources put forward quite well, I would suggest that we should be voting contre on this on the basis that an actual way of assisting people in a more targeted fashion is better and kinder to our finances.

The Greffier of the States (in the Chair):

Thank you, Deputy. Does any other Member want to speak on this amendment? If no other Member wishes to speak, then I call upon Deputy Warr to reply.

2.4.8 Deputy D.J. Warr:

Thank you to all the Members who have taken part in the debate. It is very interesting to have so many different points of view. I think the people out there, and I talked to those people out there who are struggling with their mortgages, who are struggling with the cost of living, for goodness sake, Assembly Members, cost-of-living crisis. We have got to remember there is a cost-of-living crisis out there. What are we constructively doing to help people, ordinary folk out there? We just heard Deputy Scott talk about multimillionaires; this is not about multimillionaires, this is about ordinary people trying to hold it together to pay the running cost of their lives. This is trying to help those people. I just think it must beggar belief that we all talk about the cost-of-living crisis but we do not do anything to mitigate it. This is a huge opportunity. We can criticise the targeting, it is not particularly for those people, it misses those people, it is so unfair for those people. But we have got to do something. Do not kick the can down the road, let us do something, do something today. Do something constructive for those people who are struggling. That is what the folk of Jersey want to hear about. That is what the next election is going to be about. It is going to be about, what did you do to help with the cost of living when you had the opportunity to vote in a positive way to help out middle Jersey or the net contributor to tax? What were you doing? It is interesting, we have all these concepts around policies and it might not be this width or it is £500,000 to £1 million; does it do this? That is for the next year to work it out. Let us work out some stuff. Do not turn around and say just because my report did not go around costing to the halfpence what this policy is about, what we are going to do; that is irrelevant. We have 12 months to sort that all out. But as usual here, what I am hearing from some Members is it is better do nothing. Do not do anything because the Minister for Treasury and Resources has got it under control. She will be bringing something in in 2026. We have got the Minister for Social Security also kicking the can down the road; I have got something

in the plans, something in the works. The people of this Island want to hear us doing something now. This is the opportunity to do something now. I urge Members to support this amendment, please, in the interests of all those people who work so hard and contribute so much to our economy in Jersey. For that I call the appel.

The Greffier of the States (in the Chair):

The appel has been called. If there are any Members in the vicinity, I ask them to return to their seats. I ask the Greffier to open the voting. If all Members have had an opportunity to cast their votes, I ask the Greffier to close the voting. I can announce that the proposition has been rejected:

POUR: 13		CONTRE: 26		ABSTAINED: 2
Connétable of St. Mary		Connétable of St. Helier		Connétable of Grouville
Connétable of St. Saviour		Connétable of St. Brelade		Deputy C.F. Labey
Deputy G.P. Southern		Connétable of Trinity		
Deputy M. Tadier		Connétable of St. Ouen		
Deputy L.M.C. Doublet		Deputy S.G. Luce		
Deputy I. Gardiner		Deputy K.F. Morel		
Deputy K.L. Moore		Deputy M.R. Le Hegarat		
Deputy T.A. Coles		Deputy S.M. Ahier		
Deputy B.B. de S.V.M. Porée		Deputy R.J. Ward		
Deputy D.J. Warr		Deputy I.J. Gorst		
Deputy C.D. Curtis		Deputy L.J. Farnham		
Deputy R.S. Kovacs		Deputy S.Y. Mézec		
Deputy L.K.F. Stephenson		Deputy Sir P.M. Bailhache		
		Deputy H.M. Miles		
		Deputy M.R. Scott		
		Deputy J. Renouf		
		Deputy L.V. Feltham		
		Deputy R.E. Binet		
		Deputy H.L. Jeune		
		Deputy M.E. Millar		
		Deputy A. Howell		
		Deputy T.J.A. Binet		
		Deputy M.R. Ferey		
		Deputy A.F. Curtis		
		Deputy B. Ward		
		Deputy M.B. Andrews		

2.5 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): eighteenth amendment (P.70/2025 Amd.(18)) - Statistics Jersey – Administrative Support Funding

The Greffier of the States (in the Chair):

We now move on to the next amendment, which is the eighteenth amendment brought by the Corporate Services Scrutiny Panel, and I ask the Greffier to read the amendment.

The Deputy Greffier of the States:

Page 3, paragraph (b)(xii) – After the words “as set out in the Appendix to the accompanying report”, insert the words “, except that on page 42, after Table 9, there should be inserted the words “Within the Revenue Head of Expenditure for the Cabinet Office, funding for ‘Statistics and Analytics’ should be increased by £80,000 in 2026 and 2027 and £130,000 in 2028 and 2029, through reallocation of other departmental expenditure within the Cabinet Office. This should be reflected in the Cabinet

Office Service Level Analysis tables contained within the Annex accompanying the Report (R.139/2025), entitled ‘Part 2 – Heads of Expenditure financial information’ for the Cabinet Office”.”

2.5.1 Deputy H.M. Miles of St. Brelade (Chair, Corporate Services Scrutiny Panel):

I am bringing this amendment as chair of the Corporate Services Scrutiny Panel. This amendment has one purpose and that is to ensure that Statistics Jersey is properly resourced to deliver the statutory duties that this Assembly has already placed upon it, not optional work, not desirable enhancements but legal obligations created by the amended Statistics and Census (Jersey) Law in 2024 by this Assembly. If this Assembly requires Statistics Jersey to deliver Tier 1 reviews, to publish an annual report, to co-ordinate the entire Jersey Statistical System and to implement the governance model we approved, then we must provide the resources to fulfil those duties. Anything less ...

The Greffier of the States (in the Chair):

Sorry for that interruption. I am not quite sure what that was, Deputy Miles.

Deputy H.M. Miles:

Anything less mean the Island’s new statistical system will exist in law but not in practice. The amendment, therefore, seeks to provide funding for Statistics Jersey so that it can meet its obligations under the law, resource the annual reporting function, develop and co-ordinate the strategy for the Jersey Statistical System and undertake the essential development and review of Tier 1 statistics. These are the statistics that inform public policy, underpin our Island decisions and shape the public’s trust in our official data. The amended law requires a separate annual report and accounts for the chief statistician, a strategy for the Jersey Statistical System and co-ordination of the Statistical Producers Group and a programme of ordinary and extraordinary reviews of Tier 1 statistics and most essential Island indicators. When the law was lodged, the Government themselves acknowledged ongoing annual costs of £143,900. Despite this, no allocation has been made in the Budget. If Members would like - show what we agreed - it is on page 24 of P.29/2024. We knew then what we were asking for. We knew then what we were voting for. As a result of no allocation made in the Budget, the chief statistician lodged a business case reflecting exactly what was requested in 2024. It is both reasonable and proportionate to what the law requires. During our review of the Budget the panel learned that this business case was deemed desirable, not essential. We were told that support would instead be provided by the Cabinet Office and Treasury and Exchequer but we were given no clarity on the nature, capacity or sustainability of that support. The panel remains unclear why dedicated funding cannot be providing directly to Statistics Jersey to meet the statutory obligations under the law. While Statistics Jersey published its initial list of Tier 1 statistics in November 2025, these currently only include Statistics Jersey outputs. Significant further work is required to identify Tier 1 statistics produced by other public authorities and to undertake the required review programme. The assertion made during Budget briefings that statistical reviews do not require specific frequencies or defined standards is a matter of concern to the panel. Quality, consistency and independence should not be contingent on available funding. In its comments paper, the Council of Ministers made a number of assertions that I would like to address. The first one is that this amendment creates unnecessary spending on administration. With respect, it is the law, not Scrutiny, who created these administrative requirements. The law requires new governance structures, new reporting duties, new reform programmes and new public accountability functions. To say this amendment creates unnecessary work is to say the law created unnecessary work, and that is not what the Assembly was told when we approved it. We were assured the law strengthened independence and aligned with international best practice. Best practice requires resources. You cannot legislate for independence and then refuse to fund it. They said that the Cabinet Office would provide support internally. We were told the Cabinet Office staff could absorb this work without expanding headcount. That may sound efficient but it is not realistic. We heard directly that the chief statistician formally requested funding and that the accountable officer deemed it desirable but

not essential and that the bid was rejected, not because the work was unnecessary but because of the political commitment to curb the growth of Government. In other words, resource needs were outweighed by staffing caps, not by an assessment of statutory duties. Yet Article 4(3) of the law is explicit: “The Chief Minister must ensure the chief statistician has the resources required to discharge their functions effectively and efficiently.” Not if headcounts allows, not if internal capacity can be found: must ensure. Statutory obligations cannot depend on borrowed support or discretionary goodwill. A further comment says that this amendment undermines Cabinet Office efficiency savings. The Council of Ministers cite staffing reductions and £3.6 million in savings. Positive though that may be, statistical governance cannot be sacrificed to meet broad efficiency targets. Statistics Jersey is not seeking to expand outputs or create new functions, it is requesting the minimal administrative resource necessary to deliver a law that this Assembly approved. Efficiency is not achieved by underfunding statutory functions. A further comment was this amendment embeds permanent administrative resource. The amendment embeds nothing new; it funds what the law already prescribes and what this Assembly agreed. If the Council of Ministers believe these duties are avoidable, then the issue lies not with this amendment but with the law itself. No such proposal to amend the law has been brought forward. We cannot selectively implement only the convenient parts of legislation. The report also comments that other amendments have already restored money to Statistics Jersey. Yes, the Business Tendency Survey and the Opinions and Lifestyle Survey have been reinstated but both of those amendments relate to outputs. This amendment concerns governance, independence, quality assurance and legal compliance. Tier 1 reviews, annual reporting and system-wide co-ordination are not optional. No evidence has been provided that this work can be delivered without that resource. The final comment was that we can do this without budget increases. Statistics Jersey have been clear, they do not have capacity to develop new review criteria and schedules, undertake Tier 1 reviews, co-ordinate the statistical system or produce the annual report without external support.

[12:15]

If Cabinet Office capacity was adequate, the chief statistician would not have submitted the business case. The accountable officer would not have labelled the work desirable. The Government would not be assuring Scrutiny that support will be provided. Support is not the same as resource. Goodwill is not a governance model. Proper resourcing matters. Tier 1 statistics support our economic forecasting, our population and house planning, our health service demand projections, employment trends, environmental monitoring; the list could go on. If reviews are delayed and our standards are diluted, then decision-making suffers, public trust suffers and the credibility of this Assembly suffers. Good statistics are not a cost, they are a safeguard. In closing, in this Assembly we passed a law that demanded higher standards, stronger governance and greater independence. The law promised best practice, accountability and better evidence for better decisions. A law unfunded is a law unmet. The duty unfunded is a duty unfulfilled. We can say that statistics matter or we can fund the work that ensures they matter. We can commit to independence or we can leave the chief statistician dependent on borrowed hours from overstretched teams. We can require Tier 1 reviews under the law or we can withhold the resources needed to conduct them. This amendment does not grow Government. It reallocates existing resources to meet existing legal obligations for accuracy, for independence, for good governance and for the integrity of this Assembly’s own legislation. I urge Members to support the panel’s amendment.

The Greffier of the States (in the Chair):

Is the amendment seconded? **[Seconded]** Does any Member wish to speak? I saw the Chief Minister first and then Deputy Millar.

2.5.2 Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:

Can I start by saying the Statistics Unit is well regarded and fulfils all of what Deputy Miles claims it does not fulfil? They do an excellent job. While these proposals are well-intentioned, they would impose a permanent and prescriptive administration requirement on Stats Jersey, which is, in the Council of Ministers' opinion, an unnecessary expansion that delivers no new statistical products. It is simply wrong to suggest that Statistics Jersey is not adequately resourced under the law; that is incorrect. Statistics Jersey meets its statutory obligations under the Statistics and Census Law 2018. The Cabinet Office has resources and places resources to support them and has committed to providing additional help as and when it may be required. There is no operational gap here and certainly no justification for creating a permanent administrative post. Members will recall in previous debates, I think as Deputy Miles mentioned, this Assembly agreed to reverse savings within Statistics Jersey by diverting funds from Ministers' policy-delivery capacity. We did so by reinstating the Business Tendency Survey at a cost of £78,000 and to allow the Jersey Opinions and Lifestyle Survey to run annually at a cost of £40,000. That, I think, is money well spent, and those decisions were made because they delivered real additional value to Islanders through better data and better insight. Independence, quality assurance, compliance and everything else that the Deputy mentioned are being done, and I would praise Statistics Jersey for the work that they do. The amendment does not achieve, I think, what the Deputy is claiming it would, does not produce new surveys or improve the quality of our statistics. It simply adds costs and at a time when we are working hard to curb public service growth and control expenditure, I think this takes us in the wrong direction. It has been really challenging, as Deputy Millar and other Members and Ministers have pointed out, because we have a real juxtaposition of amendments in this Budget. We have amendments criticising and chastising us for not reducing or curbing the growth in public sector fast enough, but it is curbing. I shall be pleased to share statistics later in the debate and demonstrate how we have curbed the growth in the public sector. Yet further amendments, often coming from the Members who have criticised the growth in the public sector, are coming to add headcount in staff. I know Deputy Miles said this is a transfer of a funds but of course if we are allocating funds from one area to another it will hinder the continued journey on reducing and curbing the growth in the public sector because you will be perhaps taking out resources that could be identified for further savings in the not too distant future. Since this Council of Ministers was formed, the Cabinet Office has saved £3.6 million and reduced staff by 32 F.T.E.s (full-time equivalents); that is a 16 per cent reduction. Those are hard-won gains and Members and Ministers will know the difficult conversations we had. But every gain, every headcount, is an important part of the journey in curbing the growth in the public sector. Indeed, we are going to have a debate about, potentially, one member of staff and a small saving in that, another arm's length organisation, shortly. Amendment 18 would undermine that progress by creating a permanent administrative role that is neither necessary or proportionate in our opinion. Rejecting this amendment is not about denying support to Statistics Jersey. They have our support, they are doing an extremely good job. It is about ensuring that support is delivered in a flexible, efficient way, without locking taxpayers into unnecessary overheads and more permanent positions that we say we do not need. The Cabinet Office stands ready to provide assistance when required for additional administrative roles; that has not been required as yet. But we should not bake what we consider to be inefficiency into the Budget. Our responsibility is to use public money wisely, Amendment 18 fails the test. This is desirable, it is not essential. While I thank the Scrutiny Panel for their engagement and their views on the matter, I do urge Members to reject it.

2.5.3 Deputy G.P. Southern of St. Helier Central:

Just briefly because yet again this is another occasion when I am reminded that in the past I have defended staunchly the Stats Department and the work that it does, especially because it has to be independent. Time and time again one of the cuts that is easy to make to services is let us cut a stat out; one here, one there, until we cannot produce the statistics anymore and our stats become unreliable. As a way of Government, that is like closing our eyes very firmly and wandering around

in a dark room. We do not know what is going on with the economy and unless we do we cannot make the appropriate adjustments to it. Sorry, Chief Minister, very politely though it was put, what you are talking about, I believe, is nonsense. You are talking about sacrificing a department which is essential to Government - not useful but essential - to how we behave and how we take decisions; without that we have got nothing.

2.5.4 Deputy J. Renouf of St. Brelade:

I think this to me raises some really important issues that we have had in Scrutiny throughout this Government's term of office, and that is the contrast between general principles applied without judgment and carefully argued specific cases. The Government has put in place various policies at a high level - policies like a ban on consultants, recruitment freezes, blanket cuts in budgets and so on - in order to deliver on its promises. Right from the beginning our Scrutiny Panel has raised consistent questions - I speak, I am sorry, as a member of Corporate Services Scrutiny Panel - about the interrogation of how those policies are applied in practice. What risk assessments are done before they are applied? What assessments are done about whether it is appropriate to apply the same blanket policies across departments of vastly different size with very different responsibilities? The answer has never been very satisfactory. That was exposed of course, in particular, almost excruciating detail, when we discussed the amendment regarding the Environment Department. The Government was finally forced to fold because the case was simply so compelling, so many functions that would not be possible, that were so important on so many different levels. This is what happens when there is not that application of detailed thinking, proper risk assessment, the careful consideration of the real impacts. I would say, let us contrast Deputy Farnham's speech just now with Deputy Miles. Deputy Miles provided multiple clear examples of things that were required that cannot be done at the moment. She was specific to a very high degree. Deputy Farnham on the other hand, the Chief Minister, replied with vague reassurances. Not a single one of the specific points that Deputy Miles raised was tackled. What we got instead was a general statement that this stuff can be done within the Cabinet Office, with we think it is all fine. Of course it is at odds with what the chief statistician has said. He does not agree. He has put a case. It comes, I imagine, at some political cost to make that kind of stand. It is done very politely of course and within the rules. But he has, nevertheless, made clear that in his view, as far as I can see, at least my reading of the documentation, he does not think this can be delivered, despite the Chief Minister and the Council of Ministers' words. In fact there is an attempt here by subtlety to disparage what the Scrutiny Panel is doing and I quote the exact phrase, I think, from Deputy Farnham, and I think it is in the report: "Permanent prescriptive administrative resource that is not needed." It is that word administrative with its connotation that what we are dealing with here is some sort of bureaucrat sitting there twiddling their thumbs, wielding their pen every now and then, just an administrator. Is that what we regard people employed by Statistics Jersey as? Because what we are talking about here is a statistician surely. This is not about a permanent administrative resource which is going to add to bureaucratic overload. It is about somebody who is going to do actual work. It does seem to me that the Council of Ministers want it both ways here. They want to reassure Members in a vague general kind of way by saying if this work needs to be done we will find it from within the Cabinet Office budget. But at the same time they do not want to allocate it. It is not going to be allocated for that purpose. We have to be really clear about what this means. This means, essentially, that the Government retains control over that work. It can only happen if Ministers decide it can happen. That is the sense in which this whole argument is about the independence of Statistics Jersey. The Government is saying we will decide if that work can be done. We will control the purse strings. The Government has said it is an extra person, this terrible administrative person that is going to be created. But the total cost of Government will not increase; it is about a reallocation of resources.

[12:30]

It is for the Government to decide that but the implication would be if this amendment is passed, that perhaps a role would be lost through natural wastage, as the Government likes to do it, in the Cabinet Office and a role created in Statistics Jersey. It does not undermine the savings target. Savings are still made. The Government has simply decided that in their view, without advancing a single piece of evidence, this work can be done within the existing resource, despite the fact that the detailed work that needs to be done has been itemised very clearly by Deputy Miles; that is based on what we were told in Scrutiny by the statistician. I would very much look forward to hearing from somebody from the Government who will go through that list that Deputy Miles provided - it is also in the report fundamentally - and say why that argument is wrong. This does not embed additional administrative resource. It provides the resource to do the work that this Assembly has said needs to be done. I think it is a minor sum of money, it is not even an addition. But I think we should stick to that. The Government says at some point that this will stop other work being done. Yes, the Chief Minister's argument was that if there is reallocation from the Cabinet Office, this means that other work will have to stop. Maybe, I do not know, maybe there are some efficiencies to be made there, I do not know. But what I can say is that when we come to decide where resources should be allocated, we should be starting with our statutory duties. Start with the things that we have said in this Assembly by law we want to happen. That is the first thing we do, then we decide what else we do. I will absolutely be supporting this amendment.

2.5.5 Deputy L.K.F. Stephenson of St. Mary, St. Ouen and St. Peter:

I will be brief. I think the chair and fellow member of the panel have summed it up very well there. But I do just want to add a few thoughts. First of all, when the Chief Minister gave his speech, like my colleague sat next to me, where is the evidence was the question that came to my mind. There were a lot of claims there and a very distinct lack of evidence, I think echoing what Deputy Renouf has just said there. But the point I really wanted to make and it comes back to the Chief Minister's speech made by him earlier in the week on Tuesday I think when he said that: "This Government is trying to do things without extra money." It is a laudable aim, an important one in many respects, and I think it is something that a lot of us in this Assembly are signed up to in many ways and out in the public as well, that we get that that is something that needs to happen in various ways and that there are savings and efficiencies to be made. But I do not think we should just accept that without acknowledging the risks that come with it. One of the risks is, as we see start to come through in the comments to this amendment, around do not worry, we can provide some support within existing resources. To me, the thing that comes to mind there is asking people to do things off the side of their desks. If you have ever been one of those people that has been asked to do things off the side of your desk you will know how difficult it can sometimes be and the strain it puts you under and your workload but also how quality can suffer. The whole experience suffers on both sides; work tends to suffer on both sides. Because the question I have there is either maybe asking people to do things extra on top of the job they already have off the side of a desk, which I think brings us also into the questions that Deputy Southern raised around independence; so there is that concern there as well or there is the capacity in the Cabinet Office already. In which case, when we are hearing so much about reducing cuts and making efficiencies, I would question why. When we are looking at moving resource and money around the Cabinet Office for this amendment anyway, I am still left with the same questions that it seems really obvious. To come back to the point about doing more with less money and the risks that come with it, of course it is a judgment to be made. As States Members, we are being asked to make judgment, use our judgment every single day and of course Ministers are as well, and will have been doing throughout this whole process when they have put their budget together. Really all I am left with at the end of this, when you take in the independence points that have made by the chair and by Deputy Southern as well, and then the questions I am left with about how that extra support is going to be given. Like Deputy Renouf said about the goodwill of Ministers to do that support, really I think the judgment from the Council of Ministers on this one has been quite poor, to be perfectly honest. I would ask Members to take all of that into account.

2.5.6 Deputy L.M.C. Doublet of St. Saviour:

I will be brief. I am a little bit confused by some of the comments which were quoted in the report attached to this proposition, justifying not giving this money to Stats Jersey. I think it was the chief officer of the Public Service, and he said that the amount being asked for is mainly in the annual report area. What I am interested to understand is, is that something that is required by the legislation? If it is, are Stats Jersey now being told they do not have to do that because they are not getting this money? It all seems a little bit on the hoof and confusing for everybody involved. To me, the evidence is very clear, that the law that we have put into place that requires this work does require this money. I am really quite baffled as to why Government have not accepted this amendment. I think it would be really embarrassing for the Assembly if we rejected it. Because it sends the message that we do not value that work and that we do not think that making decisions based on solid evidence is important and it is essential. If you look at the J.O.L.S. (Jersey Opinions and Lifestyle) survey, which their latest results have been released, I would really encourage people to have a look at them; they are absolutely fascinating and we should be making use of them to make the decisions that we make in this Assembly. Spoiler alert, in terms of Islanders that are not coping well financially, single parents are still right up there. I really wish that we were making better use of Stats Jersey and I think they probably feel that as well. In terms of good governance, I think the annual report is required. I have read the first annual report; it is very detailed. It has a K.P.I. (key performance indicator) in it and they are working on further K.P.I.s. That is not something that we get in every annual report from every States-funded independent or arm's length organisation that we should be getting. But the annual report that we have had so far from Stats Jersey is extremely high standard. It tells me exactly what they have done, why they have done it, what they are doing for us, what the plan to do is and how they are responding to not just States Members but other public bodies and charities, what kind of data and evidence they require. I just think clipping their wings would be absolutely foolish. I really hope that States Members across the board will vote for this and take this really seriously because it is very important. It is possibly one of the most important areas that we can put money into. Because without good evidence and good data we cannot make good decisions.

2.5.7 Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

I would just like to make one point. The chief statistician's bid was for a business administration officer, not a professional statistician, as has been suggested in this debate. I would just like to correct that one point.

2.5.8 Deputy M. Tadier of St. Brelade:

Without duplicating what has been said already, I do, in a sense, want to echo in my own words what my Scrutiny colleague, Deputy Doublet, has said. The J.O.L.S survey has just come out and it is so important to have impartial information that is being collected in a statistically significant way, which can both inform and help the work of Scrutiny either in the current work that they are doing or in future work, and of course it is fundamental to wider governance as well. I will just give one example of how that is important, is that Statistics Jersey approached the Scrutiny Panels before the J.O.L.S. survey was finalised in terms of its questions, asking if there were any questions which we might consider for submission. It does not mean that they would of course automatically put any questions that we would want them to be in there. But certainly an area where it did provide value for us is that at the beginning of this year my panel, the Economic and International Affairs Scrutiny Panel, undertook a piece of work into cash usage in Jersey, which was a remarkably popular review in terms of the amount of discussion and the number of submissions that it then caused. While we did our own survey we were very mindful of the fact that of course that it was very limited in its statistical significance. Because, first of all, although the questions were very rigorous and that they were, I think - indeed we have probably run them past Stats Jersey in the first place to make sure they were not leading - what we could not ensure, because of the nature of the self-selection of the individuals

who came forward, it is necessarily only people who feel strongly usually about any one particular subject who will, therefore, take part in a review. It could, theoretically at least, garner a lot of responses from people with strong opinions one way or the other, which might not necessarily capture a lot of those people in the middle who do not have a particularly strong view. Indeed, in a lot of ways those are exactly the kind of people that we want to hear from. But any Scrutiny Panel will always find it difficult to reach the people who do not want to engage or who cannot engage or are not particularly inspired. The J.O.L.S. survey and Statistics Jersey with whatever survey they are doing, it is different of course because it does go out to a selection of a cross-section of households in Jersey for them to fill it in. Of course the information that has come back into that - and, again, I would also direct Members to that and happy to circulate the link - did ask a number of questions specifically about cash usage, which can be in turn useful for our Scrutiny Panel or for future Scrutiny Panels when considering the legacy report. We are quite fortunate in the sense that the outcomes did largely align. We have still got to sit down, I think, as a panel after this, because we have been in here all week, and properly look at what the stats mean for us and if there are any future steps to take. But it does mean that we have got a much more reliable source of statistics. Of course I think I am preaching to the choir here in saying these comments but it is absolutely fundamental that if there is a comment coming from the Stats Unit who are independent and via the Scrutiny Panel, saying: "We are concerned that the work that we are trying to do will be hampered by not having the certainty and security of this extra resource", call it a resource - I do not know whether it is going to be an actual statistician; I would find it very difficult if it was not somebody working in the department who at least had the grasp of statistics - I think that would be probably fundamental, whatever their actual job title is, that we should be listening to them. Because I think whether in Government or on the Scrutiny side, having independent, impartial and effective statisticians who can respond to the needs with the resources and wherewithal to do it is of value to all of us. I think this is probably one of those areas where, given the very small amount of money that we are talking about in global terms, compared to the overall some are spending and the risk for the downside, I think we should all be getting behind this. I would ask the Council of Ministers: is this something that they need to die in a ditch over? I think for this small amount of money and the value that it could return and the downside if they do not get it right, Government should be taking the lunchtime break to have a word with Deputy Miles. I would invite the Chief Minister to maybe have that conversation over lunch break to see if this is another area where a Government and Scrutiny could be united, getting behind the Stats Department and saying: "Okay, let us ring-fence this money." It does jut ring-fence the money, it means that it is there to be used for that purpose and it is up to Government exactly how that money will be spent.

LUNCHEON ADJOURNMENT PROPOSED

The Bailiff:

The adjournment is proposed. Are Members content to adjourn? The Assembly stands adjourned until 2.15 p.m.

[12:44]

LUNCHEON ADJOURNMENT

[14:18]

Deputy S.M. Ahier of St. Helier North:

It is just to remind Members obviously we will be breaking for some sandwiches at 5.30 p.m. and they have been laid on in the Ivy Foster room downstairs. I understand there are some crisps as well and mince pies. I hope everyone can join us.

Deputy S.Y. Mézec:

No mulled wine?

The Bailiff:

That is 8.00 p.m. Returning to the debate on the eighteenth amendment, the next person to speak is Deputy Gorst.

2.5.9 Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter:

I just wanted to really pick up on a point that the Minister for Treasury made earlier in the debate. She reminded us that the Chief Statistician's bid was for a business administration officer, and I think that was important, because a number of Members have tried to suggest that by not accepting this amendment, Ministers were by some way interfering with the work of the Statistics Office and with its independence. I suppose I would have a lot of sympathy for that point of view were it a statistician that was being asked for, but the fact that it is a business administration officer, of which I understand we have one or 2 - I will not say any more than that - in the Cabinet Office already doing various work across departments means for me that this is not about the independence of the Statistics Office at all. This is picking up on something which Deputy Stephenson said, which is really if we are to drive efficiencies and if we are to get more from the resources that we have, and I was criticised in an earlier debate by one of my coalition colleagues for keeping budgets down; I was accused of presiding over austerity. Of course I would remind that coalition colleague that had we not kept budgets down, COVID could in fact have bankrupted us, as it seems to have done with some other economies, but let us not drag that into this debate, Sir, otherwise you will say we are breaching Standing Orders. The point is that if we are to get a grip on public finances and the cost of administration, this approach that the Chief Minister is bringing to supporting the Statistics Unit through existing resources - in this case, business administration officers - to me seems one that the broader Assembly should support because, without it, it is very difficult to see that we can ever deliver Government more efficiently and more effectively or ever seek to control expenditure moving forward. The other point I would make is that some Members have referenced the annual report and they praised the Statistics Unit for the annual report. Of course they do not need me to remind them that the annual report was provided from within existing resources and they did not need further resources for that annual report. So for me, this is a simple decision. It is not interfering with the independence of the Statistics Unit's work, but what it is doing is using existing resource more efficiently and therefore more effectively.

The Bailiff:

Does anyone else wish to speak on this amendment? Deputy Wilson, remotely.

Deputy K.M. Wilson of St. Clement:

Could you hear me?

The Bailiff:

Yes, we can.

2.5.10 Deputy K.M. Wilson:

I am pleased to follow Deputy Gorst. However, some of the points that I would like to make are about the issues relating to capacity, and I accept this is not about the professional advice, but it is about capacity. I do not think the case has been made sufficiently well enough by Government to deny any further capacity on this function. I think countries that lack strong independent statistical leadership do make poorer decisions, but that is contingent not just only on the professional advice of a statistician, but all of the team that go into producing that data and that information. In that regard, it is not a luxury that we should consider it as, it is an essential part, as Deputy Miles has said, of modern governance. The questions I am asking myself are: just how much more administrative burden can we place on the Statistical Unit to deliver the kind of information and the kind of data that we are seeking? We have just made, over the last couple of days, decisions about childcare fees

and mortgage interest relief and indeed the impact of the Budget. The question is: who is going to analyse this and what capacity is there to do that? I do not think we have got any idea or any assessment of what Government have identified as the need for statistical support going forward. But clearly the Statistical Unit have, and they have done the research and they know that what they are being asked to do is that they cannot do it without some further additional support. So it makes me feel that when Government are arguing against this amendment, what they are really saying is that we can manage without rigour and that we can manage without accountability and we can manage without the inconvenience of the facts, really. All I would say is that would these be the questions that big organisations like the O.E.C.D. or the European Union would be asking itself when it is looking to identify what its capacity requirements are to produce the data it produces? So if Ministers believe that we can run complex services in this Island, from health planning to economic forecasting, without the capacity that is needed to provide independent statistical advice, then in my view I think they do not really understand the value of the evidence; they do not understand what it takes to generate that evidence; they do not understand what it means to test and validate that evidence. They seem to prefer a world in which basic information satisfies and perhaps maybe some evidence is easier to ignore. I think the argument that officers cannot just absorb the function or they can absorb the function, I do not think that is a credible argument to put forward because I would like to hear from the Government: how do they know that? I do think that it is effectively short-sighted. So as an Assembly, I think we do need to insist on being provided with independence and professionalism and I do not want the Statistics Unit to be doing any shortcuts on that basis. I think it would be wrong to get them to manage without the capacity to provide good evidence, good information, and we should protect this function from any sort of political pressure to minimise its role and purpose. One of the things that we are quite proud about - and we have heard in a number of speeches - is that we are allegedly trying to transform and we are trying to invest in data-driven reforms, but I would argue to undermine the very foundation that makes that possible is just a massive contradiction. If anything, for me we should be strengthening our statistical capacity; we should not be dismantling it. This is not about personalities or structures, it is about what kind of Government we want to be and how we want to evidence our work. I will leave it at that.

The Bailiff:

Does anyone else wish to speak on this amendment? I call upon Deputy Miles to reply.

2.5.11 Deputy H.M. Miles:

I would like to thank all the Members for speaking. I want to refer to the comments that were made first of all by Deputy Millar and latterly by Deputy Gorst because I have to say, frankly, I am very, very confused. The business case that we were presented with in a submission from the chief statistician talks about administration support for the Statistics Law amendments. It does not talk about an administrative support officer. What the bid is for - and certainly the submission that we have received, and I have mentioned it in my speech and it is detailed on page 5 of the Scrutiny Panel report - is for: "The production of a separate annual report and accounts detailing the performance and functions of the chief statistician, producing the strategy for the Jersey statistics system and formal co-ordination of the Jersey statistics system, including secretarial functions for the Statistical Producers Group and conducting the ordinary programme of reviews and occasional extraordinary reviews of Tier 1 statistics." Those are the requirements that are set out in the law. Nowhere have we seen and nowhere are we suggesting that the chief statistician be provided with another administrative support officer. Indeed, further on in his submission - and it is a shame we cannot be here until midnight because I would be prepared to read all of it out - he says: "Tier 1 statistics may need support from international subject matter experts, e.g. from other national statistics officers in the relevant statistical office area. Part of the business case was to provide non-staff budget to cover such costs, if required." I think we need to be quite clear, the chief statistician is not asking for an administrative support officer.

[14:30]

He is talking about the administrative support functions that are clearly delineated in the legislation that this Assembly passed in 2024 and I am, frankly, really surprised that the Council of Ministers did not notice that when they were preparing to reject this amendment. Members, this amendment is about nothing more and nothing less than ensuring that the statutory duties that this Assembly has already approved can be delivered. What we are asking for reflects the financial implications to implement the law, and if Members want to have a look at page 7 of our amendment, it clearly sets out in the table what those financial commitments are, but I think at its heart this debate has clearly exposed a deeper issue, and other Members have alluded to that. The Council of Ministers appears increasingly uncomfortable with laws and regulations that require sustained commitment and accountability. The Chief Minister said: “I am pleased with the output. It is satisfactory.” Well, it probably was satisfactory until the new regulations came in in 2024, but it is not satisfactory now. The chief statistician has been clear that he does not have the resources to fulfil statutory obligations. The Chief Minister talked about this amendment as “baking in inefficiency”. Observing legal obligations that the Chief Minister brought to the Assembly himself can hardly be described as “baking in inefficiency”. Our role as an Assembly is not to pass legislation only for it to be selectively resourced, selectively implemented or quietly side-lined when it becomes inconvenient. A Government that does not like regulation is still bound by the law; preference cannot override statutes. If Ministers really object to the obligations created by this Assembly, they should return with amendments, not undermine the legislation through under-resourcing. We cannot allow a pattern in which laws are welcomed on paper but withheld in practice. The credibility of our legislative process and the integrity of our system of governance, we need to ensure that when this Assembly enacts, the Government delivers. For the integrity of our evidence base and for the credibility of our laws, I ask Members to support this amendment and I call for the appel.

The Bailiff:

The appel has been called for. Members are invited to return to their seats and I ask the Greffier to open the voting. If all Members have had the opportunity of casting their votes, I ask the Greffier to close the voting. I announce the amendment has been rejected: 18 votes pour, 25 votes contre. [INSERT VOTE TABLE]

The Deputy Greffier of the States:

Those Members voting pour: the Connétables of St. Clement and St. Mary, and Deputies Southern, Tadier, Doublet, Gardiner, Moore, Porée, Warr, Miles, Scott, Renouf, Catherine Curtis, Jeune, Kovacs, Alex Curtis, Stephenson and Wilson. Those Members voting contre: the Connétables of St. Helier, St. Brelade, Trinity, St. John, Grouville, St. Ouen and St. Saviour, and Deputies Luce, Morel, Le Hegarat, Ahier, Rob Ward, Alves, Farnham, Mézec, Coles, Feltham, Rose Binet, Millar, Howell, Tom Binet, Ferey, Barbara Ward, Andrews and Gorst.

2.6 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): seventeenth amendment (P.70/2025 Amd.(17)) - Office of the Children's Commissioner for Jersey – 2026 Savings Allocation

The Bailiff:

We now move to the seventeenth amendment, lodged by the Corporate Services Scrutiny Panel, and I ask the Greffier to read the amendment.

The Deputy Greffier of the States:

Page 3, paragraph (b)(xii) – After the words “as set in the Appendix to the accompanying report”, insert the words – “, except that, on page 42, after Table 9, there should be inserted the words “Within the Revenue Head of Expenditure for the Cabinet Office, funding for ‘Children’s Commissioner’ should be increased by £61,000 in 2026, through reallocation of other departmental expenditure

within the Cabinet Office. This should be reflected in the Cabinet Office Service Level Analysis table for 2026 contained within the Annex accompanying the Report (R.139/2025), entitled 'Part 2 – Heads of expenditure financial information' for the Cabinet Office".

2.6.1 Deputy H.M. Miles of St. Brelade (Chair, Corporate Services Scrutiny Panel):

I think the Corporate Services Panel amendments this time are following a theme, and this amendment is brought by the Corporate Services Panel. Following our review of the proposed Budget and the presentation of our Scrutiny Report, this amendment seeks to reinstate essential funding for the Children's Commissioner and ensures compliance with the statutory obligations of the Commissioner for Children and Young People (Jersey) Law 2019. This amendment is not a political device; it is not a negotiating tactic; it is not an attempt to reopen the Budget. It is about whether the Assembly will meet the legal duties it has already placed upon itself. The law is clear. The Commissioner must be provided with adequate financial and administrative resources to carry out statutory functions: not minimal, not conditional, not dependent on goodwill or discretionary support, adequate. The Government have not demonstrated that this standard will be met if the proposed savings proceed, and that is the fundamental problem. Duties remain unchanged, while resources are reduced. Earlier this year in a hearing I asked the Chief Minister whether the Office of the Childcare Commissioner for Jersey budget would be reduced. He said: "To be clear, there are no plans to reduce the budget." I ask myself what has changed. The Council of Ministers has not shown that the Commissioner's legal duties have been reduced, that the scope of vulnerability in Jersey has decreased or that children's needs have diminished. Members must ask themselves the unavoidable question: how can the same statutory work be done to the same standard with fewer resources? It cannot. This amendment merely reinstates funding that enables the Commissioner to fulfil the core statutory purpose of promoting and protecting the rights of all children and young people in Jersey. The need for the office derives directly from the Independent Jersey Care Inquiry and maintaining its capacity is integral to safeguarding the very lessons that inquiry taught us. The panel received detailed submissions from the Commissioner, describing the impact of the proposed cuts. These concerns are neither speculative nor exaggerated. They reflect statutory realities. The Commissioner is clear that this is not a matter to be negotiated bilaterally between one Minister and the Office of the Children's Commissioner. The law requires that adequacy of resources be determined by the Assembly itself, this Assembly, not an individual Minister who holds legal responsibility to ensure sufficient funding. The operational consequences are significant. The commissioner has confirmed that while the office might still deliver the minimum level of its statutory functions, the proposed cut will prevent the initiation of any new work in 2026 in key areas such as education, mental health, youth justice and children's social care. The consequences of that are stark: reduced involvement of children and young people in critical consultations; weaker and less robust advice to Scrutiny and other agencies; limited ability to commission legal research or expert input; constrained capacity to respond to emerging issues in 2026, regardless of urgency or risk. This is not a trimming of the budget, this is a hollowing out. The Commissioner has emphasised that without a secure budget, projects on educational inequalities, mental health - work that must begin well in advance - cannot be commissioned. Waiting until quarter 2 or quarter 3 of next year for potential additional funding is futile. Without core funding, preparatory staff time becomes wasted resource. There is a further systemic risk: delayed commissioning compresses timelines to the point where December 2026 will replicate exactly the problem we face now, an inability to complete workstreams or even begin them, and a knock-on effect that consumes the entire 2027 allocation before the year has even begun. The Commissioner summarised the central question quite bluntly: "Can the office operate on a reduced budget?" The answer: "Yes, but only at the most basic level, meeting the bare minimum of statutory duties." The commissioner is equally clear about what that means. States Members would be voting to reduce Jersey's ambition for children's rights, to limit independent oversight to its minimum statutory expression and to weaken the Island's only human rights body for children. Given the many public statements from States Members, including Ministers, emphasising the support for the

Commissioner and commitment to children's rights, such a position should not be acceptable. The Care Inquiry taught us that oversight is not a luxury, it is the safeguard that prevents systemic failure. A Commissioner without secure funding is not independent. Independence relies on structure, not sentiment. A statutory office that must request *ad hoc* funding from Ministers cannot credibly challenge the same departments it relies upon for its operational survival. It is vital that Members remember one constitutional point that has been largely overlooked in this debate. The Office of the Children's Commissioner was created by this Assembly, by us, not by Ministers. It exists to scrutinise the Executive, not to be resourced at the Executive's convenience. The Council of Ministers does not determine the scope of work, the scale of its mandate or the level of funding needed to maintain its independence. That responsibility rests solely with the Assembly because this Assembly created the office as a safeguard, precisely to ensure that Government actions affecting children are subject to independent challenge. C.O.M. (Council of Ministers) has not explained how independence is preserved when the commissioner cannot commission research, seek legal advice or initiate major workstreams without discretionary approval. Independence cannot be conditional. The commissioner also noted that the Government's reference to one fewer F.T.E. over 3 years has already materialised. That post has already been removed. The office is operating with a staff of 8, rather than the 9 originally envisioned. The proposed saving is therefore not an efficiency measure, it is a service reduction. I think Members must ask what signal is sent when the smallest statutory office in the Island is repeatedly asked to absorb cuts, while carrying one of the most sensitive responsibilities in public life. What message does that send to children, especially those who have experienced harm? What about the children at La Passerelle and the story that we saw in the *Jersey Evening Post*? We have children in prison. What message does it send about our commitment to the Care Inquiry; what message does it send about whether we truly believe in the rights we say we champion? This amendment does not increase overall public spending, it reallocates funds within the same head of expenditure. £61,000 is negligible within the Cabinet Office, but it is transformational for the Children's Commissioner. She is not asking for new money, just the restitution of the amount she says she needs, and it is the difference between a functioning watchdog and a constrained one. I want to close by addressing directly the suggestion from the Council of Ministers that the Office of the Children's Commissioner is over-resourced. That assertion does not withstand scrutiny. The Office of the Children's Commissioner is one of the smallest statutory offices in Jersey, operating with a team already reduced from 9 posts to 8. It oversees some of the most complex and sensitive areas of public responsibility: safeguarding; youth justice; mental health; education; children's social care and the lived experience of vulnerable children. To characterise this level of resource as excessive fundamentally misunderstands the nature of the role. Independent oversight is not measured by output volume alone, it is measured by the ability to challenge, to investigate, to consult widely, to commission expert analysis and to respond rapidly when children's rights are at risk. These functions require capacity, continuity and security of funding. They cannot be delivered on goodwill, part-time support or a residual budget. The commissioner has been very clear the office can operate on a reduced budget, but only at the most basic level, and that means fewer inquiries, fewer consultations with children, fewer interventions in emerging areas of concern and a less robust advice service. What the Council of Ministers frames as over-resourced is the minimum level required to maintain independence, uphold the Care Inquiry's recommendations and protect children's rights in law and in practice. Oversight is not a cost that should be trimmed.

[14:45]

It is a constitutional safeguard, entrusted by the Assembly to an independent office, and weakening it undermines children's rights, but also the authority of this Assembly itself. If Members believe that children's rights matter, that the lessons of the Care Inquiry still guide us and that independent scrutiny strengthens rather than burdens Government, then they should reject the narrative that the Office of the Children's Commissioner is over-resourced. It is not. It is already operating leanly, efficiently and under sustained pressure. What it lacks is not discipline, but assurance. For the

protection of the children, the integrity of our oversight system and the credibility of our own legislation, and bearing in mind that we are all corporate parents, I urge Ministers to support this amendment.

The Bailiff:

Is the amendment seconded? **[Seconded]**

2.6.2 Deputy M.R. Ferey of St. Saviour:

I rise to share my mine and the Minister for Children and Families' will to find an appropriate level of funding for the Office of the Children's Commissioner. I am glad that the mover of this proposition spoke to the comments paper, because just to put this into context, the current budget is £954,000, so this reduction is £61,000 on that £954,000, which is still in place. There are 8 members of staff, which I do agree has been cut, but the Council of Ministers believes that this is sufficient for The Commission to deliver on its important and independent work. As the Assembly is aware, the Children's Commissioner is an independent champion who plays a crucial role in protecting, empowering and giving a voice to and promoting and protecting the human rights of children and young people in Jersey. In our view, the work of the commissioner is not optional, it is a core part of our safeguarding system. Children cannot advocate for themselves in the political arena; they cannot hold government services to account. The Commissioner is in place to fill that gap and to ensure children's rights are upheld, their voices are heard and considered in the decisions that we make. We recognise that safeguarding our children's rights is a duty and an investment in better childhood outcomes for our young people. The independence of this office is one of its strengths. Young people need someone to speak to on their behalf, someone able to challenge Government and use systems to help shine a light on issues affecting our children so that we can support them, but that independence only has value if we support it with the resources required to do the job properly. In the context of the need to produce savings and budget reductions across a wide range of departments and sectors, I am satisfied that the budget that is being allocated to the commissioner fulfils that objective. I have reached out to the commissioner to better understand the possible impact of this reduction in their budget. Initially she stated that there were 2 projects that would have commenced in 2026, which were scheduled for the middle of the year, which may now not be undertaken or may be delayed. In the interim period, the commissioner has got back to me with more detailed advice, but those were the main reasons for contesting this reduction in the budget. So in the comments paper rejecting this amendment, I have explained that if these projects are deemed essential, there is provision to assist the commissioner in finding a way forward and commencing these workstreams in the most cost-effective manner and without, importantly, compromising the independence of the Office of the Children's Commissioner. I wish to send a clear message today that this Assembly values the voices of children, we respect their rights and we will continue to provide funding at an appropriate level for the Office of the Children's Commissioner to continue to work on their behalf. I have just looked recently, and I noticed that the commissioner is updating their website. Of course all organisations need to have a good shopfront window, but the old website was functional and was interactive and seemed to do everything it needed to do. I understand there is a need to update websites, but I would argue that if this cut is so essential, why is money being spent on a website which is far swishier than the previous one that was in place? I ask Members therefore to reject this amendment.

2.6.3 Deputy C.D. Curtis of St. Helier Central:

I am pleased that the Corporate Services Panel has brought this amendment. The Children, Education and Home Affairs Panel frequently and regularly consults with the Children's Commissioner. There are concerns that children are still not being properly considered in Jersey, as I detailed in my recent speech on the online harms review. Jersey is aligned to international obligations on children's rights, which we must keep in mind, and those of us who attended the recent film screening on World

Children's Day will have seen first-hand some of the essential work done by the Children's Commissioner's office. I repeat Deputy Miles's comments that we are all corporate parents and should support the work of the Children's Commissioner.

2.6.4 Connétable R.D. Johnson of St. Mary:

In general terms, this proposition follows that earlier in the week we debated on, brought by the Environment Scrutiny Panel. The thrust of the proposition is the same. That panel, the Environment Panel, were concerned that without the extra funding or return of the funding, we would be in breach of our statutory obligations. This is more of the same, I suggest. It is not for us to decide at this late stage: "Oh, we have asked you to do too much." The Children's Commissioner has certain obligations to perform. She has demonstrated to the panel that she is sorely pressed to fulfil those without the extra funding. I think it ill behoves us to withdraw this funding or sanction the withdrawal of it in the context of knowing that resources or the services will not be as great as Islanders would reasonably expect, in view of previous decisions like that of the care panel. Again, in the context of the early debate regarding the Environment Scrutiny Panel proposition, I refer to the question of the Dogs Law, which only a few weeks ago was brought before the Assembly. The panel then was put in the uncomfortable position of agreeing the principle, but not being able to endorse it wholeheartedly because it contained enforceable provisions which basically the Government were not in a position to provide. The States voted in her favour, said that she was not introducing new provisions, they were already in the law, which did bring out the stark reality that we are in danger of cutting funds, preventing us from complying with our obligations. As I say, there is a similarity between the 2 and I urgently request Members to look favourably on the proposition so that we can do what the public expect us to do and provide the commissioner with the appropriate funds to fulfil the service which the Island as a whole is entitled to expect.

2.6.5 Deputy I. Gardiner of St. Helier North:

I am rising to ask a question from the Minister for Treasury and Resources or the Chief Minister. I am rising as the chair of the Public Accounts Committee because we are in the beginning of drafting our final report on arm's length organisations and grant-funded bodies, including officeholders. The Office of the Children's Commissioner is part of our review. The submission is online and we are looking across all commissioners, so personally, because I am in the middle of the review I will be abstaining. I would like to ask Government, the Minister for Treasury and Resources or the Chief Minister, have they had meetings with statutory advisory panels, the Adult Advisory Panel - and the main one is the Audit and Risk Advisory Panel for the Office of the Children's Commissioner - and was any discussion held where ... because this panel is responsible for the risks for the office and also budget constraint, internal accounting process, how they deliver value for money. To be honest, everyone can see the submissions online from different bodies. We wrote to most of them and I think it was one of the most detailed submissions, which presented how they are ensuring and following the Public Finance Manual, effectiveness in their process and what they will deliver and what are their K.P.I.s. My question to the Government: before this decision, have you met this advisory panel and what was presented to you?

2.6.6 Deputy R.S. Kovacs of St. Saviour:

I only want to say that based on what Deputy Catherine Curtis said, we are all corporate parents and we have a duty to support this. I will be in support of this, but I also want to just mention that I might not be here for the vote in case it comes before, because I will have to go for a doctor appointment at 3.30 p.m.

2.6.7 Deputy J. Renouf of St. Brelade:

Yes, I do, because this amendment is one which I perhaps care about most of all in this debate on the Budget, and yet my frustration is that it involves such a tiny sum, savings of £61,000, a very small

sum of money for the Government, but a very significant amount of money for The Commissioner. The Government says £61,000 is not much out of its budget of £900,000, but as the report makes clear, the Children's Commissioner has already absorbed £139,000 of cuts in the last 3 years, and that does not take into account inflation. This is an office that has been trimmed and trimmed already. She has already lost a member of staff. The Government are unambiguously saying they want to spend less money on the Children's Commissioner and quite considerably less once inflation and the multi-year nature of the cuts is taken into account. It is not absolutely clear on whether they want the Children's Commissioner to do less or whether it expects the Commissioner to do the same amount of work with less resource. They should make clear what their view is: which of those 2? The Council of Ministers' view I think is summed up in its rather haughty second paragraph of the report, when it says: "The draft Budget provides the Office of the Children's Commissioner with a budget of £954,000 and 8 F.T.E. staffing, which the Council of Ministers deems sufficient to deliver its important independent advocacy work." It does not say on what basis its magisterial "deeming" is based. Again, the Government should answer this question. It is so very similar to other cuts that we have discussed. There is no actual assessment of why Ministers believe the cuts can be made, no risk assessment, so I challenge the Government, who have been notably quiet so far on this, to answer these questions: on what basis do they deem the budget to be sufficient? We certainly did not hear from the Assistant Minister, I am afraid. What work have they done to convince themselves - convince themselves, because these are legal obligations - that the budget is sufficient? What actual work, what meetings held, what analysis of the Commissioner's budget have they undertaken? Some detail, please, because the commissioner is absolutely crystal clear that the Council of Ministers is wrong. She will be able to do less. The report for the proposition provides the detail clearly and it is precisely spelt out - and Deputy Miles referenced it - therefore it is an implicit judgment in the Government's case that they think the commissioner is wrong. That is why it is important that the Government clearly states the basis of their view. They think the commissioner is wrong. Why? Not "deemed", why? I am disappointed that less than 7 years after the formal establishment of the Children's Commissioner its funding is already being eroded. The arguments advanced by the Assistant Minister were weak. He repeated that he believed that the commissioner was well funded. I am sorry, but citing a new website as an example of profligacy is, frankly, pathetic. The Chief Minister I hope will explain why he has changed his mind, compared to the assurance he gave the Scrutiny Panel this summer.

[15:00]

It does feel to me that there is already a certain amount of fatigue around the role of the Children's Commissioner. The Government argues that they are still fully committed to the role, and of course they would, but the failure to provide any evidence to support their cuts to the budget shows a fundamental lack of respect, not just to the Office of the Children's Commissioner, but to this Assembly, which has the statutory duty that Deputy Miles has mentioned. I want to put this in a bigger context, because it is interesting that the chief executive spoke about Jersey as a safe haven in his speech about a year ago. He argued that Jersey's glory days had been built on Jersey being a safe haven for business, with a light-touch regulatory environment. It was an interesting idea that I think deserved wider consideration, but at the time I took issue with one aspect of it. He cast the idea of "safe haven" very much in business terms, a safe haven for investment, where the rule of law can be relied on, low taxes, less regulation, stable economy, but there was a key omission, a real howler, because during those halcyon days for business, the terrible truth is that Jersey was not a safe haven, not for hundreds of vulnerable children, and we learned the full awful extent of just how hollow the notion of a safe haven was when the Care Inquiry reported. I support the concept of a safe haven, but for it to have any meaning, it must be a safe haven for everyone, and in particular the most vulnerable. So let us remind ourselves why we need a properly funded commissioner. It was the very first recommendation of the Care Inquiry, because the inquiry revealed in agonising detail the betrayal of children and young people, and in particular it conveyed the brutally clear message that

over many decades children and young people were not heard, that the political establishment for many decades did not prioritise the interests of children, vulnerable people were not visible in our society, their suffering was not recognised and it was not acted on. The Commissioner's role was created to help correct that situation and to ensure that from now on things would be different, children would have a voice and the Office of the Children's Commissioner would have powers to intervene on children's behalf. It is worth noting *en passant* how well-established the role is in multiple other jurisdictions as well. The role is a recognition of the simple fact that it is harder for children to make themselves heard, their rights are often not treated as seriously as the rights of adults and it is a reflection of the exceptionally unequal power relationships that come into play when children confront authority. The then Chief Minister, Deputy Gorst, welcomed the establishment of the commissioner when he accepted all the recommendations of the Care Inquiry: "I am committed to ensuring this role is independent and will support the most appropriate legislative arrangements that will enable this" he said. I took his words at face value and I believe he believes in them. He was passionate. I am grateful to him for his deep commitment to learning the lessons of the Care Inquiry and for establishing the role of the Children's Commissioner, but we disagree on what commitment to that role looks like in practice. A commissioner cannot be truly independent if each year they face having to justify their role to the Government in order to secure funding, if in order to do the extra work that Deputy Ferey referred to they have to go cap in hand to the Government in order to make it happen. The Government have not identified where the Commissioner should make her savings or come up with any justification for their statement that savings can be made. Whether the Government likes it or not, the practical effect of their action is her wings are being clipped. Deputy Mézec was also exceptionally passionate at the time the Commissioner was established. He was both chair of the Scrutiny Panel when the first commissioner was appointed and then the Minister who formally created the role. Again, I am profoundly grateful to him for all his work. Again, my disagreement is about whether the Minister's actions today are, in practice, consistent with backing the role, as was originally intended. Speaking when he was a Minister and establishing the role, he said: "Number 5", that is a reference to a clause in the law, "it has got to have adequate resources." He said: "It has got to have adequate resources, and part 2 of the draft law identifies the responsibility of the States to appropriately fund the Children's Commissioner in order that the commissioner can fulfil the functions set out in this draft law." This is indeed what the law says: "The States", not the Government, "must ensure that the commissioner is provided with such financial and administrative resources and other support" and so on, as Deputy Miles has said. So the question remains: does the Government truly believe that this cut to the commissioner's budget allows the commissioner to fulfil her functions as the law says we must? I heard a mutter from my left here during Deputy Miles's speech to the effect that: "She has got plenty of money" but if they do believe this, what is the factual basis for this belief? Not a general: "They should be able to save money" but a specific response to the Commissioner's clearly argued case. As things stand, the Government are saying that they are happy for the commissioner to take on no new work, unless of course she comes cap in hand and asks for them and she can make a good enough case and so on. But this is a decision for us, not the Government. At the time the commissioner was introduced, there was absolute clarity that the Commissioner's role needed to be independent of Government and it needed to have adequate resources. There was also agreement on the budget that was required, and yet the clear conclusion that has to be drawn from the Government's cut to the budget is that they now consider that the role was overfunded when it was set up. That is the only conclusion that can be drawn, unless we are arguing that the commissioner now has less work to do, but I do think we should remind ourselves why the role of commissioner is just as vital as it ever was. A few weeks ago, I asked a Written Question about serious case reviews and rapid reviews that have been conducted under the auspices of the Safeguarding Partnership Board over the last 10 years. In the case of children, there have been 11 serious case reviews and 7 rapid reviews. That may sound a bit dry, so let me put some flesh on the bones. Jersey's serious case reviews are triggered when a child dies or is seriously harmed due to maltreatment, neglect, serious sexual or organised abuse. We are still getting those. Then there

are rapid reviews. They are conducted when there is a serious incident for a child, defined as: “Abuse or neglect of a child is known or suspected by a safeguarding partner or relevant provider and either (a) the child has died or has been seriously harmed.” We have had 7 of those, 11 of the first category. So we have had 18 cases that fit into those roughly since the Care Inquiry reported. We do not know the details. Most of the reports are not published to preserve privacy. We are still not in a safe place for vulnerable children. You only have to look at news reports to see how many issues young people are dealing with or that are affecting young people. Again, Deputy Miles outlined some of them. That is just one aspect of the work of the commissioner. The law provides a long list of duties. The Care Inquiry report remains as relevant as it ever was, not only a testament to the appalling abuses of the past, but also a guide as to how to avoid abuses developing in the future. A key part of that is independent oversight from outside, because perhaps the central lesson of the Care Inquiry was that we had cut ourselves off from the outside and the outside world. We were too isolated. The commissioner plays an absolutely critical role in performing that function. In fact, an unwritten part of the Commissioner’s role is to make us uncomfortable. It is to look where we are not looking, ask questions we are not asking or answering, provoke debates we may not be keen on having and expose hard truths. The Children’s Commissioner has very clearly said that she cannot perform her functions if this budget is cut in this way. She specified exactly what she will not be able to do. The only real interpretation of the Government’s resistance to the panel’s amendment is that they do not believe the commissioner, so I hope again that the Minister will clarify: does the Government not believe the Children’s Commissioner? If they do not, what evidence do they have to support their view? I believe the Commissioner. I take very seriously our responsibilities to support the Commissioner. I think the Government’s opposition to this amendment has a little whiff of a disciplining message, a general principle, not a specific case. I say again, on what basis did the Government decide to make this cut? Do they not believe the Commissioner and, if so, what bits of what she has said she cannot do, do they think she can, and on what basis do they think that? The sum involved is pitiful. It is a cut to make a point. It is the wrong point to be making. The point we should be making is that we still strongly support the work of the Children’s Commissioner, that she has put forward a well-evidenced case, in contrast to the Government’s casual dismissal, and on that basis we should do the right thing.

2.6.8 Deputy M.R. Scott of St. Brelade:

I do not think this debate really is about whether we agree or not vulnerable children should be protected or whether children should be supported and whether we have statutory obligations or not. I do not think that it really serves this debate to be virtue signalling on the desire to protect children and to advance protection and to protect their needs. I believe that what this debate really is about is a concept called right-sizing and proportionality in terms of the budgeting for the Children’s Commissioner. I maybe agree with Deputy Renouf, if the Council of Ministers had set out some comparative numbers for fee-earners and full-time employees and budgets for some of the other operations that we have in the Island, things might have been a bit clearer. While I have been listening to Deputy Renouf, I was looking at some of these numbers just in terms of comparisons of Children’s Commissioner offices elsewhere. I have been looking at Ireland, where our previous Children’s Commissioner ... and I wanted to say, I respect our current Children’s Commissioner a lot. I think she is incredibly competent, but I note she came from Ireland before, where they currently have 40 staff for 1.23 million children; that is about 3.3 staff per 100,000. Wales have, I believe, about 21 staff, I think, and that works out about 3.66 per 100,000. Jersey only has a population of 100,000, and if we were going to start doing all this in proportion we would find we did not even have one. I was using some other figures and I came to 4 staff if it was proportionate, but this is the actual point. I think it is incredibly ... it is quite easy for anybody to say: “We need this, we need this, we need this” but then when you look at how you are resourcing yourself and the numbers for whom you are resourcing and whether that really does represent fair proportionality, given the small size of the Island, there are different matters to be considered and thought of, and how do you sweat your assets

more, how might you organise yourself more? Another comparison I have, because this is my area, was just looking at the Jersey Cyber Security Centre, which has 7 full-time fee earners to protect the cyber security and advance cyber security interests in the Island. That is funded at just over £1 million. You look at the actual current budget for the Children's Commissioner, I think they have got about £954,000, so it is close to that. It is going to be ... sorry, no, I think it is going from £937,000 to about £954,000. But you have these kind of comparisons to think of, so I am very ... one thing that Jonathan Renouf said: "It is just £61,000." I come from a generation where you have to count the pennies, the pounds will look after themselves.

[15:15]

Much as I support and I really believe that the intent of having a Children's Commissioner is admirable, it could well be that, as Deputy Renouf said, maybe the office was over-resourced from the beginning and maybe more work has to be done looking at these figures and how we most efficiently serve children in this community. I do not believe that this amendment necessarily produces the solution. I think there is more work to be done and it would just simply be relying on one person's estimate, based on an experience of a much bigger office and a different way of operating. Perhaps there are more discussions to be had about how a result can be got in a different way, so I will not be supporting this amendment.

2.6.9 Deputy L.M.C. Doublet of St. Saviour:

I was hoping to follow Deputy Renouf. I thought it was an excellent speech, one of the best that I have heard in this Budget so far, reminding us about the children of this Island, whose rights we should have at the heart of every decision that we are making. I have to say, I was really disappointed to see that speech described as virtue signalling. I think that was really not ... bordering on unparliamentary, but certainly a very undignified and disheartening thing to hear from one of our Members. What Deputy Scott did mention about the Budget, I have done some research myself and, yes, when you compare to other jurisdictions, Jersey is putting a bit more money per child into the Office of the Children's Commissioner, but those numbers are not really comparable for 2 reasons. The first being that we are a standalone jurisdiction with our own Parliament and our own statute books, so you cannot make those direct comparisons with those much larger jurisdictions. The second reason why those comparisons are not helpful to this debate - Deputy Renouf outlined many reasons, which helped us to remember that we have a far greater need here in Jersey - I remember the Care Inquiry being published. I was sat in that seat over there on the day that it was published and we had to debate it in the States Assembly. I read that Care Inquiry. I can see Deputy Labey nodding as well. I know that she remembers as well. There are other Members in this Assembly who were here at that time as well. We took that very seriously at the time and I feel that the level of seriousness that we are taking those issues is diminishing over time. I would like us to use this debate as a stopping point, to think about this seriously and take it more seriously. The work that the Office of the Children's Commissioner does is a direct result of that Care Inquiry and of the harms that were done to children in our Island over generations. It is a righting of many historic wrongs. As Deputy Renouf said, clipping the wings of the people doing that work is putting children at risk of further harm being caused. I want to remind Members that the Office of the Children's Commissioner is, I think, the only human rights institution that we have in Jersey. I think this was raised in the report. It certainly is a very well-respected human rights institution and represents Jersey as an international level. There is a reputational risk here of us cutting this budget. One of the pieces of work which came out of the Care Inquiry, which we are gradually working towards, is incorporating the U.N.C.R.C. (United Nations Convention on the Rights of the Child) into our legislation, which is not a small task, and Office of the Children's Commissioner have been absolutely pivotal at every single step that we have made so far towards that goal. One of these was a legislative gap analysis, and to take one piece of legislation which is very dear to me, which we recently approved, was the same-sex parents' rights. That was raised in a legislative gap analysis by

the Office of the Children's Commissioner, and there are other areas that still need to be worked on in Jersey before we can have the U.N.C.R.C. fully extended and ratified and incorporated into our legislation. We are not there yet. We are still, I feel, at the beginning of the culture change that was mandated by the Care Inquiry. We are only just starting that work. I do see a lot of progress, but we are not there yet. So I can understand that the figures quoted by the Assistant Minister ... I can understand that senior officers looking at that figure might make a snap judgment of: "Okay, I think that is quite a lot, is it not?" but that is where this Assembly comes in. We are the ones who are supposed to have the social context behind those numbers and to make those judgments as to what is important and what is not. Sometimes I think it is hard for us to see the value of the Office of the Children's Commissioner because much of the work that is done is, by its very nature, hidden and unseen. Again, Deputy Renouf articulated this so brilliantly. The work that they do is with the most vulnerable of our Islanders. It is with children living in poverty, children with special educational needs, children who apparently are imprisoned, children with mental health problems, children who have been abused, children who have been coerced and exploited by criminals, children who do not have any parents, and we are in fact their parents, we are their corporate parents. I cannot, in good conscience, cut resources to the office of the people who are defending the rights of those children and advocating for those children, who right now today in Jersey are experiencing severe harm. There are children on our Island right now who are in danger and who are experiencing harm. Deputy Renouf mentioned the unequal power relationships. Children under 16 have absolutely no political power. They have us to speak for them, and I try to be the voice of children whenever I can, and I will not let the Care Inquiry be forgotten, I will not let children be forgotten. I really hope that I have changed some minds today and that Deputy Renouf and others who have spoken in favour of this tiny amount of money in the grand scheme of things, I hope that we have changed some minds, because we are all corporate parents, as the chair of the Scrutiny Panel mentioned, and we must not do anything to silence the commissioner or silence the voices of children. We must empower them as much as we can and we must approve this amendment today.

2.6.10 Deputy I.J. Gorst of St. Mary, St. Ouen and St. Peter:

This was always going to potentially be an emotive and slightly difficult debate, and I recall a number of either days or weeks ago saying to the Chief Minister: "Could we not just take the money perhaps from Children's Services and top up the budget of the Children's Commissioner?" and that could have been an easy solution, but in asking the question, of course I had his response, but in asking the question, I was reminded that that is the wrong thing and would be the wrong thing to do. I am not really sure that ideally I want to reference back too much to the Care Inquiry, but as other Members have, I suspect it is important that I do. In receiving that inquiry on behalf of the Island in the first instance and looking at some of the recommendations, one of which was to create the Office of the Children's Commissioner - and I stand by that decision today, as I did then - and of course opposite me was my coalition colleague Minister, Deputy Mézec, supporting. But I knew and I subsequently said in a number of debates that the irony of the place that we found ourselves in as an Island was that it would be relatively easy to create the Office of the Children's Commissioner because it was a matter of finding a bit of budget and drafting legislation. It would be relatively easy to introduce other pieces of legislation which protected children. The most difficult piece of work was going to be transforming the service and providing, as corporate parents, loving homes for the most vulnerable children across our community. It gives me no pleasure to say: "And so it has proven." We have our second Children's Commissioner and I have no reason to say anything other than other Members have said, that that Commissioner is doing a good job in fulfilling her functions. I would remind the Assembly that at the end of this financial year, the budget spend is forecast to be about £937,000, so just under what this budget for 2026 is suggesting. I think that is important as well. The mover of the amendment used the term "bare minimum" and I understand why, because we are a legislative debating Chamber and one person's bare minimum can be the fulfilling of the statutory function. The mover, and also the Corporate Services Scrutiny Panel, are right to say it is a decision for this

Assembly ultimately the budget that should be provided, but I revert back to our role as corporate parents. I think we would be doing the children of this Island a grave disservice if we simply thought that we were delivering well for children by increasing this budget when it is already proposed to be more than will be spent. The reason I say that is because I have great admiration for the new head of Children's Services, the work of the Minister, who sadly cannot be with us today, but also we have heard from his Assistant Minister earlier, because in the Budget before Members is an additional £8 million to start the service redesign and delivery to really safeguard children and provide the service that they need and that we all want to see provided for. There is also £12 million for physical homes, and I know that Scrutiny challenged them on that amount for children's homes. For my part, if I were choosing where to put the money to really address the challenges of vulnerable children in our community, it would be into the transformation of the service, which has been slow, but it is now making steady progress, and into the provision of bricks and mortar, where vulnerable children can feel safe.

[15:30]

Because at the end of the day - and maybe this is just my political tradition - human rights are important, but we each well know: what is the most important thing to our security and to the protection of children, which is critical to being a corporate parent? It is the provision of a loving home, and that is difficult to think of in terms of human rights, but it can be done. The most important thing is a loving home. That is why I have said to many individual Islanders when there have been campaigns for fostering parents or adoptive parents: "If you have got love in your heart for the children of the future, if you have got a bit of money and a room, then you are absolutely someone who can do your bit by fostering or adopting." I think that the Assembly can look at this Budget and see that they are making their commitment to the Office of the Children's Commissioner, as I have said, a greater budget than will have been spent - and I think this is really important - than will have been spent this year or the year before. Those statutory functions of a human rights institution can be delivered. But where we address the issues that Deputy Renouf rightly spoke about, the continuing serious case reviews, the continuing harm that some of the children in our community, and because of our official elected positions within our care, are experiencing, are addressed through the additional money that the Minister for Children and Families, his Assistant Minister, and the Council of Ministers have been convinced about to really address those issues, that is where the money should be being placed. That is why, in asking the Chief Minister that initial question, I knew that if we are to support vulnerable children in our community, the place we should be putting our money is in the service redesign and in the physical houses and not as this amendment suggests. I know it is a difficult decision for Members, and we will all approach it perhaps from a slightly different perspective, but I do fundamentally think that each Member of the Assembly really does want to do their best for vulnerable children and all young people across our community. That is, for my part, how I come to the point of view that the amendment is not necessary. The commissioner can continue to do her work meeting the statutory requirements, and at the same time, because of where the budget has been given, the Minister for Children and Families can transform the service, which will absolutely make real everyday differences to the lives of children in his care. Therefore, when they are in his care, they are in our care.

2.6.11 Deputy M. Tadier of St. Brelade:

That last speech was very compelling, and I think there are lots of good things that Deputy Gorst said, in particular in encouraging local families who have the availability and the heart - I think he used the word - for a young person to make a real difference in their lives to do so. He made a great pitch for the fostering and adoption services in Jersey. I do wonder whether he was getting quite far away from the amendment though, because we are debating here whether or not to increase the budget for the Office of the Children's Commissioner by £61,000. We are not debating Deputy Gorst's amendment to take that £61,000 and put it towards fostering and adoption services or to give an extra

£61,000 to the Minister for Children and Families so that he can do all of that good work which he just spoke about. That is because that amendment does not exist. Deputy Gorst has not put that amendment in place. There is no counterfactual here that is being offered, and there is instead a false dichotomy that has been presented by Deputy Gorst and others saying: “Look at what we could do with this money.” I could stand up and say that £61,000 could be put towards the establishment of an Equality and Human Rights Commission. We do not have one in Jersey. I could stand up and say that it is slightly out of context to have a Children’s Rights Commission and the Children’s Rights Commissioner when we forget about the multitude of other humans that exist in our society who have disability issues, who have gender incapacity issues because they are women and they are still not being treated equally in our society, or because they are elderly, or whatever the ism is that you want to apply. All of which can have an impact on children, because if a child is living with a minority parent who is not being treated equally for whatever reason, that is a further complication potentially to the conditions in which they are growing up, which might simply be financial. I am not going to make that speech because it is not a speech that I want to offer whataboutism in, although I do think that there is a future debate to be had on that very issue. The way I look at this is very much in the way I looked at the previous debate that we were having about stats is: where is the risk-benefit analysis in this? What is the risk if we do not give the £61,000 to the Office of the Children’s Commissioner, given that, as Deputy Doublet said, it is a very small amount of money, both in reality and in the grand scheme of things in terms of the budget we are talking about. The risk is that if this Assembly makes the wrong decision here, and the warnings that are being presented to us from an evidence-based point of view from the Scrutiny Panel are correct, then for the want of a ha’penny of tar, the ship was spoiled. I think this is what we are talking about here, except it is not a ship that is going to be spoiled; it is that very good work that is done by the Office of the Children’s Commissioner on behalf of all of the children of Jersey, is what we are risking. It is not a risk that I am willing to take for the sake of £61,000 in a £1.3 billion budget.

Deputy H.L. Jeune of St. John, St. Lawrence and Trinity:

Can I have a quick clarification?

The Bailiff:

Are you prepared to do that, Deputy Tadier? Yes.

Deputy H.L. Jeune:

I was just wondering if he could just explain what he meant by gender incapacity as a woman?

Deputy M. Tadier:

I am happy to have a conversation afterwards.

2.6.12 Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:

It is an evocative debate to have over a very small amount of money in the context of the budget, but it is not just about that, it is about a principle. The first principle we adhere to is our joint and unwavering commitment to children as an Assembly, and I think that has been demonstrated in very many ways over the years, more so since the care inquiry in 2017; acceptance of that, and the thought, the effort and the tens of millions of pounds of additional investments being invested in children and young people since that time. As a result of that investment, of the creation of the Office of the Children’s Commissioner and other aspects, Jersey is a much safer place for children than it was. We still have a way to go and I think it is a journey that will keep going for some time and, as society evolves, the way we support and invest in children will have to evolve with that. I am sure every Member of this Assembly, as in past Assemblies and future Assemblies, will not deviate from that course. I do not accept that we are in breach of any statutory obligations to the Office of the Children’s Commissioner. The Children’s Commissioner has met with Council of Ministers. I last met with her in July. There are quarterly meetings with the Children’s Commissioner chaired by the

chief officer or the accountable officer, where finance and governance is discussed in detail. When I last met with the Children's Commissioner, we talked about finance. At that meeting, while the Children's Commissioner does her job well, I think we are very lucky to have her, and she will always take more resource if it is available, as will the head of any organisation that comes before Scrutiny or this Government at times. One thing that does happen for sure is that when we create an arm's length organisation or a body or a corporation sole - and this is why I get to principles about budgeting and the challenges we have about the financial challenges that we are facing now and in the years ahead - one thing happens every single time; 100 per cent of examples I can think of is that they grow and they grow and they keep growing, and if we allow them to grow unchecked, which we have in the past in many instances, it has a significant impact on our finances as an Island. A lot of small amounts add up to a large amount, and that is one of the problems we have here. Right across the whole estate, there are hundreds of separate budgets and £100,000 here and £60,000 there and half a million that add up, and that is why we are facing such a predicament. When I met with the Children's Commissioner - I want to reiterate the good relationship we have had and the good work that she is doing - while she said she would always want more money to do more, I was not made aware of any dire straits, only a commitment of her to continue to work in the best interests of the children with the resources she has. Of course, she said she would like more. I apologise if I misled Scrutiny when I said I was not aware of any cuts. We were talking in the context of, I believe, last year's budget, when we looked at the £130,000 of reductions that were agreed. There is not an additional £61,000 on top of that. That was reductions for 2024, 2025 and 2026, £130,000. I think it might have been suggested by Deputy Renouf that £61,000 was on top of that. So, in relation to those figures, there were no further cuts planned. I apologise if I was not clear on that. Just briefly, I want to align myself completely with the comments of Deputy Gorst. I will not repeat them, but I think he made some very good and clear points, and I hope he spoke for all of us when he talked about the additional love and care that children need. If we look to this Budget where we are proposing to increase support for Children's Services by £7.6 million, and a further investment of £12 million in loving homes, and most of the additional investment, most of the policy decisions we make are based upon advice of our Children's Services.

[15:45]

All of those investments, the direction we are moving in, the significant investment, if you look at the overall State's budget over the last 10 years or 8 years since the Care Commission, and you look at the financial lines of investing in children, they have increased by tens of millions of pounds. A lot of those increases has come on the recommendations of our advisers, our officials and the Children's Commissioner. They do extremely good work and the budget proposals we have for them, which leaves them with a budget of £954,000 for 2026, against a spend of this year of about £930,000 should be sufficient. I think Deputy Renouf - I forget the phrases he used - but I did not agree with them. When we say they should be sufficient, what I mean is I am not dismissing this lightly and saying they should be. A lot of work goes into this. There are regular meetings with the commissioner and the accountable officer, and we recognise that. Just to provide a bit more context around that, I understand there are no reductions in staffing planned, most likely that the saving will come from non-staff budget lines, such as the amount the commissioner spends on legal advice. If the commissioner finds that the legal advice budget line becomes insufficient during the year or there are any other administrative pressures as in every year, the accountable officer would always work closely with the commissioner and to agree that any overspends of budget will be managed and supported through additional financial support we can give them from the Cabinet Office. As I understand, there was support provided with the commissioner's move to new premises. We will not let them down. We will not allow ourselves not to meet our statutory obligations. Those allegations have been thrown around a lot in this debate. We are not usurping or avoiding those in any way, shape or form. What we are trying to do is tighten up spending across the whole estate of the public sector. As I said before, it is evocative and challenging when we look at things like the Office of the

Children's Commissioner as we looked at other aspects in the Budget, but it is necessary. It does not undermine our support for children, support for the commissioner, and I draw Members' attention again to the significant uplift, a £7.6 million uplift in this Budget to support Children's Services, on the advice of our experts, and I commend the work of the Office of the Children's Commissioner, and I provide Members with reassurance that she will continue to get that support from Government, as she will from this Assembly.

The Bailiff:

Does anyone else wish to speak on this amendment? I call upon Deputy Miles to reply.

2.6.13 Deputy H.M. Miles:

I would like to thank all Members who spoke in this debate. It has gone on a long time and it has been very wide-ranging, so I will attempt to sum up as best I can. First of all, to Deputy Ferey, speaking as the Assistant Minister for Children and Families in the absence of the Minister for Children and Families. I think every word of his speech for me acknowledged exactly why we should be funding the Office of the Children's Commissioner to the full amount. He says that if she needs the money she could ask for it, and if it is considered essential then the money will be found. I think that compromises the concept of independence. She should not have to go cap in hand to a government department to do what she wants. That is not independence. At this rate C.O.M. is deciding where it should be spent. I was going to comment on the website, but I think Deputy Renouf has covered that. I would like to thank Deputy Renouf for a passionate speech explaining the history of the role and the gravity. Again, I would say to Deputy Scott ... I would echo Deputy Doublet's comments, I do not think anybody is virtue signalling in this debate. Certainly, nobody in my panel is virtue signalling. We have all taken this very seriously, we have spoken to the Children's Commissioner, and we have heard what everybody has to say. I am quite interested in the comparisons that she makes and, yes, there is no doubt that other areas are funded and they have bigger Offices of the Children's Commissioner, and she talks about one of the organisations being Wales. In Wales they do have a Children's Commissioner and she has a budget of about £1.8 million; she has 26 staff. But in Wales she is not the only watchdog for children's rights and welfare. There is N.Y.A.S. (National Youth Advocacy Service) Cymru, which offers independent advocacy, there is Children in Wales, there is a U.N.C.R.C. monitoring group, there is a children's legal centre, and most importantly, Wales and other jurisdictions, have a public ombudsperson. All of those things that we do not have. When we look at a budget of £954,000, it is important to realise just what that budget is achieving. She is the only children's rights organisation in Jersey. I was very interested to hear Deputy Gorst. I certainly do not agree with him when he says that we are doing children a grave disservice by increasing this budget. I think he has pitted looked-after-children against all other vulnerable children in this Island. What about children of neurodiverse? What about children who have special educational needs? This is not just about looked-after-children. He did not provide any evidence from the Government as to why this cut is being imposed. Deputy Renouf asked for evidence. What is it? Where is the risk assessment asked for by Deputy Tadier? The principle is the same. Where is the evidence that the Office of the Children's Commissioner can take this cut in service? I hear about the investment that is going into Children's Services, the £8 million for loving homes and secure homes, but just because we are funding Children's Services does not mean to say that we should not be funding the Office of the Children's Commissioner. In fact, it is a reason that we should fund it. If we learnt anything at all from the Independent Jersey Care Inquiry, it is that institutions can cause these issues and they need careful oversight, and that oversight will be provided by the Office of the Children's Commissioner. The Chief Minister admitted we still have a way to go, but he still reduces the budget despite the statutory requirements. I heard that he was going to put budgetary principles before children. The Office of the Children's Commissioner in Jersey has not grown, it has shrunk. No other regulator told Scrutiny that they needed funds, and we asked them all. We went out to the Care Commissioner, we went out to J.A.C.S. (Jersey Advisory & Conciliation

Service), but the Office of the Children’s Commissioner did, and she articulated quite clearly why she needed that £61,000 in her budget, and that is why this panel have lodged the amendment. The Chief Minister said it should be sufficient. Government have not provided any evidence to the panel to show why it is sufficient. The evidence we have is a commissioner who tells us it is not. I feel that the Office of the Children’s Commissioner should not be a casualty of tightening spend across the public sector, because that is what I heard the Chief Minister say. Laws are only as strong as the will to uphold them. Yes, the Government have committed £8 million to the children’s social care in this Budget, but the decision to reduce the Commissioner’s funding by only £61,000 undermines the very oversight to safeguard those investments. We can all affirm children’s rights in speeches and policies and strategies, but if we will not fund the institution that was created to guarantee those rights, then our commitment remains rhetorical, not real. I was around for the Care Inquiry, not in this Assembly, but I was a public servant. The Care Inquiry showed us in great detail what happens when oversight fails. This amendment ensures that it does not fail again. I have heard nothing to suggest why C.O.M. think the budget should be reduced, and in this case, the Chief Minister has firmly delegated the choice to the Assembly, and that is where the choice should sit. A short-term saving weakens long-term protection, or a reaffirmation that Jersey means what it says when it commits to children’s rights. The panel urges you to reflect upon your role as not only corporate parents, but guardians of the rights of every child on this Island and that you support the amendment.

The Bailiff:

Is the appel called for? The appel has been called for. Members are invited to return to their seats. I ask the Greffier to open the voting. All Members have had a chance of casting their votes, I ask the Greffier to close the voting. I can announce the amendment has been rejected.

Pour: 14		Contre: 26		Abstained: 4
Connétable of St. Clement		Connétable of St. Helier		Deputy I. Gardiner
Connétable of St. Mary		Connétable of St. Brelade		Deputy K.L. Moore
Deputy G.P. Southern		Connétable of Trinity		Deputy D.J. Warr
Deputy M. Tadier		Connétable of St. John		Deputy A.F. Curtis
Deputy L.M.C. Doublet		Connétable of St. Ouen		
Deputy T.A. Coles		Connétable of St. Saviour		
Deputy B.B. de S.V.M. Porée		Deputy C.F. Labey		
Deputy H.M. Miles		Deputy S.G. Luce		
Deputy J. Renouf		Deputy K.F. Morel		
Deputy C.D. Curtis		Deputy M.R. Le Hegarat		
Deputy H.L. Jeune		Deputy S.M. Ahier		
Deputy R.S. Kovacs		Deputy R.J. Ward		
Deputy K.M. Wilson		Deputy C.S. Alves		
Deputy L.K.F. Stephenson		Deputy I.J. Gorst		
		Deputy L.J. Farnham		
		Deputy S.Y. Mézec		
		Deputy Sir P.M. Bailhache		

	Deputy M.R. Scott		
	Deputy L.V. Feltham		
	Deputy R.E. Binet		
	Deputy M.E. Millar		
	Deputy A. Howell		
	Deputy T.J.A. Binet		
	Deputy M.R. Ferey		
	Deputy B. Ward		
	Deputy M.B. Andrews		

2.7 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): thirty-third amendment (P.70/2025 Amd.(33)) - Arts, Culture and Heritage Funding

The Bailiff:

The thirty-fifth amendment has been withdrawn. The thirty-third amendment was lodged by Deputy Tadier. Deputy, in relation to this amendment, there was amendment lodged by you and then an amendment lodged by the Minister, the second amendment. As I understand it, you wish to, in effect, withdraw your amendment and have the amendment read as amended by the Minister's amendment. Is that correct?

Deputy M. Tadier of St. Brelade:

Yes. I do not think it is technically correct I am withdrawing the amendment, but I am not having it read as amended by the Minister's amendment. Does that make sense?

The Bailiff:

Yes. It becomes the same thing, yes. The amendment will be read, as amended by the Minister's second amendment, if Members are content for that to occur.

The Deputy Greffier of the States:

Page 3, paragraph (b)(xii) – After the words: “as set out in the Appendix to the accompanying Report” insert the words: “, except that, on page 47, after the words – “Included in the annex”, there should be inserted a new paragraph as follows – “In order to ensure that budget allocations for arts, culture and heritage are managed in a simple and transparent manner, the Minister for Treasury and Resources shall work with the Minister for Sustainable Economic Development during 2026 to consolidate all relevant Government spend under the head of expenditure for Economic Development, Tourism, Sport and Culture within the Budget (Government Plan) 2027-2030. This consolidation would not impact or include the funding provided to the Bailiff Chambers as part of arts, culture and heritage funding, and would exclude funding for entities such as Jersey Library and Community Compass, which are considered to fall outside of the scope of the arts, culture and heritage funding line.”.

2.7.1 Deputy M. Tadier:

This has come around slightly quicker than I expected, but luckily, I have got at least some of the figures to hand to make sense of this. First of all, can I thank the Minister and his team, and maybe the wider Ministerial team for meeting me halfway, I think it is fair to say, on this proposition. I will not speak for excessively long because that agreement has perhaps curtailed some of what might need

to be said, but there is at least a minimum that I do need to explain about what to make sense of this for Members who I would not have expected necessarily to have followed this quite as closely, given the fact that we have had a long and complicated Budget debate already.

[16:00]

Essentially, this does boil down to the 1 per cent for arts, heritage and culture. The principle is simple enough, and I may use the short form of just calling it: “arts funding”, but by that, of course, I am not negating the importance of culture and heritage more generally. The idea is simple, is that 1 per cent of overall Government expenditure should be spent on arts. At the moment, that should mean that roughly, if the budget is almost £1.3 billion, there should be £13 million in the pot for that sector. As we know, I do not want to reopen old debates, that principle has not had universal support from Assemblies in the past, but it has had majoritarian support, and it was reaffirmed just before the last Budget debate in a standalone proposition, which I deliberately brought because I wanted to establish that as a separate principle. The 1 per cent does stand as a principle until such a time as a future Government gets rid of it. What I did not appreciate, and I am still critical of, is that this Government has not supported the spirit of the 1 per cent, and what they have tried to do, therefore, because they could not get rid of the formula, they had decided initially to lump more and more into the 1 per cent. This is where the rub is, because it was pre-existing expenditure. So, if we think about what was originally in the scope of the 1 per cent, it was really always intended to be the 4 arm’s length organisations. They do not always like to be called that, by the way. I was slightly pulled up - I do not think it was for me - but one of the heads of the organisation, who will remain nameless for the moment, said: “Look, we are not an arm’s length organisation. We are independent. We just happen to receive a grant, not an insubstantial grant, from Government, but otherwise we are not arm’s length. We are not doing work on behalf of the Government.” But there is this sense, of course, in which arts has to be independent. It is not for Government to try and censor or dictate what the arts sector does. But nonetheless, there is a sense in which they are delivering for the wider community on behalf of Government. So, I am happy to accept that there is an argument that these are A.L.O.s (arm’s length organisations), all the same. What was also included there from the beginning, which is why I amended my own amendment, is Jèrriais, because when there was a report done to try and do the original benchmarking back in 2018 from the then Economy Department, it basically used as the starting point those A.L.O.s plus Jèrriais, which back in those days was called Le Don Balleine. Le Don Balleine still exists. The amount of funding that Le Don Balleine was receiving from Government back then was around about the £150,000 a year mark, which is not a lot. But they were also operating slightly as a trust, in a sense. They did have teachers. There was a recognition certainly that when it came to Jèrriais there was an urgent need for something to be done. What we have seen nowadays is that the Jèrriais budget has increased quite a lot, and I think we are not going to have the debate today or indeed in this Budget about Jèrriais. There is lots of good work going on in Jèrriais at the moment, both within C.Y.P.E.S., and there is lots of good work going on at Heritage, which is why I asked my question earlier in the week of the Minister for Sustainable Economic Development. To show that there is Jèrriais both as a language, which is being taught, so it is a legitimate subject in its own right at school, but it is not immediately comparable to other subjects, but it is also of significant cultural importance and there is that outreach element that both C.Y.P.E.S. and Heritage do together. So, that sum has increased quite significantly, and I think it recognises the increased importance that we all put on our native and ancient language, our Norman language of Jèrriais. But then what Government decided to do is say: “Okay. Look, we have not won the argument on the 1 per cent, but we can get Tadier a different way.” It is not probably parliamentary to say that, but that might have been some of the thought processes. So, remember, holding our mind that the total amount that should be spent on arts in the coming year should be about £13 million, but all of that did not add up to £13 million, it added up to about £10.8 million. But there was Jèrriais Liberation Day, and then, of course, what else can we put in there to plug the gap, a £1 million or £2 million gap? They said: “Why not put the Jersey Music Service in there? Because the Jersey Music Service

is £1.2 million. That is already paid for. It is not new spending. But let us on top of that put Libraries and the Community Compass.” The reason I objected in particular to Jersey Library Services being included in that is because the Minister for Education and Lifelong Learning, or C.Y.P.E.S., whatever he wants to call it, has a responsibility to fund libraries. It is a statutory obligation that he has to fund it adequately for it to provide its services. The Community Compass, again this is a relatively new thing that I was not immediately familiar with, which costs about £391,000. I think it is important to put these things on record because this is not about saying that libraries, Music Service, Community Compass, Jèrriais, all of this stuff is not valid; these are all cultural in the wider scheme of things. It is just that they are already paid for. We do not need to start lumping new things into the 1 per cent in a bid from Treasury to try and get that figure down. So, what does this mean in reality? It means that from now on those A.L.O.s will be funded, they will take up the majority of the arts funding, which will include Jèrriais, but it also includes the Jersey Arts Centre, ArtHouse Jersey, the Opera House and Jersey Heritage, but it also includes the Ballet D’Jèrri, which is operating closely with the Jersey Opera House. It will also include the pre-existing spends that the Bailiff’s Department has for Liberation Day, *et cetera*, for those type of events. What it does take out of the 1 per cent calculation will be libraries and Community Compass. So, effectively the compromise which the Minister and I have come to is that the Jersey Music Service should be included. I think there is a rationale here, because I think Jersey Music Service, like Jèrriais, is a supplementary service. Music gets taught in schools already as a subject, so if you want to do a G.C.S.E. (General Certificate of Secondary Education) or a pre-G.C.S.E. if you are in year 7, 8 and 9, you will probably do music as part of your core curriculum. You do not have to do a G.C.S.E. in it. But then on top of that, there is the Jersey Music Service, which is peripatetic, goes around teaching students who want to learn a specific instrument. So, if you are doing music G.C.S.E., you may also be getting supplementary lessons to play, let us say, the tuba or the drums or the piano, whatever, lots of instruments; we are not going to list them all now. There is at least an intellectual consistency alongside Jèrriais, which of course mirrors the fact that we have lots of teachers in schools already teaching all sorts of language subjects, but Jèrriais had a slightly different remit in the sense that they provide other services often in the community, not limited just to schools. I am happy to accept that. What it means for the Government is that it does not have any additional pressure because the 1.2 per cent that was going to be the case to be spent on arts is going to be reduced, and Government is already spending 1 per cent for the next 3 or 4 years. Really where this becomes important is, as I do the calculation, in 2028. This is probably 2029, this is probably when it starts to become more material. It is quite likely, I would suggest, if I was a betting man, that Government are going to overspend. They are probably going to overspend next year, and if budgets do increase that means that the 1 per cent for arts will increase in real terms but not necessarily in percentage terms. I do not have a problem with that. I think the simplicity of the 1 per cent has stood the test of time since it has come in. It provides a very simple formula, and it does say: “Look, if Government is going to spend hundreds of millions of pounds, then for every £100 you spend in public spending, one of those pounds has to be on arts, culture and heritage, and it means that you are doing it within that. So, if the Health budget is increasing more and more, why should arts get less than the 1 per cent just because there is more need in Health? That is the way I look at it. I know often the counter argument is put there, but arts, culture and heritage contribute to every part of that aspect. When the Health Department has more need, it is also absolutely necessary that the wider community also has a commensurate availability for the arts sector, because there is a pre-emptive health benefit to much of culture, and there is also a synergy between culture and sports. I am going to leave the comments there. I am not going to go into the fact that there will be some work in the future that needs to be done on this. I am not going to go into that in depth, apart from to say the fact that there are still signs up, if you drive up to Highlands College, which talk about the Education, Sport and Culture Department. Those signs have not been changed yet. I do wonder sometimes whether we should change those signs or whether we should just change the Ministerial portfolios to give culture back to Education. That is something I would certainly be interested in, but I know that there are equally some counter arguments which says that culture should remain at

Economic Development. In fact that more and more of what is being done at culture should go to Economic Development. So, I will leave those comments there. Certainly, for my part, in whatever capacity in the future, I would love to have more input because I think this is an area which needs to be developed in the future. I do not think we have got it completely right yet, but I think that the momentum that we have gathered over the last 6 years in the cultural sector in Jersey, and indeed in the creative industries, has been important. We are going in the right direction, and certainly I would not want to see this stop for a lack of adequate Government support that can supplement the private investment, both in terms of money and energy that is given to those valuable sectors.

The Bailiff:

Is the amendment seconded? **[Seconded]** Does anyone wish to speak?

2.7.2 Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

I was hesitating to speak just because I do not want to lengthen a debate that really does not need to happen. It is only we are in debate because of the lateness of the amendments, but it is just to thank Deputy Tadier for working with us to find a form of the amendments which works for both sides. I agree, Deputy Tadier I think knows as much as I know; he is incredibly passionate about Jersey's arts, culture and heritage. I am as well. Between the 2 of us, I know we both want to see the whole culture sector flourish in Jersey and continue to for many years. With that, I hope that there will be very little response from Deputy Tadier, just for the sake of time, and that I also hope that no other Members really wish to speak about this so we can vote and hopefully move on.

Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

You will be pleased, and so will the Minister, to know that I do not wish to speak, but simply to record an interest, although non-remunerated interest, but I am a non-executive director of the Jersey Opera House.

The Bailiff:

Thank you very much. Does anyone else wish to speak on this amendment? I call upon Deputy Tadier to reply.

2.7.3 Deputy M. Tadier:

I will reply simply to thank the Minister for his comments and to just acknowledge Deputy Moore's comments about the Opera House. We have seen the reopening of the Opera House this year. It is something which we need to be proud of. The new Opera House is a beautiful building, both inside and out; especially inside. It is something which the Minister, I think, rightly has received questioning from in this Assembly about certain aspects of that. But the important thing, whether it is the Opera House or the Arts Centre or any other future theatres or galleries in Jersey, is not the fabric of the building so much, it is important that those buildings are maintained. It is what goes on within those buildings that is important. I hope that Deputy Moore would take my gratitude back to the performances and the work that has already been going on at the Opera House. I have been to see 2 performances recently, just in a private capacity, and they were both excellent, and including one musical performance, which was really a virtuoso performance. I do encourage as many members of the public to take advantage of our arts sector in Jersey as possible. The last thing to point out is that the value in the arts is not just limited to these buildings, but all of the arts organisations over here have been making great strides to make sure that groups in Jersey that have previously not engaged with arts traditionally have had the opportunity to do so. Two examples I will give before sitting down are the trees that appeared in Howard Davis Parks at Christmas a couple of years ago; the dreaming trees. It attracted so many people who would not have ordinarily gone to a museum, a theatre, or a concert. The same happened to be the case for the beautiful globe that appeared out of nowhere, it seems, in the vicinity of St. Saviour's Hospital in the water there. That

again attracted people from all over the Island, and that is art and culture in progress. I do commend this amendment to Members.

The Bailiff:

Is the appel called for? The appel has been called for. Members are invited to return to their seats. I will ask the Greffier to open the voting. All Members have had the opportunity of casting their votes. I ask the Greffier to close the voting. I can announce the amendment has been adopted unanimously.

Pour: 44		Contre: 0		Abstained: 0
Connétable of St. Helier				
Connétable of St. Brelade				
Connétable of Trinity				
Connétable of St. John				
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Ouen				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy G.P. Southern				
Deputy C.F. Labey				
Deputy M. Tadier				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy R.J. Ward				
Deputy C.S. Alves				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J. Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy Sir P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B. de S.V.M. Porée				

Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F. Stephenson				
Deputy M.B. Andrews				

[16:15]

2.8 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): second amendment (P.70/2025 Amd.(2)) - Health Insurance Fund Contributions

The Bailiff:

We now move on to the second amendment, lodged by Deputy Bailhache. I will ask the Greffier to read the amendment.

The Deputy Greffier of the States:

Page 3, paragraph (b)(xii) – After the words – “Appendix to the accompanying Report”, insert the words – “, except that (i) on page 87, Table 41 - Health Insurance Fund, should be replaced with the following table. (ii) on page 88, after the words “skills of primary care staff.” there should be inserted a new paragraph as follows – “From 2026 the proportion of class 1 and class 2 social security contributions on earnings below the standard earnings limit, paid into the Health Insurance Fund, will increase from 2 per cent to 2.5 per cent. This is estimated to increase contributions paid into the Fund by £14 million in 2026, increasing to £15 million by 2029. This does not change the overall contribution rates paid by employers or employees.”. (iii) on page 88, before the words, “The value of the Fund is expected to fall to around £61 million by 2029”, there should be inserted the words, “Without the increase in contributions”. (iv) on page 90, after the words “range of working age benefits”, there should be inserted a new paragraph as follows – “From 2026 the proportion of class 1 and class 2 social security contributions on earnings below the standard earnings limit, paid into the Social Security Fund, will decrease from 10.5 per cent to 10 per cent. This is estimated to decrease contributions paid into the Fund by £14 million in 2026, increasing to £15 million by 2029. This does not change the overall contributions rates paid by employers or employees.”. (v) on page 91, Table 43 – Social Security Fund should be replaced with the following table.

2.8.1 Deputy Sir P.M. Bailhache of St. Clement:

I should like to open by expressing my thanks to the Minister and to officials in the Social Security Department for their assistance in the drafting of this amendment. They have been extremely helpful in giving me details of the changes that have taken place in the last few years, details which now appear in my report. As Members will know, the H.I.F. (Health Insurance Fund) was established in 1967 to subsidise primary care, visits to G.P.s (general practitioners), and to pay for pharmaceutical benefits. For the past 10 years or so, we have in fact enjoyed free prescriptions at the cost of the H.I.F. It gets money from the contributions paid by employers and employees. 12.5 per cent is deducted from those earnings, and of that 12.5 per cent, 2 per cent goes into the H.I.F., and 10.5 per cent goes into the Social Security Fund. The H.I.F. has been built up over the years and contains at the end of 2025, just over £101 million. As Members will have seen from my report, considerable extra burdens have been placed on the H.I.F. in recent years. In 2023, free access to surgery consultations was given to children under 18. In June 2023, after many years of no change, the subsidy for G.P.s' fees was increased by £20. In 2024, free access to surgery consultations was extended to all full-time students, and an extra £10 was added to the subsidy for G.P.s' fees. Also in 2024, as a result of a Budget amendment from Deputy Kovacs, I think, free medical dressings were provided to those with a clinical need. In addition, in the last couple of years, the Medicines Adherence Service to help vulnerable people take their medicine, a diabetic service, and the Health Access Scheme to reduce the cost of G.P.s for people on low income have all been introduced. Contractual arrangements have also been made with G.P.s to provide cervical screening, to provide a subsidy for primary care nurses and other healthcare professionals, and to provide vaccinations for flu and COVID. All these changes have been funded by the H.I.F, yet nothing extra has been put into the fund. It still only gets 2 per cent from the contributions by employers and employees. Unsurprisingly, the value of the H.I.F. is shrinking from £101 million at the end of 2025, it goes down to £61 million at the end of 2029. The H.I.F. will reach zero in about 2034, 8 years away after one more Budget. The Minister for Social Security, surprisingly, appears untroubled at the prospect. She was asked several times at the Scrutiny Panel whether she was concerned about the falling in value of the H.I.F., and her eventual reply was: "The Minister for Health and Social Services is undertaking a piece of work to look at health funding as a whole. I think the Health Insurance Fund is an important part of the jigsaw. I would be more concerned if we were not spending money in the Health Insurance Fund and that people could not afford to go to the G.P." But that seems to miss the point. People will not be able to afford to go to the G.P. if there is insufficient money to pay the subsidy to G.P.s and the other benefits paid by the H.I.F. The table on page 87 of the Budget makes that clear. Payments out of the H.I.F. in 2026 are estimated to be £66 million, but the income from contributions is only £54 million. It will, at the end of the next Budget period, not be enough money to pay for the benefits currently paid. Where is the money going to come from? I do not think that the Minister for Health and Social Services has spare funds floating around. The H.I.F. must, it seems to me, be put on a sound financial footing. It is not getting enough of the contributions being paid by employers and employees. My amendment would change the percentage from 2 per cent to 2.5 per cent. That would affect the percentage going into the Social Security Fund, obviously, but we are told that it is in good financial shape. Since the Social Security Fund was established, the contributions of employers and employees have always been shared between the 2 funds. I cannot remember exactly when, but many years ago when the contributions were increased, the proportion paid into the H.I.F. was set at 2 per cent, and to the Social Security Fund 10.5 per cent. The 2 funds have always shared the contributions. The amendment can alter the sharing arrangements because the Social Security Fund is in good shape, but the H.I.F. is not. Money is not being taken from the Social Security Fund for some unconnected purpose. Paying an appropriate level of contributions into the H.I.F. is one of the purposes of taking contributions from employers and employees. I do not understand the comments of the Council of Ministers. They say the amendment is unnecessary, but that is plainly wrong. It is necessary or the H.I.F. will run out. They say it could lead to additional

complexity in identifying actions over the next few years to provide a sustainable funding mechanism. But how will putting the H.I.F. on a sound financial footing get in the way of anything? It makes no sense. I understand that the Minister for Health and Social Services has a plan to take over control of the H.I.F., something which I would strongly oppose. The existence of an independently controlled Health Insurance Fund is a guarantee that the subsidies for primary care, which are currently paid out, can continue to be paid. It is also a guarantee of the continuing status of the G.P.s as independent contractors. Changing that would be a fundamental and very controversial matter. Swallowing up the H.I.F. in the gargantuan finances of the Health Department so that the funds can be used for other purposes would remove those guarantees. But even if my reservations are ignored and the decision to give all the money to the Minister for Social Security eventually come to pass, why not pass over a Health Insurance Fund which has some money in it? What is the point of risking passing over an exhausted fund? If the plan is not to exhaust the fund, as the Minister for Social Security asserts, why not do something about it now? I am afraid that I find absolutely no logic in the Government's position. The Minister for Treasury and Resources has protested that Members of this Assembly do not provide solutions for her. Well, this is a solution, but it seems not to be accepted by the Government. The existing arrangements with the Health Insurance Fund have worked tolerably well for the last 60 years, until now. It is only not working well now because the Assembly has placed financial burdens on the H.I.F. without any regard as to whether they were affordable. There is no evidence that the change in proportions of contributions would adversely affect the Social Security Fund. Indeed, it would be very useful for the Government actuary to be able to opine on the health of the Fund on the basis of a firm decision to put the H.I.F. on a sound footing. I move the amendment.

2.8.2 Deputy L.V. Feltham of St. Helier Central:

I thank Deputy Bailhache for speaking about all of the good things that we are currently funding out of the Health Insurance Fund. As I did say in Scrutiny, I do think that ensuring that we have sufficient funding in place for primary care into the future is of extreme importance. I really do support the work done across the primary care sector. However, I also support the work that is currently being done by the Minister for Health and Social Services and his team to understand the health costs across Jersey as a whole. This is where I must part company with Deputy Bailhache and his amendment. What I have said in Scrutiny, and I will repeat again today, is that Jersey needs a modern and holistic health system that supports patients and provides good value for money across the board. That means that looking at healthcare as a whole and not making arbitrary distinctions between services provided under the Health Insurance Law and services provided by the Health Department. This work is already underway. The Minister for Health and Social Services is setting up the Health and Care Partnership Board, and his officers are making significant progress in creating the structures that Jersey needs to support that much needed modern health system. A key part of that work is a sustainable funding model and collaborative working across Ministerial portfolios, and I am dedicated to that piece of work and working with the Minister as we move forward. Ministers have already committed to do this work, and that work is already underway. A comprehensive report will be prepared for the incoming Council of Ministers to review and agree their preferred approach forward.

[16:30]

Making such a permanent change, as the Deputy suggests now, in the allocation of social security income, a matter of months before that report is available, makes absolutely no sense at all. If incoming Ministers consider that this specific proposal should form part of an overall health funding system, then those changes can be made in a year's time. There is absolutely no need to make that change today. It is important to note that this amendment does not raise any extra income. It seeks to reduce the income into the Social Security Fund and increase the income into the Health Insurance Fund. Members will make their own judgment as to the position of the Deputy in bringing forward

this amendment while also expressing his strong support for the Social Security Fund and seeking to increase the value of the States' grant being paid into the fund. If passed, this amendment reduces the income into the Social Security Fund by around £15 million a year on a permanent basis. This week, I have been subject to significant and aggressive criticism for the Budget proposal to make a short-term temporary cut to the States' grant that provides some of the income into the Social Security Fund. But what is being proposed in this amendment is a permanent cut to the Social Security Fund income for every year going forward. Is this affordable? What analysis has been undertaken to justify this permanent reduction in income? Has it been assessed by actuaries? The Minister for Health and Social Services is currently undertaking a review of health funding. I can hear the laughs there, but I have requested actuarial advice on the changes that we are making, and I have published that advice. You can choose to read it if you have not already; it is on the Government website. The Minister for Health and Social Services is undertaking a review of health funding. I am undertaking a review of the Social Security system. Both reviews will be completed in time for the incoming Council of Ministers to consider the overall approach to these very important funding decisions. Both reviews will include information, statistics, analysis and options for action. It would be irresponsible and unnecessary to take any decision today to change the income into these 2 funds on a permanent basis. So, I urge Members to reject this amendment and allow Ministers to complete the ongoing major reviews of both health funding and the Social Security system.

2.8.3 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peterpo[:

We on the back row here could not help but contain ourselves slightly during the Minister's speech there; so apologies. But there was a distinct feeling of some irony, particularly to hear the Minister call some of Deputy Bailhache's proposals arbitrary. I think we should commend Deputy Bailhache for coming forward with some direction, some clarity, some action even, because I do believe 22 months ago we were promised direction, delivery and action, and what have we got? Review and review and review and something being left over for the next Government. Well, I look forward to hearing what the public think about this shambles at the election; I really do, because it is, I am afraid, a shambles. Twenty-two months to pick up a review that was already in place. In fact, health spending has been under review since 2012. I do recall that the sustainable model for primary care funding was due to be delivered in September 2014, and it is still not here. So, I am sorry, but Deputy Bailhache has my vote. He has action, clarity and something to deliver that is focused on restoring some fiscal responsibility for the Island and thinking about the protection of future generations.

2.8.4 Deputy T.J.A/ Binet of St. Saviour:

I would just like to thank the Minister for Social Security, a very responsible approach to this. It is not often that I disagree with Deputy Bailhache, but I think in this instance, given that he knows full well that we are working on this and that it is going to be part of a joined-up piece of work, I have been very happy to talk to, and would be happy to talk to Deputy Bailhache throughout the summer and autumn on his ideas. I do not think it is the best way to go about resolving the problem. I think we both agreed that the Health Insurance Fund could do with more money, and we also need to sort out long-term care funding. These things have been made very clear over the course of time. That work is underway. It has got to be done properly. Despite what Deputy Moore says, there is an awful lot of work going on in Health. If more work had been done previously, the job might be easier. I have made it plain; we have got another 4 years before the job can be put straight. We can only do things as time allows and the work is ongoing. So, while I expect all Members to support the principle of addressing the problems with the Health Insurance Fund, I would hope they will have the good sense to realise that it is difficult for these decisions to be made properly from the Back-Benchers.

2.8.5 Deputy B. Ward of St. Clement:

I apologise to the Minister for Health and Social Services because I have to support the Deputy's proposition, as I have been very protective about the H.I.F. over the years, and I am very concerned that it is not being fully utilised as it was set up. Yes, we have had a reduction in fees going to G.P.s, and that is absolutely applauded. Yes, we have got free dressings, and I could go on. But there are items that are on that list and should be addressed, and I will give an example of community out-of-hours services that we should be having here in Jersey. If we want to reduce people coming into an A. and E. (Accident and Emergency) Department, they have got to go somewhere to go and get the prescriptions after hours. So, that needs further investment. The ever-increasing cost of prescriptions; whether we like it or not, they are going up, and we want to keep those prescriptions free for patients. We do not want to see prescription charges being brought in. You need that investment in the H.I.F. to be able to provide that. Dentistry, yes, we have introduced free for children, but there is a large population out there that do go to their dentist on a regular basis and some of them do need support. This is where the H.I.F. comes in. We have been reliably informed, and it has been written down, that after this money has been withheld from the States' grant, that the grant will resume in 2030. So, the H.I.F., even if we put it up by 0.5 per cent, it will not diminish the actual States' grant because it is going back to its normal formula, which is welcome. The H.I.F. is a primary healthcare function, and it is there to put that money back to Islanders. It is part of an insurance policy, and we are going to get that back. It has to be invested in. 2034 is not that far off. We have to put that money in. Yes, I do support the Deputy's proposition, and I thank you for listening.

2.8.6 Deputy S.Y. Mézec of St. Helier South:

I was minded to put my light on to speak, listening to the speech from Deputy Moore, who, as she has done on several occasions throughout this Budget debate, made comparisons between the current Government and what it is and is not delivering versus the previous Government, which she led, and what it did or did not deliver. I came to the view while listening to her that there is definitely one sense in which her Government was placed in an infinitely superior position to this one, and one for which this Government sorely lacks, and I think it is important for us to hold our hands up and admit it, and that is that the Government led by then Chief Minister Deputy Moore had a much better parliamentary opposition than this Government has. At least in those days, when opposition was put forward in this Assembly to that Government, it was consistent, it was well-researched and based on values, whereas what we hear from the ramshackle opposition against the current Government is extremely inconsistent, and I would say often opportunistic because of the constantly fluctuating positions they seem to be able to take on amendments from time to time. This must be a good example of that because what is proposed by Deputy Bailhache, which he is entirely within his rights to make a case for and say: "As a funding formula, I believe what I am proposing is better than what there currently is", but you cannot maintain 2 positions; that this Government is plundering the Social Security Fund, as has been the headline on multiple occasions, and then come to this Assembly and propose an amendment that would permanently reduce the amount of money that goes into the Social Security Fund. Members' laughter beforehand was cheap, and it was cheap for this very simple reason, which is that the proposals from this Government for the reduction in the States' grants and the actuarial review, which has been commissioned by the Minister, is that that reduction is set to be temporary and what is proposed in this amendment is set to be permanent. They are therefore completely different and have completely different long-term financial forecasts as a result of it, and it is simply a mathematical fact that while what Deputy Bailhache proposes will theoretically be healthy for the Health Insurance Fund, it will not be that for the Social Security Fund, as it will see less money on a permanent basis going into it. That is the basic maths of that. It is well-known among us all, and I do not know who in this room thinks they have the perfect solution to it, but I think many of us think that the exact formation and use of the Health Insurance Fund system right now is suboptimal, which is why it is being looked at to see if there are other models that could be more appropriate for Jersey. But pre-empting that in the way that he proposes doing in such a way

that we know will also permanently affect the long-term sustainability of the Social Security Fund, is clearly a bad thing to be proposing. I find it greatly amusing that with all of the contributions that there have been in previous debates about the use of the States' grant, about Strategic Reserve and all the rest of the things, that we find ourselves in this Assembly having to listen to arguments that seem to totally change within a few days of one another. I am confident that the Assembly will reject this amendment.

2.8.7 Deputy A. Howell of St. John, St. Lawrence and Trinity

I very much think the H.I.F. should be ring-fenced for primary care, and I agree with Deputy Bailhache that it is going down, and I think it is something that needs to be addressed, but I just ask you not to do it on the hoof now but let us work so that we make sure that we are doing all the right things. I really respect Deputy Bailhache for bringing this. It is something that I have discussed with G.P. colleagues before I came into the States, and I really do think that the fund needs to be enhanced. But the Minister for Social Security and the Minister for Health and Social Services and us, we are working together to try to get it to work. I will be defending the H.I.F. with my life, but I just ask you not to vote for this proposition now because it is part of a larger piece of work.

2.8.8 Connétable A.N. Jehan of St. John:

I would just like to disassociate myself from the comments of Deputy Mézec. I think in footballing terms, it is time to put our foot on the ball, lift our heads, and then start playing the ball again. It has been a long week. This Chamber is designed to try and encourage collaboration. I am well aware of Members from all sides of the House who have worked incredibly hard to prepare for this Budget, and I do think that it is rather disappointing that my colleague chose to use those words, and I am just discouraged by other comments that have been made in the Chamber. I will be supporting the Minister for Social Security's position on this, absolutely 100 per cent, but I would ask us to get back to playing the ball.

[16:45]

2.8.9 Deputy J. Renouf of St. Brelade:

I am exceptionally grateful to the Constable for that speech. It has caused me to decide not to speak in this debate.

The Bailiff:

Does anyone else wish to speak on this amendment? If no one else wishes to speak, I call upon Deputy Bailhache to reply.

2.8.10 Deputy Sir P.M. Bailhache:

I thank Members for having spoken, and particularly thank those who have spoken in support of the amendment. I appreciate that when the Government links up with the Reform Party, it is almost impossible for a Back-Bencher to succeed, so I shall be short. I will say, however, that I think Deputy Mézec is completely wrong and does not seem to understand that plundering the Social Security Fund for purposes which are extraneous, irrelevant to, have nothing to do with the purpose for which that fund was established, is entirely different from using money for the very purpose for which it was established. The contributions from employers and employees go into both these funds, and all that I am drawing attention to at the moment is that the amount of money going into the Health Insurance Fund is insufficient to support it, even in the middle term, let alone the long term. I do not really understand the Government's position. As Deputy Moore said, we have heard about financial reviews for the Health Department for a very long time, and I should be extremely surprised if either this Minister for Health and Social Services, or indeed the next one, were able to produce a review recommending any particular changes in relation to the funding of the Health Department within the next 12 months. I think this is a simple, straightforward and easy solution, but the Government does

not appear to agree. I maintain my position. I ask Members to support the amendment, and I ask for the appel.

The Bailiff:

The appel has been called for. Members are invited to return to their seats. I ask the Greffier to open the voting. All Members have had the opportunity of casting their votes. I ask the Greffier to close the voting. I announce the amendment has been rejected.

Pour: 14		Contre: 28		Abstained: 1
Connétable of Trinity		Connétable of St. Helier		Deputy J. Renouf
Connétable of St. Saviour		Connétable of St. Brelade		
Deputy L.M.C. Doublet		Connétable of St. John		
Deputy S.M. Ahier		Connétable of St. Clement		
Deputy I. Gardiner		Connétable of Grouville		
Deputy K.L. Moore		Connétable of St. Mary		
Deputy Sir P.M. Bailhache		Deputy G.P. Southern		
Deputy D.J. Warr		Deputy C.F. Labey		
Deputy H.M. Miles		Deputy M. Tadier		
Deputy H.L. Jeune		Deputy S.G. Luce		
Deputy M.R. Ferey		Deputy K.F. Morel		
Deputy A.F. Curtis		Deputy M.R. Le Hegarat		
Deputy B. Ward		Deputy R.J. Ward		
Deputy K.M. Wilson		Deputy C.S. Alves		
		Deputy I.J. Gorst		
		Deputy L.J. Farnham		
		Deputy S.Y. Mézec		
		Deputy T.A. Coles		
		Deputy B.B. de S.V.M. Porée		
		Deputy C.D. Curtis		
		Deputy L.V. Feltham		
		Deputy R.E. Binet		
		Deputy M.E. Millar		
		Deputy A. Howell		
		Deputy T.J.A. Binet		
		Deputy R.S. Kovacs		
		Deputy L.K.F. Stephenson		
		Deputy M.B. Andrews		

2.9. Proposed Budget (Government Plan) 2026-2029 (P.70/2025): eleventh amendment (P.70/2025 Amd.(11)) - as amended (P.70/2025 Amd.(11)Amd.(2)) - Overpayments of Social Security Contributions

The Bailiff:

We now move on to the eleventh amendment. In relation to this amendment, the Minister for Social Security, I think you wish to ask the Assembly to reduce the lodging period in relation to your second amendment. Is that right?

Deputy L.V. Feltham of St. Helier Central:

Yes, that is correct. I withdraw the original amendment that I made.

The Bailiff:

Yes. Is that seconded? **[Seconded]** Does anyone wish to speak on that proposal? Those in favour, kindly show. Thank you very much. The lodging period is reduced. Deputy Doublet, I think it is your panel's amendment, is that right?

Deputy L.M.C. Doublet of St. Saviour:

Yes, it is.

The Bailiff:

Are you content for the amendment to be read as amended by the Minister's second amendment?

Deputy L.M.C. Doublet:

Yes. The panel is accepting this amendment.

The Bailiff:

Thank you very much. I would like the Greffier to read the eleventh amendment as amended by the Minister's second amendment.

The Deputy Greffier of the States:

Page 3, paragraph (b)(xii) – After the words “in the Appendix to the accompanying report” insert the words – “, except that on page 90 after the words “the States grant will revert to its formula value from 2030 onwards.” there should be inserted the words – “The Minister for Social Security further commits to providing options for those who have achieved a full contribution record prior to reaching pensionable age to ensure a fair deal for the individuals affected and will bring forward proposals by the end of 2026.””

2.9.1 Deputy L.M.C. Doublet (Chair, Health and Social Security Panel):

I want to open by thanking Deputy Stephenson for bringing this issue to the panel for consideration at one of our panel meetings, and I believe that she was approached by a constituent who she was trying to help, and she explained this issue to the panel and the panel took it quite seriously and examined the detail of it and decided to lodge this amendment. I am grateful to the Deputy, and I am grateful to the panel. I am also grateful to the Minister, and there has been a bit of backwards and forwards on this, but what the panel realise is ultimately that the Minister does take this issue very seriously. I will speak very briefly, because this amendment has been agreed by the panel, so I am not expecting a very long debate. The issue is that there are some in Jersey who have paid all of their social security contributions, and I believe it is 45 years of contributions that we are required to pay in Jersey in order to draw a full States' pension. This is compared to 35 years in the U.K., so it is already quite a long period of time, and there are some Islanders who may have been working from quite an early age of 15, 16 and have been paying their social security contributions for the 45 years,

yet have not reached the retirement age. At the moment, the way the law is written, they are not able to draw their pension early or to stop paying the contributions. We did not want to prescribe a specific solution to this because there might be many different ways of doing it. We have managed to come to an agreed wording with the Minister that means she will look at this issue and ensure that a fair deal for the individuals affected is brought forward by the end of 2026. I think it is around 50 individuals who are affected by this. I think I have covered everything, but I also wanted to thank the panel's officers, which I have not had an opportunity to do yet because our other amendments, which were mainly to the Minister for Health and Social Services on the women's health and other matters have been accepted, but I cannot understate how grateful I am and how grateful the panel is to our officers in the Greffe and in Scrutiny for helping us to prepare this. They have been absolutely fantastic and so hard working, and we are very grateful to them. I make the amendment.

The Bailiff:

Is amendment seconded? **[Seconded]** Does anyone wish to speak on the eleventh amendment?

2.9.2 Deputy L.K.F. Stephenson of St. Mary, St. Ouen and St. Peter:

I will be very brief. I just wanted to add my thanks to the Minister and her team for working on this, and my fellow panel members as well, and really just send a message to the public, really, that it does show that if you have an issue, go and speak to your elected representatives about it, not necessarily just because you may need a solution yourself but it may highlight a matter which is important for a number of people in the community and can be taken forward. I think it shows the process of how we represent our constituents really working in this case all the way through Scrutiny and through working with Ministers as well, and then here to a Budget debate.

2.9.3 Deputy M.R. Ferey of St. Saviour:

Just for clarity, to correct the Scrutiny, the maximum period of years to pay into the scheme is 47, not 45. It was changed a number of years ago. Normal retirement age now is 67, not 65.

2.9.4 Deputy L.V. Feltham:

I will be very brief. I did want to extend my thanks to the panel for working with me to come to a form of wording that enables me to continue with the work that we are doing. The chair of the panel is correct that we estimate that there may well be around 50 people in the current situation where they may have a full pension record but will still be paying their social security contributions, which does enable them to have working age benefits. The work that we are undertaking is to look at what flexibility we may be able to provide, given that we have an older population that may wish to continue working into retirement age as well. I thank the panel and I encourage the Assembly to accept this amendment.

The Bailiff:

Does anyone else wish to speak on this amendment? I call upon Deputy Doublet to reply.

2.9.5 Deputy L.M.C. Doublet:

Thank you to those who have spoken. I agree with what Deputy Stephenson said about people approaching States Members and asking for help because it really does make a difference, especially when you have a Minister who does listen to the Parish Deputies and to the Scrutiny Panel and really works to find solutions, and I am grateful for that constructive work as always. I ask for the appel, please.

The Bailiff:

The appel has been called for. Members are invited to return to their seats. I ask the Greffier to open the voting. All Members have had the opportunity of casting their votes. I ask the Greffier to close the voting. I announce the amendment has been adopted unanimously.

Pour: 43		Contre: 0		Abstained: 0
Connétable of St. Helier				
Connétable of St. Brelade				
Connétable of Trinity				
Connétable of St. John				
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy G.P. Southern				
Deputy C.F. Labey				
Deputy M. Tadier				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				
Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy R.J. Ward				
Deputy C.S. Alves				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J. Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy Sir P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B. de S.V.M. Porée				
Deputy D.J. Warr				
Deputy H.M. Miles				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				

Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy K.M. Wilson				
Deputy L.K.F. Stephenson				
Deputy M.B. Andrews				

2.10 Proposed Budget (Government Plan) 2026-2029 (P.70/2025): thirty-sixth amendment (P.70/2025 Amd.(36))

The Bailiff:

We now move on to the thirty-sixth amendment, which the Minister for Treasury and Resources is entitled to propose without notice under Standing Order 80A.

Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

As well as amendment 36, I am afraid this afternoon I have lodged a rather late amendment to the Draft Finance Law. We have discovered an error. It is very small. The law refers to Article 52, and it should refer to 53. But I apologise to Members that that has not been picked up sooner. It is purely a cross-referencing error, so I would be grateful for Members approval to accept that being submitted late.

The Bailiff:

We will come to that one when we come to the law. But we will deal with the thirty-sixth amendment first, and I ask the Greffier to read the amendment.

The Deputy Greffier of the States:

Page 3, paragraph (b)(viii) – After the words “Appendix 2 – Summary Tables 5(i) and (ii) of the Report”, insert the words - “, except that in Summary Table 5 (i) – The heads of expenditure shall be reduced in accordance with the table below. Cabinet Office, £9,000; Digital Services, £17,000; People Services, £6,000; Education and Lifelong Learning, £122,000; Children and Families, £94,000; Employment, Social Security and Housing, £24,000; Infrastructure, £30,000; Environment, £6,000; Health and Care Jersey, £180,000; Justice and Home Affairs, £25,000; States of Jersey Police, £15,000; Ministry of External Relations, £2,000; Economic Development, Tourism, Sport and Culture, £18,000; Financial Services, £6,000; Treasury and Exchequer, £37,000; and Central Reserve, £65,000.”

2.10.1 Deputy M.E. Millar (The Minister for Treasury and Resources):

This proposition has been lodged as a direct response to the Assembly’s approval of Amendments 23 and 32 earlier this week. This now ensures that the Consolidated Fund remains in a positive position across all 4 years of the plan while delivering the additional funding for the Environment and States of Jersey Police. This proposition spreads the cost across the Government, with 50 per cent being met by a proportionate reduction in all departmental revenue expenditure budgets, and 50 per cent being met by a reduction in new revenue growth.

[17:00]

While this may appear to some a somewhat blunt instrument, in the short amount of time it was the fairest way to ensure that the Assembly's decision can be applied by maintaining balanced books and diluting the impact across all the departments. I am hoping that this debate will be short as this amendment intends to patch up the public finances while honouring the previous decisions this week. There are an almost infinite number of ways that we could spread these reductions, but, given that the reduction is 0.09 per cent of total expenditure, Ministers accept, somewhat grudgingly in some quarters, I have to say, that this allocation is fair and reasonable, and tinkering further would not be a good use of time. If this amendment is not approved, we will potentially be passing an unbalanced position to the next Government to fix. We should not be kicking that can down the road. I urge all Members to accept this proposition.

The Bailiff:

Is the movement seconded? **[Seconded]** Does anyone wish to speak on the thirty-sixth amendment?

2.10.2 Deputy M. Tadier of St. Brelade:

I think it does merit some comments, even though it has been presented by the Minister for Treasury and Resources that this is an inevitable consequence of previous decisions that have been made. The first thing to say is that those decisions have been made by the whole Assembly and it is because the Government has acquiesced on certain amendments. I think it is fair to say because they thought they knew they would not win them, otherwise they would be on the losing side of the argument. If this proposition was just being presented before to the Assembly, it would have been scrutinised. So these cuts to each department have not been scrutinised; that is the first point to make. If they had been presented before the Budget and been laid for the requisite amount of time, each of the Scrutiny Panels would have had something to say about them. We might say, for example, how do we know that the pro rata rates across the board is the best way to pay for these? How do we know that the Education budget should not be giving up more, or how do we know that the Economic Development Department should not be getting less, *et cetera*. We have not had an opportunity do that, especially given the fact that certain other amendments have been pre-agreed, like the ring-fencing for certain funds, which I will not go into, but we do not know whether there was already fat in some of that ring-fencing, which will not be spent in the first place. I am not saying that I will be voting against this because of course I will be criticised by the Minister for Treasury and Resources who says: "Well, you voted to give more money to the Environment" but I think it has to be said that this has not been scrutinised and it is probably not a great way to do politics. The last thing I would say - and this may be something for the general debate - but the question of whether we are a debating Chamber or not, we have been doing a lot of debating but the debates themselves have not had any outcome on the actual results of the debate. Nothing has been won or lost during these amendments by debate. The actual amendments have been agreed before the debates have happened, and that has happened by consent with Ministers, as I have said, recognising that they do not have the numbers, therefore, talking to the movers of the propositions either to accept or amend. Therefore, the debates that we are having have been fairly meaningless in a sense that they are there to provide the due diligence, but of course we have got to be careful that we tell the public, that we listen to debates and make our decisions on that basis but that is not the way this Assembly works, it is just done on pure arithmetic. I will leave those slightly pessimistic comments for the Minister for Treasury and Resources to decide whether she wants to consider them in summing up, but I think they were necessary to say.

The Bailiff:

Does anyone else wish to speak on this amendment? I call upon the Minister for Treasury and Resources to reply.

2.10.3 Deputy M.E. Millar:

I am not quite sure how to respond to those comments. Deputy Tadier says there has been a lack of scrutiny. Scrutiny has crawled over this Budget and they have produced a 150 page report, which has led to a number of amendments. Yes, we have accepted those amendments because that was clearly the will of the Assembly. What did you think was going to happen? We do not have extra money so if we are going to give money to Environment then a source has to be found. Unless we do our Budget debating in October to allow time for amendments on the day to be scrutinised, we are never going to get through a process. This is the third or fourth Budget I have sat in; every single amendment that has been brought forward has been either accepted by Government and not debated, or they have been rejected and debated. I just do not know what kind of ... the Deputy seems to be suggesting some kind of root and branch review of our Budget process. How that would look, I do not know. If he wants to bring some suggestions I am sure a future Government would consider them. We debated these changes. We debated at length the need for money for the Environment, and it was very clear - I thought - that there was more money going to the States of Jersey Police, so we have accepted that. But there are consequences. We do not have money sitting around waiting to be spent, so the money has to come from somewhere. We have found an easy way; we looked at a number of options as to how it could be split, this was the fairest way which means that all government departments take a share. It is a small amount of money. We are talking about hundreds of thousands of pounds, and some of them we are talking 2, 3 or 4 very small sums of money. Some departments, yes, are taking a much bigger share, but that is because they are much bigger departments and clearly have much bigger budgets. There is really no other way of doing this before the end of the year, I suspect, and it is something that has to be done before the end of the year. But, like every other decision we have talked about over the course of the day, there are consequences to decisions we make and the consequence of the decision is that all other departments are taking a small cut in budget. I do not really think I can say any more and I call for the appel.

The Bailiff:

The appel has been called for. Members are invited to return to their seats and I ask the Greffier to open the voting. If all Members have been able to cast their votes, I ask the Greffier to close the voting. I can announce the amendment has been adopted.

Pour: 38		Contre: 4		Abstained: 0
Connétable of St. Helier		Deputy M. Tadier		
Connétable of St. Brelade		Deputy H.M. Miles		
Connétable of Trinity		Deputy K.M. Wilson		
Connétable of St. John		Deputy M.B. Andrews		
Connétable of St. Clement				
Connétable of Grouville				
Connétable of St. Mary				
Connétable of St. Saviour				
Deputy G.P. Southern				
Deputy C.F. Labey				
Deputy S.G. Luce				
Deputy L.M.C. Doublet				
Deputy K.F. Morel				

Deputy M.R. Le Hegarat				
Deputy S.M. Ahier				
Deputy C.S. Alves				
Deputy I. Gardiner				
Deputy I.J. Gorst				
Deputy L.J. Farnham				
Deputy K.L. Moore				
Deputy S.Y. Mézec				
Deputy Sir P.M. Bailhache				
Deputy T.A. Coles				
Deputy B.B. de S.V.M. Porée				
Deputy D.J. Warr				
Deputy M.R. Scott				
Deputy J. Renouf				
Deputy C.D. Curtis				
Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy H.L. Jeune				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy A.F. Curtis				
Deputy B. Ward				
Deputy L.K.F. Stephenson				

2.11 Budget (Government Plan) 2026-2029 (P.70/2025) - as amended

The Bailiff:

That completes the amendments so we now resume debate on the Budget as amended. Does anyone wish to speak on the Budget, as amended?

2.11.1 Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:

I know it is getting on but I think I need to say a few words, if I can have Members' indulgence. It will not take too long. There has been a lot of commentary on this Budget; some of it good, some of it not so good, but most of it incorrect or misleading. However, I just wanted to remind Members that it has been almost 6 years since the pandemic began; 6 years since the moment many of us will not forget when lives were disrupted, the economy stalled and extraordinary public intervention became essential to protect our community. In any normal cycle we would have expected a period of recovery by now, a rebuilding of the public finances, a return to economic growth, and a steady

ratcheting down of exceptional spending. But that is not the world we are living in. We have only just emerged from the grip of the most severe inflation spike in a generation, one that has hit households and businesses hard, and demanded extended Government support. Economic growth remains slow across Europe. Geopolitical risks are elevated and, while Jersey is stronger than many, we are not immune to the forces around us. That is the backdrop of this Budget. The Council of Ministers serves at the behest of this Assembly to lead a Government which, by design and by mandate, must take a balanced and pragmatic approach as we work to improve the lives of Islanders. This Budget reflects that approach. There is no sudden withdrawal of support from Islanders still feeling the effects of the pandemic and of inflation. There is no lurch to higher taxes that weigh down businesses and the economy when demand remains uncertainty. There is no reckless drawdown of our reserves; the reserves are indeed the foundation of our resilience and our strong credit rating. Some will criticise us for not being more radical, but leadership demands judgment and in our judgment that radical approach is not what the Island needs right now. This Budget is clear in its purpose and confident in its direction. It does 4 things. Firstly, it supports Islanders through a challenging period. Secondly, it invests at a scale in the services and infrastructure that underpin the quality of life. Thirdly, it protects the strength and resilience of our public finances for the years ahead. Fourth, it signals our serious commitment to fiscal discipline and sustainability. For many years - certainly since before 2019 - Jersey enjoyed a position of privilege, and we still do. We could keep taxes low then and expand public spending to leave our fiscal reserves untouched. We could, as the saying goes, have our cake and eat it, and we did for many, many years. We now understand why that approach was possible. Deputy Gorst's competitiveness review shows that exceptional corporate tax revenues from financial and professional services enabled that period. We now understand what we got wrong and the investing in Jersey proposals remind us that we for many years - decades, probably - underinvested in our infrastructure, a situation that is simply not sustainable for the future. Let me be very clear: that privileged position has shifted across every part of our public finances. Since taking office I have consistently said the size and growth of Government spending was unsustainable. Our leadership team, including the chief executive, has warned that the fiscal position is challenging. It is not a crisis but a real risk waits if we fail to act. That is why we are curbing the growth in public expenditure. There is evidence of that, and I refer to a comment to Amendment 35, which shows that our revenue growth has slowed from £53 million in 2023 and £59 million in 2024, to £33 million 2025 and £50 million in 2026. That is not where we want to be but it is an important start. We are curbing growth in public expenditure through efficiency savings, reduced reliance on external consultants, consolidation of the Government estate and recruitment restrictions. For the first time in many years this Budget lays down a credible financial path built on disciplined spending, prudent investment, and realistic borrowing. We are no longer operating as if public spending has no limits. This Budget helps protect Jersey from fiscal risk while prioritising Health, Children's Services, Education, Infrastructure, early years and prevention. It becomes a bridge to prosperity, connecting the needs of today with a stable and sustainable future. It is a start. Many households continue to feel the impact of high prices, rising interest rates and wider uncertainty. This Budget responds directly: personal tax allowance rises putting more money into the pockets of working Islanders, support for pensioners, expands recognising a lifetime of contribution. But we need to go further. Investment in early years, Children's Services and preventative healthcare, helping families earlier and more effectively. These are practical actions that ensure a child receives the best start in life, that a parent can balance work and care, and older Islanders can live with dignity and in good health.

[17:15]

Between 2026 and 2029 we commit around £1 billion to renewing Jersey's infrastructure and improving public services. This will deliver modern new hospital facilities and digital health systems and I commend the Minister for Health and Social Services and the team for pushing this through and not relenting on the efforts this area needs to achieve that. Better schools, youth and children's

facilities, a renewed Fort Regent and improved cultural community and sporting venues, upgraded water drainage, transport, digital infrastructure and public realm. Through the Investing in Jersey Programme and the Capital Investment Fund we are ending the stop/start approach to infrastructure and giving businesses and Islanders confidence that long-promised projects will be delivered. That is what long-term Government looks like: protecting strong and sustainable public finances. I remind Members again that there is an underlying risk if we do not get it right. General revenue income is forecast to exceed spending while maintaining a strong Strategic Reserve but that needs to grow. We are not writing cheques that our children will have to pay; we are focusing more on intergenerational fairness. This Budget includes efficiencies that protect front line services and targeted duties that support Health and the Environment while reducing draft beer duty to help hospitality and community venues. Taken together, these choices show a Government willing to take difficult decisions, always in the long-term interest of the Island. Before we finish the Budget, a caution; this year there have been 35 amendments to this Budget. Across this term almost 130 amendments have been lodged. Had Government accepted most of them public spending would now be at least £100 million higher. The underlying belief seems to be that the answer to every problem is more public spending, more subsidies, more Government. I do not believe that this is the route to higher living standards. I am not stopped in the street every day by Islanders demanding a bigger Government. Never has that happened. We have to - all of us - come to our senses a little bit. We are spending like a big country. We are regulating like a big country. We are centralising like a big country. We are in danger of borrowing like a big country. We are a small Island. This is not who we are and it is not who we should become. Budgets are not just ledgers, they are reflections of what we will stand for. This Budget says we believe children deserve the best possible start, healthcare must be accessible, modern and sustainable, our infrastructure must serve the next generation, our economy must stay competitive and innovative, Government must live within its means. It is aligned with our Common Strategic Policy and our commitment to a strong economy, strong services and strong public finances. This Budget may not be perfect - none ever are - but it is the right Budget for the times we are in. It supports households under pressure, it invests in the future of our Island, it strengthens our public finances, it sets a pathway to prosperity for generations to come but it is just a start and it is a somewhat fragile start and it needs to be built upon. It is the Budget not built for the next headline but for the next generation. Before I hand over to the Minister for Treasury and Resources, can I thank Ministers, Assistant Ministers, and indeed all Members for their engagement in this Budget. It has been a tough week, there have been some tough debates, there have been some good debates and some not so good, but I would commend every Member for their engagement, interest and participation. This Assembly wins on democracy and I think we have exercised our privilege of democracy very well this week indeed. I would also like to thank all of the officials for their support in the huge amount of work that has gone on - not just Government officials, Scrutiny officials as well and the Scrutiny teams. When we work together, although we do not always agree, I do not think it is disagreeable, and we all work for the best interests of the Island. I would like to thank Members for all they have put into this and hand over to the Minister for Treasury and Resources, if no other Members ... I see Sir Philip Bailhache has his light on.

The Bailiff:

There are other people that wish to speak, yes.

2.11.2 Deputy K.L. Moore of St. Mary, St. Ouen and St. Peter:

I was trying desperately to restrain myself but I do feel that it is necessary to respond to some of the comments of the Chief Minister there. It was good to hear that he has not forgotten about the resourceful nature of Jersey and the small state preferences of the public who are out there on King Street and Queen Street worrying about what is going to happen next year and the years to come. But I am afraid that he has had 22 months to deliver a different vision for the Island and to set a different path for the public finances of the Island, and what he has left us with is an unsustainable,

precarious position. I believe there was a panel discussion about this Budget last week and the panellists were asked to give a one word view of the Budget. The chair of the I.o.D. (Institute of Directors) said it was concerning, a former Senator - perhaps a future one as well - said it was tin-can, the chair of the P.A.C. (Public Accounts Committee) said it was short-term. I do not think he is setting us on a good path for the future. I think there is an extreme amount of work to be done, a new vision to be delivered if we are going to give the public of this Island a sustainable future and to restore the fragile position that sadly he has left us in.

2.11.3 Deputy Sir P.M. Bailhache of St. Clement:

I have been a Member of this Assembly for more than 50 years but this is the first time that I have felt unhappy about the stewardship of the Island's financial affairs and the direction in which the Government is taking the Island. It is the first time indeed that I have felt inclined to vote against a Budget. Deputy Renouf said in an earlier debate that the Government had thrown a hand grenade into the lap of its successor. I think the Deputy was wrong. It is not a hand grenade, it is a mortar bomb, and the destructive effects of that mortar bomb are quite extensive. Let us look at the figures. What will the next Government have to find in extra revenue just to keep going? The raid upon the Social Security Fund is £50 million a year for the next 4 years. All that money is being spent on recurring expenditure. Indeed the Fiscal Policy Panel states that the additional departmental spend growth allocations is £53 million for 2026, growing to £67 million in 2029. The Fort Regent borrowing - despite the Minister's aspirations - is likely to lead to recurring annual expenditure on maintaining and operating such a huge commercial enterprise, let us say conservatively £5 million. If one takes a borrowing figure of £110 million, which seems to me inevitable if the Fort is to be open by 2028 or 2029, annual expenditure on interest and capital will be at least £8 million. The hospital borrowing incurs interest payments alone of £15 million in 2026, rising to £28 million in 2028. The additional revenue costs are already more than £100 million a year. That is the mortar bomb. It has been delivered to the next Government against a background of a warning from the F.P.P. that the trajectory is unsustainable. The F.P.P. states that it is crucial that the balance sheet and reserves are rebuilt. It can only be achieved, they say, by limiting growth in day-to-day spending and reducing borrowing. It is right to emphasise - as the Chief Minister correctly did - that we are not in crisis because we still have substantial reserves. But over the last 3 years, 2022 to 2025, our income has grown by 22 per cent while our day-to-day spending grew by 49 per cent. Spending has soared since the pandemic. Our debt in 2026 will be £1.3 billion. The Chief Minister has claimed that this is a Budget for stability but I am afraid that is an optimistic claim. The Minister for Treasury and Resources issued a challenge to Members to find solutions. She said, not unfairly, that all Members do is spend more money and call for services that involve more spending. The Chief Minister said that if all the amendments had been adopted another £100 million would have been added to the cost of the Island's expenditure. It was noteworthy, I thought, that Deputy Mézec claimed pride in 3 achievements: he said, the increase in the minimum wage, additional support in relation to childcare, and changes to the landlord and tenant legislation, all of which involve substantial extra spending or financial burdens on members of the public. I would respond to the Minister for Treasury and Resources' challenge in this way: every Member knows that the answer is to cut spending and that that will be painful. This Government has, I am afraid, failed in that aspiration but the next one must not. It is the only way in which to put back into balance. So what should the next Government do? The next Government should give the chief executive a mandate to cut expenditure by at least £100 million. He needs the authority to make difficult decisions, and that authority can only come from the Government. Secondly, the Government should give a direction to departmental chief officers to reduce their headcount by 10 per cent in the next 18 months. If they fail to do that they would clearly not be the people for the job and should give way to someone else. Such a reduction would involve difficult political choices so that if a department failed, the Minister should go too. A 10 per cent reduction needs to be viewed against the fact that the headcount has

risen by some 20 per cent during the last 4 to 5 years. If we were capable of running our economy with that few a number of people before the pandemic then we should be able to do so now.

Deputy M. Tadier of St. Brelade:

Would the Member give way?

The Bailiff:

Are you prepared to give way, Deputy?

Deputy Sir P.M. Bailhache:

Yes.

Deputy M. Tadier:

I am just wondering if this is his party policy or it is just suggestions for the next Government. I would be interested to know because I think it would be helpful to know whether this is what we can expect from an Advance Party Government in future?

[17:30]

Deputy Sir P.M. Bailhache:

I am speaking on the Budget and I am speaking on what I believe the next Government should do. At the outset I would not exempt any department, even the Health and Education Departments, from that mandate. Maybe there would be adjustments agreed around the table of the Council of Ministers, but the overall number of reductions should be achieved. Thirdly, I would expect the Government to take a hard look at A.L.O.s, which involve funding by taxpayers. Their number has mushroomed in recent years. Many do a very good job, but if there is scope for pruning it should be done. Only in the most highly exceptional circumstances should any new arm's length organisation be allowed to come into existence. Fourthly, the Council of Ministers should get a grip on regulation. Every Government in Europe - even the European Union itself - is trying to do that. Regulation costs money. If a new law or regulation is necessary there should be a Ministerial Direction to lawyers and law drafters to keep it simple. The complexity of much of our legislation is mindboggling. It is not necessary to copy reams of stuff from United Kingdom Acts. Civil servants should be directed to use their skills to promote Jersey-centric, short legislation. Those are some ideas for the next Government. I hope that at least some are adopted. I believe the next Government should be resolute but should obviously at the same time be careful and thoughtful.

The Bailiff:

Thank you, Deputy. I think there is a fine for the Connétable of St. Saviour for your phone; is that right?

Connétable K.C. Lewis of St. Saviour:

Yes, my apologies, Sir. Possibly the last donation of the term.

The Bailiff:

Let us hope so. It is the late lunch, then we will have Deputy Miles ...

Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

Sir, if I may, just to say I am going to have to advise Members it is my daughter's birthday and I do have to go to her birthday dinner this evening. I do apologise.

The Bailiff:

It is my son's birthday as well actually, but there we are. **[Laughter]** Shall we adjourn for exactly half an hour.

[17:32]

ADJOURNMENT

[18:04]

Connétable P.B. Le Sueur of Trinity:

Sir, before we start could I offer my apologies to the Assembly that I will have to leave because I have a Parish Assembly this evening and have been unable to arrange one of my procureurs to cover for me. But I did enjoy the sandwiches, thank you, Sir.

The Bailiff:

I did not make them all. **[Laughter]** Our first speaker is Deputy Miles.

2.11.4 Deputy H.M. Miles of St. Brelade:

I am standing to speak as chair of the Corporate Services Panel, and Members will know that we presented a review of the proposed Budget which reflects not only the current state of public finances but also analyses the choices being made, so I am going to talk about that. The proposed Budget is the last financial plan of this Government term before the parliamentary elections in 2026. It is presented against a backdrop of very fragile economic conditions, rising inflation and mounting fiscal pressures. It is, in short, a Budget that exposes the limits of this Government's financial strategy and the risks of short-termism. Our work has revealed a pattern, a Government that speaks of discipline, restraint and sustainability, yet relies on temporary fixes, depleted reserves, and structural imbalances to balance the books. The reliance on the Social Security Fund to prop up day-to-day spending is not only unsustainable but also a breach of the principle of spending within means that the Budget itself claims to uphold. The economic outlook is deteriorating, operating deficits are projected from 2026, and our reserves remain well below the levels advised by the Fiscal Policy Panel. Borrowing costs are rising. The Strategic Reserve and the Stabilisation Fund are dangerously underfunded, leaving Jersey exposed to shocks. The proposed £50 million transfer to the Strategic Reserve in 2026 is highly uncertain, given the weakened position of the Consolidated Fund. Our panel feels that this is not resilience; it is risk. The proposed Jersey Capital Investment Fund does offer a potential step forward in protecting long-term infrastructure investment and we welcome that, but that ambition must be matched by governance, transparency and scrutiny. Without clear rules and robust oversight the J.C.I.F. (Jersey Capital Investment Fund) risks becoming another mechanism for deferring hard choices rather than securing Jersey's future. Perhaps most concerning for the panel is the failure to confront the pressures within our health system. Overspends are recurrent, forecasts are unreliable, and no urgent measures are set out to address this crisis. Deferring actions to future Budgets is not leadership; it is an abdication of responsibility, and certainly previous Members have alluded to that. This Budget lacks ambition in its design, reflecting its proximity perhaps to the 2026 elections. Although Children's Rights Impact Assessments were completed, gender responsive budgeting was ignored. Sustainable well-being is encouraged, yet gaps remain in the cost-of-living inclusion and the environment, although the recent amendment has plugged that gap in the environment. Performance monitoring remains inconsistent, despite repeated warnings from the Comptroller and Auditor General. These are not minor oversights; they are failures to embed accountability and transparency in the heart of Government. Our report sets out 56 key findings, we make 21 recommendations, we have debated 3 amendments, 2 of which have sadly failed, but that is life. They are not abstract suggestions; they are necessary steps to restore fiscal discipline, rebuild reserves, and embed transparency. The next Council of Ministers must act decisively, strengthen performance management, broaden engagement on taxation, confront the structural weaknesses in Health and Social Security funding, and implement gender responsive budgeting. Our panel message is very clear: Jersey cannot afford complacency. This Budget exposes the fragility of our public finances and the inadequacy of current planning. So I hope the Government will recognise our

concerns, not just for the rest of their term but to safeguard Jersey's long-term well-being and prosperity. Finally, I join with the Chief Minister in thanking Ministers, officials and stakeholders for their engagement with the Scrutiny process - not just for my panel but across all panels - and to of course panel members and panel officers for their careful work throughout.

2.11.5 Deputy K.F. Morel of St. John, St. Lawrence and Trinity:

I would like to start by picking up where Deputy Miles left off by thanking all States Members, fellow Ministers, and officers who have worked incredibly hard. Everyone I know involved has worked incredibly hard to get this Budget in a position where it can be passed. I wanted to pick up on a few things partly suggested or said directly by Deputy Bailhache, partly in relation to this Budget and partly looking forward. One of the things that Deputy Bailhache talked about, which I know the current Chief Minister has been working towards, is the size of the public sector workforce. I think this is something that always captures headlines, but often those headlines partly miss the point. The size of the public sector workforce is not just a matter about taxation and the cost of that workforce; this is also a question about the type of Island we want to live in. This came from a conversation I was having quite recently where it is just thinking about the scale of our public sector today compared to where it used to be, and you can check stats.je, a superb website - you are kept up to date by Statistics Jersey - but our public sector workforce is now 15 per cent of the workforce. It is almost 10,000 people. As of June it was 9,940 worked in the public sector. That is not just Government, that is the entire public sector so would, I believe, involve everything from the role of the Bailiff all the way through to somebody working in a Parish as an administrator. It encompasses everything as well as the Greffe, not just the Government directly. But I do think in an Island of 100,000 to have 9,940 of them working in the public sector, that is over 9 per cent of the actual population of the Island - men, women, children, retired people and so on - almost 10 per cent of that population working in the public sector does change the nature of the Island. I, for one, fundamentally believe that Jersey has to be an enterprising Island and its success is built on the back of a strong public and private sector partnership, as the whole of society. An Island which is dominated by the public sector is an Island which will lose its sense of enterprise, and it will lose its ability to be nimble and act quickly. So I do think it is important that we continue to look at the size of the public sector and that future Governments do bear down on that size, but they need to do so in a responsible manner. But if we do not, I fear that we will end up living in an Island which cannot move forward and cannot be agile in the way it needs to be. Ultimately, it will be an Island that cannot afford to live on the income tax base that we have at the moment, and that is the thing that worries me the most because I do not believe as a small Island that we can increase income tax very far because the benefits of being here diminish incredibly quickly if you are someone from the outside. If you are looking at a high tax rate as well as living on a remote Island with limited resources and limited space. So I do not think we have much room in our income tax system for increase in that area and so we have to maintain a smaller public sector. But what are the reasons for the size of the public sector? One of them we will see in this Budget is the cost of insurance. The reason I say it is the cost of insurance; I believe our insurance costs rise by about £7 million in this Budget. That is a very large amount of money. Of course what that does is indicate to the public sector itself and the Government most particularly that it needs to have a lower risk appetite in order to reduce those insurance costs. But I do not believe we can continue to have a lower risk appetite; in fact I believe it is the low risk appetite the Government has that is one of the problems that we have in this Island at the moment. As a small Island, Jersey has to have and live with a slightly higher level of risk than bigger countries because we cannot afford the services and we cannot afford to pay people to live in the way that larger countries can. We cannot pay to reduce risk to zero, (1) it is an impossible task, but (2) it is incredibly costly task. So we have to in this Island, I believe, accept a higher level of risk. Aside from that, I do strongly believe and accept that we have as a Parliament, as a States Assembly for many years, focused on doing what we feel is right, possibly because elections are always around the corner. Not

just now but even at the beginning of a new term they feel like they are around the corner. We have to also focus on the economy.

[18:15]

That means freeing up the economy. You cannot do that with an incredibly large public sector. It was only a couple of weeks ago that someone very dear to me who works in an organisation that often tracks with the public sector told me about the health and safety requirements that were being placed on them from a department in Government just to deliver some goods to the Government. It was an incredible amount of documentation that was being asked for and it was something that this organisation had been doing year-in, year-out, and suddenly this year they were faced with hours and hours of work being asked for it by the Government. As it turned out, the work did not get done because there was a refusal to do it, the delivery still took place, and the inspection that was threatened never happened. So it was a really good example of how Government can just make life so much harder for private sector organisations in this Island. That adds to cost. It is unnecessary cost. If we are to bear down on spending in this Island we need to reduce that sense of procedure and process, which is not always a human way to do things. By doing that we will enable ourselves to accept a higher level of risk and, therefore, reduce some of the cost of running the public service. I just think that is a very important thing to look at. In future Budgets I do think we should all keep an eye on the insurance costs because the size of our public service should not be partly determined by the cost of our insurance. It is not the right way to do things. I wanted to highlight that we do need in future to look at the size of public service. It is not sustainable and we do need to move beyond what we have done in this past term where we have had a recruitment freeze, and try suppress the size of the public service in that respect. But I think we do need more determined action in this area but it needs to be done in a responsible manner because, as a small Island nation, we do need to have things like an external relations function, we do need to have things like an environment function. These cannot be gotten rid of because we only ... some people are of the view that we should only do policing, health and education. Well, that is not correct; that is effectively diminishing Jersey to a local council size. We have interests which do need to be guarded in Brussels, we do have interests that need to be fought for in London, and we have neighbours who we need to have very good relationships with in France, Brittany and Normandy. We cannot just get rid of these parts of our Government; we need to maintain them but we need to do so in a much more efficient manner than we do at the moment. That means in a more enterprising Government; not one that expects to have everything gold plated. So I think this Budget speaks to the need to invest, particularly in health, and I do understand that. We need that investment. It also is a response to the ageing population, but it leaves us and the next Government with work to do. This is part of the recovery from COVID, I believe. Moving forward, unlike Deputy Moore's view, I think this Budget gives us the platform from which we can now start to look at how we can optimise the size of the public service, optimise public spending so that it is a much more efficient public service going forward. I think that is very much going to be the job for the next Government.

2.11.6 Deputy J. Renouf of St. Brelade:

I started my first speech on Monday with a reference to the movies and I would like to continue the theme. Members who head to the cinema to unwind after this week's debate will find they are full of sequels; franchises trying to extend their lives with new material. In that vein we have now had 2 episodes of the "Farnham Budget" franchise or, as I think of it, the "States Wars" series, in which case episode one would have to be, "The Rise of Reform". But in acknowledgement of the big winner in this year's Budget I would switch franchises, if I may, and call this budget "The Binet Supremacy". However, given the buck-passing in this year's Budget, delaying the day of reckoning until after the next election we may have to wait for the next Budget and a new Government for the sequel we probably all want to see, which is "A New Hope". Before I get to the substantive issues, I do want to respond belatedly to some points raised by the Minister for Treasury and Resources. It was several

days ago now but the Treasury bemoaned the lack of constructive opposition, I think in particular in relation to my speeches. She drew an unfavourable comparison with the Budget speech from the leader of the Opposition in the U.K. and that stings, let me tell you, because she said: "The leader of the opposition at least comes forward with alternative proposals" which I think is news to me, and I suspect also news to most of her own M.P.s (Members of Parliament). It is perfectly valid for those of us not in Government to call out weaknesses in the Government's position. We do not have an army of civil servants working for us, we do not get to construct an alternative Budget, we get a small chance to make some amendments to the Government's plans, and the numbers are stacked in the Government's favour. I think they need only 5 Members of the non-executive to support them and they are home and dry. I would also say it is perfectly legitimate to call out the Minister for Treasury and Resources' response in a public meeting when she came under pressure to justify the Government's spend now/pay later Budget when she said: "This is not my Budget" and then tried to explain her comment by saying she was trying to explain how our Budget process was different to the U.K., which makes it seem as if the meeting was a seminar about Jersey's constitution. But it was not, it was a gathering where she had come under fire, and rather than offer a full-throated defence of the Budget, her initial instinct was to highlight that it was not all her responsibility. That was revealing and it is perfectly legitimate to call it out. I suspect we will see some more of her distance from the current Budget when we get to hear from Senatorial candidate Millar. Complaining about Members being too negative is perhaps disproportionate in these circumstances. It is our job to hold the Government to account. But as an aside, I would say anyone who did listen to all my speeches - and I feel sorry for that, but there we go - through this debate would form a pretty clear impression of what I was for and what I was against. One other point: I do not want to get into the argument of which Government was better, but I will just say I do not accept the rather ridiculous narrative that says that the previous Government failed to deliver, which is like claiming the result of a football game before you even get to half-time. Since we effectively substituted the entire team before half-time we will never know what the final score would have been. I do not see before me a Government that is a lean, mean delivery machine, the like of which we have never seen before. Rather, I hear a lot of Ministers telling us how they have had to shelve work, they do not have resources, they want to have a review first, and so on. In other words, it is a perfectly normal Government making its own decisions and compromises and not being able to do all the things it wants to do, just like every other, and pretending otherwise is just boosterism. But it is ironic that this Government that compliments itself on its delivery will, as the most consequential act of this Budget, be delivering a hand grenade or mortar into the lap of the next Government. Never in the Island's history, I do not think, has a Government been that irresponsible to deliver a huge, ongoing budget deficit as its principle fiscal legacy, and to claim that this is a responsible Budget of stability. I think it is the Minister for Treasury and Resources who said in the Budget foreword: "The Budget reflects a shift towards longer-term thinking, moving away from short-term fixes." It might be the Chief Minister, and I beg your pardon if that is the case. Really? A Budget that is only able to function because of a colossal, time-limited raid on social security contributions, that depends on using Pillar Two income that the Government insisted all along would go to reserves, and relies on borrowing to unprecedented levels, shifting unknown costs on to future taxpayers. Longer-term thinking? Moving away from short-term fixes? Black is white, 2 plus 2 is 5. Which brings me to the fundamental issue at stake in this Budget. It is not about the spending plans - who would not want to spend more money on health or childcare or policing or Fort Regent? I support all of those in principle. But the other central principle, which is absolutely core to this Island's future, is that we do not pay for things we cannot afford. That is not a solution to anything; it is a shift of burdens to future generations. A couple of months ago I went to Mont Nicolle to talk to year 4 as part of student democracy week. That is 8 year-olds I think, and I thought it was a bit young to be talking politics but actually - as is so often the case - the minds of children turned out to be rather astute. I was there to talk about the Budget, so I began by talking about all the good stuff the Government funded, like their education and healthcare, but our Government never had enough money to pay for

them. A hand shot up and someone asked me: “Where does money come from?” I went for a simple answer and replied that Government’s made money: “Well, why doesn’t Jersey’s Government just make more money?” someone else asked, and straight away you can see that the 8 year-old had me because Jersey’s Government does not make its own money, it is only big countries that make their own money. In Jersey we get it from taxes, I told them, and people are not that keen on paying tax to the Government. The next question - and I think Reform will like this one - “Why don’t people like giving money to the Government?” “Well, because they like to keep it for themselves”, I replied. But then came a question from left field: “Where does the tooth fairy get her money?” **[Laughter]** That required quite a bit of fast thinking on my feet and I came up with: “Well, the tooth fairy is all about the magic and that is beyond my jurisdiction, I am just a politician.” Another hand shot up and said: “But the tooth fairy is not real.” I thought: “Oh my word, I am in deep waters here.” In a way though, that is the dilemma that the Island faces, is it not? The tooth fairy is not real, this Budget has papered over the cracks and will get us past the election, and it has done that and that should not be underestimated. You know what, there is a world in which the Government’s gamble could work out. Pillar Two revenues could be significantly greater than expected. When the actuary gets to do the full actuarial review finally it could be good news. Interest rates could fall and stay low, keeping the cost of all that borrowing at the lower end of expectations, in which case it will look like this Government made the right choices. But that would be the wrong conclusion because whether it is success or not it is a gamble, and no Government in Jersey should be gambling on the state of the global economy and other matters beyond their control to deliver financial stability, because there is another world in which things go horribly wrong and it is not that hard to imagine it. Pillar Two revenues do not come to the rescue; the actuaries insist that States grants return to their usual level, or indeed needs to go higher; interest rates climb. We will be horribly exposed. The other elephant in the room has been mentioned a couple of times, which is Health. We are hosing money at Health. I remember in Government when the then Minister for Health and Social Services came to ask for an extra £10 million towards the end of a financial year I think, and the then Minister for Treasury and Resources had some choice words. He was deeply unimpressed. It was £10 million and he said: “Health always come to me, they always want more money, it is always going to be the last time and it never is.” That was the gist of it. I will be happy to be corrected, but I think that was the gist of it. Does anyone really think that this year’s bumper bonus for Health is the end of the matter, and that from now onwards Health will live happily within its expanded means? We do not have a vision for how our health service is going to be delivered in the future. We have piecemeal bits to be sure, a digital strategy, health prevention; these are good and on their own terms they are good pieces of work. But they are 2 of the 3 pillars that every advanced economy is trying to use to get a grip on health spending. A third of those pillars has not just been kicked away, it has been smashed to pieces; to build up care in the community, centralise and shrink the Health estate. Instead we are heading in exactly the opposite direction, doubling the size of the Health estate, and I would not be surprised if the Minister for Health and Social Services has even bigger plans. Of course an expanded Health estate is something that can be sold as great news - so would a hospital in every Parish - but we are supposed to be living within our means. We are supposed to be living in straightened times, and I ask where was the Ministerial challenge to the Minister for Health and Social Services over those kind of questions? My understanding is that the turnaround officer in charge of finances left. I hear that he apparently offered to stay in a strategic finance role but it was refused.

[18:30]

We do not have a health strategy, we have a bundle of mini strategies, all of which sounds negative, and I am sorry about that. I do want to try and counter it. I think there has been some good work, and I would include Health in that. I think the Minister for Health and Social Services has done many good things. My argument is about the overall vision and strategy. I think longer-term thinking about infrastructure is good and, subject to the detail; that is something I hope we will be able to support. Expanding childcare is good. I thought Deputy Morel’s arguments were very interesting to

hear because I think the debate we need to have is not just about the size of Government, it is not just about regulation, it is the one that he raised which is what kind of an Island do we want to live in. It is a fundamental question that does not just touch on the levels of the size of the Government and so on. In principle, who could argue with what Deputy Morel said. He said that, yes, we have to shrink the state but it has to be done sensibly and it has to be done with caution. I would just try and tip the ledger slightly into thinking about the other direction. We live in exceptionally insecure times. Whatever settlement we come to is going to have to answer the question as to what we have to offer to people who feel that insecurity. It is not just a case of shrinking Government. People feel insecure, they feel left behind, they feel like the system that we have - and I am talking here at a global level, if you like - has failed to deliver, not just in the last few years but for decades. Real living standards have stagnated, insecurity has risen, and we have not been able to successfully address that. When we consider all those things about shrinking the Government we also will need to consider how we meet those, I think legitimate, expectations. I do think - and I probably will not get a big round of applause for this - we will have to look at tax. I do think we will have to look at income as well as the total amount of what we spend, and I do think that that debate we need is a wider one than just how we shrink the state. I would also thank Ministers. I know that some Ministers may feel I have been harsh on them. I would say it is absolutely not personal. I did say at the beginning of my speech I think it is the job of Back-Benchers to hold the Government to account. I will do that as robustly as I can, and there are absolutely no hard feelings on my part. I commend the Government for all the work they have done on this. I know that they are sincere, committed people who want to do the best for the Island. I appreciate that, I respect that and I look forward to being able to work with some or all of them for the rest of this term in Government.

2.11.7 Deputy A.F. Curtis of St. Clement:

I will be a little more brief than the previous speaker, though I appreciate his comments. He takes the phrase “critical friend” perhaps to a very critical friend, but one whose commentary I think is useful and saves a lot of my speech. I want to take a different angle on the few words I would like to say. The Budget debate - as has been the 3 I have been part of - has focused on what we spend money on, or perhaps in one or 2 cases where we raise it from. We have talked about priorities. We have heard a constant message, perhaps mostly from our Chief Minister, on curbing growth and addressing the size and spend of Government, but there is another, and perhaps more important, angle on this. We need to know how to follow through with what we want to do. It is one thing to say: “This is the direction I want to go on”, it is another to show how we get there. In last year’s Budget I used what was a short speech - and I will try and commit to the same - to ask some questions around the budget to kind of set the scene for 2025. We are now at the end and this is our year in review. In it I ask some questions around the Budget to set the scene for 2025. We are now at the end and this is our year in review. In it I highlighted a range of questions. I did start, though, looking at some forecasts about the debate we had. One was about Fort Regent. The E.H.I. (Environment, Housing and Infrastructure) panel last year, brought an amendment to touch on this. I said we had seen some wins, some accountability for Fort Regent but, ultimately, I want to look at this a little differently and, as always, look forward with optimism. Although, with genuine sadness, it feels like naïve optimism, although Members can change that. One part of the naïve optimism there was we would get some accountability. One of my deepest regrets that this Assembly has chosen to do, of course, is to borrow for Fort Regent. I have outlined I would rather see work slow on that than us to take a pursuit of borrowing. But the other part about that is the accountability comes to how we make decisions and how we have the information. On the debate about Fort Regent, Members talked about a business case or a lack of business case in front of them. Providing Members with information costs nothing, except trust. Trust that they keep it in confidence, that they use it respectfully. But it is the information that Members need to make decisions. I went on and I asked about, for example, where the £3.5 million on Le Squez in 2024 went. I asked: “How will the public know what investment was made in I.T. (information technology)? Twelve months on, I do not think the public

has seen the investments brought to light in the way they might have expected. I asked: “How will experts in industry challenge or champion the design and strategic decisions that are being made to ensure value for money?” I am afraid I do not see a big difference there. I called out communication, I called out a reduction in blog posts by the Government and they will be glad to know, being as objective as I am, they have increased their number this year and blogged more, sharing more on that platform, moving from 74 blog posts in 2024 to 90 in 2025. So there is a win there. I called out a hope and it was delivered. It is a small win. Counting small wins in £1.3 billion. We are always spending a lot of money, and the truth is we have been dividing how money is being spent but we are not opening up how that money is used within that expenditure. I think the public have no better idea as to how our departments work, how the mechanisms of the decisions made, how life in Government is delivering value for money, than they did last year, those 16 blog posts put aside. I am in a bind here, because I think we are going to continue debating money when actually the mission that I think all Members subscribe to, the one of a lean, well-working, proportionate public sector that therefore can deliver the scale of what we need, requires us to start talking about how the civil service deliver. I did say last year it is on the Government and Ministers to improve how the civil service deliver. It is not just a responsibility of officers. Let us hope they make some progress. I will say that perhaps that is another mission for next year. Maybe when people stand, given elections are being talked about, they should talk about not just where they want money spent but the tangible ways one runs a public service, the high-level parts about how we operate as an Island, as many have spoken about on either side. That will inform us. Because Islanders who pick up a copy of the Budget or pick up a copy of the Annual Report and Accounts, I think put it down quite quickly. We are not communicating the work that is done. When we communicate in the open, when we share and work differently, those are some of the greatest opportunities for delivery in a better form. We are seeing business as usual in how work is delivered. If we are not, we are not seeing it communicated so we can champion it as pockets of excellence and all get behind that message. It is a slightly different message from me on this one. Members can tell from my feelings on our financial choices for borrowing where I might vote on this. But I would urge, yet again, once more, Members, to engage in the dialogue below the where, to the how, and to the why.

2.11.8 Deputy M. Tadier of St. Brelade:

The first part of my speech, which is most of it, really, is going to be with my Scrutiny Panel hat on. I did find some notes that were left kindly in my pigeonhole, which I had been working on. Well, actually, the Scrutiny Officer has prepared them for me in terms of bullet points, which we have spoken about previously. If it is okay, I will just read the bullet points and some I will delve into. The Scrutiny Panel has issued a comments paper for our part of the Budget, but that also has to be seen in the wider context of the joint work that was done by the Scrutiny Liaison Committee. I thank Deputy Miles, who has already spoken in this part of the debate, for leading us, along with Deputy Gardiner, who is the chair of S.L.C. (Scrutiny Liaison Committee) in that. Obviously, Corporate Services are a key lead, as well, in the Budget. Just to reiterate, we scrutinise 3 Ministries. We look at the Sustainable Economic Development Department, we look at the Minister for International Development, who is behind me - we just had her in for a recent hearing and I will touch on that towards the end of my speech - and, of course, last but not least, is Deputy Gorst, who has both External Relations and Financial Services. In no particular order, I suppose the headlines for our considerations were, first of all, departmental savings that were being made. We call them savings but, depending on how you look at them, they could be seen as cuts or efficiencies. External Relations and Financial Services target modest savings of £79,000 and £101,000 respectively. I will go into this in a moment, but we had some concerns over Ministerial discretion in reallocating underspends to protect grants. I will talk about that in a moment in the context of financial services and the Minister for External Relations’ budget. We noted that there is a Technology Accelerator Fund, the opening balance of which was £11.4 million. The proposed spend is £2.3 million in 2026. I think that is a positive sign for this Budget. There is uncertainty about future phases of funding for Digital

Jersey. We also note that inflation will be eroding the grants that are given to certain A.L.O.s like Digital Jersey and Visit Jersey. I think that has to be noted that that could have consequences for the economy. That is something which we did raise with the Minister for Sustainable Economic Development, saying that actually is this the right time to be scaling back effectively the investments that we are putting into 2 of the bodies which are supposed to be economic drivers for our economy? Digital I think we felt is vital both for Jersey's current economy and into the future. If the levels of investment are not right in those, these could be actually short-term savings which have a longer-term detrimental effect to the economy. We also noticed that the lack of inflation adjustments and the one-year funding cycles could hinder long-term planning. The panel would urge consideration of a return to 3-year Government Plan cycles, to give consideration to that, and for longer-term grant funds for A.L.O.s. I will perhaps focus on that now. This is particularly relevant, and we have heard it time and time again, both this year and in previous years, that organisations such as the Arts Centre and Jersey Opera House, do need long lead-in periods for their programming. So you can imagine, in this industry, where you are having to book people, often not months in advance but sometimes years in advance, or certainly a year or 2 years in advance. It is important that they can plan ahead. It is not just the fact that we have yearly cycles for those grants but, actually, certainly the last time I checked, there were quarterly Government updates and grants were issued in tranches, either quarterly or, at best, every half a year. I think something could be done if we are talking about reducing government bureaucracy. Where we have long-established partnerships with such organisations, and they are trusted to deliver because they know exactly what they are doing, I think there are definitely efficiencies that can be given there so that they can plan more sustainably in the long term without, in any way, reducing the relevant governance that goes around those organisations. That is something tangible, which we think could make a difference to them and ultimately support the cultural sector in Jersey. There is, of course, a Better Business Support package. We have heard lots of positive things about that. I think, objectively speaking, it appears to be one of the great successes, both of this Minister and of this Government, that there has been strong take-up for the Better Business Support package. We understand and we have seen the evidence that actually take-up is very strong and it is leading businesses not just to put in match funding, but actually to over-invest in terms of what Government expected that they might do.

[18:45]

That really shows when Government is willing to put its hand in its pocket to stimulate the economy, businesses will often do the same if they know that they have got that matched funding. So I think that is a success story. We have also noticed, however, that there has been a low take-up for this skills grant uptake. This is, no doubt, something which Deputy Curtis and her sub-panel will work on and give it further consideration. I am almost at the end of this bit. Deputy Renouf mentioned Pillar Two receipts. We also know that the first receipts are expected to come through in 2026. We understand that there is a cautious base case of £50 million for this. That is, in many ways, I think, money that should not be entirely counted on, because I think there are lots of variables in terms of that. But £50 million is what has been suggested to us. We understand that those funds will be earmarked for hospital borrowing and competitiveness work. The panel supports the cautious approach that Government has taken, certainly in regard of this figure, given the global uncertainty. Last, but not least, because she often gets forgotten, I do have to commend the work that Jersey Overseas Aid has been doing in the background under the stewardship of the Minister for International Development. She has been very resolute, if not always absolutely vocal, but I know she fights very vociferously in the background and firmly to maintain her own formula, which is different to the arts formula. But I think it has its merits of 0.3 of G.V.A. (gross value added). Of course, G.V.A. can go up and down so it is relative to the performance in the economy. That equates to roughly about £22 million that is given in Government support for vital projects around the globe. We know that often does involve Jersey volunteers going overseas. I have certainly been able to attend at least one of the presentations in the last couple of years at Jersey Arts Centre, where they

outline some of the great work that is going on in some African countries, where they are empowering women to manage their own finances through mini loans, micro loans. It is really having a positive impact, along with the Jersey cow, of course, which is being used to great effect. Yes, lots of positive stories there. The overall theme, then, is Government transparency. There does need to be greater oversight for grant reallocations. While I remember, the concern that we had specifically from the Minister for External Relations is, and I will quote from one of our hearings, that the Minister for External Relations says: “The grant to Jersey Finance in 2025 was £5.8 million. There was quite a substantial reduction this year compared to 2024. As you know, they have managed within that envelope. One of the things that I was keen, however, to do was ensure that if we had any underspends, which we had at the end of 2024, to make sure that they had broadly the same budget in 2025, even though they had made the savings.” What the Minister is effectively saying there ... and, in fact, I asked him: “Is there a risk that we are treating financial services, indeed, Jersey Finance, differently to other A.L.O.s who may not have such a guaranteed source of income from such underspends?” The point I am making there is it is entirely within the gift of the Minister for External Relations to find underspends within his budget that he did in 2024, which he may do in 2025. He is saying if he has underspends in his budget, he will prioritise them going to Jersey Finance, but he said that he thinks that each Minister is allocated their budget, and they decide how they are going to allocate their budget. For me, promotional work, which we outsource to Jersey Finance and its wider economy, is critically important. There are 2 questions that arise from this, really. The first question is: if it was of such critical importance that Jersey Finance has the correct level of funding, why would we ask the Minister to rely on underspends, which he would then give to Jersey Finance at the end of the year? Because that does not seem to be good fiscal discipline. It seems that you are relying on something which you may or may not have. It might also provide a perverse incentive to make sure that you have underspends, which you are not spending in other areas, so that you can give it to Jersey Finance. But it could be any other A.L.O. What is, then, the position in other departments that we scrutinise or that other panels scrutinise? Does that mean, for example, that any underspends in the Economy Department ... first of all, how would those underspends arise in the first place, given the fact that we are supposed to have quite a tight budget year? There should not be too much fat in this Budget. We have already seen the late amendment, which is necessary to cater for the police and the environment spend. What would happen if there are underspends in economy? How would the Minister for Sustainable Economic Development decide to allocate those? Would those go automatically to Visit Jersey? Because the same argument that the Minister for External Relations made for Jersey Finance could easily be made for Visit Jersey, but it could, of course, also be made for Digital Jersey. I think a key thing for this Budget is that, on the one hand, we have had a suggestion from the Minister for Sustainable Economic Development when we spoke to him on 20th October this year, that this is very much a status quo budget. So it is keeping things the same. But we do know that the margins are very tight. I think from an Economic Development Panel perspective, our concern, if there is any around this Budget, I think would very much be about what level of fiscal stimulus is this Budget putting into the economy, is it the right amount and actually is this a better time to spend to save ultimately? Should we be putting more money into Visit Jersey, should we be putting more money into Digital Jersey, should we be giving Jersey Finance an uplift given the fact that those are some of the key A.L.O.s which sell Jersey’s economy overseas or they bring visitors to the Island, and they bring business to the Island in lots of different ways. My concern is perhaps, if I am to be critical, that this Budget has not been bold enough. Actually, if we are going to talk about public spending increasing, we should be talking about public spending increasing which can bring in future business as an investor, say, as a fiscal stimulus. In my last couple of moments, that has pretty much been all panel business. I feel I should be given longer to speak as a panel chair. What I would say is that I would caution comparing our public service to other public services. There are O.E.C.D. averages. So just from a quick search, the O.E.C.D. average for public sector employees versus non-public sector is 18.4 per cent. So if Jersey has got 14.3 per cent in the public sector, that is certainly below the O.E.C.D. We are a small Island, there will be certain key

positions which we have to have in Jersey in terms of the public sector because we do not have the economies of scale. I think, of course, there is a conversation to be had about what the right size is of Jersey's public sector, but we have not really had that. I would say, be careful about anecdotal evidence. Nobody comes up to a politician in the street and says we want a bigger Government. They may well come up to politicians and say we want a smaller Government but they just do not articulate the counterfactual in the same way. They may well come up to many of us and say: "You know what, we think that the hospital needs more doctors. We think that waiting lists need to be shorter. We want more support for childcare." The positive thing is that this is a budget which does deliver in some of those key areas. That does mean more public spending. So it is a case of any Government being responsive to the public need and to making sure that the public spending, whether it is in terms of jobs or expenditure or services, is proportionate and justifiable.

2.11.9 Deputy S.Y. Mézec of St. Helier South:

Can I start by, of course, echoing everything that the Chief Minister said in his speech earlier, where he thanked everybody who had played a role in contributing to this Budget process. Speaking for myself as a Minister, the team who I work with in Government are absolutely incredible. I do not know where the Island would be without their dedication and passion for what they do. I know that that is to be found in all Government Departments as well and, of course, those from the Assembly perspective who play that vital role in scrutinising the work of the Executive, States Members and their officers as well. Whenever I read a Scrutiny Report, I am in awe of the work of the officers as well, just how they are able to be so comprehensive in the sometimes short timelines they have to do all of that. I am always amazed by that. But the one person that the Chief Minister could not thank in his speech was, of course, himself. So I will take the opportunity to thank the Chief Minister, who I think has done an outstanding job as Chief Minister, to be perfectly honest, in leading a Government in the way that he determined he would at the start of his term of office, that is politically inclusive, given all of the difficulties that inevitably arise around that in trying to help manoeuvre members of Government to find those compromises with one another and to end up with a decent product at the end of it. I think that he has been successful in doing that in this Budget. I am grateful that he has taken the approach that he has. But the other person to thank as well is the Minister for Treasury and Resources. The Minister for Treasury and Resources leading in this debate, and in some of the discourse leading up to it has, of course, had a very difficult job. I have been impressed at how she has conducted herself, too, including in that infamous Budget debate where she had quite a lot pitted against her into that but did not falter for one moment in it. I will say, I did think it was slightly unfair for a previous speaker to suggest that in that environment, it had been the Minister's first instinct to say that the Budget was not all her responsibility. I was in the room when that happened and that is not quite what happened. It was actually in response to, I think, a question or comments from other panellists who had not quite got the Budget process right; she was correcting them and she was right to have done that. But what has struck me in all of the debates and discourse leading up to this Budget, and in particular the debate that took place at the Pomme d'Or Hotel, is that there is not anybody who thinks all of this is perfect. Everybody has got something to say about not just the Budget, but Government spending and the model of government we have in Jersey in general. Everyone, no matter what side of politics you are on, agrees that Jersey is facing big challenges and that there are problems in some of the ways that we deliver government in the Island. The other thing that struck me in the debates leading up to this one was, while there was generally broad consensus about a lot of those things, about unsustainable public spending, about wasteful public spending, and that kind of thing, there was not often clear proposals for what actually to do about that. That is the real test of our political system, when we can all agree that there are challenges, but we cannot use our democratic process to arrive at the solutions to those challenges. That is when we know there are problems with the system. But I can say in this end part of this debate, I have begun to see some glimmers of hope that some solutions to all of that might become part of the dialogue. Deputy Renouf said in his speech that, in his view, tax ought to be part of that. I cannot take issue with him for

saying that, given that he did vote for part 2 of Deputy Cole's amendment yesterday. So I can say he has been consistent on that, and I commend him for that position. Deputy Bailhache spoke to begin outlining what he thinks some of those solutions might look like. I noted them down because there was a degree of clarity in them. He said that, were he in charge, that he would want a good look at the A.L.O.s to make them more efficient and more organised. Whether you agree or disagree with that, that is a fair thing to aspire to. He said that he would want a serious look at cutting back on regulation and, of course, most worryingly, he said that he would want to task the C.E.O. (chief executive officer) of the Government to deliver £100 million of savings across the board. Now, I would struggle to get behind that kind of agenda but at least he is proposing some kind of agenda there. For what it is worth, Reform Jersey's agenda in this area, one that we were essentially founded to deliver on, because I remember that morning on 7th March 2014 with Deputy Southern and Deputy Tadier, when we sat in a room downstairs in this building and we all looked at each other and said: "The Island has got some problems."

[19:00]

Our tax-and-spend model, in particular, is broken. We, as people who have a set of values that we share on how that can be fixed, ought to join forces and work together to try to deliver on that." Here we are these years later. We can say, and I hope that it is taken as sincere when we say this, that we believe that we would go a long way to fixing those problems with our tax-and-spend model, and therefore enable us to be better in the future at delivering budgets, by eliminating the structures there are in our political system that institutionalise indecisiveness, that lead to us wasting incredible amounts of time and money running around in circles chasing our tail rather than getting on with delivering decent public services that meet the needs of Islanders. We believe that we can improve our economy by enhancing the economic participation of lower and middle earners who are structurally held back by things in our society and our economy, like poverty, for example. Poverty is an expensive thing for a society to have and the less of it you have, the more you are able to mitigate it, the greater prosperity you can generate through the economic participation of those who would otherwise have been held back. Yes, of course, tax reform ought to be a part of that. That is something I have no doubt that we will keep coming back to. Until that day, where we have a Government completely united on one of those agendas - I know which one I prefer - I think the Budget that we are faced with today is not one that I feel for the unenthusiasm that some have projected. I do not share the gloom that others do about it. I think that this is a Budget that delivers on several key items that I, for one, am proud to have played my part in being able to deliver. I am pleased that, under the leadership of the Chief Minister, through his determination and his inclusive approach, we have been able to deliver on those things like that big investment in childcare for 2 to 3 year-olds, which really is going to make a difference for lots of families out there. That is transformational and it is pro-economy, because it will enable people to have a greater economic participation because of the support they will be receiving for looking after their children. I am really pleased that the Minister for Social Security is able to do things like expand Pension Plus, because we know that there are lots of people when they reach retirement who struggle in Jersey. Expanding a scheme like that is an extremely positive thing. Deputy Coles managed to, without even needing to debate it, get his right-sizing amendment through, which means eventually we will get to having a stamp duty incentive for those looking to move into smaller homes, freeing up those family homes for growing families, which in turn helps us protect our environment and get better use of what we have already got. Deputy Tadier, of course, has been a longstanding supporter of funding for arts, heritage, and culture, and his contribution in this debate has helped provide greater clarity on that. I congratulate him for being able to do that. Other Members who I am proud to stand alongside have had key victories in this Budget as well. Deputy Catherine Curtis, of course, through her Scrutiny work, secured more funding for the police and clarity on the language strategy for Jèrriais in schools as well. Again, a very important thing to safeguard that for future generations. For Members who gave it a good go on key policies, like scrapping the unjustifiable and economically harmful caps on

social security contributions and long-term care; I commend Deputy Coles for his work in attempting that. I commend Deputy Porée for helping shine a light on the concerns that some have about the creeping in of health charges in A. and E. I obviously recognise the work of the Scrutiny Panel in helping deliver that as well and, of course, commend Deputy Kovacs for bringing back on to the agenda the development levy. Though her amendment was not successful, I am sure that is something we will come back to in the future. Our political system does not enable us to choose Governments that deliver on those big ticket items and, therefore, I do not accept the criticisms that have been made by some of the Budget for not delivering on those, because I am afraid that is just the system that we have. But within that framework and within the coalition that the Chief Minister has put together, we have a Budget that I am confident makes enough strides on enough areas that will improve life for Islanders. Ultimately, that is what this job is all about, and I am pleased to have played whatever part I could in it. We are getting, I think, actually dangerously close to the point where, through my political career, I will have voted in favour of more Budgets than I voted against. But I am very pleased to vote in favour of this one.

2.11.10 Deputy L.K.F. Stephenson of St. Mary, St. Ouen and St. Peter:

Deputy Tadier's speech before just reminded me, when he was talking about underspends, actually. I remember the days as a reporter, and I am going to say 10, 15 years ago, when it was an annual tradition that you would get the press release through that had the list of usually fun and interesting things that the underspends were going to be spent on. I think we are a long way from that now today, are we not? This week has really focused minds on that. I said earlier in the week that I intended to make some general comments when we came back to the main debate, and here I am. Forgive me that I will repeat slightly but I think it is important to just focus where I am coming from on this. What I wanted to say is that we are seeing a pattern of less information in Government Budgets and Government Plans, whatever we want to call them. I said that the other day, I think we are seeing fewer heads of expenditure. An example that we came across on Corporate Services was around the Public Services Ombudsman, which I know has been an ongoing issue, but we were then informed: "But it is okay, the money is there, it is just in this pot here with a generic name." That is different to what we have seen in the past. I think we are seeing it in a number of different areas. The other one that I did cite the other day, and it is not a criticism of the Minister, but in Social Security, there is a £1.8 million growth for a number of projects, some of which do not need much explanation because they are expanding existing schemes, but others are completely new ones. When we have asked questions about them in Scrutiny, the answers, justifiably - I get it - are: "Well, the detail still needs to be worked on. We want to know we have got the money coming before we spend time on the details." I get that approach, but it makes it incredibly difficult to scrutinise, both officially as Scrutiny, as a general Member of this Assembly, and for the public out there as well. It is different to what we have seen in the past. It is a definite trend heading in one direction and it concerns me. It makes me uncomfortable and it particularly makes me uncomfortable when we are then asked as an Assembly to put our names to a Budget. I am grateful to the Minister for Health and Social Services that he has accepted a number of the amendments from the Health and Social Security Scrutiny Panel around women's health and preventative health. Then importantly, which carries on in the theme of where I started this speech, around the introduction of fees for the inappropriate use of A. & E. Because, again, I was concerned that a couple of lines in a Budget document saying - again, I get it - that the detail was going to be worked on in due course; that was not enough for me. I did not feel comfortable putting my name to that on behalf of the people that voted for me. I also do question if it is in the spirit of the proposition, which was approved by a previous Assembly, which requires any new fees and charges to come to this Assembly. I just would put it on record that I do not think it is sufficient. It is not a criticism of this Minister, but a general pattern that we are seeing of having a couple of lines in a document like the Budget to tick that off the list. For me, that is not sufficient. It is actually not fair to then ask States Members to put their names to it, in my view. I think we need to be able to justify our decisions to the electorate. I cannot

do that in good faith-based on just a couple of lines and then promises that the work will be done. When I say “promises”, I just want to clarify that it is not about not trusting any particular Minister or Ministers more generally. That is something that I have heard come back, particularly in Scrutiny, suggesting: “Well, if you do not trust me, then what about this? Here is some more information.” It is not about not trusting individuals. For me, fundamentally, it is about transparency. It is about accountability and a commitment to making evidence-based decisions that I am comfortable putting my name to on behalf of my constituents who put me here. I know I have said that a couple of times, but it is really important. It is just as important for Scrutiny to be able to do its job properly and effectively. Unfortunately, I do think we have seen a number of examples this week where the transparency and accountability have been lacking. Perhaps where the tools and the processes to allow them to happen properly have maybe been eroded, perhaps at best, sometimes perhaps being ignored even. That also makes me uncomfortable. So I do want to make a request to the next Assembly, and to this one for the time that we have left, that more effort is made to uphold those values of transparency and accountability. I think it is incredibly important. Finally, just moving on to health funding, which has come through in so many debates this week in lots of different ways, but we have not had one big debate about health funding. I think it just shows how integral it is to a lot of the decisions that are being made and that will need to be made in the future. I said, again, earlier this week in a speech that, in my experience and what I have learned, that bringing about effective change in Jersey, it is a process. It does not happen overnight. I think the stage has been set for finding a sustainable solution to the health funding question for many years. But, unfortunately, the narrative is stuck at the moment. Deputy Moore said earlier that she felt it had been stuck since 2012. She has perhaps got a bit more patience than I have, because I went back over some of the Budgets and Government Plans ... page 95 in the 2025-28 Plan said, under the section entitled “Financial Matters Under Consideration”: “Options will be brought forward to the Assembly in 2025 for sustainable health funding.” In the 2024 Plan, it was on page 28, 2023 Plan it was page 87, 2022 Plan, it was page 28. I have to say, I gave up then because, yes, it has been going on a long time. They all say the same thing. Some of them, I think, have been copied and pasted, to be perfectly honest. It has been made very clear this week, as I say, that we have got to move the narrative forward. We have got to do that together, whether that is this Assembly, a future one, probably a number of future Assemblies, and it is not going to be easy and it is not going to be comfortable, but it has got to happen. Otherwise, we are just stuck making the short-term decisions that we have heard people talk about this week and perhaps criticise this Government for. To me, I just think that is irresponsible. We have got to move forward with it. I do find it difficult to put my name to a Budget that leaves me with unanswered questions and where there are some answers that I do not find particularly satisfactory along the way. I do find it frustrating, as a Back-Bencher in this circumstance, that it is difficult to influence; not impossible. I think looking back at some of the speeches of previous ones, certainly made by the now Chief Minister, I think I sense his frustration in those speeches of the past and probably echo it now. I would say in response to the now Chief Minister’s speech earlier, when he talked about the amendments that have been brought and the growth that would have been seen if they had all been approved, he neglected to mention the growth that his Government was proposing in this Government Plan. If we are truly talking about working in partnership, collaborative working and wanting Back-Benchers to put their names to a Budget, then we have to embrace it from both sides. It works both ways. It is a very unique process that we have here in Jersey with the Government bringing a Budget and Back-Benchers and Scrutiny are able to work to try to amend it. It is a frustrating one. If you would have asked me earlier in the week, I might have said it was a pointless one. But perhaps I have slept since then, had a sandwich and feel slightly better about it. But I hope that gives some thoughts about why I may not be voting in favour of this Budget.

[19:15]

It does not mean I do not support some of what it contains and really wish the Government best of luck with lots of those things but it hopefully just shines a light on some of what I am thinking as we go ahead to press those buttons shortly.

2.11.11 Deputy D.J. Warr of St. Helier South:

I am glad to follow Deputy Stephenson on some of those points because I think the whole point around transparency and trust is a major deal for me. Even this evening, we are still waiting on an independent report on Havre des Pas, and we are going to be debating that tomorrow morning. I would love to know where that report has got to, because I do not think it is fair for us to be having debates half an hour before a report is dropped. I would like to see a bit more transparency. That is a classic example of where it is seemingly wanting. I think this issue of trust and transparency is what our community cries out for. I think what has struck me so much over the last 12 months, the Budget is really complicated and there are the rights and wrongs, and we can argue about those all day long, but decisions have to be made. I think the thing which I am really most concerned about is that we do not use our community enough and communicate well enough with our community - what I call the experts in the room - in terms of pulling their ideas together in some way, being a conduit into this Assembly, and using those ideas. Deputy Bailhache is basically going to want to do a hatchet job on Government spending; £100 million. Can you imagine each individual, one of us standing here and going: "Well, I think this should go, and I think that should go" and then just being beaten up in this Assembly as somebody says: "No, that is completely wrong?" But this should be a community effort. This is a community effort of how do we shrink Government. I think we have to be more confident with the expertise of those on the ground. I would like to see, and I will give one tiny example here where we are seeing it, and this is the Island of Longevity group and policy group developing policies. These are individuals coming together, trying to put policies together, which are really important to our community. Their frustration, to a degree, is how do they get their concepts, those ideas, back up into Government and into the Government decision-making process? I would like us to work a lot harder on working out how we do that. It is the same in education. We have situations where we have a huge number of issues around special needs in education and one of the questions is: why do we not have more parents involved? Why are we not using parents more to inform decisions in education? I just do not see this. Then there are things fixed in stone. The A.L.O.s - we have already had a mention of the A.L.O.s - but there are lots of A.L.O.s that 10, 15 years ago had been set up to do a certain job and do things. As we have seen through P.A.C., we are starting to find out, actually, are they still fit for purpose? We should be making more serious decisions and really crunching those numbers in those areas, and challenging that stuff does not stay the same and remodelling things. I would urge everybody to read a book, which is called *Donut Economics*. It is actually about the concept of not leaving anybody behind. I think it is that working within our means, making sure everybody is included. While this is a really complex Budget, and I will actually end up voting for the Budget, because I appreciate the challenges, even though I completely disagree with some of the fundamentals of it, but we have to start somewhere. But I just want to put those thoughts out there, because I think we can do politics differently. I think it is really important we do start to think about politics differently. That is about using what I call the experts in the room and that is the community. We have to get our community back on board and engaged in all of this.

The Bailiff:

Thank you, Deputy. Does any other Member wish to speak on the Budget? You have spoken, , Chief Minister, you cannot speak again.

Deputy L.J. Farnham of St. Mary, St. Ouen and St. Peter:

Well, I was just ...

Male Speaker:

Filibustering.

Deputy L.J. Farnham:

It is all right, Sir.

The Bailiff:

Yes, that was slightly obvious.

2.11.12 Deputy M.R. Scott of St. Brelade:

It has been really interesting listening to Members' contributions on this Budget. For quite a few of us, this is our first term as States Members and I think in that time, we have learned a lot on the way about how things are done. We still may have views about how they ought to be done. Certainly, one thing we might be able to agree on is that we are not all aligned on everything. Deputy Stephenson was saying how she could feel uncomfortable being associated with a Budget that did not do certain things that were priorities for her. I believe that one of the positions often that one ends up in in politics is something like that. It is a position of compromise. Yes, there can be many frustrations. It can be frustrating being a Back-Bencher, it can be frustrating being an Assistant Minister, too. Generally, there seems to be a lot of effort to take incremental steps in a certain political direction and you never have that certainty that that direction will be continued. That is the joy of politics. I am grateful to the Chief Minister, who has given me a voice at the Council of Ministers table as an Assistant Minister, if not always a vote. I believe the role of Chief Minister is not an easy one and I believe that both the Chief Minister and Deputy Moore might agree on that. I think overall there is a real danger that we may be perceived not to have achieved what the public wants, which is a change in the way that Government itself is managed, its size, its cost, and I sympathise with Deputy Bailhache about a certain degree of disappointment that there has been a lack of transformation in the size and cost of government. I put this down to my relative political naivety. He has been in politics a bit longer than me. I am grateful to have had experience of organisations that have managed economic growth and finances successfully. They do approach performance management and finances in a more sophisticated way than perhaps I have seen. The way in which they invest in and manage their people differ, too. But coming back to Deputy Bailhache's proposal or suggestion that this is the way in which we should be managing or have reduced this public sector size and growth by basically just demanding and forcing cuts to force change. That might work in some organisations, but they tend to be organisations that perhaps have got more developed performance management frameworks. Again, I feel that the proposal was somewhat draconian. But I note also that I thought that with Deputy Renouf's comments about the children and about governance and how Government does not make more money, he mentioned tax. It is interesting that the chair of the Economic and International Affairs panel mentioned economic growth and the way in which surpluses might or should be used in areas which could create more economic growth. I thought that was very interesting. There also was some discussion about A.L.O.s and how they might be managed. I still notice some irony that when I brought a proposition as a Back-Bencher to reduce the growth bid of an A.L.O., I had the support of 3 other Members of the Chamber. So maybe it is not about blame, maybe it is just about contribution, maybe it is just actually us recognising that we all need to focus in a different way and think in a much more focused way if we are really going to achieve this change that we understand the electorate want from us. There is more work in the economy to be done on cutting red tape and encouraging inward investment of, I would say, the most productive nature. I have been very thrilled to work in one area, in an area of tech, which I do believe has got a lot promised for us. I regret more use has not been made of economic impact assessments and data in policymaking, given that Government has got resources in this area and the maths is so important. Again, maybe that is an area for focus for future States Members. We also need more conversation about things like the Rural Support Scheme. We had this conversation about the subsidisation of medicinal cannabis; I think there is more conversation to be had there. Much of this is just about

performance management and the way in which the public sector manages its performance, whether that is really happening in a way that really is being most productive and, indeed, the way we organise ourselves as States Members, how we work together or we do not. We should not be ducking having a public ombudsman, because I seriously do believe an ombudsman could help drive performance improvements. But, on the other hand, we have got to be confident we can manage the costs of one capably to produce a better public service with better value for the public. So that is one challenge we need to meet head on. Coming back to the performance management, I come back to A.L.O.s again and one question that has come to my mind in the role that I have been having is: how can the performance of States-owned entities and arm's length organisations be adequately managed by civil servants unless they themselves have an adequate performance management structure? I think that there has been some really good work by the Public Accounts Committee on this subject. But when it came to certain things in the area of performance management, there has, in my mind, and indeed, even in implementing recommendations of the Comptroller and Auditor General, I do fear that there has been a tick box attitude, mentality, without actually really thinking about the substantive things that need to be done. Right-sizing has been raised a few times in this debate. I hope that States Members in the future will work together to think more about where we can get most value for money, how we can start by prioritising by getting the basics right, and build from there. On this basis, because I do not think this Budget is perfect, but few things in life are, I am supporting the Budget.

2.11.13 Deputy I. Gardiner of St. Helier North:

I would like to join Deputy Mézec, the Chief Minister and Deputy Tadier to say thank you to the Greffe staff that really supported us with the amendments [**Approbation**] and sitting with us at this hour. Also the officers from the Government, because they did engage with me personally when I was going through the thinking process, and I am grateful for their engagement as well. This Budget is presented as balanced, stable and responsible. Different people have different views and there are areas that are very positive in this Budget. But, as Deputy Stephenson said, I think this is what has really pushed me, this Budget is saying: "Trust us, we know what we are doing" without giving the details how this will be achieved. When you look past the headlines, the truth is a bit different. The Budget looks completely balanced, because everyone needs to balance the book, but this Budget does not address any of the predicted problems that we are facing. We talked a lot about ageing population, slowing economy, shrinking workforce, rising health pressure, and technological shift. We know that 50 per cent of the office and administrative work within the next 3 to 5 years will move on.

[19:30]

It is very difficult for me, and it has always been difficult for me, to claim financial discipline while borrowing from tomorrow to pay for today, knowing the spending will not stop after 4 years; the spending will continue. People mentioned health, an issue that is coming to the Public Accounts Committee all the time. What is really worrying me with health is that the overspend is now the norm. It is okay, it is always overspent. It is not just this Government or the other Government, it is always coming to the end of the year and despite all reassurance, it is probably £30 million upwards. It always will be covered. In 2023, actually, I did see the draft health strategy, and I also saw the drafts and various options for possible sustainable health funding, which were prepared by policy officers. They were extensive. They were from right to left, in the middle, all options were there. This Government said: "We will hit the ground and we will be running." It looks like at least around the health funding, sustainable funding, it was running in circles. But what we have in place is forecasting to remain predictably unreliable. Once again, the most difficult decisions, what we needed to take for the future model of care and financial model for sustainable healthcare is pushed forward until the next election. I would really welcome something to come to this Assembly, as Deputy Stephenson suggested, and we actually debate it. We will have difficult decisions about how our health will be funded going forward. I assume that when Deputy Bailhache said: "Let us cut £100 million" ... I wish we could do it, but I probably agree with Deputy Mézec that we cannot go

that way, but I do wish that chief officers who overspend a budget that was approved by this Assembly would be held accountable. It is basic, it is according to the Public Finance Law. Do not overspend the budget that was allocated to your department to spend. If you do have a problem, if you do not have enough money, you have 2 options. One option is to ask the Minister to sign a letter of instructions. We did not see letters of instructions. It means that we really normalise overspend. The second, the Ministers, when they knew that they were spending £50 million, come back to this Assembly: “We are overspending. These are the options for cuts” and let us, as an Assembly, decide. But it is not happening. C.O.O. (chief operating officer), I think it is completely right to give C.O.O. the mandate, and I am looking at the Chief Minister although I know that he has spoken already. As the Public Accounts Committee, we did ask the chief executive what is his vision for the ideal public sector. I do not know if it needs to be smaller, bigger or it needs to be different. I have my ideas but the C.O.O. needed to present the options. The C.O.O. was very clear during the public hearing that they did not have this mandate from this Government. So maybe it is about time that this Government does give the C.O.O. a mandate to present options. Another thing that really bothered me, the overspend in health is always put to the ageing population; ageing population across the world. But nobody is actually speaking about the ageing population that our ... I think the charity sector is run by our ageing population. Probably 80 per cent, if not higher, of the charity sector are staffed by retired people. How much does this so-called ageing population contribute in free child care and support to the parents, in supporting charities that deliver the services for free and without cost to the Government? I feel we really need to be careful and we need to see how we are working, embracing and supporting this ageing population, and not just present them as a burden on our fiscal stability. This Government adopted in the Common Strategic Policy an amendment to create a strategy for how Jersey is going forward based on our demographic situation, because it is not just ageing it is also lower births. I did not see the strategy. This is what is difficult for me. This Budget, for me, does not contain stimulus to grow the strategy. We can cut or put up taxes, but how do we grow our economy? I do commend the competitiveness programme, and I have heard lots of things about the competitiveness programme from the finance industry. But what else? Because it is not just the finance industry that we can continue to rely on, we need to think how we are growing other parts of the wider economy. If we are thinking about cutting the Government headcount, we need to see where the people will work. What are the industries that people can go and work at? What is available there? Because currently it looks like the government public sector is really one of the best options. People from nurseries went to work in the government public funding nurseries. The pattern for me is uncertainty, deferral and lack of vision. Across the entire Budget, it is the same pattern. Reserves below recommended levels, more than £250 million will not be put in the Social Security Fund. It might be possible, I do not know, maybe in June or July, when the full review will come out, I will be more than happy to see that we have the extra £250 million to spend on services, and I would welcome it. Our Common Strategic Policy Review found systematic weaknesses, fragmented delivery, unclear accountability and departments working in parallel. You cannot deliver long-term stability in short-term tools. Interestingly, people were saying about A.L.O.s, I really struggle with all A.L.O.s are wrong and are not delivering, and all of them need to be cut. It is wrong. We need to look into the details. I think what we are not doing here is looking into the details and preparing different ways to deliver the services. The same services could be delivered, there were several examples here, and I will be happy. But I understand it is a late hour and I do not want to extend it. I will join Deputy Mézec, actually, and I want to offer congratulations to the Chief Minister. I know it is not easy to get a coalition together. To be honest, when I saw Reform split today on ... and I would never imagine Deputy Mézec, Deputy Feltham and Deputy Rob Ward not supporting funding to the Children’s Commission. This is where I thought: “Oh my God, yes, it is a success.” But I do not think it is easy. I do believe that the Budget process ... I respect this was the way that this Council of Ministers work but I do believe that the Minister for Treasury and Resources and the Chief Minister do need to have a final say sometimes. Some decisions were questionable. This success comes with a cost to the public, including the decisions that this Budget was made to make sure the coalition

works, weaken long-term funds and reduce our resilience. Holding the coalition together should not come at the expense of the Island's financial future. I am not saying this Budget is irresponsible. What I am saying is it is insufficient. Without real reform in health, digital readiness, planning, productivity, and economic growth, Jersey risks entering a period of not a crisis but we are managing decline. I think we are managing decline well, but I know that we deserve better and the public deserve better.

The Bailiff:

Does any other Member want to speak on the Budget? I call upon the Minister to reply.

2.11.14 Deputy M.E. Millar of St. John, St. Lawrence and Trinity:

Can I just point out that in Westminster, the Chancellor of Exchequer gets to have a gin and tonic when she does her Budget, and if anybody could rustle one up, I would be very grateful. Members will probably be pleased to hear that I am not going to address everybody's comments, some of which were really matters of opinion and not always directly relating to the Budget, although I will take this opportunity to correct one or 2 things that I do not think are entirely accurate. Firstly, Deputy Miles said that we are running operating deficits from 2026 in the Budget. That is not true. There is an operating deficit in 2026, but we are in surplus from 2027. I would also just like to correct something that she said earlier today in the context of the discussion about the Children's Commissioner. I believe she said that we do not have advocacy services for children. We actually have 2 organisations providing advocacy services, one for children in care, one for children in need. The Assembly recently passed regulations about advocacy and the Minister for Children and Families has published a Code of Practice on Advocacy for Children. I am not sure if it was Deputy Stephenson or someone else commented that we had fewer heads of expenditure now than we used to. Having checked, in the Government Plan 2020, there were 10 heads of expenditure, and Government Plan 2026, there are now 21. So that is not quite the case. Deputy Gardiner, the chief executive office does have a clear mandate to bring forward proposals to resize the public sector, and has begun that work. That includes things like recruitment restrictions. Some of the work that has taken place at the States Members workshops has informed the work that the chief executive will be taking forward. Members have now been invited to the third and final of those workshops in February, where we will be presenting some initial recommendations as to how the public service can be resized. We estimate that without this work we would have up to 380 more headcount in the last couple of years. To return to my speech. As we draw this debate to a close, I would firstly like to thank all Members for their careful consideration of this Budget, not only during this debate but throughout the process of reviewing, understanding and scrutinising the plan since it was lodged. This is the final Budget of this Government. It reflects the difficult decisions we have had to make, and is a combination of hard work and a steadfast commitment to doing what is right for Islanders. It reflects choices that have not always been easy, but these choices have always been guided by one principle, which is to prioritise investment in what matters most; health, housing, children and infrastructure. These are the foundations of a fair and thriving society and are at the heart of this Budget. From the outset our approach has been clear, to deliver a balanced and responsible Budget with a clear vision of the future. We said we would make choices that protect Islanders now while preparing for the challenges ahead, and that is exactly what this Budget delivers. We have sought to manage growth carefully and responsibly, curbing and reversing it where necessary, but doing it in a planned way to make sure core services remain deliverable. We have not shied away from the reality that public sector growth must be controlled, and this Budget sets out a credible path to achieve that without compromising the services that Islanders rely on and want. We all recognise, I think, that more needs to be done. As I have said before, we all have to play our part in constraining spending. Again, this afternoon, Deputy Miles listed a number of entities that exist in Wales in the context of child protection. I have to remind everybody that Wales as a comparator is a country of 5 million people and we have 100,000. It is for some of the reasons in our debate today ... I know Deputy Scott is a passionate supporter of

the ombudsman, I equally am not a passionate supporter and I will not vote for an ombudsman or any other new commissioners because it is just why we are spending more and more on structures that we simply cannot afford, and we have to get to grips with that and we have to stop creating structures and bodies that we can no longer afford. That is my opinion. In the face of the economic pressures arising from slightly lower revenues and higher inflation, we have chosen not to follow the path taken elsewhere. We have acted to protect Islanders from tax rises because now more than ever, Islanders and our local businesses need certainty.

[19:45]

Through this week, we have examined this Budget from every angle. We have debated its priorities, scrutinised its assumptions and considered its implications. I want to acknowledge the constructive contributions made across this Assembly. While there have been differing views on particular details, it is clear that we do share common goals to use public resources responsibly, to provide stability for our Island and to secure the long-term well-being of Islanders. Through this democratic process, we have adopted a series of important amendments. The Government has responded to calls for increased support for families and has committed to exploring the expansion of free school meals. We are delivering extra funding for early years care. At the same time, we continue to invest in schools and children's well-being, including the ongoing provision for teaching Jèrriais, ensuring that Jersey's unique language is preserved and passed on to future generations. We have renewed our commitment to public health equity, focusing on long-term sustainability through a revised framework and ongoing work on the Women's Health Strategy. We are delivering new healthcare facilities, as well as much-needed digital health improvements. The Budget invests in Fort Regent, a long-overdue project of which the first phase is now on track for completion by the end of 2028. It introduces, in principle, the Jersey Capital Investment Fund to ring-fence funds for long-term infrastructure projects, such as water systems, roads, and sea defences. These are tangible improvements to spaces that are important to Islanders and ones they access day to day. In a clear demonstration of responsiveness and our commitment to protect essential services, while not creating additional spending, we have adjusted original allocations this afternoon to strengthen funding for both the Environment Department and the police. These measures ensure that Islanders continue to benefit from high-quality environmental protection and robust policing services. I hope Members do feel that their contributions have shaped this Budget meaningfully. Scrutiny chairs have highlighted elements of the reports in their speeches, and we will now consider those recommendations carefully. I also thank all officers in the Government, Scrutiny and the Greffe for their professionalism and support during and prior to this debate, and in particular for processing and responding to many amendments, amendments to amendments and comments papers, including many submitted very late in the day. So I thank you for that. I would also like to thank the Council of Ministers for their work on the Budget, both in its preparation and in the consideration and response to amendments. I would like to express my sincere gratitude to all officers who have worked extremely hard to develop this Budget. I think it is fair to say that difficult conversations among Ministers are very often supplemented by equally difficult conversations among our officers. Their efforts mean that we have presented a Budget with an immense amount of thought and consideration as to how we serve our Island the best way we can. In particular, I would like to thank my team in Treasury. So this has been, I think, in my experience, an exceptional year for Treasury. Apart from business as usual, which is itself very busy, they have brought together a very difficult Budget in very challenging circumstances. For some considerable time, they have been working on a long-term capital plan, and that long-term capital plan will form the foundation of the Jersey Capital Investment Fund, and we will be bringing forward legislation on that fund in the new year. They are working on drafts at the moment. Aside from that, and it may be overlooked, Treasury have also supported Government in reviewing and monitoring what was a very large transaction, which we have kind of forgotten about, which was Jersey Telecom's acquisition with a strategic partner of Manx Telecom. That transaction took many months and had many twists and turns, as these transactions often do. My team in

Treasury spent a long time reviewing advice from numbers of advisers to recommend and support Government in reviewing and approving that transaction. They have also spent a huge amount of time supporting and considering various options over the course of this year with Blue Islands Airways. I do think that has been a good result, but they worked exceptionally hard on that. They are a very competent team. I personally think they are worth every penny we pay them, including that pension contribution. Sir, I also thank you for your patience and clear and careful navigation of our proceedings this week. **[Approbation]** This Budget is not just a set of numbers. It is a plan for Jersey's future. It invests in Islanders and supports businesses without raising taxes and lays the groundwork for long-term financial discipline. It positions Jersey as a stable, confident jurisdiction ready to navigate uncertainty and seize opportunities. Above all, this Budget reflects our shared ambition to build a stronger, fairer and more sustainable Island. That is a legacy we can create together. I move the proposition and ask for the appel. **[Approbation]**

The Bailiff:

The appel has been called for. Members are invited to return to their seats and I ask the Greffier to open the voting. If all Members have had the opportunity to cast their votes, I ask the Greffier to close the voting. I can announce the Budget has been adopted.

Pour: 29		Contre: 10		Abstained: 1
Connétable of St. Helier		Connétable of St. Clement		Deputy L.K.F. Stephenson
Connétable of St. Brelade		Deputy S.M. Ahier		
Connétable of St. John		Deputy I. Gardiner		
Connétable of Grouville		Deputy K.L. Moore		
Connétable of St. Mary		Deputy H.M. Miles		
Connétable of St. Saviour		Deputy J. Renouf		
Deputy G.P. Southern		Deputy H.L. Jeune		
Deputy C.F. Labey		Deputy A.F. Curtis		
Deputy M. Tadier		Deputy K.M. Wilson		
Deputy S.G. Luce		Deputy M.B. Andrews		
Deputy L.M.C. Doublet				
Deputy M.R. Le Hegarat				
Deputy R.J. Ward				
Deputy C.S. Alves				
Deputy I.J. Gorst				
Deputy L.J. Farnham				
Deputy S.Y. Mézec				
Deputy T.A. Coles				
Deputy B.B. de S.V.M. Porée				
Deputy D.J. Warr				
Deputy C.D. Curtis				

Deputy L.V. Feltham				
Deputy R.E. Binet				
Deputy M.E. Millar				
Deputy A. Howell				
Deputy T.J.A. Binet				
Deputy M.R. Ferey				
Deputy R.S. Kovacs				
Deputy B. Ward				

The Bailiff:

Do Members want to continue or adjourn?

Deputy L.J. Farnham:

May I call for the adjournment please?

The Bailiff:

Are Members content to adjourn? The Assembly is adjourned until 9.30 tomorrow morning.

ADJOURNMENT

[19:53]