STATES OF JERSEY

PROPOSED BUDGET (GOVERNMENT PLAN) 2026-2029 (P.70/2025): ELEVENTH AMENDMENT (P.70/2025 AMD.(11)) – AMENDMENT

Lodged au Greffe on 1st December 2025
by the Council of Ministers
Earliest date for debate: 8th December 2025

STATES GREFFE

PROPOSED BUDGET (GOVERNMENT PLAN) 2026-2029 (P.70/2025): ELEVENTH AMENDMENT (P.70/2025 AMD.(11)) – AMENDMENT

1 PAGE 3, PARAGRAPH (b) (xii) –

For the words “in other areas to be addressed” substitute “the States grant will revert to its formula value from 2030 onwards”.

Delete “Given the apparently strong financial position of the Social Security Fund which has led the government to propose a reduction in the States grant,”.

After the words “further commits to” insert “providing information to the incoming government on options for older workers to work flexibly close to pension age, including workers”.

Delete the words “resolving overpayments of social security contributions for those”

After the words “full contribution record” insert “prior to reaching pension age”.

After the words “the individuals affected” insert “ and to address the perception of ‘overpayments’, to allow the next Minister for Social Security to bring forward proposals for implementation from 2027.”

Delete “and will bring forward funding proposals within the next Proposed Budget 2027-2030”.

COUNCIL OF MINISTERS

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

1 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 information to the incoming government on options for older workers to work flexibly close to pension age, including workers who have achieved a full contribution record prior to reaching pension age to ensure a fair deal for the individuals affected and to address the perception of ‘overpayments’, to allow the next Minister for Social Security to bring forward proposals for implementation from 2027.””

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

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

(a) In accordance with Article 16 of the Public Finances (Jersey) Law 2019 (the Law) to approve an amendment to the Government Plan 2025 – 2028 (entitled "Budget 2025 – 2028") to a reduction in the 2025 head of expenditure "Grants to States Funds" as included in Table 5(i) Revenue Heads of Expenditure of that Government Plan from £119,821,000 to £69,821,000.

(b) (b) To receive the Government Plan 2026 – 2029 (entitled "Budget 2026-2029") specified in Article 9(1) of the Law and specifically –

i. to approve the estimate of total States income to be paid into the Consolidated Fund in 2026 as set out in Appendix 2 – Summary Table 1 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Government Plan, in line with Article 9(2)(a) of the Law.

ii. to refer to their Act dated 24th June 2003 in which they approved that no new 'user pays' charges be introduced without any such charge receiving prior in principle approval by the States Assembly and accordingly to approve the introduction of two new charges, to be levied by Health and Care Jersey to promote appropriate use of the Emergency Department and for repeated non-attendance of outpatient appointments, detailed in the section entitled "Departmental Income Sources" as set out in the Appendix to the accompanying Report.

iii. to approve the proposed Changes to Approval for financing/borrowing for 2026, as shown in Appendix 2 – Summary Table 2 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(c) of the Law, of up to those revised approval amounts.

iv. to approve the transfers from one States fund to another for 2026 of up to and including the amounts set in Appendix 2 – Summary Table 3 in line with Article 9(2)(b) of the Law.

v. to approve a transfer from the Consolidated Fund to the Stabilisation Fund in 2026 of up to £50 million, subject to a decision of the Minister for Treasury and Resources based on the availability of funds in the Consolidated Fund as at 31st December 2025 in excess of the estimates provided in this plan, or from budgeted underspends identified before 31st December 2026.

vi. to approve a transfer from the Consolidated Fund to the Agricultural Loans Fund in 2026 of up to £5 million, subject to a decision of the Minister for Treasury and Resources based on availability of funds in the Consolidated Fund as at 31st December 2025 in excess of estimates provided in this plan, or from budgeted underspends identified before 31st December 2026;

vii. to approve each major project that is to be started or continued in 2026 and the total cost of each such project and any amendments to the proposed total cost of a major project under a previously approved

Government Plan, in line with Article 9(2)(d), (e) and (f) of the Law and as set out in Appendix 2 – Summary Table 4 to the Report.

viii. to approve the proposed amount to be appropriated from the Consolidated Fund for 2026, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(g), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 5(i) and (ii) of the Report.

ix. to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2026 in line with Article 9(2)(h) of the Law and set out in Appendix 2 – Summary Table 6 to the Report.

x. to approve the proposed amount to be appropriated from each States trading operation's trading fund for 2026 for each head of expenditure in line with Article 9(2)(i) of the Law and set out in Appendix 2 – Summary Table 7 to the Report.

xi. to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2026 as set out in Appendix 2 – Summary Table 8 to the Report.

xii. to approve, in accordance with Article 9(1) of the Law, the Government Plan 2026-2029, as set in the Appendix to the accompanying Report, 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 information to the incoming government on options for older workers to work flexibly close to pension age, including workers who have achieved a full contribution record prior to reaching pension age to ensure a fair deal for the individuals affected and to address the perception of 'overpayments', to allow the next Minister for Social Security to bring forward proposals for implementation from 2027."

REPORT

Ministers understand and support the aims of this amendment but cannot agree with the wording as proposed. The amendment to the amendment moves the inserted text to a more appropriate position in this section of the Budget report and addresses a number of issues within the original wording.

In particular, the strong position of the Social Security Fund is not in doubt. The reserves of the Fund are robust by international standards. The wording of the amendment also refers to "overpayments". Individuals who have not yet reached pension age have a statutory requirement to pay contributions, unless they are exempt. This part of the amendment refers to individuals who have a contribution record which would entitle them to a full old age pension, but the individual has not yet reached pension age. If the individual is still in work, they are required to make contributions which ensure that the individual is able to claim the full range of working age benefits including short and long term incapacity allowances, survivor's benefits and home carer's allowance. There are no overpayments being received into the Fund and the proposed amended wording sets out this position more explicitly. A separate proposed change relates to the implementation of any actions arising from the review of the situation. Any such changes would need to be implemented through a change to the Social Security legislation, and would not form part of a future Budget proposition. Finally, the proposed amended wording includes a broader commitment to consider the support available to all workers close to pension age to encourage flexible working for this age group.

Members are asked to support this amendment to the amendment, which will ensure that options to address this issue are considered in 2026 and that information is made available to the incoming Minster for Social Security to take forward from 2026 onwards.

Financial and staffing implications

This amendment would have no further financial or staffing implications than already identified in the original amendment.

Children's Rights Impact Assessment

The Council of Ministers considers that this proposition (amendment) has no direct or indirect impact on children and that the duty to have due regard to the UN Convention on the Rights of the Child does not arise. Accordingly, a Children's Rights Impact Assessment is not required under the Children (Conventions Rights) (Jersey) Law 2022.