STATES OF JERSEY

PROPOSED BUDGET 2027-2030 (P.73/2026): THIRTEENTH AMENDMENT

SAVINGS ON FURTHER WINDFALL PILLAR 2 REVENUES

Lodged au Greffe on 24th November 2026
by Deputy S.J. Gleave of St. Helier South
Earliest date for debate: 8th December 2026

STATES GREFFE

PROPOSED BUDGET 2027-2030 (P.73/2026): THIRTEENTH AMENDMENT

1 PAGE 3, PARAGRAPH (l) –

After the words "Appendix to the accompanying Report", insert the words –

", except that, on page, 79, after the paragraph ending "proportion of Gross Value Added (GVA)." there should be inserted the following new paragraph –

"During 2027 the Council of Ministers will review whether the application of further Pillar Two windfall receipts could be used to reduce the borrowing requirements for the New Healthcare Facilities Programme, rather than solely to avoid drawdowns from the Strategic Reserve.

The Council of Ministers will identify any net savings in interest payments or other borrowing costs arising from the use of further windfall Pillar Two revenues, taking into account the wider financial implications and excluding savings already accounted for or committed elsewhere in the Budget. Any additional net savings identified will be allocated to the Head of Expenditure for the Minister for Economic Development to fund investment in economic growth."".

DEPUTY S.J. GLEAVE OF ST. HELIER SOUTH

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

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

to receive the Budget 2027 – 2030 specified in Article 9(1) of the Public Finances (Jersey) Law 2019 (the Law) and specifically –

(a) to approve the estimate of total States income to be paid into the General Revenue Fund in 2027 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 Budget, in line with Article 9(2)(a) of the Law;

(b) to approve the estimate of total States income to be paid into the Jersey Capital Investment Fund in 2027 as set out in Appendix 2 – Summary Table 2 to the Report, which is inclusive of the proposed taxation and impôts duties changes outlined in the Budget, in line with Article 9(2)(b) of the Law;

(c) to approve the proposed amount to be appropriated from the General Revenue Fund for 2027, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(c), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Table 3 of the Report;

(d) to approve the proposed amount to be appropriated from the Jersey Capital Investment Fund for 2027, for each head of expenditure, being gross expenditure less estimated income (if any), in line with Articles 9(2)(d), 10(1) and 10(2) of the Law, and set out in Appendix 2 – Summary Tables 4 and 5 of the Report;

(e) to approve the transfers from one States fund to another for 2027 of up to and including the amounts set in Appendix 2 – Summary Table 6 in line with Article 9(2)(e) of the Law;

(f) to approve the proposed Changes to Approval for financing/borrowing for 2027, as shown in Appendix 2 – Summary Table 7 to the Report, which may be obtained by the Minister for Treasury and Resources, as and when required, in line with Article 9 (2)(f) of the Law, of up to those revised approval amounts;

(g) to approve for each project that is to be started in 2027 and that has not previously been set out in an approved Budget, the total cost of each such project, in line with Article 9(2)(g), and (h) of the Law and as set out in Appendix 2 – Summary Table 8 to the Report;

(h) to approve any amendments to the proposed total cost for each project that has previously been approved in a Budget, in line with Article 9(2)(i) of the Law and as set out in Appendix 2 – Summary Table 8 to the Report;

(i) to approve the estimated income, being estimated gross income less expenditure, that each States trading operation will pay into its trading fund in 2027 in line with Article 9(2)(j) of the Law and set out in Appendix 2 – Summary Table 9 to the Report;

(j) to approve the proposed amount to be appropriated from each States trading operation's trading fund for 2027 for each head of expenditure in line with Article 9(2)(k) of the Law and set out in Appendix 2 – Summary Table 10 to the Report;

(k) to approve the estimated income and expenditure proposals for the Climate Emergency Fund for 2027, in line with the terms of reference for the Fund in Government Plan 2020 - 2023 as set out in Appendix 2 – Summary Table 11 to the Report; and

(l) to approve, in accordance with Article 9(1) of the Law, the Budget 2027-2030, as set out in the Appendix to the accompanying Report, except that, on page, 79, after the paragraph ending "proportion of Gross Value Added (GVA)." there should be inserted the following new paragraph –

"During 2027 the Council of Ministers will review whether the application of further Pillar Two windfall receipts could be used to reduce the borrowing requirements for the New Healthcare Facilities

Programme, rather than solely to avoid drawdowns from the Strategic Reserve.

The Council of Ministers will identify any net savings in interest payments or other borrowing costs arising from the use of further windfall Pillar Two revenues, taking into account the wider financial implications and excluding savings already accounted for or committed elsewhere in the Budget. Any additional net savings identified will be allocated to the Head of Expenditure for the Minister for Economic Development to fund investment in economic growth.".

REPORT

Introduction

Growing Jersey's economy and restoring our competitiveness are essential to the Island's future prosperity. Statistics Jersey's latest international comparison found that in 2024 just 4.4% of Jersey's public expenditure was allocated to economic affairs, a lower proportion than any OECD country.

Background and rationale

Strengthening competitiveness is a core priority of the Common Strategic Policy 2026 to 2030, and the Minister for Economic Development has confirmed that no growth funding bids were made for the 2027 Proposed Budget 2027-2030, and no specific programme funding has been ring-fenced for this priority.

A stronger economy is essential to creating job opportunities, supporting higher wages and generating the tax revenues needed to sustain the public services on which Islanders depend.

Proposed amendment

The proposed Budget already accounts for £160 million of Pillar Two windfall revenues, of which £145 million has been allocated to the New Healthcare Facilities Programme and £15 million to the Jersey Capital Investment Fund. Treasury has advised that, under the current financing strategy, further windfall receipts would first be used to avoid drawdowns from the Strategic Reserve rather than reduce borrowing. This amendment seeks to establish whether an alternative application of further receipts could generate additional net financing savings.

This amendment recognises the financial constraints facing Government and does not seek to divert funding already committed to healthcare, cost-of-living measures or other priorities. As additional Pillar Two windfall revenues become available and are used to finance the New Healthcare Facilities Programme, there may be opportunities to reduce borrowing requirements and associated interest costs.

The amendment proposes that any net savings from the cost of borrowing arising during 2027, over and above those already accounted for or committed elsewhere in the Budget, should be directed towards targeted investment in economic growth, productivity and competitiveness. This would allow Jersey to invest in its future prosperity without increasing borrowing or reducing existing spending commitments.

Financial and staffing implications

There are no direct financial or manpower implications arising from this amendment.

Children’s Rights Impact Assessment

I consider that this 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 (Convention Rights) (Jersey) Law 2022.