

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY DEPUTY I. GARDINER OF ST. HELIER NORTH
QUESTION SUBMITTED ON MONDAY 17th NOVEMBER 2025
ANSWER TO BE TABLED ON MONDAY 24th NOVEMBER 2025**

Question

“Will the Minister detail how the allocations to the Central Reserve Fund in the respective budgets from 2022 to 2026 were calculated; and will she advise what the outstanding balance of the Fund was for each of the years 2022, 2023 and 2024?”

Answer

The Central Reserve is not established as a States Fund under the Public Finances (Jersey) Law 2019. The Central Reserve is a reserve head of expenditure proposed in the Budget, which includes:

- **Inflation Provisions:** The Central Reserve typically holds inflation provisions until sufficient information is available to allow them to be allocated. These are based on forecast assumptions of inflation as measured by the Jersey Retail Prices Index (RPI), provided by the Fiscal Policy Panel, and budgeted pay and non-pay costs.
- **Specific Items:** The Central Reserve may hold amounts for specific purposes, either specified in the Budget, or through an in-year decision. This includes unallocated growth items and smoothing reserves for areas where expenditure fluctuates between years.
- **Contingency:** The Central Reserve provides flexibility to respond to unforeseen expenditure needs that may arise during the year. Typically, a provision of £5 million is held, based on previous history and affordability. A further £2m has been provided for in previous years for tax funded social benefits payments.

Allocations from the Central Reserve in year are made in line with the [Procedure for allocations from the Central Reserve \(R-163-2025\)](#). Under Article 19 of the Public Finances (Jersey) Law 2019, the Minister has the power to carry forward unspent budgets for a head of expenditure in one financial year into a reserve head of expenditure for the following financial year. The Central Reserve was first included in Government Plan 2024 – 2027, when the General Reserve and Reserve for Centrally Held Items were combined into a single reserve head of expenditure renamed as the Central Reserve. To ensure comparability, previous years figures have been combined.

The table below details the amounts allocated to the Reserve in the Budget, amounts carried forward (either from the reserve or other underspends) and allocations made in the year. The amount unused at the end of the year is also shown.

Revenue reserve head of expenditure £'000	2022	2023	2024	2025	2026
Budget allocations;					
Contingency	8,762	12,000	7,000	7,000	5,000
Inflation	21,198	41,979	50,286	25,092	30,500
Specific items - other	18,187	1,264	4,902	2,105	14,525
Specific items - covid	52,085	5,000	-	-	-
Total budget allocation	100,232	60,243	62,188	34,197	50,025
Transfers from prior year	75,261	55,047	37,723		
Allocations in year;					
Pay awards	(18,745)	(41,635)	(51,442)		
Year end	(24,065)	(713)	(20,637)		
Other	(44,688)	(50,931)	(25,268)		
Budget remaining at year end	87,995	22,011	2,564		