Economic and International Affairs Scrutiny panel
By email
30th October 2025

Dear Chair,

Economic and International Affairs Scrutiny Panel Proposed Budget 2026-2029 Review

Thank you for your letter dated 17th October 2025 informing me of the panel's review of the proposed 2026-2029 Budget. Please find below the information you have reqested in relation to my departmental business plans, as well as the answers to your various questions.

External Relations

- **Progress reporting on the projects and/or workstreams agreed by the States Assembly as part of the Government Plan 2025-28 including:**
  - **Where these are continuing in 2026**
  - **Where these have been delayed and the rationale for this**
  - **Where these have been cancelled and the rationale for this**

The Department for External Relations undertakes an ongoing programme to protect and promote the interests of Jersey with international partners and through our international engagement. This includes:

- Building positive and constructive relationships with the UK Government and cross-party Parliamentarians.
- Continuing to invest in our political relationships with France, both at national and regional level, and supporting GoJ departments to collaborate across a wide range of policy objectives with French counterparts.
- Continuing to develop and grow our profile and contacts across the European Union, particularly through Brussels interlocutors, as well as through our bilateral relationships with Member States.
- Implementation of our Global Relations strategy, focusing specifically on priority partners outside of the UK & EU.
- Implementation of Jersey's sanctions regime and oversight of the office of the Director of Civil Aviation.

The above is a rolling programme of engagement that will continue into 2026. In addition, External Relations has also played an important role in the establishment and leadership of the cross-government Financial Services Competitiveness Programme. This has involved working closely with colleagues from other government departments, including Economy, Treasury and the Chief Executive's Office, as well as from the regulator (the JFSC) and the promotional body (JFL). This new programme of work will also continue into 2026. There have been no delays or cancellations of these programmes as their ongoing presence is essential for the department to fulfill its objectives effectively.

- **An outline of any changes in policy direction or delivery for 2026 and the impact thereof**

At present and as outlined above, the rolling work programme of the department will continue into 2026. However, the nature of the department's business means that changes to policy direction and delivery are not always forseeable. As we have seen in recent years, the department has had to adapt its work programme, at short notice, to ensure Jersey is able to respond effectively to external geopolitical developments. This will continue to be the case.

- **An outline of any changes to staff posts and restructuring within your department and the anticipated resultant savings and impact on service delivery**

There are currently no changes planned to the existing staff complement or structure beyond that which is committed under 2026 savings targets (£79k).

- **Details about the efficiencies and other savings made in 2025 and how these were achieved**

Savings of £79k were delivered in 2025: £27k through a reduction in grant payment to the Brussels office, and £52k savings from role reductions/vacancy management.

In addition, growth funding of £92k for the International Compliance team (Sanctions Unit) came to an end in 2024. This funding has had to be absorbed within the department's budget in 2025 and beyond (as required in respect of geopolitical developments).

Economy

- **Progress reporting on the projects and/or workstreams agreed by the States Assembly as part of the Government Plan 2025-28 including**
    - **Where these are continuing in 2026**
    - **Where these have been delayed and the rationale for this**
    - **Where these have been cancelled and the rationale for this**

In relation to financial services, the Government Plan 2025-28 identified the need to maintain and enhance the competitiveness of Jersey's international financial services sector (page 26). In April 2025, a financial services competitiveness programme was launched, comprising four workstreams. This work will continue into 2026 and remains a priority.

- **An outline of any changes in policy direction or delivery for 2026 and the impact thereof**

There are no intended changes to the policy direction in 2026. Competitiveness will remain a key focus.

- **An outline of any changes to staff posts and restructuring within your department and the anticipated resultant savings and impact on service delivery**

See below.

- **Details about the efficiencies and other savings made in 2025 and how these were achieved**

See below.

Income and Expenditure

1. External Relations is projected to have approximately £340k of income earned through operations in 2026. Please could you provide detail about the source of this income?

Projected income is around £290k (aerodrome license fee) and £50k (foreign carrier permits). This funds the operation of the Office of the Director for Civil Aviation.

2. Please could you provide a more detailed breakdown of the following expenditure, as detailed in the statement of comprehensive net expenditure for External Relations:

a. Staff Costs

b. Other Operating Expenses

c. Grants and subsidies payments

		Total
Global Relations	5001 - STAFF COSTS	641,000.00
	5100 - OTHER OPERATING EXPENDITURE	63,000.00
		704,000.00
Off of Director Civi	4001 - EARNED THROUGH OPERATIONS	- 340,000.00
	5001 - STAFF COSTS	290,000.00
		- 50,000.00
MER-DG & Admin	5001 - STAFF COSTS	329,000.00
	5100 - OTHER OPERATING EXPENDITURE	58,000.00
		387,000.00
Jersey London Office	5001 - STAFF COSTS	12,000.00
	5002 - GRANTS AND SUBSIDIES PAYMENTS	743,000.00
		755,000.00
Internl Trade Unit	5001 - STAFF COSTS	229,000.00
	5100 - OTHER OPERATING EXPENDITURE	11,000.00
		240,000.00
Overseas Offices	5002 - GRANTS AND SUBSIDIES PAYMENTS	452,000.00
		452,000.00
UK & EU	5001 - STAFF COSTS	324,000.00
	5002 - GRANTS AND SUBSIDIES PAYMENTS	15,000.00
	5100 - OTHER OPERATING EXPENDITURE	27,000.00
		366,000.00
MER-Sanctions	5001 - STAFF COSTS	569,000.00
	5100 - OTHER OPERATING EXPENDITURE	22,000.00
		591,000.00

3. Please could you provide a more detailed breakdown of the following expenditure, as detailed in the Service Level Analysis for External Relations and Financial Services:

a. External Relations

See above

b. Financial Services & Financial Intelligence Unit

	Financial Services	Financial Intelligence	Total
Staff	1,517,000.00	2,825,000.00	4,342,000.00
Non Staff	1,145,000.00	74,000.00	1,219,000.00
Grants	6,387,000.00	-	6,387,000.00
	9,049,000.00	**2,899,000.00**	**11,948,000.00**

Savings Proposals

4. The previous Government Plan 2025-28 identified £79k of value for money savings for External Relations and £783,000 for Financial Services in 2025. Are you able to confirm if those savings have been or are on track to be achieved, where savings were identified and how this will impact the approximately £79k and £101,000 of savings proposed in 2026?

For Financial Services, all £783,000 saving were delivered in 2025 through:.

Comment	Efficiency Value
Reduction of FS roles	£67,000
Reduction in 2024 Growth Financial Intelligence Unit (FIU)	£137,000
Jersey Finance - 2024 growth Grant Funding reduction	£150,000
ALO	£429,000
	£783,000

For External Relations, all £79,000 savings delivered via:

Comments	Achieved £'000
Savings target met through reductions in grants to overseas offices	27
Roles savings target met by removal of 50% of CS09 and regrade of CS13 role to CS10.	52
	79

5. External Relations has targeted approximately £79k of savings in 2026 and Financial Services has targeted approximately £101,000. Please could you provide a breakdown of where the savings will be achieved?

For 2026, the approach to reducing the Financial Services budget further by £101,000 is still to be confirmed.

For 2026, the approach to reducing the External Relations budget further by £79,000 is through vacancy management and staff reductions.

6. The Savings Proposals in the Proposed Budget 2026-2029 detail £79k under 'Roles' in 2026. However, the Service Level Analysis with the Annex to the Proposed Budget 2026-2029 states 'nil' in relation to 'FTE Role Reduction' in 2026. Please can you clarify the £79k under 'Roles' as detailed within the Savings Proposals of the Proposed Budget 2026-2029?

a. Please can you provide a breakdown of the total planned 'Role Reductions' within External Relations in 2026?

We are unable to give a breakdown of role reductions at this point.

b. Please can you detail the nature of the roles affected by the 'Role Reductions' within the Savings Proposals in 2026?

See above.

Other Special Funds

7. Please can you confirm the balance of the 'Dormant Bank Accounts Fund' as set out within the 'Other Special Funds' section of the Proposed Budget 2026-2029.

£68.9 million is currently held in the Common Investment Fund in respect of dormant bank accounts. It should be noted that the whole value of the assets is provided against in the budget to reflect the fact that all balances transferred as dormant bank accounts can be reclaimed at any time and are for distribution for charitable purposes.

I hope that the above information is useful for the panel's work.

Yours sincerely,

Deputy Ian Gorst
Minister for External Relations

Union Street | St Helier | Jersey | JE2 3DN | E: I.Gorst@gov.je