



States Greffe

Deputy Lyndsay Feltham
Minister for Social Security

BY EMAIL

3rd November 2025

Dear Minister,

Health and Social Security Scrutiny Panel

Proposed Budget 2026-2029 Review: Actuarial Review and Further Advice

On behalf of the Panel, I would like to thank you for your recent letter and for publishing the actuarial review. We especially appreciate your commitment to seeking further advice from the actuary, which reflects a thoughtful and transparent approach to policy development.

In light of this, the Panel would like to suggest a few areas where further information from the actuary would be particularly valuable. Specifically, we recommend exploring the impact of varying the investment return assumptions. We understand that the standard actuarial assumptions already include a range of scenarios, and we would welcome clarification on what these are to ensure we are not duplicating existing analysis.

Subject to that clarification, we propose that the following additional scenarios be considered if they are not already included:

- Average earnings plus 1%
- Average earnings plus 2%
- Average earnings plus 3%

These variations would help provide a broader understanding of potential outcomes and ensure that the review captures a range of plausible future scenarios.

The Panel would also wish to accept the Actuary's invitation made to Government in the letter dated 4th September 2025, to advise on the reasonableness of an assumption of a 1% higher investment return. We would also be grateful for further advice on the earnings growth assumption described in paragraph 3 of the Actuary's letter.

In addition, we suggest that the models be run under two policy scenarios:

- That the full grant is restored in four years' time.
- That the current cut is made permanent.

We believe this would help assess the long-term implications of both approaches.

We look forward to continuing our constructive engagement and thank you again for your openness and collaboration.

We would be grateful to receive this information by a formal response no later than **10th November 2025**. Please be advised that it is the Panel's intention to publish the response it receives on the States Assembly website.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Louise Doublet', followed by a vertical line.

Deputy Louise Doublet
Chair, Health and Social Security Scrutiny Panel