



Minister for Treasury and Resources Foreword

Deputy Elaine Millar

Minister for Treasury and Resources

Jersey's strength has always been built on prudent financial management, a commitment to living within our means, and making sure that we protect our reserves for the future. Unlike many other jurisdictions, we have low levels of borrowing and by making responsible financial decisions, we continue to provide stability and security for Islanders. The 2024 Accounts continue to demonstrate that strength, with strong investment returns adding to our balance sheet. While the Government does not rely on these returns to fund core services, they provide a reassuring financial cushion that strengthens the Island's overall financial resilience.

Our income has improved significantly, driven by a strong economic performance. Expenditure has also risen, limited largely to:

- Reinstatement of the States Grant to the Social Security Fund at £77 million
- The ongoing impact of inflation on public sector costs
- Investment in critical areas, particularly healthcare and the Government's strategic priorities.

We have begun to curb spending growth, as demonstrated by the reduction in our expenditure for consultants, which has dropped by 24%. This success will continue in order to ensure our services to Islanders remain affordable.

We cannot ignore the challenges we face, both today and in the years ahead. In 2024, our tax revenues and day to day operational income exceeded our operational expenses, generating a surplus; however, this turned into a deficit after taking account of depreciation. This was largely anticipated in the Budget, but unexpected pressures in the Health Department have required us to draw on our contingencies to keep our spending within approved limits.

We are making progress across our Common Strategic Policy (CSP), alongside delivering the critical services that Islanders rely on every day. From healthcare and education to social security and infrastructure, we remain focused on meeting the needs of our community while planning for the future. On capital spending, we are moving forward with the new hospital and delivering essential infrastructure projects that will benefit Jersey for generations to come.

As we look ahead to 2025, our priority is clear - we must continue to deliver on the CSP while ensuring financial sustainability. This means delivering savings, managing costs and

continuing to live within our means, not just for the coming year but for the long-term stability of our public finances. Rising healthcare costs, an ageing population, the cost-of-living pressures on Islanders and the ongoing need to invest in our infrastructure all require careful planning and responsible investment.

Compared to other jurisdictions, however, Jersey is in a strong position to navigate these pressures with strong growth in our reserves, as a result of strong market performance and our successful investment strategies.

By maintaining financial discipline and making smart investments in our future, we can ensure long-term sustainability for all Islanders.



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