Government of JERSEY

SEPT 2026

Proposed Budget

2027-2030

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Government of JERSEY

Budget in brief

The Budget sets out the income and expenditure proposals for the next 4 years. It also shows how taxpayers' money is spent on delivering services, infrastructure and facilities to Islanders. The Budget builds on the Council of Ministers' Common Strategic Policy 2026-2030.

For more information on the Government's priorities for 2027, visit **gov.je/GovernmentProgramme**.

2027 Highlights:

General Revenue Income:

£1.4bn

Government spending on delivering services to Islanders:

£1.3bn

Investment in buildings, infrastructure, IT and new hospital:

£221.3m

(£959m over the 4 years)

2027 balance in the Strategic Reserve:

£1.5bn

As a % of GVA: 19%

2027 balance in the Social Security Funds:

£3.1bn

As a % of GVA: 39%

2027 net public assets:

£9.5bn

Investment in maintaining Health and Care Jersey services:

£10.0m

Supporting Islanders with the Cost of Living including higher tax allowances and targeted financial support:

£13.5m

New investment in services responding to Violence Against Women & Girls legislation:

£5.0m

Budget measures for 2027

Personal income tax thresholds and child allowances

£600

Increase for individuals from £21,250 to £21,850

£100
Increase in child allowance

£150
Increase in additional allowance

£250
Increase in childcare tax relief

£600
Increase in higher childcare tax relief

Alcohol duty

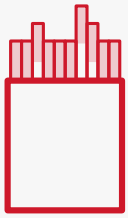
+1p

Increase in a pint of draught beer

+5p

Increase in a 75cl bottle of wine

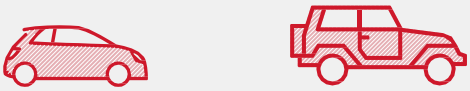
Tobacco duty



+88p

Increase per 20 pack

Vehicle Emissions Duty



+£1

Least polluting

+£347

Most polluting

CO_2 emitting vehicles

Fuel Duty

+0p

Per litre (fuel duty frozen for 2027)

Reduction in higher rate of stamp duty

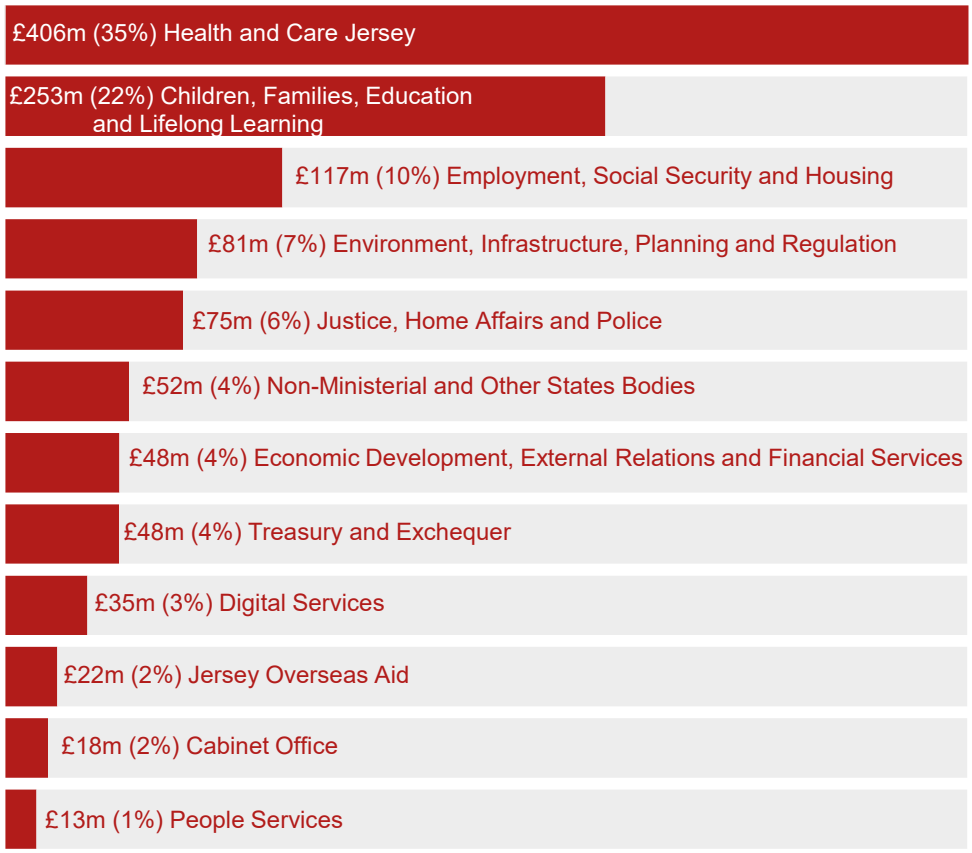
3% to 2%

Reduced 2% rate of stamp duty on non-main residence extended for 2027

Government Finances 2027

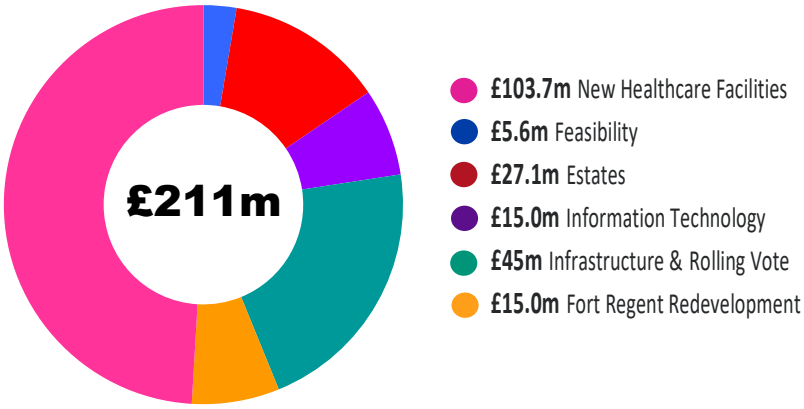
£1.17bn Departmental Spend

In 2027: (excluding Finance Costs, States Grants & Central Reserve)



£211m Capital expenditure

in 2027: (excluding Capital Reserve)



£562m social benefits expenditure from Social Security Funds

in 2027:

Foreword from the Chief Minister

Chief Minister
Senator Lyndon Farnham

This is the first Budget of the new Council of Ministers, and it sets out a clear approach for the years ahead: supporting Islanders with today's pressures while investing in Jersey's long-term prosperity and maintaining responsible public finances.

The 2026 election gave Islanders the opportunity to make clear the issues that matter most to them. They expect us to continue with policies and projects that are working, but also to be prepared to make changes where improvements are needed.

For many households, the cost of living remains the most immediate concern. Housing, childcare and everyday living costs continue to put pressure on family budgets. Businesses are also dealing with higher costs and an increasingly competitive environment.

We are providing practical support to help put more money back into Islanders' pockets, particularly for families facing the greatest pressures. At the same time, we must ensure that the measures we introduce are affordable for the public finances and do not simply pass costs on to future generations.

Improving affordability also requires us to address some of the longer-term reasons why Jersey can be a costly place to live and do business. That means increasing the supply of homes, investing in infrastructure and skills, improving productivity and creating the conditions for economic growth.

Through the Investing in Jersey programme, supported by the Jersey Capital Investment Fund, we will continue to address long-standing infrastructure needs, including housing, education, roads, water and drainage, alongside other essential infrastructure.

We will also continue to progress major projects, including the new hospital. These are significant commitments and they must be delivered with proper financial discipline and a clear focus on value for money.

A strong economy is also essential. Economic growth is not an end in itself. It supports jobs and living standards and generates the revenues needed to fund healthcare, education and other public services without continually increasing the burden on taxpayers.

Financial and professional services remain central to our economy. Through the Time to Win programme, we will continue work to safeguard and grow the sector, reduce the cost of doing business, encourage innovation and digitalisation and maintain Jersey's competitiveness as

an international finance centre. We must also support growth and productivity across the wider economy and make it easier for businesses to invest, employ people and grow.
Alongside investment, we need continued discipline in public spending.

The previous Government began the work of controlling the size and cost of the public sector. We will continue that work, ensuring Government is appropriately sized and focused on delivering the services Islanders need.

This does not mean reducing services simply for the sake of reducing expenditure. Islanders rightly expect good-quality public services that meet modern standards.

Our responsibility is to provide those services as efficiently as possible and focus resources where they are most needed. That approach must extend beyond Government departments. We will expect all organisations funded by taxpayers to consider carefully their costs, structures and priorities and to demonstrate the public benefit they provide.

There are limits to how much additional revenue Government can reasonably raise from households and businesses. We therefore need to make choices about what Government does, what we prioritise and how public money is spent. Those choices will not always be easy, but they are necessary if we are to maintain sustainable public finances.

For that reason, the 2027 Budget takes a measured and responsible approach. It provides stability while the Council of Ministers develops a more strategic three-year programme for 2028–2030.

This will provide greater certainty about Government's priorities, spending and investment over the remainder of the term.

Our aim is straightforward: to make Jersey more affordable, maintain good public services, invest where it is needed, support a strong economy and manage public money responsibly.
This Budget provides the foundation for that work and for the programme we will deliver over the remainder of this term.

Foreword from the Minister for Treasury and Resources

Minister for Treasury and Resources
Senator Alan Maclean

Budget 2027 marks a change of direction in the way we manage Jersey's public finances.

Public spending has risen substantially in recent years. Some of that additional expenditure was necessary and has delivered important benefits, but higher spending has not always produced better outcomes. We need to change that.

The principle behind this Budget is straightforward: taxpayers' money should be spent where it delivers the greatest benefit.

Government must live within its means, focus on its priorities and be prepared to make difficult choices. That does not mean cutting indiscriminately. We will continue to invest in essential public services and provide additional resources where there is a clear need. This includes above inflation investment in Health and Care Jersey.

This Budget begins the journey to restore greater discipline to day-to-day spending.

New funding has been prioritised towards commitments from the previous States Assembly such as funding to tackle Violence Against Women and Girls, investment in the Fire & Rescue Service and in the Agriculture and Fisheries sectors.

This is also a Budget of savings. We have already allocated £21 million of recurring savings for 2027 and will continue to reduce unnecessary complexity and costs across Government.

Departments will be expected to improve productivity, stop or reduce lower-priority activity and redirect existing resources towards areas of greatest need before seeking additional funding.

Value for money is not measured by how much Government spends, but by what Islanders receive in return.

Targeted support for Islanders

Financial discipline and targeted support are not competing objectives.

By controlling expenditure and making clearer choices elsewhere, we can direct help towards those who need it most.

Budget 2027 includes measures to help families across lower- and middle-income households with the cost of living.

Alongside this immediate support, Government will undertake a wider review of affordability and consider what other measures might help address it.

The longer-term solution is growing the economy. This matters not only to families today, but to Jersey's future. Jersey must remain a place where people can afford to live, work and raise a family.

Growth and competitiveness

Fiscal discipline alone will not secure Jersey's future. We need economic growth.

A productive and competitive economy creates better paid jobs, so that earnings stay ahead of the cost of living. It also generates the revenue to sustain good public services without continually increasing the burden on taxpayers.

Jersey must continue to be an attractive place in which to invest, establish and grow a business. Our international reputation and high regulatory standards are important economic assets and must be protected.

Maintaining high standards does not require unnecessary complexity, delay or cost. Regulation and Government decision-making should be proportionate to the risks involved and should not create unnecessary delays.

Budget 2027 continues the work arising from the Time to Win financial services competitiveness programme and includes practical measures intended to reduce unnecessary costs, support investment and improve Jersey's attractiveness as a place to do business.

Protecting our financial resilience

Jersey has a strong balance sheet and substantial reserves. They have helped the Island through periods of economic uncertainty and provided vital resilience during times of crisis. We must not take that strength for granted.

The Stabilisation Fund has not been replenished since it was substantially drawn down during the pandemic. The Strategic Reserve is also below the level recommended by the Fiscal Policy Panel and is currently providing the financial backstop for the New Healthcare Facilities Programme. This cannot continue.

Budget 2027 is the first Budget informed by actual receipts from Jersey's OECD Pillar Two regime. We have deliberately taken a cautious approach to windfall receipts that may be temporary or uncertain.

Income above the approved base case level will not be used to create permanent increases in day-to-day expenditure. Any windfall receipts will only be used for the new hospital at Overdale or to replenish reserves.

The principle is important: we should not fund permanent promises from temporary revenues.

Looking forward

Budget 2027 is just the beginning, not the end, of this work.

From 2028 we will move to a three-year Budget. This will allow us to look more fundamentally at how Government operates, how services are delivered, where productivity can be improved and how resources can be better directed towards the priorities that matter most to Islanders.

It will also provide a clearer long-term approach to expenditure and investment and set out a credible path to strengthen the Strategic Reserve and rebuild the Stabilisation Fund.

The three-year Budget will involve difficult choices, but it also gives us the opportunity to do things differently.

Controlling costs must go hand in hand with growing the economy. Without both, the choices become progressively harder: higher taxes, increasing debt, weaker services or greater pressure on our reserves.

Budget 2027 starts that change. The three-year Budget for 2028 to 2030 will take it further: towards stronger public finances, a more productive Government and a more resilient and competitive Jersey economy.

This is not simply about spending less. It is about spending carefully, investing in what matters most and making sure Government delivers the best possible value for Islanders' money.

Economic Context

The Global Economic Outlook

The global economy is experiencing a prolonged period of turbulence and uncertainty, but has, thus far, remained resilient in spite of escalating conflict in the Middle East and the disruption to oil supplies. The increase in fuel and commodity prices has not transmitted into more general inflation so far. With no clear timeline for a resolution of hostilities, both the International Monetary Fund and Organisation for Economic Co-operation and Development (OECD) have increased their global inflation projections in 2027. This is expected to weigh on growth and investment across the global economy.

Jersey's Economic Outlook

After three years of strong growth, Jersey's economy contracted by 0.7% in 2024. Just as the banking sector drove growth in 2021-2023, the reduction in banking profits drove the contraction in growth in 2024. Excluding banking, the economy grew, with non-banking parts of financial and related professional services continuing to perform strongly. Earnings growth has been high, increasing in real terms for two consecutive years. Alongside this, inflation has remained above average levels since the 2023 peak.

Higher forecast inflation has led the Fiscal Policy Panel to revise down its 2026 growth forecast. The forecast for growth in 2027 is unchanged and has been revised up for 2028 onwards.

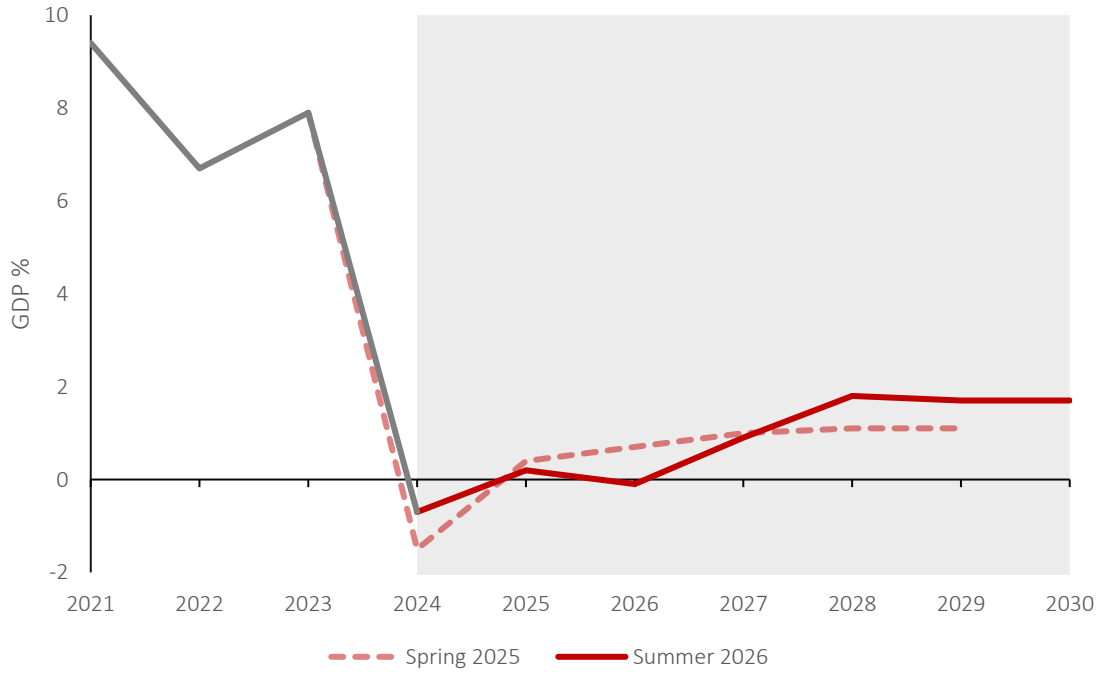


Figure 1: FPP Outturn 2021-2024 and Forecast 2025-2030. Source: FPP, Statistics Jersey

The forecast for inflation has been revised up. Inflation is expected to peak in 2027 at an annual average of 4.1%. Whilst much of Jersey's inflation is imported from the UK, on-island, domestically generated inflation is also expected to remain higher than average as Jersey businesses respond to rising costs.

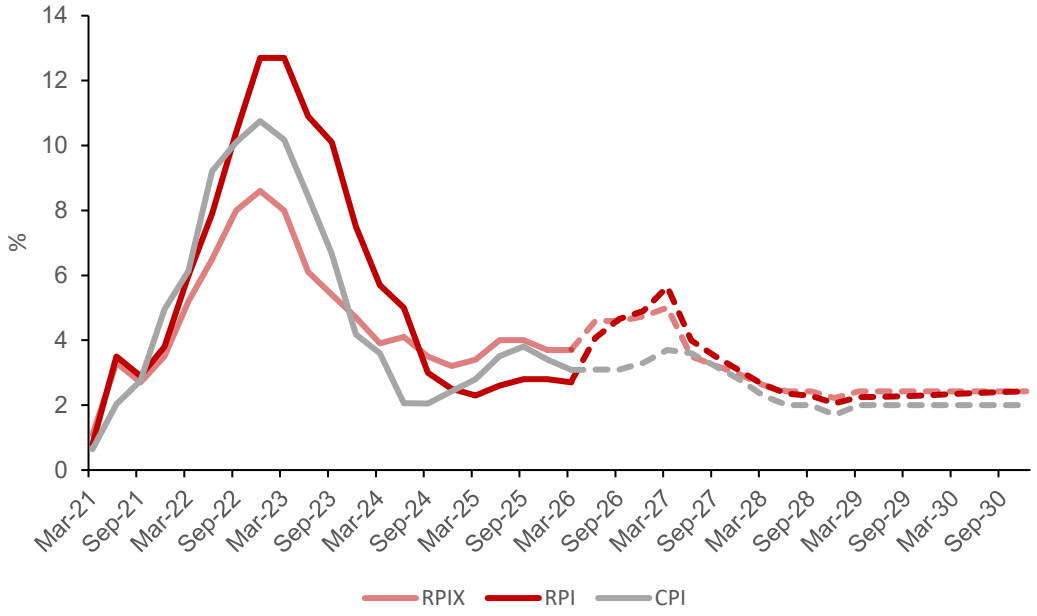


Figure 2: FPP Inflation outturn 2021-2025 and forecast 2026-2030. Source: FPP, Statistics Jersey

Fiscal Framework

The Fiscal Policy Panel is established by the Public Finances (Jersey) Law 2019, which enshrines its independence and sets requirements for it to provide an annual report on Jersey's economy and Government finances, and to inform the preparation of the Budget. The Council of Ministers or the Minister for Treasury and Resources can also request other reports on specific subjects.

The Fiscal Policy Panel will continue to be responsible for monitoring the application of the fiscal guidelines.

The fiscal framework remains an important pillar of Jersey's economic and fiscal policy and sets the medium and long-term aims that help to inform budgetary decision making, with particular regard to the balance of income and expenditure (i.e. budget deficits or surpluses).

The key guidelines identified in previous Budgets are to:

- Seek to increase the Strategic Reserve over the long term and public sector net worth, while heeding the advice of the Fiscal Policy Panel on borrowing and net financial assets.

- Run a structural current balance or surplus in the long-term until the Strategic Reserve is judged large enough to meet its objectives.

- Borrow only to finance investments (or refinance liabilities), except under times of economic duress, and monitor the impact on net financial assets.

The Fiscal Framework continues to be kept under review and will be updated if necessary for Budget 2028.

Sustainable Wellbeing

Island Outcomes and Sustainable Wellbeing

The proposed Common Strategic Policy (CSP) of the Council of Ministers was lodged with the States Assembly in September 2026 for debate and approval in November 2026. It sets out the priorities that are aligned with the long-term themes of the Future Jersey report[1] and the ten Island Outcomes arising from it. The Budget document sets out how the Government will deploy its finances to deliver these priorities, as well as the wide range of existing Government services that support the ongoing well-being of Islanders.

Future Jersey vision

The long-term vision for Jersey in 2037 was produced by the Future Jersey consultation and is captured by the vision statement:

"An Island loved for its beautiful coast and countryside, rich heritage, diverse wildlife and clean air, land and water. An Island where a sense of community really matters - a safe place to grow up and enjoy life. An Island that offers everyone the opportunity to contribute to, and share in, the success of a strong, sustainable economy."

Island Outcomes

The Island Outcomes are split across three wellbeing themes: Community, Economic and Environmental. The Public Finances (Jersey) Law 2019 requires the Council of Ministers to take into account the sustainable wellbeing (including the economic, social, environmental and cultural wellbeing) of the inhabitants of Jersey ("Islanders") over successive generations when preparing the Budget each year.

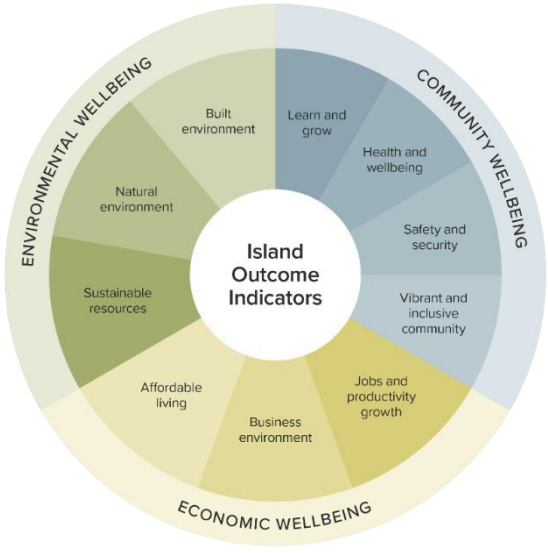


Figure 3: Island Outcomes

[1] Future Jersey 2017 - 2037 (gov.je)

Progress over time towards the Island Outcomes and the sustainable wellbeing of Islanders over successive generations is monitored using the Island Outcome Indicators[2] which are updated over time and published by Statistics Jersey.

Common Strategic Policy 2026 to 2030

In the Common Strategic Policy 2026 to 2030 (CSP), the Council of Ministers sets out its priorities for delivery in its term of office, which span all three sustainable wellbeing themes. The individual priorities are linked to the Island Outcomes.

Priorities	Pillars	Sustainable Wellbeing	Island Outcomes
1. Take targeted action to ease cost-of-living pressures	Targeted Action on the Cost of Living	Economic Wellbeing	Affordable Living
2. Secure Jersey's competitive edge in the financial and related professional services sector including responding to the effects of AI on our economy	Restore Competitiveness	Economic Wellbeing	Business Environment
3. Secure Jersey's competitive edge for the local economy	Restore Competitiveness	Economic Wellbeing	Business Environment
4. Reduce regulation and red tape, including in the planning system	Restore Competitiveness	Economic Wellbeing	Business Environment
5. Increase the provision of lifelong learning	Restore Competitiveness	Economic Wellbeing	Jobs and Productivity Growth
6. Provide more homes and upgrade core infrastructure that Islanders rely on	Invest in Jersey	Environmental Wellbeing	Built Environment
7. Improve community safety and Island resilience	Invest in Jersey	Community Wellbeing	Safety and Security
8. Continue to improve our health services	Invest in Jersey	Community Wellbeing	Health and Wellbeing
9. Improve the public realm, community spaces and sports facilities across the whole Island	Invest in Jersey	Community Wellbeing	Vibrant and Inclusive Community
10. Revise the Carbon Neutral Roadmap to deliver a practical and affordable transition to net zero by 2050	Invest in Jersey	Environmental Wellbeing	Sustainable Resources
11. Deliver a leaner and less complex public sector with lower running costs	Maintain Financial Stability	Economic Wellbeing	Affordable Living

Figure 4: Common Strategic Policy priorities

[2] Island outcome indicators | Statistics Jersey

Sustainable Wellbeing and the Budget

The Budget contains approvals for the Council of Ministers' income estimates and spending proposals for the next four years. Importantly these spending allocations continue to fund the wide range of activities that Government is already delivering to provide services and support positive outcomes for Islanders.

The Budget approves heads of expenditure ("budgets"), the majority of which are used to fund the provision of public services which support the sustainable wellbeing of Islanders. This includes, for example, the provision of education to our children, provision of healthcare to Islanders and ensuring public safety through blue light services and the justice system.

Further detail on the amounts allocated to each head of expenditure is set out in the public sector spending section of this document. Supplementary detail for each Department is provided in the Annex to the Budget.

In their business-as-usual activity, Ministers continue to be guided by the Island Outcomes. This can take many forms. For example, when considering policy issues within their remit, Ministers take into account the well-being of Islanders and the long-term impacts of the policy. This is expressed through internal policy submissions received by Ministers, which should routinely include commentary on the effect on sustainable wellbeing.

The link between the three wellbeing themes (Community, Economic and Environmental) and some of the activities identified in the Budget is set out below.

Community Wellbeing

Justice and Home Affairs

Services provided:
Fire and Rescue, Police, Prison and Customs and Immigration Services, Health and Safety Inspectorate, Emergency Planning and Office of the Superintendent Registrar

CSP:
- Improve community safety and Island resilience

Children, Young People, Education and Skills

Services provided:
Schools and Education, Early years, Children's Services, CAMHS, Skills, Youth Service, Library Service.

CSP:
- Increase the provision of lifelong learning

Employment, Social Security and Housing

Services provided:
Income Support and other benefits, Back to Work, Housing Advisory Service, Community partnerships

CSP:
- Take targeted action to ease cost-of-living pressures for 2027

Health and Care Jersey

Services provided:
Hospital Services, social care and community support, Public Health, Ambulance

CSP:
- Continue to improve our health services

Arts, Culture and Heritage

Services provided:
Grants and support for Arts, Culture and Heritage sector.

Jersey Overseas Aid

Services provided:
Development and humanitarian work.

CSP:
- Increase the provision of lifelong learning

Figure 5: Community Wellbeing

Economic Wellbeing

Economy and Financial Services

Services provided:
Support to all sectors of Jersey's economy, Sports policy

CSP:
- Secure Jersey's competitive edge in the financial and related professional services sector including responding to the effects of AI on our economy
- Secure Jersey's competitive edge for the local economy
- Reduce regulation and red tape, including in the planning system

Housing

Services provided:
Strategic Housing and Regeneration team, Housing Advice Service

CSP:
- Upgrade core infrastructure that Islanders rely on

Treasury and Exchequer

Services provided:
Looks after the Island's finances, collects revenues to fund public services, commercial services and investment management

CSP:
- Deliver a leaner and less complex public sector with lower running costs

External Relations

Services provided:
Represent Jersey overseas

CSP:
- Secure Jersey's competitive edge in the financial and related professional services sector including responding to the effects of AI on our economy

Figure 6: Economic Wellbeing

Environmental Wellbeing

Environment

Services provided:
Natural Environment, Regulation and consumer protection.

CSP:
- Improve the public realm, community spaces and sports facilities across the whole Island

Infrastructure

Services provided:
Sports facilities, waste disposal and recycling, roads and car parks, sustainable transport policy, government property portfolio.

CSP:
- Improve the public realm, community spaces and sports facilities across the whole Island
- Reduce regulation and red tape, including in the planning system

Carbon Neutral Roadmap

CSP:
- Revise the Carbon Neutral Roadmap to deliver a practical and affordable transition to net zero by 2050

Figure 7: Environmental Wellbeing

Business Plans

Alongside the priorities set out in the Common Strategic Policy, departments will continue to deliver essential public services and business as usual activities. Key objectives for departments, the legislative programme and areas of policy development are published in department Business Plans. The Business Plans also identify service performance measures which show how Government departments are performing in the delivery of key public

services. Information on the operational activities and structure of Government departments is available online at gov.je[3].

[3] Government departments (gov.je)

Risk

Alongside the sustainable wellbeing of the inhabitants of Jersey over successive generations, the Council of Ministers also considers key risks to Jersey and to the running of the Government of Jersey when considering how best to prioritise and allocate its resources. Whilst many of our risks will be being managed through existing resources, the table sets out how the most significant risks are being addressed in the Budget.

More detail on additional funding is set out in subsequent sections, and the Annex to the Budget.

Community Wellbeing

Risk Area	**Mitigation**
Fire and rescue service capacity and capability	Investment has already been provided through Budget 2026 to strengthen the capacity and capability of the States of Jersey Fire and Rescue Service, improving public and firefighter safety. For Budget 2027, further investment is included for Fire and Rescue workforce capacity, as well as equipment, training and personal protective equipment, increasing from £439,000 in 2027 to £1,685,000 by 2029. This supports mitigation of the corporate risk relating to Fire and Rescue capacity and capability. Funding of £290,000 is included for the Emergency Services Control Centre (ESCC) in this Budget for 2027, in addition to £458,000 provided in the previous Budget for 2027. This strengthens professional specialisation in emergency call handling and supports stabilisation of the operating model. This risk is linked to the wider Fire and Rescue Service capacity and capability risk because the Emergency Services Control Centre resilience is integral to the service's ability to receive emergency calls, mobilise resources and maintain safe dispatch arrangements. The linked Emergency Services Control Centre risk will continue to require corporate oversight, cross Government prioritisation and Digital Services delivery support alongside the wider Fire and Rescue mitigation.
Failure of frontline IT services	Through the capital programme, Budget 2027 invests an additional £17 million throughout the plan on top of

	the £25 million into information technology and digital services in 2026. The Transform programme sponsored by Employment, Social Security and Housing is also replacing a very old critical payments system that will improve the systems resilience in various ways. There is also Digital investment associated with the New Healthcare Facilities Programme that will also improve systems resilience for front line services.
Cyber defence	The funding for information technology includes specific funding for cyber security programme focused on transforming our cyber security defence in various ways. The programme is also increasing the capabilities with our security operations centre via a managed service provision.
Management of health and safety	In addition to providing investment in the Fire and Rescue Service to improve public safety and resilience, departments will continue to manage health and safety matters through their existing budgets, ensuring compliance with legal requirements and the maintenance of minimum health and safety standards across Government operations. This approach supports the delivery of statutory obligations while enabling departments to address routine health and safety risks within their allocated resources.
Energy Resilience	The Budget includes proposals to maintain the income into the Climate Emergency Fund to continue to support the implementation of the Carbon Neutral Roadmap, including measures to reduce the Island's reliance on imported fossil fuels.

Figure 8: Community Wellbeing Risks

Economic Wellbeing

Risk Area	**Mitigation**
Threats to long-term financial sustainability	Budget 2027 takes a prudent approach to strengthening Jersey's long-term financial sustainability. Funding for exceptional items is tightly controlled and largely limited to meeting existing States Assembly commitments. The savings target in 2027 included in the Budget represents the first phase of a programme to deliver a leaner, more efficient and less complex public sector. The Budget maintains the strength of Jersey's reserve funds, supporting fiscal resilience and helping to

	preserve the Island's strong credit rating and ability to respond to future economic shocks. Windfall Pillar Two revenues will be directed towards the remaining Phase 1 Acute hospital facility funding requirement, reducing pressure on the Strategic Reserve and preserving strategic assets for future generations.
Future economic growth not meeting the needs of Government revenues or Islanders living standards	The Budget includes targeted investment to deliver the roadmap set out in the “Time to Win” report, to reset the competitiveness of Jersey’s Financial and Related Professional Services sector. This investment is intended to support economic growth and strengthen Jersey's competitiveness. By helping to attract and retain businesses, jobs and investment, it will support future Government revenues, protecting the funding of essential public services.

Figure 9: Economic Wellbeing Risks

Environmental Wellbeing

Risk Area	**Mitigation**
Lack of capacity for waste disposal and management	Capital investment of £39 million is provided over the plan period, to continue to address the age and capacity of the liquid waste system. Additional investment is provided in future years, funded through proposed liquid waste charges from 2028. Investment in waste disposal continues through the Infrastructure Rolling Vote to maintain the existing drainage and pumping network.
Health and safety management of the Government of Jersey property portfolio	£132 million is allocated within the Capital Programme for the Government Estate over the plan period, the majority of this funding is committed to new-build projects and cannot be redirected to address legacy maintenance and compliance issues. The increasing volume of statutory and regulatory obligations has consequently necessitated prioritisation of the property maintenance budget across all departments according to risk, with the highest priority given to health and safety requirements.

Climate Emergency	The Budget includes proposals to increase Vehicle Emissions Duty in line with inflation. Maintaining the 9 pence per litre contribution from fuel duty and agreed share of Vehicle Emissions Duty (VED) receipts will ensure continued implementation of the Carbon Neutral Roadmap. The Budget also includes feasibility funding of £1.5 million for the Shoreline Management Plan to alleviate coastal flooding, through the improvement of sea defences.

Figure 10: Environmental Wellbeing Risks

Government continues to develop its longer-term financial planning but already considers a range of scenarios to manage financial risk in both the medium and longer-term. We have a well-established fiscal policy, supported by the business planning process which continues to prioritise resources against the highest areas of priority and risk.

Financial Strategy

Financial Principles

The following financial principles previously established, continue for this Budget. The financial principles will be kept under review and will be developed further, for Budget 2028.

1. The Budget must take into account the sustainability, and stability of public finances.
2. Government should live within its means and maintain balanced budgets over the economic cycle.
3. Existing expenditure should be challenged and prioritised before new spending is committed.
4. Public money and public assets should deliver demonstrable value for money
5. Investment should be affordable, properly prioritised and deliverable.
6. Fees and charges should be reasonable.
7. Restrained approach to borrowing should be adopted and its use limited to long term asset investment.
8. Jersey's reserves should be strengthened to protect against economic shocks and for future generations.
9. Regulation and Government intervention should support competitiveness, investment and sustainable economic growth.

Tax Policy Principles

The following tax policy principles established in previous Budgets continue to be used in this Budget.

1. Fair and sustainable
1.1. Taxation must be necessary, justifiable, and sustainable
1.2. Taxes should be low, broad, simple, and fair
1.3. Everyone should make an appropriate contribution to the cost of providing services, while those on the lowest incomes should be protected

2. Support broader Government Policy
2.1. Taxes must be internationally competitive
2.2. Taxation should support economic, environmental, and social policy

3. Efficient and effective
3.1. Taxes should be easy to implement, administer and comply with, at a reasonable cost

No individual tax measure will meet all these principles, but overall, the Island's tax regime should represent a sustainable balance of them.

Financial Strategy for 2027-2030

Budget 2027 is centred on stabilising expenditure and strengthening the Government's financial position. The Council of Ministers proposes a move to a three-year financial planning and budgeting framework for 2028 to 2030, enabling future policy choices to be developed and considered for decisions on the Island's future tax and spending priorities. Ahead of Budget 2028-2030, Budget 2027 does however support certain priorities in the Common Strategic Policy through targeted help for Islanders, restraint in the growth of day-to-day expenditure, makes progress towards the delivery of the Investing in Jersey programme and implements the Jersey Capital Investment Fund (JCIF).

Jersey continues to benefit from a strong balance sheet, substantial reserves and a resilient economy. These strengths provide a solid foundation from which to respond to the current pressures facing Islanders today while preparing for longer-term challenges facing the Island, including an ageing population, increasing demands on health and other public services, and the need to expand capital investment to renew and sustain the Island's critical infrastructure.

The economic outlook nevertheless remains uncertain. While inflation has fallen significantly from its peak in 2022, price pressures have proved more persistent than anticipated, increasing costs for households, businesses and Government. Although the impact on the public finances has remained manageable, ongoing geopolitical uncertainty and volatility in global markets continue to present risks to economic growth, inflation and public revenues.

Against this backdrop, the Budget helps lay the foundations to improve the sustainability of the public finances through a transition to three-year budgeting intended for Budget 2028. Through tighter control of recurring expenditure, it returns the public finances to surplus, increases provisions for unforeseen pressures, strengthens the Island's balance sheet through the application of windfall Pillar Two receipts and thereby creates a stronger platform for longer-term decisions on spending, savings and investment.

Financial discipline alone will not secure Jersey's future prosperity. Sustainable public finances ultimately depend on a productive and growing economy. The Government's longer-term strategy will therefore combine tighter control of expenditure with measures to improve competitiveness, productivity and investment. This will include reviewing barriers created by unnecessary or disproportionate regulation, slow decision making and Government processes, while maintaining the high standards and strong reputation on which Jersey's success depends.

Cost-of-living measures provide immediate support in anticipation of structural reforms being considered. The package includes a number of time-limited measures while a wider review of affordability is undertaken, the outcomes of which will inform the next three-year Budget. Short-term targeted support is appropriate for 2027 but the sustainable answer to affordability is economic growth with stronger productivity, better paid employment and incomes which keep pace with and where possible exceed, inflation.

The Budget therefore maintains a careful balance between supporting Islanders, controlling the growth of day-to-day expenditure and investing for the future. Together, these measures provide a stronger platform for Jersey's long-term prosperity and competitiveness.

Maintaining financial stability

The uncertain economic outlook reinforces the importance of maintaining flexibility and resilience within the public finances. Higher inflation increases the cost of delivering public services, while international developments can create financial pressures that are difficult to predict when a Budget is set.

Budget 2027 therefore places renewed emphasis on controlling the growth of day-to-day expenditure. New recurring spending has been tightly prioritised, with additional funding focused principally on fulfilling existing States Assembly commitments and the most significant risks to public safety. This approach is supported by savings measures to improve efficiency and productivity, control the overall cost and size of Government, manage growth in the public-sector pay bill and simplify the way public services are delivered.

The Budget also strengthens the contingency provisions, ensuring the Government is better placed to respond to known risks, unforeseen events and emerging pressures as they arise. Contingency is however at minimal levels and only the most urgent and important of issues, should they arise, would be accommodated within sums available.

Looking ahead, the Government intends to move towards a multi-year Budget framework covering the period 2028 to 2030, representing a significant step forward in longer-term financial planning, providing greater certainty for Islanders, businesses and public services.

A multi-year approach would allow spending, savings and investment decisions to be considered over a longer horizon, delivering efficiency, improving alignment between financial planning and the delivery of strategic priorities. It would support more effective management of major infrastructure programmes, strengthen accountability for delivery and provide greater certainty for departments to plan and deliver services efficiently.

A key feature of the Budget is the restoration of a surplus position. This is achieved by applying a strengthened measure of the underlying financial position, which offers a more rigorous test of whether recurring income is sufficient to meet public expenditure needs on a sustainable basis. Delivering sustainable operating surpluses provides the foundations for rebuilding Jersey’s capacity to withstand future economic shocks, which will be a critical priority for the next Budget.

The Budget also takes an important step towards strengthening Jersey’s balance sheet by applying windfall Pillar Two receipts to the funding of Phase 1 of the New Healthcare Facilities Programme. This reduces the amount that was otherwise planned to be withdrawn from the Strategic Reserve and provides greater flexibility over the timing and cost of borrowing.

A stronger fiscal position also supports Jersey's competitiveness. It reinforces confidence in the Island's public finances, reduces the risk of future pressure on taxation and charges, and provides greater capacity to invest in the infrastructure, services and economic opportunities that will underpin future growth.

Investing in Jersey

Budget 2027 marks an important step in delivering the Government's ambition to renew Jersey's infrastructure, public buildings and public realm, in a prioritised and affordable way.

It is the first Budget to implement the Jersey Capital Investment Fund, creating a clearer and more sustainable framework for long-term investment, while protecting capital spending from short-term financial pressures.

The Fund will support delivery of Investing in Jersey, the Government's 25-year programme to renew the assets on which Islanders and the economy depend. This includes schools and public buildings, drainage and water infrastructure, roads and transport, coastal protection, housing and public spaces.

Projects will be prioritised according to need, affordability, deliverability and economic and social return, with robust business cases and value for money assessment required before significant commitments are made.

Delivering that ambition requires a strong pipeline of well-developed projects. Budget 2027 therefore provides up to £5 million for feasibility work so that detailed project proposals can be properly developed before major investment decisions are taken in the subsequent Budgets.

Together, Investing in Jersey and the Jersey Capital Investment Fund, establish a more strategic and sustainable approach to infrastructure investment. By improving the quality and resilience of the Island's assets, this programme will support economic growth, enhance quality of life and strengthen Jersey's attractiveness as a place to live, work, invest and raise a family.

Supporting Islanders

The Budget includes a targeted package of measures, designed to help households manage cost-of-living pressures with a particular support for families and lower-income households:

- Additional financial support for nursery and childcare, for 2-to-3-year-olds;
- a £200 one-off increase paid in 2027, in the Community Cost Bonus, providing additional support to lower-income households, including pensioners;
- targeted expansion of free school meals provision to secondary schools;
- £250 family support payment for each school aged child in low to middle income households in 2027;
- doubling the Social Security parental grant provided to new parents to £1,800; and
- a freeze in fuel duty for 2027.

These measures are intended to provide practical support with everyday living costs while helping families balance work and caring responsibilities. By reducing some of the costs associated with raising children, they can support participation in the workforce and, over the longer term, contribute to sustaining Jersey's working-age population and economic prosperity.

Alongside this family-focused support, the Budget continues to prioritise assistance for those most affected by rising prices. The Community Cost Bonus provides targeted support to households,

including many lower-income pensioners, while the fuel duty freeze helps contain a cost borne by households and businesses across the Island.

Budget 2027 reflects a balanced approach to the opportunities and challenges facing Jersey. It provides targeted support for Islanders, invests in competitiveness and infrastructure, and begins the work of rebuilding financial resilience. In doing so, it seeks to ensure that Jersey remains a prosperous, affordable and sustainable Island for current and future generations.

Sustainable Public Finances

The Public Finances (Jersey) Law 2019 requires the Budget to have regard to the long-term sustainability of Jersey's public finances, helping to ensure that decisions taken today safeguard the Island's financial position for future generations.

Budget 2027 represents a material step towards further strengthening the sustainability of public finances. It is the first Budget to be prepared with the Jersey Capital Investment Fund in place, embedding a clear separation between day-to-day spending and the funding required for capital investment.

Recent Budgets have typically featured forecast operating deficits in their early years, with surpluses anticipated later in the plan resulting in budgets that were broadly balanced across the four-year budget period. Budget 2027 restores an underlying balanced position after making provisions for core funding transfers. This represents an important improvement on recent Budgets, while recognising that further strengthening will be required through the 2028-2030 Budget to create meaningful fiscal headroom and resilience.

Planned surpluses are being achieved despite the adoption of a more rigorous measure of the Government's operating position. Previously, the operating balance was assessed after depreciation, which represents an accounting estimate of the annual consumption of public assets. From 2027, the operating balance will instead be measured after core funding transfers to the Jersey Capital Investment Fund, Climate Emergency Fund and the Strategic Reserve.

This revised approach provides a more comprehensive reflection of the Government's financial sustainability by recognising the full funding required for capital investment, delivery of the Carbon Neutral Roadmap through hypothecated fuel and vehicle emissions duties, and repayments to the Strategic Reserve to support the eventual repayment of the pension bond debt.

While depreciation will continue to set a minimum contribution level, transfers will increase where future investment needs are greater. This provides a more robust assessment of the Government's financial position by demonstrating whether recurring income can support both public services and the long-term upkeep and renewal of the Island's assets.

Summary Forecast Operating Balance					
2026 Estimate	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
1,350,500	General Revenue Income	1,415,100	1,482,600	1,546,600	1,607,600
160,000	Windfall Pillar Two Income	-	-	-	-
1,277,762	Net Revenue Expenditure	1,332,905	1,390,387	1,444,476	1,510,110
232,738	**Net Operating Surplus**	**82,195**	**92,213**	**102,124**	**97,490**
106,033	Core Funding Transfers	81,492	82,196	97,026	97,490
126,705	**Operating Surplus after transfers**	**703**	**10,017**	**5,098**	**-**

Table 1: Summary Forecast Operating Balance

Income is forecast to increase in each year of the plan and has been revised upwards following higher than anticipated receipts in 2025. While inflation is now expected to be higher than previously forecast impacting expenditure forecasts, the improvement in income offsets the impact on the cost of delivering public services.

The volatility in underlying economic assumptions reflect the continuing international instability and reinforces the importance of maintaining flexibility in this Budget. To provide greater resilience, contingency provisions have been increased for both the General Revenue Fund and the Jersey Capital Investment Fund strengthening the Government's capacity to respond to unanticipated events.

In 2030, the Budget makes provision for the restoration of the States Grant to the Social Security Fund at to its full formula value as currently specified. This will be achieved through an offsetting savings requirement included in the plan. This approach allows time for the new Council of Ministers to review and agree actions in respect of the ongoing strategic and actuarial reviews of the Social Security Funds.

Those reviews will report in Spring 2027 and will provide long-term projections as well as considering the future balance between contributions, States Grant funding, investment returns and the use of accumulated reserves. The conclusions of the reviews will inform the Government's longer-term strategy and future Budgets.

The financial forecast continues to take a prudent approach to Pillar Two receipts. These revenues have the potential to provide additional capacity, but their scale and durability remain uncertain. The Budget therefore avoids creating recurring spending commitments that depend on receipts above the base case forecast.

Where Pillar Two receipts exceed that forecast, the Government will use the additional capacity to strengthen Jersey's long-term position. This Budget utilises initial windfall receipts to reduce the impact of funding the New Healthcare Facilities Programme on the Strategic Reserve, which will remain the first priority for any future windfall receipts. Should income exceed the remaining financing requirement for the Programme, funds will be used to support investment through the Jersey Capital Investment Fund, rebuilding the Island's capacity to respond to economic shocks by recapitalising the Stabilisation Fund and further strengthening reserves. These priorities will be kept under review as the financial and economic position develops.

Controlling expenditure does not mean simply reducing services. The Government's objective is to deliver better outcomes from the resources already available. Ahead of the next Budget, departments will be expected to challenge existing expenditure, identify duplication and lower

priority activity, improve procurement, make better use of technology and data, and redesign services where this can improve productivity and outcomes. New spending proposals will be considered alongside opportunities to reprioritise existing budgets.

This work will support a more disciplined approach in which expenditure is directed towards the areas of greatest need and Government demonstrates more clearly the value achieved from taxpayers' money.

Over the longer term, sustainable public finances will require Jersey to manage the consequences of an ageing population, rising demand for health and care services and the need to renew the Island's infrastructure. Continued development of longer-term financial planning, supported by the ongoing Social Security reviews and wider work on health and care funding, will provide a stronger evidence base for future choices.

General Revenue Income

The Government funds ongoing annual expenditure and investment in assets through three main sources: general tax revenues, other Government income and departmental income. These three sources of revenue are paid into the General Revenue Fund.

General Tax Revenues

General tax revenues provide the main source of funding for the Government, with five main tax types.

Personal Income Tax	Tax is levied on the income of individuals and non-individuals (including certain trustees and personal representatives). An individual with income above the low-income threshold will pay tax on their total income at a rate no higher than the 20% standard rate of tax. The actual effective rate of tax is determined by income levels and eligibility for reliefs and allowances.
Corporate Income Tax	In-scope global Pillar Two Multinational Groups of Entities are subject to Jersey's 15% Multinational Corporate Income Tax and may also be subject to the Pillar Two Income Inclusion Rule. Other companies continue to pay income tax at 0%,10% or 20% depending on the activities they undertake.
Goods and Services Tax	Goods and Services Tax (GST) is a tax on the supply of goods and services in Jersey. GST is charged at 5% on the majority of goods and services supplied in Jersey, including imports. For administrative simplicity, certain activities undertaken by International Services Entities (ISEs) are subject to a fixed fee regime in place of GST.
Impôts Duties	Impôts duties which include excise duties are levied on the importation of specific items, namely road fuel, alcohol, tobacco, vaping liquids and motor vehicles.
Stamp Duty, Land Transaction Tax, and Enveloped Property Transaction Tax	Stamp duty is levied on the purchase of properties bought on the Island and the registration of wills of Jersey immovable property. Land Transaction Tax (LTT) is levied on share transfers involving shares which give the owner the right to occupy property in Jersey. Enveloped Property Transaction Tax (EPTT) is levied on transactions in which control of an entity that owns certain land in Jersey is transferred from one person to another.

Figure 11: Tax Types

Other Government Incomes

The Government also receives income from four other sources, as set out in the table below.

Island-wide rates	Received as part of the rates system and collected by parishes.
Income from dividends and returns	Received from States-owned entities including utility companies.
Non-dividends	Other income received from tax penalties, Crown revenues, miscellaneous interest, fees, and fines as well as investment returns from the General Revenue Fund and Currency Notes Fund.
Returns from Andium Homes	Reflects the income contribution made from the housing stock that was transferred to Andium Homes.

Figure 12: Other Income Sources

Departmental Income Sources

In addition to amounts paid directly to the General Revenue Fund, Government departments receive money from fees and charges for individual services. These amounts are included within individual net revenue expenditure allocations and are estimated at £146 million in 2027. The number of diverse sources of income reflects the variety of services provided by the Government. This includes fees for private patients at the hospital, school fees, fees for the disposal of inert waste, planning fees, and income from rents and our sports facilities. This income is included in revenue heads of expenditure. For Budget 2027 departmental income related to rental and leasing of assets have been transferred into the Jersey Capital Investment Fund, included within the Infrastructure (JCIF) head of expenditure.

Existing fees and charges can only be increased by more than 2.5% with the approval of the Minister for Treasury and Resources. However, some increases may be appropriate, for example to ensure user pays charges continue to reflect the underlying costs of services, subject to the impact on those paying the fees.

Special Funds, including social security funds also receive income designated to them, as well as the investment returns on fund balances. This is then used for expenditure in line with the purpose and objectives of the funds.

Latest Income Forecasts

The Income Forecasting Group (IFG) agrees the forecasts of all States income from taxation and social security contributions. Membership of the group includes senior civil servants, the Government's chief economic advisor as well as external members.

The updated Income Forecasting Group forecast, which will be used as the basis for Budget 2027-2030, reflects the latest economic assumptions produced for the forecast round by the independent Fiscal Policy Panel (FPP) in May 2026[4]. The forecast is published alongside the Budget 2027-2030.

The global macroeconomic outlook remains uncertain and volatile. Conflict in the Middle East has further disrupted global energy supplies, with higher oil prices placing upward pressure on inflation across the global economy. The Fiscal Policy Panel have noted that the heightened level of uncertainty increases the probability that income outturns will differ from forecast.

The Fiscal Policy Panel assumptions include the most recent economic data and consider current global trends and forecasts. The main variations to the economic assumptions used in the Income Forecasting Group's forecast for summer 2026, since the previous Budget include:

- Increasing forecasts for RPI and RPI(X) inflation in 2026 and 2027 as higher oil prices feed into consumer costs. Market expectations are skewed towards increasing interest rates in response to higher inflation. Increases in the Bank of England base rate directly affects mortgage costs and would lead to larger rises in RPI inflation.

- Higher expectations for Finance and Related Professional Services profits across the forecast period. The continuation of strong growth in 2025 for trust and funds sectors partly offset the downward revision to bank profits.

- Higher inflation is expected to contribute to stronger nominal earnings growth in 2027. Public sector pay will be determined separately, taking account of affordability, recruitment and retention, productivity and wider economic conditions.

- Increased level of housing market activity in 2026 as a 'backlog' of purchases clear through the market, before falling to normalised levels in 2027 where prices are expected to increase by 1% in each forecast year.

- The Income Forecasting Group's Summer 2026 forecast has been developed as a 'central forecast' to represent the Income Forecasting Group's view of the most likely outcome.

[4] Economic assumptions (gov.je)

In addition to the economic assumptions forecast by the Fiscal Policy Panel, the Income Forecasting Group's latest forecast reflects.

- Taxation and duty income results for 2025.
- Initial information on taxation and duty general revenues income for the first two quarters of 2026.
- Forecasts from Treasury for other income.
- Market and local sectoral intelligence from both the Income Forecasting Group and gathered by the Economics Unit.

	IFG Income Forecast				
2026 Estimate	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
759,000	Personal Income Tax	805,000	846,000	887,000	925,000
225,000	Corporate Income Taxes (including Pillar Two base)	236,000	250,000	268,000	282,000
135,000	Goods and Services Tax (GST)	140,000	144,000	148,000	153,000
65,000	Impôts Duties	65,000	66,000	65,000	66,000
57,000	Stamp Duty	55,000	55,000	56,000	56,000
1,241,000	**General Tax Revenue - IFG Forecast**	**1,301,000**	**1,361,000**	**1,424,000**	**1,482,000**
	Other Income				
18,000	Island-Wide Rates	19,000	20,000	20,000	21,000
13,000	Dividend Income	13,000	13,000	13,000	14,000
28,000	Income from Andium Homes	28,000	29,000	29,000	30,000
19,000	Other Non-dividend Income	24,000	19,000	20,000	20,000
1,319,000	**States Income - IFG Forecast**	**1,385,000**	**1,442,000**	**1,506,000**	**1,567,000**
1,307,274	States Income - IFG Summer 25 Forecast	1,355,740	1,413,051	1,475,485	-
0.9%	*General Tax Revenue - IFG Forecast Variation %*	*2.2%*	2.0%	2.1%	0.0%

Table 2: IFG Income Forecast

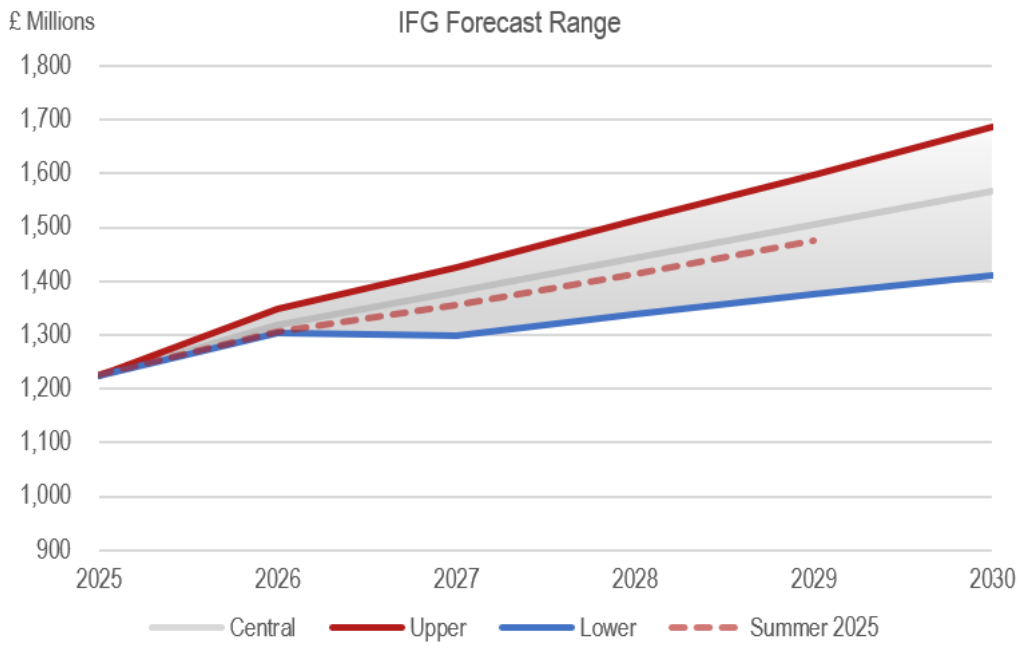


Figure 13: Range of IFG Forecast: Source IFG

The forecast demonstrates continued growth in nominal Government revenues over the period. The Council of Ministers' priority is therefore to ensure that expenditure growth is controlled and that additional revenues strengthen financial resilience and support sustainable economic growth rather than automatically increasing recurring expenditure.

The overall changes from the Summer 2025 forecast are:

Personal Income Tax

The forecast for personal income tax has increased marginally across all years compared to the summer 2025 forecast. The increase is primarily driven by 2025 personal income tax outturn being higher than forecast resulting in a small upward adjustment to future years.

Corporate Income Tax

Receipts from the new Pillar Two regime are being received for the first time during 2026 from in-scope groups in relation to accounting periods starting on or after 1 January 2025.

The Corporate Income Tax forecast (incorporating the impact of Pillar Two base case) in 2026 has decreased compared to the summer 2025 forecast. This reflects lower-than-expected levels of reported profits in Jersey's banking sector in the financial year 2025. By 2027, stronger Fiscal Policy Panel growth assumptions for non-banking sectors are expected to outweigh the recent decline in bank Corporate Income Tax receipts.

Forecasting the future revenue impact of Pillar Two remains inherently complex and subject to significant uncertainty across all 147 jurisdictions participating in the OECD Inclusive Framework. In recognition of this, the Budget continues to adopt a prudent approach, using a central "base case" forecast for the additional corporate income tax expected to be generated from in-scope multinational groups following the implementation of Pillar Two.

The base case represents the level of recurring revenue that the Government can reasonably expect to receive on a sustainable basis over the medium term, based on the best information currently available. Given the evolving international tax environment, the Government will continue to monitor developments and refine its forecasts as further evidence emerges over the coming months and years. Entities included within the base case are primarily those previously subject to 10% corporation tax.

Consistent with the approach adopted in Budget 2026, revenues arising from the base case forecast have been allocated to support the following priorities:

- Servicing borrowing associated with Phase 1 of the New Healthcare Facilities Programme.
- Investment to enhance the competitiveness and long-term sustainability of Jersey's financial and professional services sector.
- Funding the ongoing costs of implementing, administering and maintaining the Pillar Two regime.
- Providing sustainable baseline funding for public services.

Principles for Pillar Two income in excess of the Base Case

Previous budgets explained that a prudent approach to forecasting revenues from the implementation of Pillar Two has been adopted, and that there was upside potential for receipts. This is a new global tax regime that fundamentally changes the position of all in-scope groups. Furthermore, Pillar Two revenues received in Jersey are contingent on the implementation of Pillar Two by other jurisdictions and the behavioural response of multinational groups affected by Pillar Two. Growing geopolitical uncertainty is increasing the likelihood of business restructuring and relocation globally.

Pillar Two receipts started to become payable in Jersey from 31 May 2026. Based on payments received as of September 2026, the Government expects to receive at least £160 million above the income forecast for 2026. However, the full payment profile is not yet known as Pillar Two payment deadlines are aligned with each group's financial year end.

As outlined above, there is significant uncertainty as to both the scale of the total extra receipts and how long Jersey can expect to receive such receipts. It is therefore prudent to treat a fair proportion of these additional revenues as potentially one-off "windfall" receipts. Consistent with prudent fiscal management, such revenues will not be used to fund recurring expenditure or create ongoing spending commitments.

The Council of Ministers will prioritise the use of excess Pillar Two receipts to meet the outstanding funding requirement for Phase 1 of the New Healthcare Facilities Programme. Accordingly, expected receipts are transferred to the Jersey Capital Investment Fund to meet the costs of the project in 2027 and to repay borrowing it incurred in 2026. This approach will reduce the impact on the Strategic Reserve, helping protect its value and support the long-term objective of strengthening the Fund in line with the Fiscal Policy Panel's recommendations. It also reduces short-term financing costs and provides greater flexibility as to the drawdown of borrowing during a period when interest rates are high.

In addition, £15 million of excess receipts will be allocated to the Jersey Capital Investment Fund in this Budget to support the development of the Investing in Jersey programme, including feasibility work, and to establish a Capital Reserve to strengthen the delivery of the Island's infrastructure ambitions.

Any further Pillar Two receipts above those required for funding the Acute hospital at Overdale will be used to strengthen the Island's balance sheet, including rebuilding the Stabilisation Fund, increasing the Strategic Reserve and, where appropriate, reducing borrowing requirements.

This approach ensures that uncertain and potentially temporary revenues are used to improve long-term financial resilience, support strategic capital investment, and maintain the principles of sustainable public finances.

GST and International Services Entity Fees

The forecast for Goods and Services Tax (GST) has slightly increased across all years compared to the summer 2025 forecast. The updated forecast is based on the latest Fiscal Policy Panel economic assumptions.

Impôts Duties

Impôts duties which include excise duties, have been revised downwards in each year compared to the Summer 2025 forecast due to lower-than-expected outturn and updated analysis of falling consumption trends. The effects of falling volume forecasts are being partially offset by the higher Fiscal Policy Panel assumptions for inflation. The 2027-2030 forecast across alcohol, tobacco and fuel relies upon long-term consumption trends.

Stamp Duty

Stamp duty has been revised to incorporate the updated Fiscal Policy Panel economic assumptions. The stamp duty outturn for 2025 was £13.4 million higher than forecast due to a small number of high-value, one-off transactions subject to either Enveloped Property Transaction Tax or Probate.

The Summer 2026 forecast reflects an updated methodology for forecasting receipts from higher-value property transactions. The revised approach incorporates prudent assumptions regarding both transaction volumes and average values, providing a more robust basis for forecasting revenues from this volatile segment of the property market. As a result, Stamp Duty income is forecasted to be £7.5 million higher in each year from 2027 onwards.

Budget Proposals

Income Tax (Personal Taxation) Exemption Thresholds and Child Allowances

An individual does not pay income tax or Long-Term Care contributions if their income is below an amount called the exemption threshold. All taxpayers in receipt of Marginal Relief are entitled to the low-income exemption threshold, while some individuals may receive more allowances depending on their circumstances – for example, if they have children or pay for childcare.

There is a longstanding policy to increase the main tax allowances by the lower of the year-on-year growth of June RPI and average annual earnings. Allowances for 2026 were increased by 2.6%, based on the June 2025 RPI.

For 2027, Ministers are proposing to uprate the main tax allowances by 2.8%, in line with the growth of June 2026 RPI. This uplift will raise the low-income threshold to £21,850 and will deliver £9.9 million in additional tax relief to the 90% of taxpayers assessed at the marginal rate. In comparison, the UK personal allowance has been frozen at £12,570 since April 2021 and is not expected to be raised before April 2031. In Guernsey, the personal allowance was set at £15,200 for 2026.

Independent taxation for all Islanders commenced on 1 January 2026. Married couples who were previously taxed as one taxpayer and would be financially disadvantaged by the move to independent taxation will be eligible for the compensatory allowance. There will be a joint filing option for those married couples who do not want to complete two separate tax returns.

Income Tax Threshold & Allowances				
£	2026 Actual	2027 Proposed	Proposed Increase	Benefit to Taxpayers @ 26%
Low-income threshold	21,250	21,850	600	156
Child allowance	3,950	4,050	100	26
Additional allowance in respect of children	5,900	6,050	150	39
Childcare tax relief	8,050	8,300	250	65
Childcare tax relief (enhanced)	20,950	21,550	600	156

Table 3: Income Tax Exemption Thresholds & Allowances

Impôts Duties

Ministers' proposals for excise duties on tobacco, alcohol, road fuels, and motor vehicles, if approved by the Assembly, will take effect at midnight on 31 December 2026.

Tobacco and e-liquid

Ministers recognise that smoking represents a significant threat to the health and wellbeing of Islanders and continues to place a burden on our health care system. Having taken the advice of Public Health officials, Ministers are proposing to increase duties on tobacco products by 7.8%, which is the sum of the growth rate of June 2026 RPI (2.8%) and an additional 5% escalator. This increases the duty on a standard packet of cigarettes by 88p. Cigars will be subject to an increase of 10.8%, the sum of RPI growth and an 8% escalator, in line with existing policy to close the gap between the duty charged on cigars and cigarettes.

As duty on e-liquid has not yet completed a full year in operation, no increase is proposed for 2027. Subject to future policy decisions, it is intended to be indexed in line with the convention applied to other excise duties thereafter.

Alcohol

Ministers are continuing the practice of holding alcohol duty constant in real terms by raising rates in line with RPI growth. To build on the expansion of small distillers' relief in 2025, which has supported growth in the Island's distilling sector, the production threshold for qualifying as a small distiller will be increased to 30,000 litres of pure alcohol.

To assist the cost of living and support the island's hospitality sector, the Minister for Treasury and Resources has asked officers to explore the feasibility of providing excise duty relief for those licensed to sell alcoholic drinks in bars, hotels, clubs and restaurants. The review will examine the overall package of support available to licensed premises, including the existing tap relief for alcoholic drinks sold from kegs and other large containers. The review will take place during 2027 with a view to bringing forward a report to Ministers in time for Budget 2028.

Fuel duty

To help ease cost-of-living pressures, Ministers have agreed to freeze fuel duty in 2027. Maintaining fuel duty at its current rate will help avoid additional costs for households and businesses that rely on transport, providing continued support at a time when many Islanders remain under financial pressure.

Proposed Changes in Excise Duties			
Goods	2026 Duty Rates £	2027 Duty Rates £	Proposed Increase %
Cigarettes – per kg	943.35	1016.93	7.8%
Hand rolling tobacco – per kg	943.35	1016.93	7.8%
Cigars – per kg	894.11	990.67	10.8%
Spirits 40% abv – litre per alcohol	46.64	47.95	2.8%
Beer (2.8% to 4.9% abv) – per hectolitre, large brewery	75.74	77.86	2.8%
Wine (5.5% to 15.0%) – per hectolitre	241.02	247.77	2.8%
Unleaded fuel – per hectolitre	65.55	65.55	-

Table 4: Change in Excise Duties

Vehicle Emissions Duty

Vehicle Emissions Duty (VED) is charged when a vehicle is first registered in the Island. The amount of VED payable depends on the vehicle's CO_2 emissions data, with higher charges for more polluting vehicles.

The Carbon Neutral Roadmap established the principle of annual increases in VED for all standard (non-commercial) petrol and diesel vehicles, including hybrids, with proportionately larger increases for higher-emission vehicles. This policy has been followed since its introduction in 2023 and has been applied over the past four years.

Considering the incentive structure that has now been established to discourage the importation of higher-emission vehicles, it is proposed that all VED categories revert to the standard convention of annual indexation in line with RPI inflation. Vehicle registration trends will continue to be monitored to ensure that the policy objective of reducing the number of high-emission vehicles entering Jersey is maintained.

Vehicle Emissions Duty – Standard vehicles			
CO_2 Mass Emissions (grams)	2026 Actual £	2027 Proposed £	Proposed Increase %
0	-	-	0%
1-50	37	38	2.8%
51-75	77	79	2.8%
76-100	252	259	2.8%
101-125	464	477	2.8%
126-150	787	809	2.8%
151-175	1,650	1,696	2.8%
176-200	5,796	5,958	2.8%
201 or more	12,401	12,748	2.8%

Table 5: Vehicle emissions Duty

Reduced Higher Rates of Stamp Duty on Additional Properties

Higher rates of Stamp Duty for additional properties were introduced to curb excess demand in Jersey's housing market. Since then, the housing market has changed significantly with "the largest annual decrease in transactions since 1986" in 2024.[5] The Fiscal Policy Panel's Economic Assumptions (May 2026) forecast property transactions are likely to remain subdued, with minimal price growth.

[5] Jersey's Fiscal Policy Panel Annual Report – November 2025

In light of the changing conditions, it is proposed that the temporary reduction in the higher rate from 3-percentage points above the standard rate to 2-percentage points, implemented for 2026, is extended for 2027. The longer-term position will be reviewed for the next Budget.

Tax Warehouses for Investment Assets

The Minister for Treasury and Resources is proposing to introduce tax warehousing to facilitate the storage and transfer of certain investment assets without triggering GST and customs and excise duties provided they do not enter the domestic market. These measures are part of the wider *Time to Win* competitiveness workstream and are intended to enhance Jersey's attractiveness as an international centre for investment and wealth management.

Reduction in International Services Entity (ISE) fees

In line with Jersey's Time to Win competitiveness strategy, Ministers have agreed to reduce the annual International Services Entity fee for all entities administered under a service contract by a licensed Jersey service provider from £4,700 to £950. These changes are intended to improve Jersey's competitiveness to international investment as a fund's jurisdiction. The fiscal impact is estimated to be a £200,000 reduction in revenue from ISE fees.

Revenue Jersey is also working with industry to explore further simplification to the operation of the regime.

International Tax Reform – OECD Pillar Two

The Organisation for Economic Co-operation and Development (OECD) developed a two-pillar global framework to address the tax challenges arising from the digitalisation of the economy. Jersey continues to participate actively in the OECD Inclusive Framework on Base Erosion and Profit Shifting and other relevant international forums. Detailed information is available at the Government of Jersey OECD Pillar One and Pillar Two webpage.

Pillar Two introduces a global minimum corporate income tax of 15%, applicable to the world's largest multinational enterprises (MNEs) with annual global revenues of at least €750 million. The minimum effective rate is calculated using the OECD Model Rules—specifically based on financial statements and determined on a country-by-country basis.

Jersey implemented Pillar Two for accounting periods beginning on or after 1 January 2025 through an Income Inclusion Rule (IIR) and a 15% Multinational Corporate Income Tax (MCIT). Jersey's existing corporate income tax regime continues to apply to other companies, meaning that over 95% of local businesses are unaffected.

Compliance with the new regime is now under way, supported by the launch of the MCIT return as Jersey's first digital service through the Business Services website. Guidance and support are available, with a dedicated Revenue Jersey Pillar Two team assisting taxpayers.

The Finance Law will include targeted technical amendments to the MCIT and IIR legislation, including the implementation of the Side-by-Side package and other internationally agreed simplifications, and, importantly, ensuring that in-scope Pillar Two entities can take advantage of the RegTech Super-Deduction.

Jersey will continue to monitor international developments and negotiations closely and make further changes where needed. Jersey remains committed to an agile and internationally competitive business and a tax environment that provides certainty for taxpayers and aligns with global standards.

Time to Win – Tax Measures in the Budget

Jersey's financial and related professional services sector is the bedrock of the Island's economy. It provides 2 in 5 jobs and generates £6 of every £10 of tax revenue. This income sustains our community, funds our infrastructure and enables the public services on which Islanders depend. The success of our finance sector is inextricably linked to the success of Jersey as a whole.

However, the sector is facing increasing competition, changing capital flows and shifting customer demands. Recent global geopolitical shifts are reshaping investment flows, and many competitor jurisdictions are investing heavily in their regulatory and market infrastructure to secure growth. If Jersey fails to act, we risk losing capital, jobs and revenue to better-prepared centres, weakening our economy and eroding the resources available for public services.

Recognising this, the Financial Services Competitiveness Programme was established to review Jersey's competitiveness as a leading international finance centre. The programme resulted in the publication of the "Time to Win" report in March 2026 and a delivery roadmap to reset the competitiveness of Jersey's Financial and Related Professional Services sector. This reset revolves around:

- Protecting our brand and maintaining Jersey's strong foundations;
- Renewing our appetite for growth;
- Reducing the cost of doing business through less regulatory cost and complexity, together with faster decision making;
- Innovating processes and technology through leading in tokenisation and embracing digitalisation; and
- Enhancing our infrastructure by investing in the attractiveness of Jersey as an International Finance Centre.

This year's budget includes specific tax measures intended to address some immediate priorities highlighted in the Time to Win report:

- Measures to ensure our Pillar Two taxes continue to reflect evolving international developments and best meet the needs of the Island's economy.
- An increase in the de minimis exemption from reporting of Jersey resident shareholders in Jersey companies from 2% to 5% to reduce the cost for companies of complying with their annual filing obligations.
- Extending the existing RegTech Super-Deduction to groups within scope of the MCIT, encouraging these businesses to invest in updating their systems.

Delivery of this programme of work is fundamental to Jersey's continued success. Funding is held in the Central Reserve until allocations are confirmed in year. Work on implementation continued following the 2026 election and will be accelerated during the remainder of the year and 2027.

In addition, a review of aspects of Jersey's personal tax residence regime is underway, intended to ensure that the Island's regime is straightforward to understand and administer. A consultation will be held over the winter, with the expectation that legislation will be brought forward in next year's Finance Law. Work is also being undertaken to review the rules on the creation of taxable permanent establishments in Jersey, including through home working arrangements. Further work will continue to simplify and streamline the annual tax compliance process for businesses.

Fiscal impact of Tax Measures

In total, new measures and annual adjustments are expected to cost £1.4 million relative to the Summer 2026 forecast of the Income Forecasting Group. That forecast assumed income tax allowances and excise duties would increase in line with inflation (plus the tobacco escalator). The overall effect of changes in allowances and duties is to leave a net £8.9 million in Islanders' pockets.

Summary of Budget Proposals

£'000	Proposed vs forecast	Proposed vs no adjustment
New tax measures		
ISE fee reductions	(200)	(200)
Annual tax adjustments		
Personal allowances	-	(9,900)
Reduced higher rate of stamp duty – non-main residence properties	(500)	(500)
Alcohol duty, increase with inflation	-	600
Tobacco duty, increase with inflation + escalator	-	1,000
Fuel duty, freeze	(700)	-
Vehicle Emissions Duty increases	-	100
Budget proposals	**(1,400)**	**(8,900)**

Table 6: Summary of Budget Proposals

Update on tax reviews and potential future measures

Targeted action to ease cost-of-living pressures

A review will be undertaken by Revenue Jersey in 2026/27 on targeted tax changes that could support cost of living pressures *for identified taxpayers from 2028 onwards. Revenue Jersey will collaborate with other Government departments on any relevant social security changes and other fees/charges.*

Fuel Duty Replacement Policy

The vehicles seen on Jersey's roads are changing in response to global carbon reduction ambitions and an evolving global market. In response to Government policies and Islanders' own choices, receipts of road fuels duty are expected to decline.

However, it will still be necessary for the Government to meet the costs of road maintenance and improvement along with the wider costs arising from road and vehicle usage.

The income currently earned from road fuel duty is a key source of General Revenue which supports wider policy initiatives, such as the sustainable transport policy and the response to the climate emergency, along with contributing to the funding of other essential services.

In time, alternatives will need to begin making up the funding lost from declining fuel duty. Alternative charges may include a form of vehicle ownership charge or a road user charge. Ministers decided to pause work in 2024 on the basis that the data was showing only a steady decline in fuel duty receipts.

Ministers will commence policy development work, with a focus on a vehicle ownership charge, in 2027.

Stamp Duty for Right-Sizing Homes

The Government has concluded that a stamp duty holiday for those who are purchasing properties to down-size would not be the most appropriate mechanism through which to encourage Islanders to right-size. Further consideration will be given to non-tax measures to assist and encourage movement.

Stamp Duty on Mortgages

Ministers will examine the case for removing Stamp Duty on registering a mortgage in the Royal Court for Budget 2028.

Liquid Waste Charges

As set out in previous Budgets funding for future liquid waste infrastructure is intended to be met through the introduction of liquid waste charging in 2028. This Budget includes an estimate of £10 million to be raised through liquid waste charging in 2028 onwards. Receipts will be paid into the Capital Investment Fund through General Revenue Income. Government Plan 2024–2027 previously gave approval for the application of existing resources for work on the development of a ‘user pays’ charge in relation to all aspects of waste. Details of the charging mechanism and proposals will be included in future Budgets, alongside all other necessary arrangements for charges to take effect.

Domestic Compliance

Revenue Jersey continues to develop its annual published compliance programme[6], in line with its published compliance strategy, and to improve its capabilities, for example in assessing and identifying tax risks. Building on existing results (additional revenues from its compliance activities), Revenue Jersey is projecting an additional collection from activities devoted to audit, enforcement, and other compliance work. Together, the additional collections are expected to contribute £31.5 million to General Revenues in each year of the Budget.

[6] Tax compliance (gov.je)

Charitable Giving

Following on from recent changes led by Revenue Jersey to make it easier for charities to claim the tax on donations, the Minister for Treasury and Resources is keen to look at further ways of encouraging Islanders to give to charity.

Young savers

The Minister for Treasury and Resources Ministers wishes to explore whether it is feasible to introduce measures to encourage saving by and for young people. A Jersey Individual Savings Account (ISA) type product will be assessed for possible inclusion in Budget 2028.

Pensions

Further consideration will be given to the pension market to create a strategy for growth, by commissioning a focussed international pensions, savings, and employee benefits competitiveness review.

Summary of General Revenue Income Forecast, incorporating Budget Measures

	Total States Income				
2026 Estimate	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
1,319,000	**States Income - IFG Forecast**	**1,385,000**	**1,442,000**	**1,506,000**	**1,567,000**
31,500	Increased Collections: Domestic Compliance	31,500	31,500	31,500	31,500
-	Budget Measures	(1,400)	(900)	(900)	(900)
160,000	Windfall Pillar Two Income	-	-	-	-
1,510,500	**States Income after Income Measures (GRF)**	**1,415,100**	**1,472,600**	**1,536,600**	**1,597,600**
-	Liquid Waste Charges (JCIF)	-	10,000	10,000	10,000
1,510,500	**Total States Income after Income Measures**	**1,415,100**	**1,482,600**	**1,546,600**	**1,607,600**

Table 7: Income Forecast, including additional income measures

Public Sector Spending 2027-2030

This Budget proposes £1.33 billion of spending in 2027 on delivering services to Islanders.

Revenue Heads of Expenditure

The Budget is required, by the Public Finances Law, to set out the proposed amount to be spent from both the General Revenue Fund and Jersey Capital Investment Fund by each head of expenditure, after allowing for any estimates of departmental income. Heads of expenditure within this Budget relate to Government of Jersey departments, Non-Ministerial and other States bodies, and a separate head of expenditure for both the Central Reserve and Capital Reserve. Expenditure has been allocated to departments for 2027 and estimates produced for 2028-2030.

Departmental heads of expenditure are aligned according to lines of accountability under the Public Finances Law. Expenditure is approved in this manner to ensure that there is clear accountability, both at political and officer levels. The departmental expenditure limits for 2027 incorporate both existing resource requirements and new funding, but exclude pay-inflation, which is held centrally in reserves. Whilst this is generally aligned to Ministerial portfolios, there are some differences, and a Ministerial mapping is provided as part of the Annex to the Budget.

Figure 14: Departmental Net Revenue Expenditure (excluding reserves)[7]

The above chart illustrates the proportion of Government net revenue spending in 2027[8], on Health and Care Jersey 31% (2026: 31%), Children, Families, Education, and Lifelong Learning 20% (2026: 20%), tax funded social benefits (excluding benefits funded from the Social Security funds) 15% (2026: 13%), and other public services 34% (2026: 36%). General

7 Social Benefits includes tax funded benefits paid by the Employment, Social Security and Housing departments, plus the States Grant to the Social Security and Long-term Care Funds.
8 Excluding Central Reserves (contingency budgets)

public services and other, includes all other departmental and non-Ministerial functions listed in Table 8.

	Revenue Heads of Expenditure				
2026 Approved	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
18,352	Cabinet Office	17,865	17,897	17,897	17,897
57,935	Children and Families	58,976	59,646	59,365	59,365
34,532	Digital Services	34,504	34,503	34,503	34,503
38,038	Economic Development	32,109	32,693	33,179	33,807
187,771	Education and Lifelong Learning	193,652	194,151	194,391	194,391
113,275	Employment, Social Security and Housing	116,568	121,799	125,732	129,945
11,757	Environment	16,260	16,448	16,636	16,824
3,443	External Relations & Financial Services	15,791	15,791	15,791	15,791
11,942	Financial Services[9]	-	-	-	-
33,449	Financing Costs	17,816	17,826	17,836	17,846
63,128	Grants to States Funds	94,085	98,722	102,388	149,389
380,962	Health and Care Jersey	405,543	413,277	421,308	429,445
63,239	Infrastructure	64,662	64,287	64,287	64,287
21,844	Jersey Overseas Aid	21,844	21,844	21,844	21,844
36,633	Justice and Home Affairs	39,286	40,050	40,369	40,394
10,000	Living Wage Transitional Support[10]	-	-	-	-
13,297	People Services	13,030	12,989	12,989	12,989
-	Planning and Regulation[11]	4,392	4,392	4,392	4,392
31,367	States of Jersey Police	35,514	36,390	36,395	36,395
46,543	Treasury and Exchequer	47,802	47,484	47,489	47,489
1,177,507	**Departmental Net Revenue Expenditure**	**1,229,699**	**1,250,189**	**1,266,791**	**1,326,993**
3,961	Bailiff's Chambers	4,343	4,346	4,346	4,346
1,187	Comptroller and Auditor General	1,215	1,247	1,289	1,329
10,714	Judicial Greffe	10,990	11,096	11,092	11,092
14,754	Law Officers' Department	15,457	15,674	15,674	15,674
949	Office of the Lieutenant Governor	973	973	973	973
815	Official Analyst	983	996	1,012	1,033
3,475	Probation	3,602	3,531	3,531	3,531
11,719	States Assembly	11,610	11,695	11,695	11,695
2,721	Viscount's Department	2,783	2,876	2,872	2,872
50,295	**Non-Ministerial Net Revenue Expenditure**	**51,956**	**52,434**	**52,484**	**52,545**
1,227,802	**Departmental and Non-Mins Total**	**1,281,655**	**1,302,623**	**1,319,275**	**1,379,538**
49,960	Central Reserve	43,285	71,324	98,161	134,293
-	Future Savings	-	-	-	(33,761)
1,277,762	**Net Revenue Expenditure (GRF)**	**1,324,940**	**1,373,947**	**1,417,436**	**1,480,070**
-	Infrastructure (JCIF)	(4,610)	(4,610)	(4,610)	(4,610)
-	Capital Financing Costs (JCIF)	12,575	21,050	31,650	34,650
-	**Net Revenue Expenditure (JCIF)**	**7,965**	**16,440**	**27,040**	**30,040**
1,277,762	**Total Net Revenue Expenditure**	**1,332,905**	**1,390,387**	**1,444,476**	**1,510,110**
1,277,762	*Net Revenue Expenditure - Budget 2026*	*1,315,507*	*1,367,573*	*1,423,553*	-

Table 8: Revenue Heads of Expenditure

[9] Financial Services head of expenditure has merged with External Relations head of expenditure for 2027.

[10] Temporary funding provided to support businesses and charities while the living wage was implemented ends in 2026.

[11] Regulation has transferred from the Environment to the Planning and Regulation head of expenditure

Departmental expenditure estimates for future years do not include allocations for inflation which will be considered and confirmed through subsequent Budget processes. Instead, allocations for inflation are held in the Central Reserve. Given that inflationary pressures are cumulative in nature, the provision required to maintain departmental spending power increases across the duration of the Budget. To manage this centrally and maintain budget flexibility, inflation will be allocated through future Budgets based on the latest economic forecasts, fiscal position and spending priorities.

From 2027, a separate head of expenditure has been established for Planning and Regulation. This reflects the creation of the Minister for Planning and Regulation role.

The new Ministry has responsibility for the Regulation function, which was previously included within the Environment portfolio. The establishment of a dedicated Head of Expenditure improves transparency and accountability by aligning financial reporting with Ministerial responsibilities and the current machinery of Government.

All Budget transfers between revenue heads of expenditure are summarised and listed in more detail in the Annex to the Budget.

Changes to Revenue Expenditure

The Budget proposes £1.33 billion of spending on delivering public services to Islanders in 2027, an increase from 2026 driven largely by inflationary pressures and previous States decisions which were not known at the time of Budget 2026.

Changes to Net Revenue Expenditure					
2026 Approved	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
1,188,715	**Base Budget**	**1,277,762**	**1,332,905**	**1,390,387**	**1,444,476**
	Adjustments for net changes to Base Budget;				
(2,081)	Adjustment from previous Budget	(244)	2,676	1,698	10,500
40,864	Inflation	36,137	38,641	28,924	29,680
17,276	Formula Driven/Technical Growth	26,973	13,875	22,763	14,717
53,151	Other Expenditure Growth	13,234	2,756	704	439
-	Employer Pension Contribution Saving	(10,841)	-	-	-
(20,163)	Savings	(10,116)	(466)	-	(33,761)
1,277,762	**Net Revenue Expenditure**	**1,332,905**	**1,390,387**	**1,444,476**	**1,466,051**
-	Reinstate SSF States Grant to Full Formula Value	-	-	-	44,059
1,277,762	**Net Revenue Expenditure (after States Grant)**	**1,332,905**	**1,390,387**	**1,444,476**	**1,510,110**

Table 9: Changes to Net Revenue Expenditure

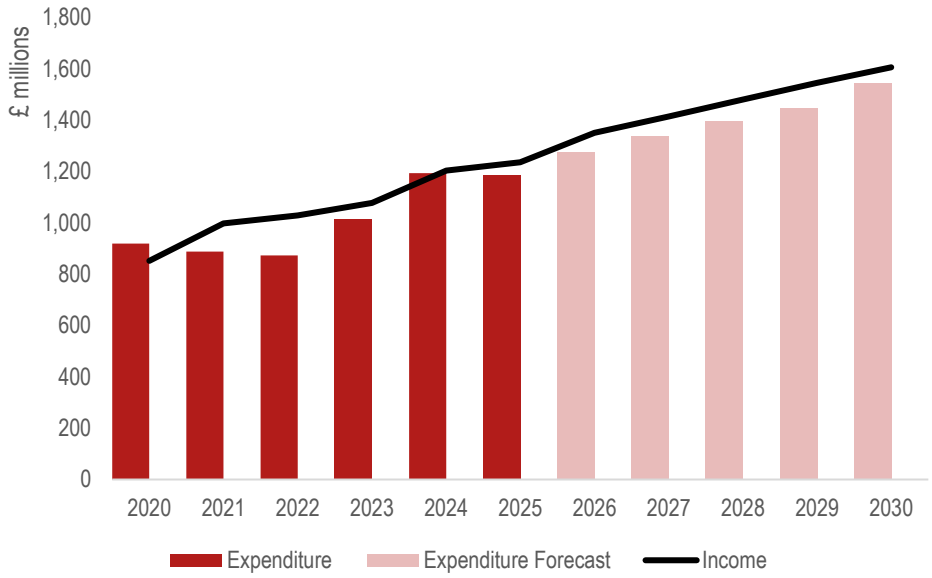


Figure 15: Income and Expenditure Trends Before Depreciation

Growth Allocations

Expenditure Growth				
£'000	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
Assembly Commitments (VAWG, Agriculture & Fisheries)	6,106	8,532	8,824	9,223
Cost of Living[12]	3,000	2,600	2,600	2,600
Risks	729	1,459	1,871	1,871
Health and Care Jersey	3,133	3,133	3,133	3,133
Other Non-Ministerial	266	266	266	306
Total Expenditure Growth	**13,234**	**15,990**	**16,694**	**17,133**

Table 10: Expenditure Growth Allocations

Consistent with its commitment to maintain financial stability, the Council of Ministers has sought to minimise expenditure growth within this Budget. As a result, additional funding has been limited to exceptional items only to provide funding arising from States Assembly decisions, to mitigate significant risks to Islanders, to maintain healthcare services and to provide targeted cost of living support. Further details of these allocations are provided in Appendix 3 and the Budget Annex.

A significant proportion of the growth provided in this Budget supports the implementation of the Violence Against Women and Girls (VAWG) legislation approved by the States Assembly. The new legislative framework will strengthen protections for Islanders and improve the response to victims, but it will also place additional demands on a range of public services and organisations. To ensure that services have the capacity and capability required to meet these obligations, funding has been allocated across a number of Heads of Expenditure, including Non-Ministerial Departments. Given the cross-government nature of the legislation and the inherent uncertainty around future demand, contingency funding has also been set aside within the Central Reserve should VAWG-related case volumes exceed current forecasts.

[12] Tax-funded cost of living support totals £3 million, in addition £600,000 will be funded from the Social Security Grant to double the Parental Grant.

This Budget continues the current level of funding from the Better Business Support package on a recurring basis to Jersey's rural and marine sectors, in line with the States Assembly decision approved in March 2026[13]. Funding will increase annually by RPI(X), providing long-term certainty for farmers and fishers to invest, improve productivity, and respond to market and cost pressures.

The Budget also builds on investment previously approved by the Council of Ministers to address areas where risks to Islanders were assessed as exceeding the Government's risk appetite. This includes continued enhancements to the capacity and resilience of the States of Jersey Fire and Rescue Service, alongside improvements to the Emergency Services Control Centre. Sustaining this investment will help ensure that emergency services remain equipped to respond effectively to current and future challenges, reducing avoidable risks and supporting the safety, security and resilience.

In addition to the annual funding provision equivalent to 2% above inflation to maintain existing health and care services, this Budget provides a further 0.81% increase in 2027, based on current modelling, to meet growing demand and demographic pressures. Health and care expenditure continues to face significant upward pressure as demand for services increases and healthcare costs rise faster than general inflation. These pressures are driven by an ageing population, increasing complexity of care needs, workforce challenges, and healthcare-specific cost inflation. The further additional funding recognises these unavoidable pressures while balancing the need to restore and maintain sustainable public finances. Future funding requirements will be considered through subsequent Budgets, informed by funding reform options and through establishing a health and care strategy for Jersey, as outlined in the Common Strategic Policy. In 2027 this will bring the total addition to the Health and Care Jersey budget to £10 million on top of pay and non-pay inflation.

Targeted action to support Islanders with the cost of living is a Common Strategic Policy priority. The Budget therefore includes a targeted package of measures focused on families, lower and middle-income households, and those most affected by ongoing cost pressures.

The package expands support for childcare through increased funded nursery hours for two to three-year-olds, helping families manage childcare costs while supporting parents to remain in, or return to, employment. Additional targeted support will be provided through a one-off Community Cost Bonus payment and a Family Support Payment for households with school age children. The Budget also extends free school meals to Jersey Premium pupils in secondary schools, supporting educational attainment, health and wellbeing.

Alongside these measures, the Minister for Social Security will propose a doubling of the parental grant from £900 to £1,800, providing greater support to families welcoming a new child when financial pressures can be particularly acute.

Taken together, these measures provide practical and targeted assistance to households, helping to reduce the cost of raising children, strengthen family incomes and ensure support is directed to those who will benefit most.

In accordance with Article 10 of the Public Finances (Jersey) Law, the Budget also includes £1 million of revenue expenditure growth requested by Non-Ministerial departments, the

[13] P-54-2026.pdf

majority of which relates to the implementation of the Violence Against Women and Girls legislation.

Inflation

It is both prudent and responsible financial management to plan for the impact of inflation on Government finances. Accordingly, this Budget includes provisions to meet anticipated inflationary pressures on pay, social benefits and non-pay expenditure, ensuring that public services can continue to be delivered effectively while maintaining financial sustainability.

In their latest set of economic assumptions[14], the Fiscal Policy Panel has revised upwards its forecast for inflation in Jersey, reflecting expectations of higher import costs and domestically generated inflation. RPI inflation is now forecast to remain between 4.1% and 2.3% over the Budget period, slightly higher than forecast in May 2025. As a result, the provision for inflation has been increased to protect departments from real-terms reductions in their budgets and to maintain the purchasing power of public expenditure.

For 2027, departments have been allocated funding equivalent to 4.1% of non-pay expenditure, in line with the Fiscal Policy Panel's assumptions. Provision for pay awards is held centrally within the Central Reserve and will be allocated to departmental budgets once the 2027 pay award has been agreed. Provision for future years' pay and non-pay inflation is also held centrally to provide flexibility and ensure that funding can be allocated in line with actual economic conditions.

Inflationary pressures are cumulative in nature and therefore the level of provision required increases across the Budget period. There remains uncertainty around the future path of inflation and economic forecasts. Should inflation exceed current assumptions, the provision included within the Budget may be insufficient to meet the full cost of agreed pay awards and other inflationary pressures, requiring departments to manage any shortfall within overall approved expenditure limits.

Technical/Formula Driven Growth

The Budget also allocates a further £27.2 million to a number of areas of expenditure that are determined by pre-agreed formulae. These include:

- An annual 2% increase above RPI in Health budgets to maintain service standards and meet the costs of health care inflation. A further increase of 0.81% has been allocated to maintain healthcare with further work to be progressed on the sustainability of healthcare funding. Resulting in an additional £10 million to the Health and Care Jersey budget for 2027.
- Formula driven increases for the States grant to the Long-Term Care Fund (as set out in the sections “Long-Term Care Fund”). Adjustments to the States grant to the Social Security Fund are considered separately in the section below.
- Maintaining budgets for arts, culture and heritage across Government at 1% of revenue expenditure in total.
- Formula driven increases for agriculture and fisheries budgets being increased by RPI(X).

[14] FPP Medium Term Report - 2026

- Financing costs, including overdraft charges based on projected cash balances in the General Revenue Fund, New Healthcare Facilities, Fort Regent and the pension bond.

Jersey Overseas Aid

Jersey remains committed to maintaining a strong and effective overseas aid programme and recognises the significant impact that Jersey Overseas Aid has delivered over many decades. The programme supports international development and humanitarian relief, enhances Jersey's international profile and reputation, and provides opportunities for Islanders to contribute their skills and expertise to projects that improve lives around the world. Moreover, Jersey Overseas Aid delivers a sizeable part of its impact through two highly respected and internationally recognised Jersey organisations, the RJA&HS and the Durrell Wildlife Conservation Trust, further enhancing the Island’s global profile while drawing on established local expertise and capability.

At a time when savings and efficiencies are being required across Government, it is appropriate that overseas aid funding also reflects the wider need to restore sustainable public finances. As a leading international finance centre, any reduction in the Island’s Official Development Assistance (ODA) commitments could have a detrimental impact on its reputation, particularly given the prominent role of its finance sector in serving global wealth.

The Budget therefore proposes to freeze the overseas aid allocation at its 2026 level of £22 million from 2027 to 2030, saving £1.5 million in 2027, £2.5 million in 2028, £3.5 million in 2029 and £4.5 million in 2030. This approach releases £12 million over the period compared with the current GVA based formula, contributing towards additional investment in targeted support for Islanders facing cost-of-living pressures and the implementation of the Violence Against Women and Girls strategy. This strikes a balance between Jersey's international responsibilities and the needs of the local community at this time.

Under a spending freeze, Jersey's ODA contribution would fall from 0.3% to around 0.25% of GVA over time. While balancing public finances remains a key objective, maintaining the current level of commitment recognises the importance of international development, supports Jersey's global engagement and reputation, and reflects the Island's long-standing commitment to being a responsible international partner.

Maintaining funding at this level preserves Jersey's ability to respond to humanitarian emergencies, demonstrates continued global solidarity, and ensures a substantial commitment to international development while taking a balanced approach to public spending. The current funding formula will be reviewed before the next Budget to ensure future arrangements remain effective, affordable, and sustainable over the longer term.

States Grant to Social Security Fund

The States Grant to the Social Security Fund has been temporarily rebased to £50 million for the period 2026 to 2029, with annual increases linked to Average Earnings. This measure was introduced to support investment in public services in 2026, avoiding the need for tax increases while maintaining a significant States contribution to the Fund.

The Budget currently assumes that the States Grant will return to its full formula value from 2030, in accordance with current legislation. However, this assumption is subject to review

following the publication of two ongoing reviews of the Social Security Fund, which will be published in the first quarter of 2027.

The reviews will provide an updated assessment of the Fund's long-term financial position and funding requirements. Ministers will consider the findings, alongside the wider fiscal outlook, as part of Budget 2028 before determining whether and on what basis the full States Grant should be calculated in the future.

This approach ensures that future decisions on the level of States support are informed by the latest evidence, while balancing the long-term sustainability of both the Social Security Fund and wider public finances.

States Grant to the Social Security Fund					
2026 Approved	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
22,768	**States Grant to the Social Security Fund**	**52,635**	**54,951**	**57,479**	**59,433**
-	Restatement to the full formula value	-	-	-	44,059
22,768	**Total States Grants Formula Value**	**52,635**	**54,951**	**57,479**	**103,492**

Table 11: Adjustments to the States Grant

Savings

	Recurring Savings Proposals				
2026 Approved	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
1,715	Office Consolidation	481	466	-	-
9,000	Roles	9,635	-	-	-
9,000	Financial Recovery Programme (HCJ)	-	-	-	-
448	Future Savings	-	-	-	33,761
-	Reduction to Pension Fund Contributions	10,841	-	-	-
20,163	**Total**	**20,957**	**466**	**-**	**33,761**

Table 12: Recurring Saving Proposals

Maintaining financial stability is one of the Council of Ministers' Common Strategic Policy priorities and reflects the commitment to delivering a more efficient, sustainable and less complex public sector.

This Budget includes recurring savings from 2027, helping to strengthen the Island's long-term fiscal position while protecting investment in priority public services. The savings programme focuses on reducing administrative overheads, simplifying internal processes and ensuring that public resources are directed towards activities that deliver the greatest value and impact for Islanders.

Some but not all Non-Ministerial departments have also contributed towards the delivery of the overall savings target, ensuring that the responsibility for improving efficiency and value for money is shared across the public sector.

Since 2018, the number of governance, coordination and business support roles has increased at a faster rate than the overall workforce. While stronger governance arrangements have delivered important benefits, they have also contributed to greater organisational complexity and administrative burden. This Budget supports a more streamlined and empowered operating model, with clearer accountability, proportionate oversight and a renewed focus on productivity, efficiency and service delivery.

Together, these measures will help create a leaner, more responsive public service that delivers better value for money, strengthens fiscal discipline and ensures that limited public resources can continue to be focused on the services and investments that matter most to Islanders.

Reduce Office Footprint

The move to the new Government offices enables the consolidation of the overall office estate delivering ongoing revenue savings, through lower Government running costs. Due to existing lease terms and conditions savings will be realised over a number of years, commencing in 2025 with £4.4 million fully realised by 2028.

Public Employees' Pension Fund Contributions

The Budget reflects a reduction in employer pension contributions following the latest independent actuarial valuation of the Public Employees' Pension Fund (PEPF). The valuation

confirmed that the Fund is in a strong financial position, with assets exceeding the level required to meet accrued pension liabilities and a continuing surplus available to provide resilience against future risks.

As a result, and in recognition of the actuary's advice, contribution rates have been reduced in 2026 while maintaining existing pension benefits for scheme members. The change delivers recurring savings for Government, reflecting a lower cost of providing pension benefits than previously assumed, while ensuring contribution levels remain sufficient to meet the expected long-term obligations of the Fund. The recurring savings to Government total £10.8 million per annum from 2027.

The reduction has been implemented on a prudent basis. Even after the change, the Fund is expected to retain a surplus that provides a buffer against potential future volatility in investment returns, inflation, longevity and other actuarial assumptions. The Fund's financial position will continue to be monitored through regular actuarial valuations to ensure its long-term sustainability and the security of members' benefits.

Future Savings

A future savings provision has been included in 2030 to facilitate the restoration of the States Grant to the Social Security Fund in line with the full current formula value. The requirement is subject to the outcome of the two ongoing reviews of the Fund, expected in Spring 2027, which will inform the scale and timing of any changes required. This approach demonstrates the Government's commitment to maintaining both the long-term sustainability of the Social Security Fund and the Island's wider public finances.

Depreciation

Depreciation represents the annual cost of consuming Government assets in the delivery of public services. It is calculated by allocating the depreciable value of an asset, being its carrying value less any estimated residual value, over its expected useful economic life.

Historically, the operating surplus or deficit has been measured after depreciation. This approach assesses whether annual income is sufficient to cover both day-to-day expenditure and the accounting cost associated with the use of public assets.

From 2027, with the establishment of the Jersey Capital Investment Fund, depreciation charges will instead be funded through the Fund. The operating position will therefore be measured after making a core funding transfer to the Fund rather than after depreciation. This provides a more direct link between the operating budget and the funding of future capital investment, helping to ensure that current revenues are sufficient to meet both the cost of delivering public services and the ongoing investment required to maintain and enhance the Government's asset base.

This change strengthens the connection between the consumption of public assets and future capital replacement, supporting a more sustainable and transparent approach to long-term financial planning.

	Depreciation				
2026 Approved	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
1,277,762	**Total Net Revenue Expenditure**	**1,332,905**	**1,390,387**	**1,444,476**	**1,510,110**
58,934	Depreciation and amortisation	66,223	66,576	66,794	66,585
1,336,696	**Net Revenue Expenditure after Depreciation**	**1,399,128**	**1,456,963**	**1,511,270**	**1,576,695**

Table 13: Depreciation

Reserve Head of Expenditure

The Budget includes a Central Reserve Head of Expenditure, which holds centrally managed provisions for pay and non-pay inflation that have not yet been allocated to departments, alongside contingency funding to meet unforeseen expenditure pressures.

Funding held within the Central Reserve is earmarked for specific purposes and sits outside departmental expenditure limits until required. This approach provides flexibility to respond to emerging risks and pressures, supports the management of in-year variations in departmental spending, and enables urgent expenditure to be funded where this is in the public interest. The Central Reserve therefore plays an important role in supporting the resilience of the Government's fiscal framework.

Historically, the Central Reserve has been replenished through underspends, particularly within the capital programme. As the capital programme has been refined and aligned to a more realistic level of delivery, the level of annual underspends available to support the Reserve has reduced. To maintain an appropriate level of financial resilience, Budget 2027 provides an additional £5 million to the Central Reserve, increasing general contingency funding to £10 million. In addition, a further £2 million contingency provision is ringfenced to meet potential legal court and case costs associated with major incidents and sanctions cases, increasing the court and case cost reserves to £4 million.

The Central Reserve also contains funding for emerging policy priorities and expenditure pressures where demand or implementation timelines remain uncertain. These provisions support the prudent management of public finances by ensuring that funding is available for significant commitments, including Violence Against Women and Girls initiatives and competitiveness investment. Retaining these budgets centrally allows resources to be deployed as requirements crystallise, while maintaining appropriate oversight and financial discipline.

	Central Reserve Expenditure				
2026 Approved	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
5,000	General Reserve	10,000	5,000	5,000	5,000
7,000	General Reserve - Court and Case Costs	4,050	1,350	1,350	1,350
7,460	General Reserve - Expenditure Growth[15]	9,622	12,349	14,723	25,576
30,500	Inflation Reserve	19,613	52,625	77,088	102,367
49,960	**Total Central Reserve Expenditure**	**43,285**	**71,324**	**98,161**	**134,293**

Table 14: Central Reserve Expenditure

Also included within Central Reserves, are inflation provisions for non-pay inflation over the years 2028–2030, with non-pay inflation allocated to departments in 2027. Pay inflation for the 2027 pay awards and future years are held centrally and not included within departmental budget allocations until pay awards have been agreed.

[15] Details of growth allocations held in the Central Reserve are included in Appendix 3, Table 49. Allocations are held from previous Budgets included investment in competitiveness funding, and additional facilities management and clinical costs for the acute hospital in 2030.

Capital Programme 2027-2030

The capital programme sets out the Government's detailed plans for investing in Jersey's public assets including buildings, roads, schools, digital systems, and critical infrastructure. These investments are essential to ensure that public services remain safe, effective, and fit for the future.

This section focuses on projects funded directly by the Government of Jersey from the Jersey Capital Investment Fund. It does not cover the separately funded capital programmes of arm's-length bodies such as the States of Jersey Development Company, Andium Homes, or other States-Owned Entities – though these organisations will also deliver significant investments over the same period in alignment with Investing in Jersey's priorities.

Once a project's scope, timetable and cost are sufficiently developed, it can be brought forward with its own separate head of expenditure and total cost approval. This provides appropriate Assembly oversight while retaining flexibility over delivery timing and sequencing.

For example, a replacement school may begin within a grouped head of expenditure and later move to its own separate head of expenditure once detailed design, planning and costing are sufficiently advanced.

Development of the programme

The programme has been updated to reflect the latest project costs and delivery timetables. Annual funding allocations have been reprofiled where timescales have changed, and total project costs revised to reflect any changes to project estimates.

The Budget provides up to £5 million in new funding in 2027 to develop a pipeline of projects arising from Investing in Jersey. This will fund the design and technical work required to establish the scope, cost and deliverability of potential projects before detailed proposals for substantial investment are brought forward.

Up to £10 million is also provided in the Capital Reserve to meet emerging higher risk project requirements, manage delivery risks and respond to inflationary pressures.

How capital projects are funded and approved

The capital programme is funded on a cashflow basis. The Budget approves the amount available from each head of expenditure in 2027 and provides estimates of the funding expected to be required over the following three years.

Capital proposals are developed through the Government's investment appraisal process. Their scope, cost, benefits, risks and deliverability are assessed in increasing detail as they move towards implementation. The form of approval sought through the Budget depends on the nature and maturity of the investment:

- **Separate project heads of expenditure** are used where a project is sufficiently developed for its scope and cost to be confirmed. Under changes to the Public Finances Law made alongside the introduction of the Jersey Capital Investment Fund, the Assembly now approves the total cost of every project with its own head of expenditure, as well as the amount available in 2027. Previously, total-cost approval

applied only to projects classified as Major Projects. Any proposed change to the total approved cost must be brought back to the Assembly.

- **Grouped heads of expenditure** bring together projects that support similar outcomes. The Assembly approves the total annual funding available for the group, while the individual projects and allocations shown in the Budget are indicative. This allows changes in project timing and requirements to be managed within the approved amount. A project may initially be included within a grouped head before being brought forward with its own head and total-cost approval once its design, planning and costing are sufficiently advanced.
- **Rolling votes** provide annual funding for continuing programmes of maintenance, renewal and replacement rather than projects with a single start and completion date. The Assembly approves the annual amount available for each rolling vote, with individual schemes prioritised through the Government's investment appraisal and governance arrangements.

Capital Expenditure

The capital programme in this Budget proposes almost £1 billion for projects across 2027 to 2030, investing in the Island's critical infrastructure, the public sector estate, and the Government's information technology systems. It also provides for the replacement of essential equipment and assets.

The following table provides a breakdown of the key thematic areas of expenditure within the capital programme, each of which is set out in further detail in the sections that follow. The budgets outlined below include unspent funds that have been reprofiled into future years.

Capital and Other Projects Programme					
2026 Approval	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
1,880	Feasibility	5,644	1,000	-	-
29,749	Estates	27,078	34,297	38,378	34,423
3,972	Infrastructure	3,677	1,167	1,000	11,000
25,214	Information Technology	14,985	1,640	550	-
46,710	Rolling Votes	41,257	36,028	38,571	37,430
-	Capital Reserve	10,000	-	8,775	4,421
107,525	**Projects Expenditure**	**102,641**	**74,132**	**87,274**	**87,274**
26,067	Fort Regent Redevelopment	15,000	24,244	-	-
174,719	New Healthcare Facilities	103,696	232,229	195,229	37,645
308,311	**Projects Expenditure (after debt funded)**	**221,337**	**330,605**	**282,503**	**124,919**

Table 15: Capital and Other Projects Programme

In addition to the programme summarised above, the following tables reflect capital investment from other States Funds.

Schemes Funded from Trading Funds					
Project Total	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
-	Car Park Enhancement and Refurbishment	2,070	4,644	390	402
-	Vehicle and Plant Replacement	3,160	1,958	3,951	2,039
-	**Trading Funds Total**	**5,230**	**6,602**	**4,341**	**2,441**

Table 16: Schemes Funded from Trading Funds

Schemes Funded from the Social Security Fund					
Project Total	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
30,605	Benefits and Payment (Transform)	6,556	4,708	1,052	-
30,605	**Social Security Fund Total**	**6,556**	**4,708**	**1,052**	**-**

Table 17: Schemes Funded from the Social Security Fund

Feasibility

Feasibility				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Feasibility	5,644	1,000	-	-
Total Feasibility	**5,644**	**1,000**	**-**	**-**

Table 18: Feasibility

The Feasibility head of expenditure funds the design and technical work needed to develop projects before substantial investment decisions are taken. The projects and allocations shown are indicative, allowing funding to be redirected as proposals develop, subject to the approvals set out in the Public Finances Manual.

The below table sets out current feasibility plans for the Budget 2027-2030.

Feasibility - Breakdown of Grouped Head of Expenditure				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Feasibility				
Investing in Jersey	5,000	-	-	-
Shoreline Management Plan	544	1,000	-	-
Tunnel Relining	100	-	-	-
Total Feasibility	**5,644**	**1,000**	**-**	**-**

Table 19: Feasibility – Breakdown of Grouped Head of Expenditure

Up to £5 million is available in 2027 to develop an initial pipeline of Investing in Jersey projects, subject to funding be identified. This will support the work needed to develop proposals for consideration in future Budgets.

Feasibility funding continues to be provided to refine proposals for the development of a Shoreline Management Plan – a programme intended to ensure the Island's sea defences are able to meet the challenges imposed by rising sea levels.

Feasibility funds will also be available in 2027 to develop proposals for a relining of the tunnel under Fort Regent.

Estates

Project Total	Estates £'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
-	Loving Homes Estate	C&F	C&F	4,067	2,310	5,298	-
7,500	Le Squez	C&F	I&E	-	1,381	6,116	-
16,129	North of St Helier Youth Centre	C&F	I&E	6,400	1,542	-	-
-	Upgrades to CYPES Estates	ELL	ELL	2,500	1,974	-	-
48,958	Mont à l'Abbé Secondary School	ELL	I&E	3,079	15,404	16,849	12,959
-	North of St Helier Primary School	ELL	I&E	-	-	2,500	13,000
4,700	Crematorium	I&E	I&E	848	3,102	600	-
-	Estates Refurbishment and Upgrades	I&E	I&E	5,110	2,000	2,000	-
-	Land Acquisition	I&E	I&E	-	-	-	-
-	Other I&E Estate Projects	I&E	I&E	400	1,750	-	-
-	Property Dilapidations	I&E	I&E	-	-	-	-
24,403	Fire & Rescue Headquarters	JHA	I&E	500	2,170	4,149	8,393
2,721	Prison Phase 8	JHA	I&E	50	-	-	-
2,802	Sea Cadets Headquarters	JHA	I&E	199	1,364	866	71
7,291	Dewberry House - Sexual Assault Referral Centre	SoJP	I&E	3,925	1,300	-	-
114,504	**Total Estates**			**27,078**	**34,297**	**38,378**	**34,423**

Table 20: Estates

Children and Families (C&F) and Education and Lifelong Learning (ELL) Estate

Loving Homes Estate

The Loving Homes Estate is part of a wider whole-system change intended to significantly expand and modernise Jersey's residential care capacity, ensuring children and young people have safe, stable homes that meet their needs. This is achieved through the renovation of several homes and properties, allowing the service to meet evolving demand for children in care.

Loving Homes Estate - Breakdown of Grouped Head of Expenditure £'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Residential Care	C&F	C&F	4,067	477	1,591	-
Secure Care	C&F	C&F	-	1,833	3,707	-
Loving Homes Estate			**4,067**	**2,310**	**5,298**	**-**

Table 21: Loving Homes Estates – Breakdown of Grouped Head of Expenditure

Le Squez

A revitalised youth centre at Le Squez will create a new community hub and a modernised space for children and young people. The centre will support youth engagement, improve access to services and activities, and strengthen connections with the wider network of youth facilities across the Island. The project is scheduled for later in this budget, with further design and development work required that will result in amendments to the project in future budgets.

North of St. Helier Youth Centre

The North of St Helier Youth Centre is under construction on the former Ann Street Brewery site. It will become the Island's flagship youth centre, enhancing opportunities for young people in St Helier and the wider catchment area. It will bring local services into line with the high-quality provision available elsewhere on the Island and will strengthen the youth service's presence in the Island's capital. The centre will also house the Youth Enquiry Service (YES) counselling service, providing a visible and accessible base for outreach, support and community engagement. Once complete, it will be a vital platform for promoting inclusion, aspiration and wellbeing among young Islanders.

Upgrades to CYPES Estates

Upgrades to the CYPES estate will support improvements to the condition and security of existing schools and residential care facilities. The below table shows an indicative allocation, with the grouped head of expenditure providing the flexibility to reprioritise as needed, based on the urgency and readiness of projects during the year.

Upgrades to CYPES Estates - Breakdown of Grouped Head of Expenditure						
£'000	**Spon Dept**	**Supp Dept**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
Residential Homes and Secure Settings	C&F	C&F	500	500	-	-
School Improvements	ELL	ELL	2,000	1,474	-	-
Upgrades to CYPES Estates			**2,500**	**1,974**	**-**	**-**

Table 22: Upgrades to CYPES Estates – Breakdown of Grouped Head of Expenditure

Mont à l'Abbé Secondary School

A new secondary school at Mont à l'Abbé will expand the Island's provision of care and learning for children with moderate to severe learning difficulties, creating an environment tailored to their needs. Together with the primary school, this single campus will create a specialised hub providing education for children and young people aged 0 to 25, as well as respite care.

The project budget and cashflow profile have been updated to reflect the latest cost and delivery assumptions. Business case and procurement work is continuing, which may give rise to further changes to be considered through a future Budget.

North of St Helier Primary School

Planning for a new primary school in the north of St Helier will continue during the Budget period. Further work is required on the proposed Gas Place site, including site preparation works and confirmation of the school's size and scope before a full project proposal can be brought forward.

Infrastructure and Environment Estate

Crematorium

Increased funding is provided through this Budget to replace essential crematorium equipment and refurbish the building, helping to maintain a reliable cremation service for the Island. This restores the total project funding closer to that amount provided for the project in earlier Budgets, largely reversing a reduction made in 2025 on the basis of cost estimates that have not proved commercially deliverable.

Estates Refurbishments and Upgrades

This grouped head of expenditure funds priority refurbishment and maintenance across the Government estate, informed by recent condition surveys. It also provides flexibility to address urgent property issues that could otherwise disrupt public services.

Estates Refurbishments and Upgrades - Breakdown of Grouped Head of Expenditure						
£'000	**Spon Dept**	**Supp Dept**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
Fire Safety in CYPES Estate	I&E	I&E	300	-	-	-
Highlands College	I&E	I&E	350	-	-	-
Property Refurbishment and Upgrades	I&E	I&E	4,460	2,000	2,000	-
Estates Refurbishment and Upgrades			**5,110**	**2,000**	**2,000**	**-**

Table 23: Estates Refurbishment and Upgrades – Breakdown of grouped Head of Expenditure

Land Acquisition

The Land Acquisition head of expenditure allows the Government to acquire land or property where this is necessary to support public services or other strategic requirements.

Other I&E Estate Projects

This grouped head of expenditure provides for work required to meet accessibility, safeguarding and care-regulation standards across the Government estate, together with funding for skatepark facilities.

Other I&E Estate Projects - Breakdown of Grouped Head of Expenditure						
£'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Community Site Improvements (DDA)	I&E	I&E	-	1,750	-	-
New Skateparks	I&E	I&E	400	-	-	-
Other I&E Estate Projects			**400**	**1,750**	**-**	**-**

Table 24: Other I&E Estate Projects – Breakdown of Grouped Head of Expenditure

Property Dilapidations

The Property Dilapidations head of expenditure provides for contractual dilapidation costs arising when the Government vacates leased properties.

Justice, Home Affairs and States of Jersey Police Estate

Fire and Rescue Headquarters

Funding is provided in this Budget to undertake groundworks and site inspections of the existing Rouge Bouillon site, to obtain a clear understanding of the costs of the redevelopment. The outcomes of this work will allow for a more accurate view of the costs to undertake the demolition of the former police station, to make improvements to the Western Fire Station for operational continuity and to construct the new Fire & Rescue Headquarters. The updated financial forecast will be provided in a future Budget.

Prison Phase 8

Funding from the Criminal Offences Confiscation Fund has supported a series of improvements at La Moye Prison in recent years. The remaining funding in this Budget will enable the completion of the existing phase of planned works.

Sea Cadets Headquarters

The States proposition P.30/2021[16] required the Government locate and fund a permanent home for the Sea Cadets. Following a period of assessing site options, a suitable location has been found by repurposing an existing property in the Government portfolio. Following the completion of detailed planning work funding is increased to £2.8 million in this budget, though remains lower than the £5 million allocation available in Budget 2025. The planned development will provide suitable training space, and shared facilities, giving the Sea Cadets a permanent home.

Dewberry House - Sexual Assault Referral Centre (SARC)

Funding from the Criminal Offences Confiscation Fund, together with funding reprioritised from non-critical maintenance work, will support delivery of the new Sexual Assault Referral Centre replacing Dewberry House. Following the completion of the commercial tender, a further increase in funding is provided in this Budget taking the total project approval to £7.3 million. The centre will provide a dedicated environment in which victims of sexual assault and abuse can receive dedicated care and support.

[16] P.30-2021.pdf

Infrastructure

Project Total	Infrastructure £'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
-	Countryside Access and Signage	I&E	I&E	-	-	-	-
501	Neighbourhood Regeneration of St Helier	I&E	I&E	167	167	-	-
-	Other Infrastructure	I&E	I&E	3,510	1,000	1,000	1,000
-	Planning Obligation Agreements	I&E	I&E	-	-	-	-
-	Road Safety	I&E	I&E	-	-	-	-
-	Shoreline Management Plan - Havre des Pas	I&E	I&E	-	-	-	10,000
501	**Total Infrastructure**			**3,677**	**1,167**	**1,000**	**11,000**

Table 25: Infrastructure

Neighbourhood Regeneration of St Helier

The Budget allocates £167,000 in each of 2027 and 2028 to provide funding for the specific regeneration of St. Helier Neighbourhoods, as previously agreed per Amendment 21[17] to the Budget (Government Plan) 2026-2029.

Further Listed Infrastructure Projects

Heads of expenditure are also maintained for Countryside Access and Signage, Planning Obligation Agreements and Road Safety. Depending on the head of expenditure concerned, funding is allocated from programme underspends, the Car Parking Trading Fund or contributions secured through planning obligations.

Other Infrastructure

A grouped head of expenditure for all other infrastructure projects includes funding for the La Collette Waste Site, and the extension of the Island's sewage network. Funding is also provided for upgrades and equipment replacement in the Island's Parks and Gardens.

Other Infrastructure - Breakdown of Grouped Head of Expenditure						
£'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Drainage Foul Sewer Extensions	I&E	I&E	-	500	500	500
La Collette Waste Site Development	I&E	I&E	3,285	500	500	500
Parks & Gardens Upgrades	I&E	I&E	225	-	-	-
Other Infrastructure			**3,510**	**1,000**	**1,000**	**1,000**

Table 26: Other Infrastructure – Breakdown of Grouped Head of Expenditure

Shoreline Management Plan – Havre des Pas

Feasibility work is continuing on the first proposed Shoreline Management Plan scheme at Havre des Pas. This work will determine the preferred design, delivery timetable and estimated cost. Early estimates indicate that construction could require investment of between £150 million and £175 million, with work potentially beginning in 2030. The project will be brought

[17] Government Plan 26-29 Amendment 21

forward for approval once the feasibility work has completed and an Outline Business Case has been approved.

Information Technology

Information Technology							
Project Total	£'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
10,621	Cyber Programme 2.0	DS	DS	4,033	300	-	-
-	IT Infrastructure Improvement Programme	DS	DS	3,538	300	-	-
18,308	Digital Care Strategy	HCJ	HCJ	580	-	-	-
3,850	Digital Systems Improvements	HCJ	HCJ	645	490	-	-
763	Probation/Prison Offender Case Management	PRO	PRO	120	-	-	-
11,210	Pillar 2 Implementation	T&E	T&E	3,000	550	550	-
10,168	Revenue Transformation Programme (Phase 4)	T&E	T&E	3,069	-	-	-
54,920	**Total Information Technology**			**14,985**	**1,640**	**550**	**-**

Table 27: Information Technology

Cyber Programme 2.0

Investment in cyber security continues in the Budget. The project seeks to ensure that Government is able to adequately respond to the increasing complex cyber threat, which has grown in recent years due to the challenging geopolitical risk landscape. It builds on the implementation of the earlier Cyber Programme.

IT Infrastructure Improvement Programme

Funding continues for upgrades to Government's digital systems. The programme is intended to upgrade Government's ageing digital infrastructure, simplify digital systems and improve the reliability of the IT network across Government. The allocation of resources between projects has been revised this year to ensure funds are being used in a manner that maximises outcomes.

IT Infrastructure Improvement Programme - Breakdown of Grouped Head of Expenditure						
£'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Applications Infrastructure Improvements	DS	DS	1,672	-	-	-
Infrastructure Improvements	DS	DS	775	-	-	-
Networking Infrastructure Improvements	DS	DS	846	300	-	-
Service Delivery Improvements	DS	DS	245	-	-	-
IT Infrastructure Improvement Programme			**3,538**	**300**	**-**	**-**

Table 28: IT Infrastructure Improvement Programme – Breakdown of Grouped Head of Expenditure

Investment in Health and Care Jersey Digital Priorities

Funding continues for two health digital projects. The Digital Care Strategy includes further releases of the hospital electronic patient record and development of an electronic referrals system. Digital Systems Improvements will support an electronic patient record for mental health and care services.

Probation/Prison Offender Case Management

Investment in a new offender case management system will improve the Probation Service's ability to maintain and share accurate and proportionate information. This will support rehabilitation, public protection and safeguarding.

Pillar Two Implementation

This project continues implementation of the Multinational Corporate Income Tax (Jersey) Law, which changed the Island's business-tax regime in line with the OECD Pillar Two framework. Funding supports the required information technology and other implementation costs.

Revenue Transformation Programme Phase 4

The Revenue Transformation Programme (RTP) Phase 4 continues to enable adaptations for digital tax systems to take account of changes in tax legislation including the adoption of independent taxation, changes in respect of the prior-year basis and the requirement for automatic exchange of tax information internationally.

Rolling Votes

Rolling votes is a new classification established in Budget 2027. Rolling votes provide annual funding for continuing programmes of maintenance, renewal and replacement. Unlike projects with their own heads of expenditure, these programmes continue from year to year and do not have a fixed completion date. Individual schemes are prioritised through annually approved plans and are subject to proportionate investment appraisal and governance.

Rolling Votes						
£'000	Spon Dept	Supp Dept	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Health Services Improvements Programme	HCJ	HCJ	5,000	-	-	-
Infrastructure Rolling Vote	I&E	I&E	14,350	14,350	14,350	14,350
Liquid Waste Key Infrastructure	I&E	I&E	10,000	9,000	10,000	10,000
Public Realm	I&E	I&E	1,427	2,098	3,641	2,500
Replacement Assets and Minor Capital - DS	DS	DS	2,500	2,500	2,500	2,500
Replacement Assets and Minor Capital - ELL	ELL	ELL	300	300	300	300
Replacement Assets and Minor Capital - HCJ	HCJ	HCJ	2,100	2,500	2,500	2,500
Replacement Assets and Minor Capital - I&E	I&E	I&E	4,850	4,550	4,550	4,550
Replacement Assets and Minor Capital - JHA	JHA	JHA	380	380	380	380
Replacement Assets and Minor Capital - SoJP	SoJP	SoJP	350	350	350	350
Total Rolling Votes			**41,257**	**36,028**	**38,571**	**37,430**

Table 29: Rolling Votes

Health Service Improvements Programme

This head of expenditure provides funding for essential works at the General Hospital and other health sites, helping to maintain safe and reliable services while the New Healthcare Facilities Programme is delivered.

Infrastructure Rolling Vote

The Infrastructure Rolling Vote is a programme of continual improvements to maintain the Island's roads, drains and sea defences, which need on-going maintenance and replacement over time. This is a critical ongoing activity that is integral to the continued functioning of key infrastructure that Islanders depend on.

In Budget 2027, the Public Realm funding has been separated from the Infrastructure Rolling Vote and moved into its own head of expenditure.

Liquid Waste Key Infrastructure

This Budget continues to provide funding for the Liquid Waste Key Infrastructure project that seeks to deliver the Liquid Waste Strategy. This will expand capacity on the Island's surface water and foul sewage drainage network to support the housing development needs identified in the Bridging Island Plan and support the policy response to the Island's housing crisis. It also delivers essential improvements that need to be made to increase the pumping station capacity and extend drainage infrastructure to enable it to cope with increased volumes.

After initial work to expand capacity on the network has completed there will be a significant on-going cost to continue to modernise it. Accordingly, funding for liquid waste key infrastructure has been constituted as a rolling vote in this Budget.

In line with the past two Budgets, costs for 2028 and later years are intended to be met through the introduction of a liquid waste charging mechanism, which would be proposed in the next Budget. Whilst the mechanism is determined, funding for 2027 will be through property disposals.

Public Realm

Funding for Public Realm is now constituted under its own rolling vote Head of Expenditure. It will support improvements to public spaces and transport access in St Helier and elsewhere in the Island, in line with the Investing in Jersey programme. Public Realm funding has been reprofiled to invest heavily in later years of the Budget with further increases in future years upon the completion of the Neighbourhood Regeneration of St Helier project.

Replacement Assets

Replacement asset funding allows departments to renew essential operational equipment as it reaches the end of its useful life. Annual requirements will sometimes vary according to the age, condition and replacement cycle of the assets concerned.

Capital Reserve

Capital Reserve				
£'000	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
Capital Reserve	10,000	-	8,775	4,421
Total Capital Reserve	**10,000**	**-**	**8,775**	**4,421**

Table 30: Capital Reserve

The Capital Reserve provides capacity to manage risks across the capital programme, including emerging project requirements, delivery pressures and the effect of inflation on project costs. This allows pressures to be addressed without immediately displacing funding from other planned investment.

The Capital Reserve also provides a mechanism for retaining capital underspends, or funding that will not be required until a later year, within the Jersey Capital Investment Fund.

Fort Regent Redevelopment

The Budget continues with the planned £43 million to initiate the transformation of Fort Regent. This funding is financed through borrowing and is for the enabling works that represent the critical first step to unlock the Fort's long-term potential.

Works to be undertaken as part of this first step include essential repairs to the listed roof structure and historic walls, the strip-out of obsolete infrastructure and major upgrades to mechanical and electrical systems. This investment will stabilise and prepare the site for any future development while safeguarding its unique heritage.

New Healthcare Facilities programme

The New Healthcare Facilities (NHF) has reached a historic milestone for Phase 1 of the Programme with the appointment of the main works delivery partner for the Acute Hospital. The Phase 1 Full Business Case (FBC) follows the principles set out in the Strategic Outline Case (SOC) and Phase 1 Outline Business Case (OBC) that described the scope of works that would be delivered within the current funding envelope of £710m and the deferred spend carried forward from 2023 of £13m.

It was assumed during the Strategic Outline Case, Strategic Outline Case Information Update, and Outline Business Case stages that whilst the Acute Hospital would be completed, most of the activity at Kensington Place Ambulatory Care Centre and St Saviour's Health Village would occur at a later phase of the New Healthcare Facilities, subject to funding. This is in line with the current focus on delivering the Development Works, Supporting Projects and main acute hospital building on and around the Overdale site.

The substantial benefits to patients, staff and Islanders associated with the delivery of Phase 1 of the New Healthcare Facilities continue to be expected including:

- Greater capacity to treat patients on-Island in the future.
- Operational, patient and working spaces that support improved healthcare outcomes.
- A greater ability to attract and retain staff.
- Greater support for the development of staff skills including education and training.
- External and internal spaces that increase accessibility, privacy and dignity for patients, visitors and staff.

During the Full Business Case development in late 2025 and early 2026, it became evident that the procurement of the Main Works Delivery Partner for the Acute Hospital would exceed the original allocations set out in the Outline Business Case for this element through a combination of the pricing of political and delivery risks, adverse market conditions in the healthcare construction sector as well as global inflationary pressures. The impact has been a requirement to reallocate a greater proportion of the total funding envelope for Phase 1 to the Acute Hospital and reduce those for making meaningful progress at Kensington Place and the Health Village. Work will still continue on the wider sites, including Development Control Plans and updated Functional Briefs for both Kensington Place and the Health Village ensuring a coherent healthcare service provision and also to develop funding requests for future phases.

The current status of the New Healthcare Facilities programme is:

Programme element	***Status***
The Enid Quenault Health and Wellbeing Centre at Les Quennevais, utilised on a longer-term basis.	*Predominantly complete with some works to provide additional service life to the roof and windows underway*
The delivery and continued use of the St Ewolds facility for rehabilitation services.	*Complete*
An Acute Facility at Overdale, including enabling and development works.	*Construction completion in 2030*
Meaningful progress at Kensington Place and St Saviour to support Ambulatory Care Centre and Health Village.	*Work ongoing on the Development control plans, functional briefs and service provision plan*

Figure 16: Status of New Healthcare Facilities Programme

Whilst there is no change in the Phase 1 envelope, the cashflow has been amended to more accurately reflect the Programme delivery dates. The funding strategy remains unchanged and is set out in the section on ‘States Borrowing’.

There remains a robust governance process in place with the New Healthcare Facilities Programme team. The embedded processes are continuously reviewed and updated to ensure compliance with relevant frameworks but allow decision making to remain agile as key milestones on the New Healthcare Facilities construction programme are completed.

Total Project Approvals

The below table sets out the total approval for projects constituted with a separate project head of expenditure. It shows the previous total project budget, the revised total and the resulting change.

Project Approval					
£'000	Spon Dept	Supp Dept	Previous Approval/Total	New Approval	Change In Approval
Le Squez	C&F	I&E	7,500	7,500	-
North of St Helier Youth Centre	C&F	I&E	16,129	16,129	-
Mont à l'Abbé Secondary School	ELL	I&E	41,000	48,958	7,958
Crematorium	I&E	I&E	1,000	4,700	3,700
Fire & Rescue Headquarters	JHA	I&E	24,403	24,403	-
Prison Phase 8	JHA	I&E	2,721	2,721	-
Sea Cadets Headquarters	JHA	I&E	1,697	2,802	1,105
Dewberry House - Sexual Assault Referral Centre	SoJP	I&E	5,991	7,291	1,300
Neighbourhood Regeneration of St Helier	I&E	I&E	501	501	-
Cyber Programme 2.0	DS	DS	10,621	10,621	-
Digital Care Strategy	HCJ	HCJ	18,308	18,308	-
Digital Systems Improvements	HCJ	HCJ	3,850	3,850	-
Probation/Prison Offender Case Management[18]	PRO	PRO	756	763	7
Pillar 2 Implementation	T&E	T&E	11,210	11,210	-
Revenue Transformation Programme (Phase 4)	T&E	T&E	10,168	10,168	-
New Healthcare Facilities	HCJ	HCJ	770,360	770,360	-
Fort Regent Redevelopment	I&E	I&E	43,000	43,000	-

Table 31: Project Approval

[18] Probation project increase reflects a return to the original project Budget following a previous forecast underspend that did not materialise.

Use of Public Land for Public Benefit

New development on public land, whether owned by Government or a States-Owned Entity, creates value that can be reinvested to benefit the public. Recognising the importance of delivering affordable homes, the Bridging Island Plan includes a policy expectation that:

'Where States of Jersey or States-owned companies' land is brought forward for the development of new homes, these shall be for affordable homes unless it has been otherwise approved that the development needs to specifically provide open market homes, particularly where this is required to ensure the viability of public realm and community infrastructure delivery, in line with an approved Government Plan.'

The Government of Jersey continues to assess its land and property through the Island Public Estate Strategy to determine whether sites are needed for current services, future strategic requirements, or can be released for other uses. Jersey Property Holdings must ensure sufficient land is retained to meet future infrastructure, service delivery, environmental, resilience and other long-term public needs. As a result, some vacant or undeveloped land may remain in public ownership where there is a strategic justification for doing so.

Where assets are identified as surplus, they may be released to the market in accordance with the Estates Strategy and subject to a Standing Order 168 decision by the Minister for Infrastructure.

For sites identified for housing, the Government must balance the delivery of affordable homes with the need to generate value that can be reinvested for wider public benefit. While using land for affordable housing may reduce potential capital receipts, the disposal or development of surplus assets can provide funding to maintain, improve and develop the wider public estate or contribute to wider community benefits.

In some cases, developments on public land may therefore include a proportion of open market homes. This can help maximise overall public value, support regeneration, fund infrastructure and community facilities, and generate investment that can be reinvested in affordable housing and the long-term stewardship of public assets. The aim is to achieve the greatest overall public benefit while balancing housing need, strategic land requirements and responsible asset management.

The table below sets out publicly owned sites that are expected to deliver housing and indicates whether value generated will support affordable housing delivery or, where open market homes are proposed, the wider public benefits that this value will help fund.

Site	Tenure	Public Value to be Delivered
Aviemore	Open market homes	The creation of a fund to support care experienced Islanders
South Hill	The maximum viable provision of homes sold through a package of incentives to both first time buyers and downsizers.	35 assisted purchase homes and the creation of a capital receipt to invest in affordable homes in other locations.
Waterfront	No less than 50% of the homes to be offered with an assisted purchase product for first time buyers and to also include a minimum of 15% of housing designed to encourage and enable Islanders who are looking to right-size, in accordance with P.37/2024 (as-amended).	A maximised proportion of assisted purchase homes will be provided, whilst ensuring the viability of new public facilities, open space and infrastructure improvements and where the phasing of delivery will be agreed by the Minister for Housing and Regeneration Steering Group.

Figure 17: Future Housing Development Sites

Sites to be developed between Budgets

It is important to recognise that States of Jersey or States'-owned companies land may be identified for the development of new homes in between Budgets, whilst housing delivery should not be delayed as a result of misalignment with the Budget annual cycle.

The Minister for Treasury and Resources will give consideration as to whether a revision to the Budget is required to incorporate the details of the development, based on the scale and nature of the deviation being proposed. All cases and regardless of any decision to not revise the Budget, the proposed tenure of homes will be tested publicly in the consideration of the planning application, in accordance with the Bridging Island Plan and Planning and Building (Jersey) Law 2002.

The Government of Jersey Balance Sheet and States Funds

The balance sheet provides a snapshot of the States asset and financial position, setting out what we own, what we owe and what is owed at that point in time. This provides an understanding of the long-term financial strengths and risks that we face.

The balance sheet is comprised of four main components:

1. Non-current assets: this considers the longer-term assets that we have available to deliver services and outcomes. It includes the buildings that we own, along with other equipment that will be used over many years (e.g. IT, vehicles, roads, sea defences, and other infrastructure), the long-term strategic investments that we have made to deliver a return, and loans that we have issued to other organisations.

2. Working capital or net current assets: these represent the net day-to-day resources available to us. These include the cash that is held in our bank accounts, the amount owed to us from creditors within the next 12 months; as well as the amount we need to repay to individuals and organisations within the next 12 months.

3. Non-current liabilities: our liabilities include loans and bonds that have been taken out to fund capital projects, the long-term liabilities related to our pension funds and any other provisions that we need to make because of past actions and activities where there is a strong obligation that these will need to be repaid. They also include borrowing for the New Healthcare Facilities.

4. Taxpayers' equity: taxpayers' equity represents the accumulation of previous surpluses and deficits and is equal to the total net assets that we hold.

Government of Jersey Balance sheet

Our Island has maintained a strong balance sheet position, and this is forecast to be maintained throughout this Budget, with net assets continuing to increase. Our property and equipment assets will increase as we continue to invest in capital projects above the level of depreciation.

The strength in the balance sheet is derived from a balance between investment in the assets Government uses to deliver services, and the levels of reserves we hold to provide stability and resilience against both external factors and internal pressures such as changing demographics. Government has historically maintained relatively low levels of borrowing, paying for capital spend from taxation.

There is a need to invest to maintain and improve our infrastructure, and in some cases, this need may justify some levels of borrowing, which spreads the cost of the asset over its life, matching the costs to the use of the asset by Islanders. Whilst this can unlock investment, we will maintain our prudent approach of borrowing in line with the Fiscal Framework, cognisant of overall borrowing levels, and only where that is an affordable plan to service and repay the debt.

We will also continue to protect our capital reserve funds, investing in line with agreed investment strategies, informed by the advice of the Treasury Advisory Panel. We will reinvest returns to ensure that our investment balance grows to help manage risks and protect the long-term sustainability of the Island's finances.

In combination, the Debt and Investment Strategies seek to deliver a sustainable structure to meet the Island's needs whilst minimising the total funding costs over the medium to long-term, consistent with a prudent degree of risk, but at the same time retaining flexibility to react to unknown future events.

	Balance Sheet Forecast					
2025 Actuals	£'000	2026 Estimate	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
	Non-current assets					
3,337,825	Property, Equipment & Intangibles	3,500,664	3,645,779	3,909,808	4,124,517	4,182,851
4,686,601	Financial and Other Assets	4,976,627	5,020,354	5,170,761	5,213,202	5,347,416
1,709,883	Strategic Investments	1,709,883	1,709,883	1,709,883	1,709,883	1,709,883
9,734,309	**Non-Current Assets**	**10,187,174**	**10,376,016**	**10,790,452**	**11,047,602**	**11,240,150**
75,228	**Net-Current Assets**	**170,728**	**170,728**	**170,728**	**170,728**	**170,728**
	Non-Current Liabilities					
104,040	Provisions	104,040	104,040	104,040	104,040	104,040
732,453	Borrowing	945,201	918,897	1,175,370	1,278,376	1,278,376
25,903	Lease Liabilities	25,903	25,903	25,903	25,903	25,903
2,876	Pension Liabilities	2,876	2,876	2,876	2,876	2,876
865,272	**Non-Current Liabilities**	**1,078,020**	**1,051,716**	**1,308,189**	**1,411,195**	**1,411,195**
8,944,265	**Net Assets**	**9,279,882**	**9,495,028**	**9,652,991**	**9,807,135**	**9,999,683**
8,944,265	**Taxpayers' Equity**	**9,279,882**	**9,495,028**	**9,652,991**	**9,807,135**	**9,999,683**

Table 32: Balance Sheet Forecast

States Borrowing

The States have previously agreed borrowing for specific items, and this Budget continues these approvals. The Budget continues to abide by the Fiscal Framework by adopting a prudent approach to borrowing, ensuring that overall levels are sustainable, and that plans to service and repay borrowing are factored into future forecasts.

The table below sets out the updated borrowing approvals over the period of this Budget.

	Borrowing Approvals				
2026 Approved	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
250,000	Existing Borrowing Housing Bond	250,000	250,000	250,000	250,000
477,000	Pension Liabilities	477,000	477,000	477,000	477,000
523,000	New Healthcare facilities (JCIF)	523,000	523,000	523,000	523,000
43,000	Fort Regent Borrowing (JCIF)	43,000	43,000	43,000	43,000
1,293,000	**Borrowing**	**1,293,000**	**1,293,000**	**1,293,000**	**1,293,000**
17%	*as a % of GVA*	*17%*	*16%*	*15%*	*15%*

Table 33: Borrowing Approvals

Existing Long-term Borrowing – Social Housing and Pension Refinancing

The States has issued external bonds totalling £750 million; £250 million issued in 2014 (to be repaid in 2054) for the provision of social housing, and £500 million issued in 2022 (to be repaid in 2052) to refinance the pre-existing pension past service liabilities, with the remainder being used to fund work on the New Healthcare Facilities programme. Further details on these borrowings are included in the debt framework.

The proceeds of the social housing debt were subsequently lent to Andium Homes and other housing trusts and will be repaid from the repayment of that onward lending.

The servicing of the pension past service liability was previously incorporated into departmental budgets, and these have been repurposed to both service the refinanced debt and create a sinking fund with the Strategic Reserve for eventual repayment.

Healthcare Facilities Financing Strategy

Budget 2025 approved a financing strategy that provides for up to £523 million of additional borrowing to partly fund Phase 1 of the New Healthcare Facilities Programme. Funding is currently being provided through a Revolving Credit Facility (RCF), approved in May 2023, comprising a £300 million facility with an additional £200 million accordion option maturing in 2028. The Revolving Credit Facility provides flexibility in the timing of borrowing and avoids the need to secure long-term debt during a period of relatively elevated interest rates.

Borrowing proceeds and drawdowns will continue to be paid into the Strategic Reserve and will now be transferred to the Jersey Capital Investment Fund from 2027 as required to meet approved capital expenditure for the New Healthcare Facilities.

The timing and structure of any longer-term borrowing required to replace the Revolving Credit Facility will be determined in accordance with the Debt Strategy and prevailing market conditions. This approach allows Treasury to access long-term financing when conditions are most favourable during the life of the facility. It also avoids the need to enter into long-term borrowing arrangements.

Any future borrowing will be undertaken in accordance with the Debt Framework for Jersey (R.104/2023), and any successor framework, which sets out the principles for debt issuance and management. The framework supports a prudent and sustainable approach to borrowing, reflecting both the long-term nature of infrastructure investment and the Island's capacity to service debt obligations.

Debt servicing costs are expected to be met from taxation revenues and have been made affordable through the base case revenues generated by the implementation of Pillar Two. The repayment strategy assumes that borrowing will ultimately be repaid from investment returns generated by the Strategic Reserve and/or Pillar Two revenues in excess of those included within the central planning assumptions.

In line with the funding strategy originally agreed in Budget 2025-2028, windfall Pillar Two revenue have been applied in this Budget to meet the remaining funding requirement for the New Healthcare Facilities project. In the event that further windfall Pillar Two revenues are not available once approved borrowing capacity has been fully utilised, the remaining cost would be met through a withdrawal from the Strategic Reserve. It is anticipated that further windfall Pillar Two revenues will be available but amounts and timings remain highly uncertain.

This financing strategy provides a balanced and prudent approach to funding the New Healthcare Facilities Programme. It maintains flexibility over the timing of long-term borrowing, protects the Strategic Reserve from premature withdrawals, and enables the Government to benefit from potential upside in Pillar Two revenues. At the same time, it ensures there is a clear and fully identified funding pathway for delivery of this critical investment in Jersey's healthcare infrastructure.

Fort Regent

This Budget includes £43 million to initiate the transformation of Fort Regent. This necessary investment is at a level that can’t be absorbed by the capital programme without a detrimental effect of the balance of the programme and so will be financed by borrowing.

The funding strategy will mirror that for the New Healthcare Facilities, with the Revolving Credit Facility being used in the short term until such a time when longer-term borrowing can be effectively arranged. The servicing of the debt, and contributions to a sinking fund for eventual payment, have been built into revenue budgets included in the Budget, and will be funded through restraint in revenue spend. This is a refocusing of revenue spend to capital investment, although in this case with the costs spread over time.

Overdraft

Under the Public Finances (Jersey) Law 2019, Article 26 (1)(a), the Minister for Treasury and Resources is also permitted to arrange for a bank overdraft in any given year, which can be

used to meet immediate financing needs should they occur. To minimise the costs to Government, the use of the Revolving Credit Facility will continue to be formally extended to include the provision of funds under Article 26 (1)(a), should they be needed and subject to the appropriate limits of that article.

The General Revenue Fund section includes further information on Cash Flow forecasting and the use of overdraft.

Strengthening our Reserves

The States maintains three principal reserves which work together to support fiscal sustainability, protect the Island from economic shocks and long-term financial pressures, and help manage the impact of demographic change. Collectively, these reserves exceed £4.4 billion.

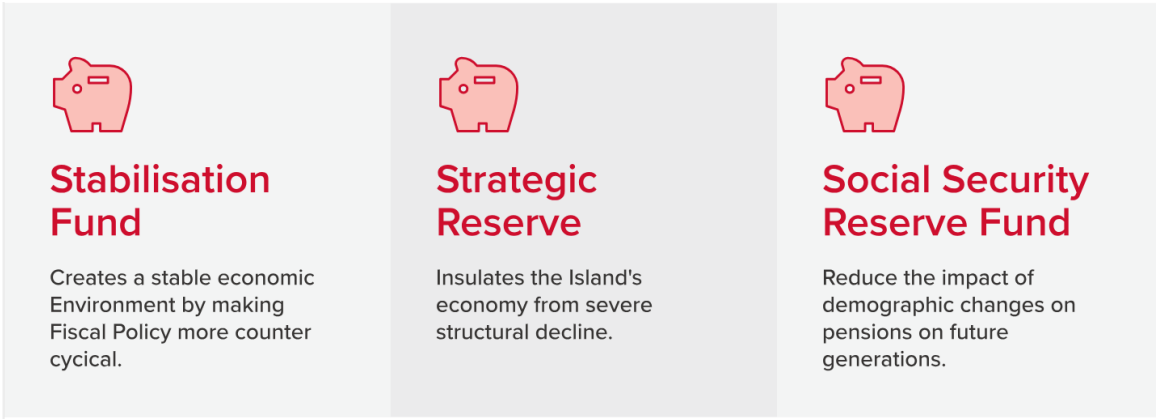


Figure 18: Key Reserve Pots

In recent years, the impact of the pandemic, cost-of-living pressures, and the need to invest in critical infrastructure and public services has limited the ability to make contributions to both the Stabilisation Fund and the Strategic Reserve. As a result, the balances of these funds are below the levels recommended by the Fiscal Policy Panel, and in the case of the Stabilisation Fund the balance is exhausted.

By contrast, whilst it has been drawn on to fund pensions as intended, the Social Security (Reserve) Fund has continued to grow strongly, supported by positive investment returns and prudent financial management. Two ongoing reviews will report in Spring 2027, but current projections indicate that the Fund remains well positioned to meet its long-term purpose of supporting the Social Security Fund through the challenges associated with an ageing population. The ongoing reviews are in line with previous advice from the Fiscal Policy Panel that the future purpose and objectives of the Fund should be reviewed. The forthcoming strategic and actuarial reviews will provide an important evidence base for that work.

The implementation of Pillar Two also presents an opportunity to further strengthen the Island's balance sheet. Given inherent uncertainty surrounding the level of funding that will be generated, receipts above the base case forecast are being treated as windfall income and will initially be recognised as they are received. Consistent with a prudent and responsible

approach to public finances, these windfalls will be used to improve the resilience of the public finances and rebuild strategic financial capacity.

The immediate is priority is to reduce the impact on the Strategic Reserve of funding Phase 1 of the New Healthcare Facilities Programme. Budget 2027 transfers £160 million to the Jersey Capital Investment Fund and reduces transfers from the Strategic Reserve that were included in Budget 2026 as part of the New Healthcare Facilities funding strategy. Any future windfall receipts will be applied in the same manner to either reduce the funding requirement from the Strategic Reserve or repay earlier Programme-related transfers, thereby avoiding a weakening of the Reserve's medium-term position.

Subject to the level of receipts available and future decisions of the States Assembly, once the Phase 1 funding requirement has been met, further receipts would provide additional capacity to support long-term capital investment and rebuild the Island’s reserves. This should include replenishing the Stabilisation Fund to strengthen the Island’s ability to respond to economic shocks, reducing borrowing requirements and making further contributions to the Strategic Reserve to accelerate progress towards the long-term target reserve level as a proportion of Gross Value Added (GVA).

General Revenue Fund

The General Revenue Fund is established under changes to the Public Finances (Jersey) Law 2019 (PFL) and supersedes the Consolidated Fund as the main fund through which the States collects taxes, other income, and spends money in providing services.

Income received or due is accounted for in the General Revenue Fund, except where specified in Law. Expenditure from the General Revenue Fund is approved by the States Assembly in the Budget. The Council of Ministers is required by the Public Finances (Jersey) Law 2019 to lodge a Budget which does not show a negative balance in the General Revenue Fund at the end of any of the financial years that the plan covers.

The General Revenue Fund balance is calculated to include not only cash, but also short-term assets and liabilities (such as money owed to Government, or money owed to suppliers) – known as working capital. This effectively means that the actual cash balance in the Fund will differ from the Fund balance by the net amounts owed to the States. Amounts approved but unspent are also removed from the available balance.

In recent years, the available balance has reduced, as a result, the General Revenue Fund is now forecast to operate in a net cash deficit position, requiring the use of an overdraft facility to support day-to-day cash flow requirements.

Historically, capital budgets were approved and funded upfront, meaning cash balances were often held for several years before expenditure occurred. The move to a cash flow-based approach to capital approvals has reduced this requirement by aligning funding more closely with the timing of expenditure.

Treasury manages the Island's liquidity through a detailed cash flow forecasting model, which estimates overdraft requirements based on expected daily cash inflows and outflows. The level

of overdraft required is influenced by both the forecast reduction in General Revenue Fund balances over the planning period and changes in working capital requirements.

Using an overdraft has associated costs, which are provided for in this Budget. From 2025 the Treasury department has begun an initiative to control and eventually reduce levels of debts owed to the States, including amounts deferred during the pandemic. Reducing debt levels will directly reduce overdraft requirements and therefore overdraft costs. To this end, the costs of the additional team used to manage the higher levels of debts will be charged to the Financing Costs head of expenditure – to match the avoided costs of reduced debt levels.

Future Budgets may wish to consider whether they would prioritise the application of excess income to eliminate or reduce the overdraft, above transfers to the Stabilisation Fund or other Reserves.

There are several planned transfers between the Fund to and from other States Funds. This includes;

- Transfers to the Strategic Reserve to form sinking funds for the eventual repayment of the pension past-service liability bond (annually budgeted).
- Transfers to the Climate Emergency Fund based on the hypothecated income from fuel duty and Vehicle Emissions Duty (VED).
- A core funding transfer to the Jersey Capital Investment Fund to provide income into the Fund for the capital programme.

General Revenue Fund (GRF)				
	2027	2028	2029	2030
£'000	Estimate	Estimate	Estimate	Estimate
Opening Balance	**172,560**	**5,813**	**15,830**	**20,928**
Operating Surplus/(Deficit)				
General Revenue Income	1,415,100	1,472,600	1,536,600	1,597,600
Net Revenue Expenditure	(1,324,940)	(1,373,947)	(1,417,436)	(1,480,070)
	90,160	**98,653**	**119,164**	**117,530**
Capital Financing Transfers (Out)				
Jersey Capital Investment Fund - Core Funding	(76,769)	(80,572)	(105,614)	(108,614)
Jersey Capital Investment Fund - Windfall Pillar 2	(160,000)	-	-	-
Jersey Capital Investment Fund - Opening Balance[19]	(7,450)	-	-	-
	(244,219)	**(80,572)**	**(105,614)**	**(108,614)**
Fund Transfers (Out)				
Climate Emergency Fund	(4,252)	(4,183)	(4,115)	(4,110)
Strategic Reserve - Pension refinancing sinking fund	(3,436)	(3,881)	(4,337)	(4,806)
Long-term Care Fund	(5,000)	-	-	-
	(12,688)	**(8,064)**	**(8,452)**	**(8,916)**
Closing Balance	**5,813**	**15,830**	**20,928**	**20,928**

Table 34: General Revenue Fund

[19] 2026 forecast underspends in the capital programme will be transferred from the General Revenue Fund to the Jersey Capital Investment Fund in 2027

Jersey Capital Investment Fund

Budget 2027-2030 is the first Budget to be prepared following the establishment of the Jersey Capital Investment Fund (JCIF), a key reform that supports the Government's long-term approach to infrastructure investment and financial sustainability.

The Jersey Capital Investment Fund creates a clear separation between day-to-day service expenditure, capital investment and maintenance, strengthening transparency, accountability and the protection of funding required to sustain the Island’s public assets. By ring-fencing funding in this way, the Fund helps ensure that essential investment in schools, healthcare facilities, emergency services, transport infrastructure and other public assets is not deferred due to short-term spending pressures.

The Fund forms part of a wider shift towards longer-term financial planning and will be underpinned by a 25-year Long-Term Capital Plan to be finalised for the next Budget. Together, these measures will help ensure that infrastructure investment is planned, prioritised and funded in a sustainable and affordable way, reducing the risk of costly reactive maintenance and supporting future service delivery.

A phased implementation will be adopted, with capital expenditure, depreciation, asset-related income and capital borrowing transferring to the Jersey Capital Investment Fund from 2027. This will allow operational services time to adapt to the transfer of maintenance budgets into the Fund from 2028.

The introduction of the Jersey Capital Investment Fund strengthens Jersey's fiscal framework by ensuring that current revenues contribute both to the delivery of public services today and to the maintenance and renewal of the assets on which those services depend. In doing so, it supports greater financial resilience and a more sustainable approach to investing in Jersey's future.

Jersey Capital Investment Fund (JCIF)				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**-**	**-**	**-**	**-**
Operating Surplus/(Deficit)				
Liquid Waste Income	-	10,000	10,000	10,000
Net Revenue Expenditure	(7,965)	(16,440)	(27,040)	(30,040)
	(7,965)	**(6,440)**	**(17,040)**	**(20,040)**
Other Movements in Fund Balances				
Property Disposals	10,000	-	-	-
	10,000	**-**	**-**	**-**
Capital and Other Projects Expenditure				
Capital and Projects Expenditure	(102,641)	(74,132)	(87,274)	(87,274)
New Healthcare Facilities	(103,696)	(232,229)	(195,229)	(37,645)
Fort Regent	(15,000)	(24,244)	-	-
	(221,337)	**(330,605)**	**(282,503)**	**(124,919)**
Capital Financing Transfers In/(Out)				
General Revenue Fund - Core Funding	76,769	80,572	105,614	108,614
General Revenue Fund - Windfall Pillar 2	160,000	-	-	-
General Revenue Fund - Opening Balance[20]	7,450	-	-	-
Technology Accelerator Fund	1,387	-	-	-
Strategic Reserve - New Healthcare Facilities	(41,304)	232,229	195,229	37,645
Strategic Reserve - Fort Regent sinking fund	-	-	(1,300)	(1,300)
	204,302	**312,801**	**299,543**	**144,959**
Movements in Borrowing				
Borrowing Proceeds - New Healthcare Facilities	(41,304)	232,229	103,006	-
Transfer borrowing proceeds to Strategic Reserve	41,304	(232,229)	(103,006)	-
Borrowing Proceeds - Fort Regent	15,000	24,244	-	-
	15,000	**24,244**	**-**	**-**
Closing Balance	**-**	**-**	**-**	**-**

Table 35: Jersey Capital Investment Fund

There are several planned transfers between the Jersey Capital Investment Fund to and from other States Funds. These include:

- Borrowing for the New Health Care Facilities programme, transferred to the Strategic Reserve and then distributed back to the Jersey Capital Investment Fund as required.
- Borrowing for Fort Regent.
- Transfers from the Technology Accelerator Fund to support digital projects.

[20] 2026 forecast underspends in the capital programme will be transferred from the General Revenue Fund to the Jersey Capital Investment Fund in 2027.

States Funds

The Government has several other States funds established by statute. This provides the public with the confidence that the funds remain ring-fenced and used for the specific purpose for which they were established. For the purposes of investment, the funds are pooled together into the Common Investment Fund, thus achieving the benefits of economies of scale and more effective risk management of the overall Government investment portfolio. Each individual fund has its own investment strategy which reflects the long-term aims of that fund, and investment returns are estimated based on the target investment return for each fund.

Summary Fund Balances				
	2027	2028	2029	2030
£'000	Estimate	Estimate	Estimate	Estimate
Strategic Reserve Fund	1,488,073	1,571,297	1,563,876	1,614,892
Stabilisation Fund	601	632	663	695
Health Insurance Fund	87,494	75,651	64,595	52,119
Long-Term Care Fund	25,787	17,734	19,047	26,042
Social Security Fund	126,696	111,066	101,138	101,512
Social Security (Reserve) Fund	2,937,866	3,047,696	3,143,847	3,263,615
Climate Emergency Fund	4,968	4,968	4,968	4,968
Technology Accelerator Fund	2,123	823	-	-
Other Special Funds	23,632	24,901	25,121	25,471
Jersey Car Parking Fund	16,813	8,573	4,251	-
Jersey Fleet Management Fund	7,715	8,525	7,412	8,281
Fund's Net Assets	**4,721,768**	**4,871,866**	**4,934,918**	**5,097,595**
as a % of GVA	*61%*	*60%*	*58%*	*58%*

Table 36: Summary of Fund Balances

Strategic Reserve Fund

The Strategic Reserve is the Island's permanent reserve, established to protect Jersey against severe economic shocks, major emergencies and other exceptional circumstances likely to have a profound impact on the Island. It forms the cornerstone of Jersey's fiscal framework and financial resilience, helping to safeguard the Island's long-term financial sustainability.

Purpose of the Strategic Reserve

The purpose of the Strategic Reserve was updated in the Budget 2025: it is a permanent reserve only to be used:

- In exceptional circumstances to insulate the Island’s economy from severe structural decline such as the sudden collapse of a major Island industry or from major natural disaster.
- If necessary, for the purposes of providing funding (up to £100 million) for the Bank Depositors Compensation Scheme established under the Banking Business (Depositors Compensation) (Jersey) Regulations 2009, including to meet the States contribution to the Scheme and/or to meet any temporary cash flow funding requirements of the Scheme.
- To support the development of future healthcare facilities and the borrowing costs for such work, in line with a financing strategy agreed by the Assembly.

- As a holding Fund for any or all monies raised through external financing until required, and for any monies related to the repayment of debt raised through external financing, with the monies used to offset the repayment of debt, as and when required.
- In accordance with Article 24 of the Public Finances (Jersey) Law 2019, where the Treasury and Resources Minister is satisfied that there exists an immediate threat to the health or safety of any of the inhabitants of Jersey, to the stability of the economy in Jersey or to the environment, for which no other suitable funding is available.

Growth of the Fund

The Fiscal Policy Panel has previously advised that, to fulfil its purpose effectively, the Strategic Reserve should ultimately be maintained at between 30% and 60% of Gross Value Added (GVA). At 31 December 2025, the Strategic Reserve stood at £1.3 billion, equivalent to 18.0% of GVA.

Budget 2025 set out a long-term strategy to increase the value of the Strategic Reserve towards the lower end of this range. This strategy includes retaining investment returns within the Fund and transferring the Prior Year Basis (PYB) taxation debtor into the Fund in 2025. Prior Year Basis receipts will be paid into the Fund as they are collected, the costs associated with collecting these receipts, including both ongoing administration and any supporting technology investments, will be met from the Fund.

The financing strategy for Phase 1 of the New Healthcare Facilities Programme, approved in Budget 2025-2028, includes a blended funding approach comprising borrowing and a planned £277 million contribution from the Strategic Reserve. This strategy reflected both the critical need to guarantee the financing of new healthcare facilities and the probability that windfall revenues from Pillar Two would allow for a full or partial reduction in the withdrawals from the Strategic Reserve or otherwise provide a route to increase the Fund's value.

Windfall Pillar Two income of £160 million has now been transferred to the Jersey Capital Investment Fund, which reduces planned transfers from the Strategic Reserve. Any additional windfall receipts will similarly be applied to reduce the impact of funding the New Healthcare Facilities Programme on the Strategic Reserve through future Budgets.

If Pillar Two revenues are insufficient to support both the healthcare financing strategy and the intended growth of the Strategic Reserve, alternative funding options will need to be identified to maintain progress towards the target reserve level recommended by the Fiscal Policy Panel.

The Government remains committed to rebuilding and growing the Fund over time. Maintaining a strong Strategic Reserve remains essential to preserving Jersey's financial resilience, supporting the Island's creditworthiness and ensuring that future generations are protected against significant economic and fiscal risks.

Strategic Reserve[21]				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**1,384,432**	**1,488,073**	**1,571,297**	**1,563,876**
PYB taxation income	15,248	15,160	15,150	14,953
Investment income	85,554	64,780	64,474	68,061
Other expenditure	(597)	(597)	(459)	(459)
Transfer from General Revenue Fund (Pension refinancing)	3,436	3,881	4,337	4,806
Transfer from Jersey Capital Investment Fund (Fort Regent)	-	-	1,300	1,300
New Healthcare Facilities related;				
- Borrowing Proceeds/(Repayment)	(41,304)	232,229	103,006	-
- Transfer from/(to) Jersey Capital Investment Fund (NHF)	41,304	(232,229)	(195,229)	(37,645)
Closing Balance	**1,488,073**	**1,571,297**	**1,563,876**	**1,614,892**
as a % of GVA	*19%*	*19%*	*19%*	*18%*

Table 37: Strategic Reserve

Stabilisation Fund

The Stabilisation Fund was created in 2006 to manage Government finances through the economic cycle, where expenditure could be drawn down in economic downturns and the Fund replenished through surpluses in economic booms and periods of above-trend growth.

The purpose of the Stabilisation Fund, including its size, will be reviewed ahead of Budget 2028 any decisions progressed accordingly.

Stabilisation Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**571**	**601**	**632**	**663**
Other income	30	31	31	32
Closing Balance	**601**	**632**	**663**	**695**

Table 38: Stabilisation Fund

Health Insurance Fund

The Health Insurance Fund (HIF) receives allocations from Social Security contributions from employers and working-age adults and supports the wellbeing of Islanders by subsidising GP visits, the cost of prescriptions and other primary care services.

Health Insurance Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**98,229**	**87,494**	**75,651**	**64,595**
Social Security Contributions	57,000	59,000	62,000	64,000
Investment income	5,235	5,262	5,262	5,262
Social Benefit Payments	(66,063)	(69,111)	(71,105)	(74,340)
Other expenditure	(6,907)	(6,994)	(7,213)	(7,398)
Closing Balance	**87,494**	**75,651**	**64,595**	**52,119**

[21] Exclude the PYB taxation debtor, receipts are recognised based on forecast repayments.

Table 39: Health Insurance Fund

The Health Insurance Fund provides benefits and funds contracts to reduce the cost of primary care services to Islanders. These provide for:

- Free prescription medicines.
- Over £50 subsidy to reduce the cost of GP adult surgery appointments.
- Reduced patient fees for remote consultations and surgery consultations with an allied health professional.
- Free access to surgery consultations for children under the age of 18.
- Free access to surgery consultations for full-time adult students.
- The Health Access Scheme offering fixed, low-cost fees covering a full range of General Practice services for low-income households.

In addition, the following services are also funded from the Health Insurance Fund;

- The majority of Covid and flu vaccinations are provided through the Fund by primary care practitioners. The Fund also funds the purchase of these, and other vaccines delivered in primary care including shingles and Respiratory Syncytial Virus. The Fund has funded the cost of Covid vaccines, which were previously provided free from the UK Government, since 2026.
- Cervical screening.
- Diabetic ancillary supplies through community pharmacies
- Medical dressings to those with a clinical need.
- Multi-compartment Compliance Aids (blister packs) to help people with a medical need to take their medicine as prescribed

Finally, quality assurance payments are paid to general practices against a range of agreed measures. A similar framework is available to community pharmacies alongside schemes to support the expansion of pharmacy teams and the diversification of professional roles and skills.

Without any change in income or expenditure, the value of the Fund is expected to fall to around £52 million by 2030. This represents well under one year’s worth of expenditure.

The ageing demographic, increasing levels of disease in our community, and improvements in available treatments, are increasing the cost of health and care services in Jersey – this includes the costs met by the Fund. These pressures will continue to increase in the coming years. Changes will be needed to pay for future health and care costs in a sustainable way.

The Minister for Health and Social Services is working to forecast future healthcare costs across the whole health and care system. That forecast will inform decisions about how best to fund and provide healthcare in future. Those decisions may include reform of the Health Insurance Fund and transfer of the Fund from the Social Security Minister to the Health Minister. The Fund provides ring fenced funding for primary care services which are essential to the health of Islanders, but ring fencing introduces barriers which can act against the best interests of patients and can create disincentives to the effective use of public money.

In the meantime, the current role of the Health Insurance Fund in subsidising the cost of specific primary care services will be maintained.

Long-Term Care Fund

The Long-Term Care Fund (LTCF) supports adults (18+) with long-term care needs. It provides both universal (non-means-tested) and means-tested support, sharing costs between individuals and the Fund.

The fund is financed by:

- Income-related Long-term care contributions (currently 1.5% - estimated at £52 million in 2026) collected from taxpayers
- A States Grant (£41 million in 2026)
- Investment income

Increasing costs are being driven by a combination of demographic changes and the increasing complexity of care packages. There has been a sharp increase in costs in the last couple of years and future costs are forecast to continue to rise steadily.

The 2026 Budget provided estimates for 2027 onwards based on an increase in the Long-term care contribution rate from 1.5% to 2.5%. At the time Ministers confirmed that a thorough review of the Long-Term Care scheme would be undertaken to confirm the size of an increase in the contribution rate and to identify any alternative measures that could be taken to reduce the costs of the scheme.

The internal review has been completed and has confirmed the need to increase the contribution rate into the Fund. A number of options to tighten the eligibility conditions or to reduce the value of benefits available have been carefully considered but are not recommended for further development at this stage. Options to improve the delivery of long-term care services which could help to mitigate the increasing cost of the overall scheme will be taken forward. However, these actions will take time to implement, and the cost savings will be achieved over the longer term.

The review concludes that increasing the income into the Fund in the short term is the only viable option to maintain the vital support provided by the Fund to many local residents living with care needs.

Taking account of the cost-of-living pressures being felt by many families at present, the increase in contribution rate will be deferred until 2028 and the full one percentage point increase is proposed to be phased in over three years. Contribution rates will rise as follows:

- 2027: 1.5% no increase
- 2028: 1.8% 0.3 percentage point increase
- 2029: 2.2% 0.4 percentage point increase
- 2030: 2.5% 0.3 percentage point increase

To support the operation of the Fund in 2027, a one-off transfer of £5 million will be made from the General Revenue Fund into the Long-Term Care fund.

An external independent actuarial review of the Long-Term Care Fund is underway with results due to be published in the Spring of 2027.

Long-Term Care Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**33,835**	**25,787**	**17,734**	**19,047**
Long-Term Care Contributions	52,352	65,586	83,944	99,557
States Grant to Long-Term Care Fund	41,450	43,771	44,909	45,897
Investment income	478	491	504	517
Social Benefit Payments	(104,500)	(115,000)	(125,001)	(136,000)
Other expenditure	(2,828)	(2,901)	(3,043)	(2,976)
Transfer from General Revenue Fund	5,000	-	-	-
Closing Balance	**25,787**	**17,734**	**19,047**	**26,042**

Table 40: Long-Term Care Fund

Social Security & Social Security (Reserve) Funds

The Social Security Fund receives allocations from Social Security contributions from employers and working-age adults and an annual States grant. The Fund supports the wellbeing of Islanders by providing old age pensions and a range of working age benefits.

The Social Security (Reserve) Fund holds the balances built up in the Social Security Fund and is critical in supporting intergenerational fairness and managing the impact of an ageing population on future pension costs.

Performance and outlook

Whilst the Social Security Fund is an operational fund, the separate Social Security (Reserve) Fund holds assets of £2.7 billion, and the investment income from these reserves provides a significant additional source of income (2025: £251 million). While investment returns will fluctuate from year to year, the average annual return over the last 5 years has been 7.6% with an 8.8% average annual return over the last ten years. This level of return cannot be guaranteed into the future.

During this Budget period, we expect to see expenditure paid by the Fund exceeding the total value of contributions and the States Grant at its full level. This is a direct result of the ageing population and has been forecast in previous actuarial valuations. The Social Security (Reserve) Fund was established to smooth this demographic impact, and from 2029 we will begin to draw-down on that Fund to meet the costs of pensions. However, at present the transfers needed are less than forecast investment returns, which means that the Reserve Fund is forecast to continue to grow while also meeting the increasing cost of pensions.

Transfers will also be made to offset the reduction in the States Grant between 2027 and 2029.

A long-term strategy for the Social Security Funds

The Social Security Funds are entering a new stage in which expenditure will exceed income because of demographic changes and an ageing population.

Ministers are developing a long-term strategy to ensure that the Social Security Funds remain sustainable and continue to meet future obligations. The strategy will consider:

- the ongoing purpose and objectives of the Fund, following the building of substantial Fund reserves since the late 1990s
- the current financial position and long-term outlook of the Social Security Funds
- the future level and balance of Fund income, including contributions, States grants and investment returns
- the appropriate level and use of Fund reserves over time
- fairness between generations

The strategy review will be developed alongside the Fund's four-yearly actuarial review. As part of this review, the actuaries will prepare financial projections for the Social Security Funds through to 2080. Both reviews are expected to be completed and published in the Spring of 2027.

Drawing on the findings of the reviews, Ministers will set out their long-term strategy for the future management and funding of the Social Security Funds in Spring 2027. This strategy will inform the development of the 2028 Budget.

Ongoing improvements

The principles of the Social Security Scheme were established 75 years ago. With ongoing changes in society, working lives and technology, it is important to keep the operation of the scheme relevant to today's workers. In 2027, The Minister for Social Security will consider updates to the Social Security scheme to address particular issues to improve fairness and simplify rules and administration. These are likely to include options for people who have achieved a full contribution record before pensionable age and a review of the calculation of contributions for those entering or leaving self-employment, to encourage entrepreneurship in the Island.

Investment in systems

A major IT transformation programme is underway to replace the current benefits system. The programme is planned to complete in 2028, with phased delivery of new functionality and services taking place over the next few years. This represents a significant capital investment by the Fund which will provide a new digital platform to improve customer service and efficient management of social security benefits for many years to come.

Increase to the Parental Grant

In parallel with Budget measures to strengthen support for families, the Minister for Social Security proposes to increase the Parental Grant from £900 to approximately £1,800 from 2027. The grant is a one-off payment made following the birth or adoption of a child and helps parents meet the significant upfront costs associated with welcoming a new family member.
This measure recognises the financial pressures that many families face during the early stages of parenthood and provides targeted support at a time when household expenditure can increase considerably. By doubling the value of the grant, the Minister aims to deliver practical assistance to around 700 families each year, helping to ease cost-of-living pressures and support the wellbeing of children and parents.

Social Security Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**133,161**	**126,696**	**111,066**	**101,138**
Social Security Contributions	300,000	312,000	322,000	333,000
Other income	167	172	177	182
Grant to Social Security Fund	52,635	54,951	57,479	103,492
Social Benefit Payments	(390,593)	(418,411)	(443,267)	(468,773)
Other Expenditure	(10,747)	(10,219)	(10,542)	(10,616)
Depreciation Charge (New Benefits System)	-	-	(1,152)	(6,911)
Transfer from Social Security (Reserve) Fund	42,073	45,877	65,377	50,000
Closing Balance	**126,696**	**111,066**	**101,138**	**101,512**

Table 41: Social Security Fund

Social Security (Reserve) Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**2,782,389**	**2,937,866**	**3,047,696**	**3,143,847**
Investment income	197,550	155,707	161,528	169,768
Transfer to Social Security Fund	(42,073)	(45,877)	(65,377)	(50,000)
Closing Balance	**2,937,866**	**3,047,696**	**3,143,847**	**3,263,615**

Table 42: Social Security (Reserve) Fund

The fund balance in 2030 is forecast to be equivalent to 7 times benefit expenditure, compared to 7.5 times in 2027.

Climate Emergency Fund

In 2022 the States Assembly agreed the Carbon Neutral Roadmap, which outlines the Island's strategic approach and the policies required to reduce our greenhouse gas emissions in line with the Paris Agreement on climate change.

Investment in our climate emergency response will deliver the co-benefits of reducing Islanders' exposure to volatile fossil fuel markets, supporting long-term reductions in heating and transport costs and adapting to a changing climate.

The Climate Emergency Fund is the vehicle through which the funding for our decarbonisation policies will be met. The Fund receives annual income from previously agreed increases in fuel duty and vehicle emissions duty.

During this term of Government, it is intended that work on the previously proposed fuel duty replacement policy will be progressed alongside a review of vehicle taxes and charges.

For 2027 to 2030, Fund expenditure is assumed to be equal to the estimated revenues from fuel duty and vehicle emissions duty transferred in each of those years.

The 2027 to 2030 delivery plan period will focus on policies primarily addressing the heating sector, alongside continued climate change engagement and policy development, including:

- Heating: continued delivery of the Low Carbon Heating Incentive to support homes and small businesses with the cost of replacing a fossil fuel heating system.

- Climate change engagement: continued delivery of the active travel programme, eco active network, carbon literacy training and other education and awareness campaigns.
- Policy development work: covering topics such as reducing waste and increasing recycling, green skills, water strategy and climate change adaptation.

Climate Emergency Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**4,968**	**4,968**	**4,968**	**4,968**
Transfer from General Revenue Fund (from a portion of fuel duty and VED)	4,252	4,183	4,115	4,110
Expenditure (as detailed in the Carbon Neutral Roadmap)	(4,252)	(4,183)	(4,115)	(4,110)
Closing Balance	**4,968**	**4,968**	**4,968**	**4,968**

Table 43: Climate Emergency Fund

Technology Accelerator Fund

The Technology Accelerator Fund was created from a £20 million transfer from the Consolidated Fund in 2022, funded by the receipt of an extraordinary dividend from Jersey Telecom in 2021 of £40 million.

The Technology Accelerator Fund, through a delivery programme called Impact Jersey delivered on behalf of Government by Digital Jersey, aims to assist in solving the Island's strategic challenges by enhancing the digital economy, incubating, supporting, and accelerating high value technological initiatives and closing known gaps in Jersey's innovation eco-system. It was initially envisaged that all funds could be disbursed by 2026.

Working with Digital Jersey in 2024, a revised spend profile of this £20 million fund was agreed enabling some monies to be transferred into the Consolidated Fund to fund investment in the Government's digital programme. Further amounts are proposed to be transferred to the Jersey Capital Investment Fund in 2027 for this same purpose.

Technology Accelerator Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**5,938**	**2,123**	**823**	**-**
Programme expenditure	(2,428)	(1,300)	(823)	-
Transfer to Jersey Capital Investment Fund	(1,387)	-	-	-
Closing Balance	**2,123**	**823**	**-**	**-**

Table 44: Technology Accelerator Fund

Other Special Funds

There are several other special funds that operate for specific purposes. The funds included in this category are Jersey Currency Notes Fund, Jersey Coinage Fund, Dormant Bank Accounts Fund, Dental Scheme Fund, Insurance Fund, Agricultural Loans Fund, Tourism Development Fund, CI Lottery (Jersey) Fund, Criminal Offences Confiscation Fund, Civil Asset Recovery Fund, and Ecology Fund. This now also includes the new Care Experience Fund which was created during 2026 to support care-experienced adults over the age of 25 years.

These funds generally hold lower balances and are similarly established either under legislation or through bequests made to the Government. Income and expenditure are generally equal.

Other Special Funds				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**28,382**	**23,632**	**24,901**	**25,121**
Investment Income	13,408	13,424	13,429	13,423
Lottery and Other Income	18,048	15,589	23,316	27,606
Other Expenditure	(27,206)	(24,244)	(32,025)	(36,379)
Return to General Revenue Fund (Currency Notes Return)	(9,000)	(3,500)	(4,500)	(4,300)
Closing Balance	**23,632**	**24,901**	**25,121**	**25,471**

Table 45: Other Special Funds

Jersey Car Parking Trading Fund

The Jersey Car Parking trading operation manages the provision of the public parking places that are within the functions of the Minister for Infrastructure. Priority is given to maintenance and refurbishment of car parking facilities. The proposition 'Car parking charges: allocation of additional income to the funding of transport initiatives'[22] previously agreed by the States Assembly proposed that income in excess of the amount required to maintain and operate the Car Park Trading Fund should be allocated to the department for funding of sustainable transport initiatives, such as the bus service and highway maintenance.

Jersey Car Parking Trading Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**21,172**	**16,813**	**8,573**	**4,251**
Trading Income	9,862	10,103	10,351	10,605
Expenditure on Transport Initiatives	(6,735)	(8,153)	(8,598)	(8,627)
Other Expenditure	(5,416)	(5,546)	(5,685)	(5,827)
Capital Expenditure	(2,070)	(4,644)	(390)	(402)
Closing Balance	**16,813**	**8,573**	**4,251**	**-**

Table 46: Jersey Car Parking Trading Fund

Jersey Fleet Management Trading Fund

The Jersey Fleet Management trading operation manages the acquisition, maintenance, servicing, fuelling, garaging and disposal of vehicles and mobile plant and machinery on behalf of the Government of Jersey. Charges to departments are set to recover the up-front cost of the asset, routine maintenance and servicing and the costs of managing the fleet operations.

[22]Car parking charges | P-147-2004 (statesassembly.je)

Jersey Fleet Management Trading Fund				
£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Opening Balance	**8,177**	**7,715**	**8,525**	**7,412**
Trading Income	6,421	6,581	6,746	6,914
Other Expenditure	(3,723)	(3,813)	(3,908)	(4,006)
Capital Expenditure	(3,160)	(1,958)	(3,951)	(2,039)
Closing Balance	**7,715**	**8,525**	**7,412**	**8,281**

Table 47: Jersey Fleet Management Trading Fund

Government of Jersey Group Forecast

The financial forecast for the Government of Jersey Group considers the income and expenditure through trading operations and special funds. An operating surplus is forecast throughout the plan period. Investment returns of the funds also form part of the accounting surplus, although the use of these returns is restricted.

Summary Forecast Operating Balance - Government of Jersey[23]					
2026 Estimate	£'000	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
126,705	**States Operating Surplus/(Deficit)**	**703**	**10,017**	**5,098**	**-**
3,417	Trading Operations Net Income/(Expenditure)	409	(828)	(1,094)	(941)
(79,257)	States Funds Net Expenditure	(83,852)	(87,564)	(91,006)	(61,450)
50,865	**Group Operating Surplus/(Deficit)**	**(82,740)**	**(78,375)**	**(87,002)**	**(62,391)**
284,752	States Funds - Investment Income	297,885	237,028	241,964	254,938
335,617	**Group Surplus/(Deficit)**	**215,145**	**158,653**	**154,962**	**192,547**

Table 48: Summary Forecast Operating Balance – Government of Jersey

[23] Aggregated States of Jersey Group forecast

Financial Matters Under Development

Healthcare Funding

Healthcare costs are rising the world over as the costs of drugs, diagnostics and treatments increase, as standards improve, as our population ages and more of us live with disease and in need of complex, enhanced care.

The Council of Ministers know that there is growing future healthcare funding gap. The Health and Care Jersey budget is subject to ongoing pressures, the Health Insurance Fund will be exhausted during the early-2030s unless action is taken and as set out in this Budget, the Minister for Social Security will propose phased increases to the Long-Term Care Fund from 2028-2030 to ensure future viability of Long-Term Care benefits.

Determining how best to fund healthcare in the future is a key Government priority and there is a need to decide whether to spend significantly more on healthcare (meaning less funding for other public services), or limit the services we provide to Islanders, or provide fewer services free at the point of use. There are no easy choices.

During 2026, a model has been developed that allows us to forecast our future healthcare funding requirements. This forecast is informing the development of options for change which will be the subject of public consultation. That consultation will support Government to make decisions about how best to fund healthcare in future.

Longer-Term Planning

Long-term Financial Sustainability is a critical objective of Government, and it is intended that further work is undertaken in 2027 to further improve financial forecasting over a longer time period, to help inform decision making. This will build on the longer-term capital plan, which provided the strategic underpinning for much of the Investing in Jersey programme through the Jersey Capital Investment Fund.

Forecasts over a range of periods will be developed:

- Short Term (4-5 years)
- Medium Term (5-10 years)
- Long-Term (10-25 years)

Medium and long-term plans will seek to estimate the impact of changes to population size, demographics, and the economy over those longer timescales – including the impact of the rising costs of healthcare described above.

It is anticipated that the development of these models will be a multi-year project, drawing on existing work where possible, to eventually incorporate all aspects of Government finances into a holistic model.

Changes to the Public Finances (Jersey) Law

Changes to the Public Finances (Jersey) Law will be brought forward no later than the first quarter in 2027 to strengthen Jersey's fiscal framework and support a more strategic approach to financial planning. A key proposal will be the formal reinstatement of multi-year expenditure budgeting, providing greater certainty over future funding allocations and enabling departments to plan and deliver services over a longer timeframe.

The changes will strengthen financial discipline by requiring spending decisions to be considered over the medium term, helping to manage expenditure growth, improve value for money, and ensure that resources remain aligned with Government priorities. The changes will also support stronger accountability and allow greater focus on service delivery and outcomes, while contributing to the sustainability of Jersey's public finances.

Long-term Sustainability of the Jersey Teachers Superannuation Fund

The results of the actuarial valuation of the Jersey Teachers' Superannuation Fund (JTSF) as at the end of 2024 indicate that future service contributions are likely to remain insufficient to meet the cost of future benefits for current and future teachers.

The Jersey Teachers' Superannuation Fund remains in need of review and modernisation, similar to the reforms undertaken for the pension schemes covering other Government of Jersey employees. Repayment of the Jersey Teachers' Superannuation Fund pension increase debt in 2022 supported the Fund's long-term sustainability and was a prerequisite for any wider review. The Jersey Teachers' Superannuation Fund remains one of a few public sector final salary schemes open to new entrants in the UK and Crown Dependencies.

There remains a need for an updated assessment of the long-term sustainability of the Jersey Teachers' Superannuation Fund. Following this assessment, further actions will be considered and any resulting implications reflected in a future Budget.

Sustainable Funding for Waste Management

The Government is continuing to invest in essential waste and liquid waste infrastructure to maintain resilient, high-quality services and support Jersey's environmental objectives. As previously set out, Ministers intend to introduce waste and liquid waste charges from 2028, establishing a sustainable "user pays" funding model that better aligns the cost of services with those who benefit from them.

The move to a charging regime will provide a dedicated source of funding for future infrastructure investment and ongoing service delivery, while encouraging waste reduction, recycling and reuse. The Budget therefore includes an assumption that liquid waste charging will generate a minimum of £10 million per annum from 2028 onwards.

Work on the detailed design of waste and liquid waste charging arrangements will continue over 2027, with proposals to be brought forward for the next Budget ahead of implementation in 2028.

APPENDICES

Appendix 1: Key to Abbreviations

Departments	
BC	Bailiff's Chambers
CBO	Cabinet Office
C&F	Children and Families
C&AG	Comptroller and Auditor General
DS	Digital Services
ELL	Education and Lifelong Learning
ESSH	Employment, Social Security and Housing
ENV	Environment
ER	External Relations
FC	Financing Costs
FS	Financial Services
HCJ	Health and Care Jersey
I&E	Infrastructure and Environment
INF	Infrastructure
JHA	Justice and Home Affairs
JOA	Jersey Overseas Aid
JUG	Judicial Greffe
LOD	Law Officers' Department
NM	Non-Ministerial Departments
OAN	Official Analyst
OLG	Office of the Lieutenant Governor
PR	Planning and Regulation
PRO	Probation
PS	People Services
SG	Grants to States Funds
SoJP	States of Jersey Police
STA	States Assembly
T&E	Treasury and Exchequer
VID	Viscount's Department

Glossary of Terms	
ACH	Arts, Culture and Heritage
CNR	Carbon Neutral Roadmap
COCF	Criminal Offences Confiscation Fund
CSP	Common Strategic Policy
EPTT	Enveloped Property Transaction Tax
FPP	Fiscal Policy Panel
GST	Goods and Services Tax
GRF	General Revenue Fund
GVA	Gross Value Added
HIF	Health Insurance Fund
IFG	Income Forecasting Group
IIJ	Investing in Jersey
ISE	International Services Entity
JCIF	Jersey Capital Investment Fund
JTSF	Jersey Teachers Superannuation Fund
LTC	Long-Term Care
LTCF	Long-Term Care Fund
LTT	Land Transaction Tax
MCIT	Multinational Corporate Income Tax
NHF	New Healthcare Facilities
OECD	Organisation for Economic Co-operation and Development
PFL	Public Finances (Jersey) Law 2019
RCF	Revolving Credit Facility
RPI	Retail Price Index
RPI(X)	RPI (excluding mortgage interest payments)
RTP	Revenue Transformation Project
SPON	Sponsoring Department
SUPP	Supplying Department
VED	Vehicle Emissions Duty
VAWG	Violence Against Women and Girls

Appendix 2: Proposition and Summary Tables

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

To receive the Budget 2027 – 2030 specified in Article 9(1) of 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 Tables 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.

(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.

COUNCIL OF MINISTERS

Summary Table 1 - States Income (GRF)	
	2027
£'000	**Estimate**
Income Taxes	
- Personal Income Tax	836,500
- Corporate Income Tax	236,000
	1,072,500
Goods and Services Tax (GST)	
- Goods and Services Tax	126,000
- International Service Entities Fees	13,800
	139,800
Impôt Duties	
- Beer	6,000
- Cider	1,000
- Fuel	24,300
- Goods (Customs)	1,000
- Spirits	6,000
- Tobacco	14,000
- Vaping	1,000
- Vehicle Emissions Duty (VED)	3,000
- Wine	8,000
	64,300
Stamp Duty and Land Transaction Tax	
- Enveloped Property Transaction Tax	1,000
- Land Transaction Tax (LTT)	4,000
- Probate	3,000
- Stamp Duty	46,500
	54,500
Other Income	
- Dividend Income	13,000
- Income from Andium Homes	28,000
- Island-Wide Rates	19,000
- Other Non-dividend Income	24,000
	84,000
Total States Income into the GRF	**1,415,100**

Summary Table 2 - States Income (JCIF)

£'000	2027 Estimate
General Revenue Income	-
Total States Income into the JCIF	**-**

Summary Table 3 - Revenue Heads of Expenditure (GRF)

2027 £'000	Income	Expenditure	Head of Expenditure
Cabinet Office	(671)	18,536	17,865
Children and Families	(1,350)	60,326	58,976
Digital Services	(1,977)	36,481	34,504
Economic Development	(596)	32,705	32,109
Education and Lifelong Learning	(25,677)	219,329	193,652
Employment, Social Security and Housing	(12,062)	128,630	116,568
Environment	(988)	17,248	16,260
External Relations & Financial Services	(415)	16,206	15,791
Financing Costs	(226)	18,042	17,816
Grants to States Funds	-	94,085	94,085
Health and Care Jersey	(41,135)	446,678	405,543
Infrastructure	(28,118)	92,780	64,662
Jersey Overseas Aid	(16)	21,860	21,844
Justice and Home Affairs	(5,177)	44,463	39,286
People Services	(6,050)	19,080	13,030
Planning and Regulation	(5,756)	10,148	4,392
States of Jersey Police	(234)	35,748	35,514
Treasury and Exchequer	(5,799)	53,601	47,802
Departmental Expenditure	**(136,247)**	**1,365,946**	**1,229,699**
Bailiff's Chambers	(128)	4,471	4,343
Comptroller and Auditor General	(180)	1,395	1,215
Judicial Greffe	(3,025)	14,015	10,990
Law Officers' Department	(260)	15,717	15,457
Office of the Lieutenant Governor	(224)	1,197	973
Official Analyst	(67)	1,050	983
Probation	(22)	3,624	3,602
States Assembly	(15)	11,625	11,610
Viscount's Department	(1,006)	3,789	2,783
Non-Ministerial and Other States Bodies Expenditure	**(4,927)**	**56,883**	**51,956**
Departmental and Non-Ministerial Expenditure	**(141,174)**	**1,422,829**	**1,281,655**
Central Reserve	-	43,285	43,285
Reserve Expenditure	**-**	**43,285**	**43,285**
Revenue Heads of Expenditure Total	**(141,174)**	**1,466,114**	**1,324,940**

Summary Table 4 - Revenue Heads of Expenditure (JCIF)			
2027			**Head of**
£'000	**Income**	**Expenditure**	**Expenditure**
Expenditure			
Infrastructure (JCIF)	(4,610)	-	(4,610)
Capital Financing Costs	-	12,575	12,575
Expenditure	**(4,610)**	**12,575**	**7,965**
Revenue Heads of Expenditure Total	**(4,610)**	**12,575**	**7,965**

Summary Table 5 – Other Heads of Expenditure (JCIF)			
£'000	**Spon Dept**	**Supp Dept**	**2027 Estimate**
Feasibility			**5,644**
Loving Homes Estate	C&F	C&F	4,067
Le Squez	C&F	I&E	-
North of St Helier Youth Centre	C&F	I&E	6,400
Upgrades to CYPES Estates	ELL	ELL	2,500
Mont à l'Abbé Secondary School	ELL	I&E	3,079
North of St Helier Primary School	ELL	I&E	-
Crematorium	I&E	I&E	848
Estates Refurbishment and Upgrades	I&E	I&E	5,110
Land Acquisition	I&E	I&E	-
Other I&E Estate Projects	I&E	I&E	400
Property Dilapidations	I&E	I&E	-
Fire & Rescue Headquarters	JHA	I&E	500
Prison Phase 8	JHA	I&E	50
Sea Cadets Headquarters	JHA	I&E	199
Dewberry House - Sexual Assault Referral Centre	SoJP	I&E	3,925
Estates			**27,078**
Countryside Access and Signage	I&E	I&E	-
Neighbourhood Regeneration of St Helier	I&E	I&E	167
Other Infrastructure	I&E	I&E	3,510
Planning Obligation Agreements	I&E	I&E	-
Road Safety	I&E	I&E	-
Shoreline Management Plan - Havre des Pas	I&E	I&E	-
Infrastructure			**3,677**
Cyber Programme 2.0	DS	DS	4,033
IT Infrastructure Improvement Programme	DS	DS	3,538
Digital Care Strategy	HCJ	HCJ	580
Digital Systems Improvements	HCJ	HCJ	645
Probation/Prison Offender Case Management	PRO	PRO	120
Pillar 2 Implementation	T&E	T&E	3,000
Revenue Transformation Programme (Phase 4)	T&E	T&E	3,069
Information Technology			**14,985**
Health Services Improvements Programme	HCJ	HCJ	5,000
Infrastructure Rolling Vote	I&E	I&E	14,350
Liquid Waste Key Infrastructure	I&E	I&E	10,000
Public Realm	I&E	I&E	1,427
Replacement Assets and Minor Capital - DS	DS	DS	2,500
Replacement Assets and Minor Capital - ELL	ELL	ELL	300
Replacement Assets and Minor Capital - HCJ	HCJ	HCJ	2,100
Replacement Assets and Minor Capital - I&E	I&E	I&E	4,850
Replacement Assets and Minor Capital - JHA	JHA	JHA	380

Summary Table 5 – Other Heads of Expenditure (JCIF) Continued

£'000	Spon Dept	Supp Dept	2027 Estimate
Replacement Assets and Minor Capital - SoJP	SoJP	SoJP	350
Rolling Votes			**41,257**
Capital Reserve			10,000
Capital Reserve			**10,000**
Total Other Heads of Expenditure			**102,641**
Fort Regent Redevelopment	I&E	I&E	15,000
New Healthcare Facilities	HCJ	HCJ	103,696
Total Other Heads of Expenditure (after debt funded)			**221,337**

Summary Table 6 - Transfer of monies between States Funds

£'000		2027 Proposed
Transfer from	**Transfer to**	
General Revenue Fund	Jersey Capital Investment Fund (Core Funding)	76,769
General Revenue Fund	Jersey Capital Investment Fund (Windfall Pillar 2)	160,000
General Revenue Fund	Jersey Capital Investment Fund (Opening Balance)	7,450
General Revenue Fund	Climate Emergency Fund	4,252
General Revenue Fund	Strategic Reserve (pension refinancing)	3,436
General Revenue Fund	Long-term Care Fund	5,000
Jersey Capital Investment Fund (Capital costs)	Strategic Reserve	41,304
Social Security Reserve Fund	Social Security Fund	42,073
Technology Accelerator Fund	Jersey Capital Investment Fund	1,387

Summary Table 7 - Borrowing for 2027

£'000	2026 Approved	Change to Approved	2027 Approval
Fort Regent	43,000	-	43,000
Housing bond	250,000	-	250,000
Refinancing of past-service liabilities	477,000	-	477,000
Borrowing (before Healthcare Facilities)	**770,000**	**-**	**770,000**
Healthcare Facilities	523,000	-	523,000
Borrowing	**1,293,000**	**-**	**1,293,000**

Summary Table 8 - Total Project Approval

£'000	Spon Dept	Supp Dept	Previous Approval/Total	New Approval	Change In Approval
Le Squez	C&F	I&E	7,500	7,500	-
North of St Helier Youth Centre	C&F	I&E	16,129	16,129	-
Mont à l'Abbé Secondary School	ELL	I&E	41,000	48,958	7,958
Crematorium	I&E	I&E	1,000	4,700	3,700
Fire & Rescue Headquarters	JHA	I&E	24,403	24,403	-
Prison Phase 8	JHA	I&E	2,721	2,721	-
Sea Cadets Headquarters	JHA	I&E	1,697	2,802	1,105
Dewberry House - Sexual Assault Referral Centre	SoJP	I&E	5,991	7,291	1,300
Neighbourhood Regeneration of St Helier	I&E	I&E	501	501	-
Cyber Programme 2.0	DS	DS	10,621	10,621	-
Digital Care Strategy	HCJ	HCJ	18,308	18,308	-
Digital Systems Improvements	HCJ	HCJ	3,850	3,850	-
Probation/Prison Offender Case Management	PRO	PRO	756	763	7
Pillar 2 Implementation	T&E	T&E	11,210	11,210	-
Revenue Transformation Programme (Phase 4)	T&E	T&E	10,168	10,168	-
New Healthcare Facilities	HCJ	HCJ	770,360	770,360	-
Fort Regent Redevelopment	I&E	I&E	43,000	43,000	-

Summary Table 9 - Trading Operations Revenue Heads of Expenditure

2027 '000	Income	Expenditure	Estimated Net (Income)/Expenditure
Jersey Car Parking	(9,862)	12,151	2,289
Jersey Fleet Management	(6,421)	3,723	(2,698)
	(16,283)	**15,874**	**(409)**

Summary Table 10 - Trading Operations Project Heads of Expenditure

2027 £'000	Estimated Expenditure
Car Park Enhancement and Refurbishment	2,070
Vehicle and Plant Replacement	3,160
	5,230

Summary Table 11 - Climate Emergency Fund

£'000	2027 Estimate
Opening Balance	**4,968**
Transfer (from) the General Revenue Fund	(4,252)
Expenditure	4,252
Closing Balance	**4,968**

Appendix 3: Supplementary Financial Tables

Expenditure Growth Allocations

Revenue Expenditure Growth

£'000 Head of Expenditure	Reference	Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Environment	I-ENV-B27-001	Agriculture & Fisheries - Better business support	1,100	1,100	1,100	1,100
Environment Total			**1,100**	**1,100**	**1,100**	**1,100**
Health & Care Jersey	I-HCJ-B27-001	Further maintaining health and community care standards	3,133	3,133	3,133	3,133
Health & Care Jersey	I-HCJ-B27-002	VAWG - Building a Safer Community	141	85	85	85
Health & Care Jersey Total			**3,274**	**3,218**	**3,218**	**3,218**
Justice & Home Affairs	I-JHA-B27-001	Emergency Services Control Centre	290	186	186	186
Justice & Home Affairs	I-JHA-B27-002	Fire and Rescue Service Workforce	439	1,273	1,685	1,685
Justice & Home Affairs	I-JHA-B27-003	VAWG - Building a Safer Community	372	426	331	356
Justice & Home Affairs Total			**1,101**	**1,885**	**2,202**	**2,227**
States of Jersey Police	I-POL-B27-001	VAWG - Police - Current Demand and New Legislation Readiness	2,423	3,146	3,151	3,151
States of Jersey Police	I-POL-B27-002	VAWG - Victim Services	350	453	453	453
States of Jersey Police	I-POL-B27-003	VAWG - Building a Safer Community	115	165	165	165
States of Jersey Police Total			**2,888**	**3,764**	**3,769**	**3,769**
Bailiff's Chamber	I-BAC-B27-001	Jubilee Wharf rental - additional court	266	266	266	266
Bailiff's Chamber Total			**266**	**266**	**266**	**266**
Comptroller & Auditor	I-CAG-B27-001	Inflation & indexation	-	-	-	40
Comptroller & Auditor Total			**-**	**-**	**-**	**40**
Judicial Greffe	I-JUG-B27-001	VAWG - Judicial Greffe	208	310	306	306
Judicial Greffe Total			**208**	**310**	**306**	**306**
Law Officers' Department	I-LOD-B27-001	VAWG - Law Officers' Department	373	590	590	590
Law Officers' Department Total			**373**	**590**	**590**	**590**

Revenue Expenditure Growth (Continued)						
£'000 Head of Expenditure	Reference	Description	2027 Estimate	2028 Estimate	2029 Estimate	2030 Estimate
Official Analyst	I-OAN-B27-001	VAWG - Legislative reforms - increasing forensic work	105	118	134	155
Official Analyst Total			**105**	**118**	**134**	**155**
Viscount's Department	I-VID-B27-001	VAWG - Viscount's Department	37	130	126	126
Viscount's Department Total			**37**	**130**	**126**	**126**
Central Reserve	I-RES-B27-001	VAWG - Judicial Greffe	-	453	453	453
Central Reserve	I-RES-B27-002	VAWG - Police - Current Demand and New Legislation Readiness	702	933	937	937
Central Reserve	I-RES-B27-003	VAWG - States of Jersey Prison Service	-	333	703	1,056
Central Reserve	I-RES-B27-004	VAWG - Viscount's Department	-	20	20	20
Central Reserve	I-RES-B27-005	VAWG - Victim Services	180	270	270	270
Central Reserve	I-RES-B27-006	Community Cost Bonus	600	-	-	-
Central Reserve	I-RES-B27-007	Family Support Payment	400	-	-	-
Central Reserve	I-RES-B27-008	Nursery 2–3-year-olds	1,700	1,700	1,700	1,700
Central Reserve	I-RES-B27-009	Secondary School Meals	300	900	900	900
Central Reserve Total			**3,882**	**4,609**	**4,983**	**5,336**
Total			**13,234**	**15,990**	**16,694**	**17,133**

Table 49: Revenue Expenditure Growth

Savings Proposals

Savings Proposals									
£'000	Office	Roles	Pension Reduction	2027 Estimate	Office	2028 Estimate	2029 Estimate	Future Savings	2030 Estimate
Cabinet Office	-	(655)	(277)	**(932)**	-	**-**	**-**	-	**-**
Children and Families	(209)	(260)	(842)	**(1,311)**	-	**-**	**-**	-	**-**
Digital Services	-	(1,410)	(259)	**(1,669)**	(1)	**(1)**	**-**	-	**-**
Economic Development	-	(405)	(87)	**(492)**	-	**-**	**-**	-	**-**
Education and Lifelong Learning	(32)	(905)	(1,007)	**(1,944)**	(44)	**(44)**	**-**	-	**-**
Employment, Social Security and Housing	-	(850)	(351)	**(1,201)**	-	**-**	**-**	-	**-**
Environment	-	(160)	(301)	**(461)**	-	**-**	**-**	-	**-**
External Relations & Financial Services	-	(100)	(107)	**(207)**	-	**-**	**-**	-	**-**
Health and Care Jersey	(4)	(1,155)	(4,479)	**(5,638)**	(5)	**(5)**	**-**	-	**-**
Infrastructure	(207)	(1,040)	(633)	**(1,880)**	(375)	**(375)**	**-**	-	**-**
Justice and Home Affairs	-	(405)	(566)	**(971)**	-	**-**	**-**	-	**-**
People Services	(29)	(385)	(185)	**(599)**	(41)	**(41)**	**-**	-	**-**
Planning and Regulation	-	(255)	-	**(255)**	-	**-**	**-**	-	**-**
States of Jersey Police	-	(120)	(507)	**(627)**	-	**-**	**-**	-	**-**
Treasury and Exchequer	-	(1,375)	(603)	**(1,978)**	-	**-**	**-**	-	**-**
Departmental Savings	**(481)**	**(9,480)**	**(10,204)**	**(20,165)**	**(466)**	**(466)**	**-**	**-**	**-**
Bailiff's Chambers	-	-	(52)	**(52)**	-	**-**	**-**	-	**-**
Judicial Greffe	-	(85)	(88)	**(173)**	-	**-**	**-**	-	**-**
Law Officers' Department	-	-	(237)	**(237)**	-	**-**	**-**	-	**-**
OLG	-	-	(15)	**(15)**	-	**-**	**-**	-	**-**
Official Analyst	-	(10)	(11)	**(21)**	-	**-**	**-**	-	**-**
Probation	-	(20)	(57)	**(77)**	-	**-**	**-**	-	**-**
States Assembly	-	-	(124)	**(124)**	-	**-**	**-**	-	**-**
Viscount's Department	-	(40)	(53)	**(93)**	-	**-**	**-**	-	**-**
Non-Ministerial Savings	**-**	**(155)**	**(637)**	**(792)**	**-**	**-**	**-**	**-**	**-**
Departmental and Non-Mins Total	**(481)**	**(9,635)**	**(10,841)**	**(20,957)**	**(466)**	**(466)**	**-**	**-**	**-**
Future Savings	-	-	-	**-**	-	**-**	**-**	(33,761)	**(33,761)**
Savings Total	**(481)**	**(9,635)**	**(10,841)**	**(20,957)**	**(466)**	**(466)**	**-**	**(33,761)**	**(33,761)**

Table 50: Saving Proposals

Changes to Net Revenue Expenditure

Changes to Revenue Heads of Expenditure 2026-2028

£'000	2026 Amended	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Pay Award 2026	Budget Transfers	Savings	2027 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2028 Estimate
Cabinet Office	**18,352**	111	-	(93)	-	597	(170)	(932)	**17,865**	-	-	32	-	-	-	**17,897**
Children and Families	**57,935**	532	-	338	-	1,782	(300)	(1,311)	**58,976**	-	-	670	-	-	-	**59,646**
Digital Services	**34,532**	736	-	-	-	662	243	(1,669)	**34,504**	-	-	-	-	-	(1)	**34,503**
Economic Development	**38,038**	1,094	337	-	-	189	(7,057)	(492)	**32,109**	188	584	-	-	(188)	-	**32,693**
Education and Lifelong Learning	**187,771**	878	-	1,403	-	6,246	(702)	(1,944)	**193,652**	210	-	333	-	-	(44)	**194,151**
Employment, Social Security and Housing	**113,275**	6,752	-	(47)	-	743	(2,954)	(1,201)	**116,568**	5,231	-	-	-	-	-	**121,799**
Environment	**11,757**	64	-	349	1,100	596	2,855	(461)	**16,260**	-	-	-	-	188	-	**16,448**
External Relations & Financial Services	**3,443**	380	-	-	-	269	11,906	(207)	**15,791**	-	-	-	-	-	-	**15,791**
Financial Services	**11,942**	-	-	(25)	-	-	(11,917)	-	**-**	-	-	-	-	-	-	**-**
Financing Costs	**33,449**	-	17	-	-	-	(15,650)	-	**17,816**	-	10	-	-	-	-	**17,826**
Grants to States Funds	**63,128**	-	20,957	10,000	-	-	-	-	**94,085**	-	4,637	-	-	-	-	**98,722**
Health and Care Jersey	**380,962**	5,226	7,735	691	3,274	10,312	2,981	(5,638)	**405,543**	-	7,866	(71)	(56)	-	(5)	**413,277**
Infrastructure	**63,239**	1,519	-	(3,163)	-	1,361	3,586	(1,880)	**64,662**	-	-	-	-	-	(375)	**64,287**
Jersey Overseas Aid	**21,844**	-	-	-	-	-	-	-	**21,844**	-	-	-	-	-	-	**21,844**
Justice and Home Affairs	**36,633**	189	-	1,051	1,101	1,310	(27)	(971)	**39,286**	-	-	(20)	784	-	-	**40,050**
Living Wage Transitional Support	**10,000**	-	-	(10,000)	-	-	-	-	**-**	-	-	-	-	-	-	**-**
People Services	**13,297**	195	-	-	-	407	(270)	(599)	**13,030**	-	-	-	-	-	(41)	**12,989**
Planning and Regulation	**-**	-	-	-	-	-	4,647	(255)	**4,392**	-	-	-	-	-	-	**4,392**
States of Jersey Police	**31,367**	165	-	629	2,888	1,092	-	(627)	**35,514**	-	-	-	876	-	-	**36,390**
Treasury and Exchequer	**46,543**	584	-	1,250	-	1,230	173	(1,978)	**47,802**	-	-	(318)	-	-	-	**47,484**
Departmental NRE (GRF)	**1,177,507**	**18,425**	**29,046**	**2,383**	**8,363**	**26,796**	**(12,656)**	**(20,165)**	**1,229,699**	**5,629**	**13,097**	**626**	**1,604**	**-**	**(466)**	**1,250,189**

Changes to Revenue Heads of Expenditure 2026-2028 (Continued)

£'000	2026 Amended	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Pay Award 2026	Budget Transfers	Savings	2027 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2028 Estimate
Bailiff's Chambers	**3,961**	52	2	-	266	114	-	(52)	**4,343**	-	3	-	-	-	-	**4,346**
CAG	**1,187**	-	-	28	-	-	-	-	**1,215**	-	-	32	-	-	-	**1,247**
Judicial Greffe	**10,714**	245	-	(284)	208	190	90	(173)	**10,990**	-	-	4	102	-	-	**11,096**
Law Officers' Department	**14,754**	81	-	-	373	486	-	(237)	**15,457**	-	-	-	217	-	-	**15,674**
OLG	**949**	6	-	-	-	33	-	(15)	**973**	-	-	-	-	-	-	**973**
Official Analyst	**815**	12	-	50	105	22	-	(21)	**983**	-	-	-	13	-	-	**996**
Probation	**3,475**	20	-	68	-	116	-	(77)	**3,602**	-	-	(71)	-	-	-	**3,531**
States Assembly	**11,719**	56	-	(319)	-	252	26	(124)	**11,610**	-	-	85	-	-	-	**11,695**
Viscount's Department	**2,721**	6	-	-	37	112	-	(93)	**2,783**	-	-	-	93	-	-	**2,876**
Non-Ministerial NRE (GRF)	**50,295**	**478**	**2**	**(457)**	**989**	**1,325**	**116**	**(792)**	**51,956**	**-**	**3**	**50**	**425**	**-**	**-**	**52,434**
Departmental and Non-Mins Total	**1,227,802**	**18,903**	**29,048**	**1,926**	**9,352**	**28,121**	**(12,540)**	**(20,957)**	**1,281,655**	**5,629**	**13,100**	**676**	**2,029**	**-**	**(466)**	**1,302,623**
Central Reserve	**49,960**	17,234	2,700	(2,370)	3,882	(28,121)	-	-	**43,285**	33,012	(7,700)	2,000	727	-	-	**71,324**
Reserve Expenditure (GRF)	**49,960**	**17,234**	**2,700**	**(2,370)**	**3,882**	**(28,121)**	**-**	**-**	**43,285**	**33,012**	**(7,700)**	**2,000**	**727**	**-**	**-**	**71,324**
Future Savings	**-**	-	-	-	-	-	-	-	**-**	-	-	-	-	-	-	**-**
Net Revenue Expenditure (GRF)	**1,277,762**	**36,137**	**31,748**	**(444)**	**13,234**	**-**	**(12,540)**	**(20,957)**	**1,324,940**	**38,641**	**5,400**	**2,676**	**2,756**	**-**	**(466)**	**1,373,947**
Infrastructure	**-**	-	-	-	-	-	(4,610)	-	**(4,610)**	-	-	-	-	-	-	**(4,610)**
Capital Financing Costs	**-**	-	(4,575)	-	-	-	17,150	-	**12,575**	-	8,475	-	-	-	-	**21,050**
Departmental NRE (JCIF)	**-**	**-**	**(4,575)**	**-**	**-**	**-**	**12,540**	**-**	**7,965**	**-**	**8,475**	**-**	**-**	**-**	**-**	**16,440**
Total Net Revenue Expenditure	**1,277,762**	**36,137**	**27,173**	**(444)**	**13,234**	**-**	**-**	**(20,957)**	**1,332,905**	**38,641**	**13,875**	**2,676**	**2,756**	**-**	**(466)**	**1,390,387**

Table 51: Changes to Revenue Heads of Expenditure 2026-2028

Changes to Revenue Heads of Expenditure 2028-2030

£'000	2028 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2029 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2030 Estimate
Cabinet Office	**17,897**	-	-	-	-	-	-	**17,897**	-	-	-	-	-	-	**17,897**
Children and Families	**59,646**	-	-	(281)	-	-	-	**59,365**	-	-	-	-	-	-	**59,365**
Digital Services	**34,503**	-	-	-	-	-	-	**34,503**	-	-	-	-	-	-	**34,503**
Economic Development	**32,693**	188	486	-	-	(188)	-	**33,179**	188	628	-	-	(188)	-	**33,807**
Education and Lifelong Learning	**194,151**	140	-	100	-	-	-	**194,391**	-	-	-	-	-	-	**194,391**
Employment, Social Security and Housing	**121,799**	4,133	-	(200)	-	-	-	**125,732**	4,213	-	-	-	-	-	**129,945**
Environment	**16,448**	-	-	-	-	188	-	**16,636**	-	-	-	-	188	-	**16,824**
External Relations & Financial Services	**15,791**	-	-	-	-	-	-	**15,791**	-	-	-	-	-	-	**15,791**
Financial Services	**-**	-	-	-	-	-	-	**-**	-	-	-	-	-	-	**-**
Financing Costs	**17,826**	-	10	-	-	-	-	**17,836**	-	10	-	-	-	-	**17,846**
Grants to States Funds	**98,722**	-	3,666	-	-	-	-	**102,388**	-	47,001	-	-	-	-	**149,389**
Health and Care Jersey	**413,277**	-	8,001	30	-	-	-	**421,308**	-	8,137	-	-	-	-	**429,445**
Infrastructure	**64,287**	-	-	-	-	-	-	**64,287**	-	-	-	-	-	-	**64,287**
Jersey Overseas Aid	**21,844**	-	-	-	-	-	-	**21,844**	-	-	-	-	-	-	**21,844**
Justice and Home Affairs	**40,050**	-	-	2	317	-	-	**40,369**	-	-	-	25	-	-	**40,394**
Living Wage Transitional Support	**-**	-	-	-	-	-	-	**-**	-	-	-	-	-	-	**-**
People Services	**12,989**	-	-	-	-	-	-	**12,989**	-	-	-	-	-	-	**12,989**
Planning and Regulation	**4,392**	-	-	-	-	-	-	**4,392**	-	-	-	-	-	-	**4,392**
States of Jersey Police	**36,390**	-	-	-	5	-	-	**36,395**	-	-	-	-	-	-	**36,395**
Treasury and Exchequer	**47,484**	-	-	5	-	-	-	**47,489**	-	-	-	-	-	-	**47,489**
Departmental NRE (GRF)	**1,250,189**	**4,461**	**12,163**	**(344)**	**322**	**-**	**-**	**1,266,791**	**4,401**	**55,776**	**-**	**25**	**-**	**-**	**1,326,993**

Changes to Revenue Heads of Expenditure 2028-2030 (Continued)															
£'000	2028 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2029 Estimate	Inflation	Formula Driven/Technical	Previous Revenue Growth	New Revenue Growth	Budget Transfers	Savings	2030 Estimate
Bailiff's Chambers	**4,346**	-	-	-	-	-	-	**4,346**	-	-	-	-	-	-	**4,346**
CAG	**1,247**	-	-	42	-	-	-	**1,289**	-	-	-	40	-	-	**1,329**
Judicial Greffe	**11,096**	-	-	-	(4)	-	-	**11,092**	-	-	-	-	-	-	**11,092**
Law Officers' Department	**15,674**	-	-	-	-	-	-	**15,674**	-	-	-	-	-	-	**15,674**
OLG	**973**	-	-	-	-	-	-	**973**	-	-	-	-	-	-	**973**
Official Analyst	**996**	-	-	-	16	-	-	**1,012**	-	-	-	21	-	-	**1,033**
Probation	**3,531**	-	-	-	-	-	-	**3,531**	-	-	-	-	-	-	**3,531**
States Assembly	**11,695**	-	-	-	-	-	-	**11,695**	-	-	-	-	-	-	**11,695**
Viscount's Department	**2,876**	-	-	-	(4)	-	-	**2,872**	-	-	-	-	-	-	**2,872**
Non-Ministerial NRE (GRF)	**52,434**	**-**	**-**	**42**	**8**	**-**	**-**	**52,484**	**-**	**-**	**-**	**61**	**-**	**-**	**52,545**
Departmental and Non-Mins Total	**1,302,623**	**4,461**	**12,163**	**(302)**	**330**	**-**	**-**	**1,319,275**	**4,401**	**55,776**	**-**	**86**	**-**	**-**	**1,379,538**
Central Reserve	**71,324**	24,463	-	2,000	374	-	-	**98,161**	25,279	-	10,500	353	-	-	**134,293**
Reserve Expenditure (GRF)	**71,324**	**24,463**	**-**	**2,000**	**374**	**-**	**-**	**98,161**	**25,279**	**-**	**10,500**	**353**	**-**	**-**	**134,293**
Future Savings	**-**	-	-	-	-	-	-	**-**	-	-	-	-	-	(33,761)	**(33,761)**
Net Revenue Expenditure (GRF)	**1,373,947**	**28,924**	**12,163**	**1,698**	**704**	**-**	**-**	**1,417,436**	**29,680**	**55,776**	**10,500**	**439**	**-**	**(33,761)**	**1,480,070**
Infrastructure	**(4,610)**	-	-	-	-	-	-	**(4,610)**	-	-	-	-	-	-	**(4,610)**
Capital Financing Costs	**21,050**	-	10,600	-	-	-	-	**31,650**	-	3,000	-	-	-	-	**34,650**
Departmental NRE (JCIF)	**16,440**	**-**	**10,600**	**-**	**-**	**-**	**-**	**27,040**	**-**	**3,000**	**-**	**-**	**-**	**-**	**30,040**
Total Net Revenue Expenditure	**1,390,387**	**28,924**	**22,763**	**1,698**	**704**	**-**	**-**	**1,444,476**	**29,680**	**58,776**	**10,500**	**439**	**-**	**(33,761)**	**1,510,110**

Table 52: Changes to Revenue Heads of Expenditure 2028-2030

Reconciliation of Estimated Project Expenditure Against Budget

Reconciliation of Estimated Project Spend Against 2026 Approvals								
£'000 Project Head of Expenditure	Total Project Budget	Expenditure As at 31 Dec 2025	Estimate 2026	Estimate 2027	Estimate 2028	Estimate 2029	Estimate 2030	Estimate 2031+
Estate								
Le Squez	7,500	3	-	-	1,381	6,116	-	-
North of St Helier Youth Centre	16,129	1,587	6,600	6,400	1,542	-	-	-
Mont à l'Abbé Secondary School	48,958	267	400	3,079	15,404	16,849	12,959	-
Learning Difficulties - Specialist Accommodation	6,426	4,526	1,900	-	-	-	-	-
Crematorium	4,700	-	150	848	3,102	600	-	-
Fire & Rescue Headquarters	24,403	299	47	500	2,170	4,149	8,393	8,845
Prison Phase 8	2,721	2,032	639	50	-	-	-	-
Sea Cadets Headquarters	2,802	102	200	199	1,364	866	71	-
Dewberry House - Sexual Assault Referral Centre	7,291	566	1,500	3,925	1,300	-	-	-
Fort Regent Redevelopment	43,000	-	3,756	15,000	24,244	-	-	-
New Healthcare Facilities	770,360	88,069	113,492	103,696	232,229	195,229	37,645	-
Infrastructure								
Neighbourhood Regeneration of St Helier	501	-	167	167	167	-	-	-
Information Technology								
Cyber Programme 2.0	10,621	2,007	4,281	4,033	300	-	-	-
Digital Care Strategy	18,308	16,132	1,596	580	-	-	-	-
Digital Systems Improvements	3,850	870	1,845	645	490	-	-	-
Probation/Prison Offender Case Management	763	162	481	120	-	-	-	-
Pillar 2 Implementation	11,210	1,326	5,784	3,000	550	550	-	-
Revenue Transformation Programme (Phase 4)	10,168	3,315	3,784	3,069	-	-	-	-
Automatic Electoral Registration	747	493	254	-	-	-	-	-
Combined Control Room	2,263	1,943	320	-	-	-	-	-
Court Digitisation	4,282	3,957	325	-	-	-	-	-
Digital Government Platform	2,205	1,605	600	-	-	-	-	-
Electronic Patient Records	667	573	94	-	-	-	-	-
Next Passport Project	850	351	499	-	-	-	-	-
Replacement LC-MS System	650	-	650	-	-	-	-	-
Revenue Transformation Programme (Phase 3)	10,531	8,842	1,689	-	-	-	-	-

Table 53: Reconciliation of Project Spend

Reprofiling Project Approvals

Each year the Budget reprofiles capital project approvals for each financial year to meet updated cashflow requirements. This reprofiling does not change the total project budget. Reprofiling reflects changes to how that total budget is allocated to financial years. The following tables set out the impact of this reprofiling for Budget 2027-2030.

The table below details how 2026 project approvals are no longer forecast to be spent in 2026 and are being reprofiled to future years.

Reprofile of 2026 allocations to future years								
£'000	Spon Dept	2026 Budget	2026 Forecast	2026 Change	2027 Change	2028 Change	2029 Change	2030 Change
Feasibility	T&E	2,359	2,011	(348)	348	-	-	-
Loving Homes Estate	C&F	2,269	295	(1,974)	1,933	(590)	631	-
Mont à l'Abbé Secondary School	ELL	400	400	-	(838)	838	-	-
Crematorium	I&E	500	150	(350)	350	-	-	-
Estates Refurbishment and Upgrades	I&E	7,522	6,872	(650)	650	-	-	-
Other I&E Estate Projects	I&E	1,294	894	(400)	400	-	-	-
Sea Cadets Headquarters	JHA	1,627	200	(1,427)	199	1,228	-	-
Dewberry House - Sexual Assault Referral Centre	SoJP	5,425	1,500	(3,925)	3,925	-	-	-
Prison Phase 8	JHA	689	639	(50)	50	-	-	-
Other Infrastructure	I&E	3,805	2,725	(1,080)	1,080	-	-	-
Cyber Programme 2.0	DS	4,671	4,281	(390)	90	300	-	-
IT Infrastructure Improvement Programme	DS	8,016	7,577	(439)	139	300	-	-
Digital Systems Improvements	HCJ	1,995	1,845	(150)	150	-	-	-
Total Change		**40,572**	**29,389**	**(11,183)**	**8,476**	**2,076**	**631**	**-**

Table 54: Reprofile of 2026 Allocations to Future Years

The below table details how forecast allocations in future years of the Budget 2026-2029 now need to be made available in 2026.

The approvals for future years have already been amended by this Budget.

Reprofile of 2026 allocations to future years								
£'000	Spon Dept	2026 Budget	2026 Forecast	2026 Change	2027 Change	2028 Change	2029 Change	2030 Change
Fort Regent Redevelopment	I&E	26,067	3,756	(22,311)	(1,933)	24,244	-	-
New Healthcare Facilities	HCJ	224,615	113,492	(111,123)	(101,704)	19,029	156,153	37,645
Total Change		**250,682**	**117,248**	**(133,434)**	**(103,637)**	**43,273**	**156,153**	**37,645**

Table 55: Reprofile of 2026 Allocations for Future Years (Debt Funded)

Reprofile of future allocations to 2026								
£'000	Spon Dept	2026 Budget	2026 Forecast	2026 Change	2027 Change	2028 Change	2029 Change	2030 Change
North of St Helier Youth Centre	C&F	4,511	6,600	2,089	(2,102)	13	-	-
Liquid Waste Key Infrastructure	I&E	12,282	13,282	1,000	-	(1,000)	-	-
Automatic Electoral Registration	STA	209	254	45	(45)	-	-	-
Replacement Assets and Minor Capital - HCJ	HCJ	2,300	2,700	400	(400)	-	-	-
Total Change		**19,302**	**22,836**	**3,534**	**(2,547)**	**(987)**	**-**	**-**

Table 56: Reprofile of Future Allocations to 2026

A Ministerial Decision by the Minister for Treasury and Resources will both withdraw relevant 2026 funding to reprofile to future years and make future forecast funding available through the Central Reserve in 2026. This will be undertaken following the lodging of this Budget.

Consolidated General Revenue and Jersey Capital Investment Funds

Consolidated General Revenue and Jersey Capital Investment Funds					
2026 Estimate	**£'000**	**2027 Estimate**	**2028 Estimate**	**2029 Estimate**	**2030 Estimate**
38,405	**Opening Balance**	**172,560**	**5,813**	**15,830**	**20,928**
	Operating Surplus/(Deficit)				
1,350,500	General Revenue Income	1,415,100	1,482,600	1,546,600	1,607,600
160,000	Windfall Pillar Two Income	-	-	-	-
(1,277,762)	Net Revenue Expenditure	(1,332,905)	(1,390,387)	(1,444,476)	(1,510,110)
232,738		**82,195**	**92,213**	**102,124**	**97,490**
	Other Movements in Fund Balances				
7,450	Release of unspent Capital Allocations	-	-	-	-
3,000	Property Disposals	10,000	-	-	-
10,450		**10,000**	**-**	**-**	**-**
	Capital and Other Projects Expenditure				
(107,525)	Capital and Projects Expenditure	(102,641)	(74,132)	(87,274)	(87,274)
(113,492)	New Healthcare Facilities	(103,696)	(232,229)	(195,229)	(37,645)
(3,756)	Fort Regent	(15,000)	(24,244)	-	-
(224,773)		**(221,337)**	**(330,605)**	**(282,503)**	**(124,919)**
	Capital Financing Transfers In/(Out)				
1,700	Criminal Offences Confiscation Fund	-	-	-	-
3,387	Technology Accelerator Fund	1,387	-	-	-
113,492	Strategic Reserve - New Healthcare Facilities	(41,304)	232,229	195,229	37,645
-	Strategic Reserve - Fort Regent sinking fund	-	-	(1,300)	(1,300)
118,579		**(39,917)**	**232,229**	**193,929**	**36,345**
	Fund Transfers In/(Out)				
(4,493)	Climate Emergency Fund	(4,252)	(4,183)	(4,115)	(4,110)
-	Strategic Reserve - finance costs	-	-	-	-
(3,002)	Strategic Reserve - Pension refinancing sinking fund	(3,436)	(3,881)	(4,337)	(4,806)
-	Long-term Care Fund	(5,000)	-	-	-
900	Jersey Innovation Fund	-	-	-	-
(6,595)		**(12,688)**	**(8,064)**	**(8,452)**	**(8,916)**
	Movements in Borrowing				
109,569	Borrowing Proceeds - New Healthcare Facilities	(41,304)	232,229	103,006	-
(109,569)	Transfer borrowing proceeds to Strategic Reserve	41,304	(232,229)	(103,006)	-
3,756	Borrowing Proceeds - Fort Regent	15,000	24,244	-	-
3,756		**15,000**	**24,244**	**-**	**-**
172,560	**Closing Balance**	**5,813**	**15,830**	**20,928**	**20,928**

Table 57: Consolidated General Revenue Fund & Jersey Capital Investment Fund

Appendix 4: Technical and Administrative Tax Measures

Additional administrative and technical measures to be included in the Finance Law (debated alongside the Budget)

Below is the list of administrative and technical measures that will be included in the Draft Finance (2027 Budget) (Jersey) Law, as at the date of lodging Budget 2027.

Late filing and civil penalties under independent taxation

Amendments are made to the late filing penalty provisions and the civil penalty provisions to ensure consistency across application to responsible and non-responsible partners.

Information sharing agreement for the compensatory allowance

Article 99 is amended to require partners claiming the compensatory allowance to agree to the use of their information for the purpose of calculating this allowance.

Specified profits

The reporting threshold for share ownership with respect to specified profits for distributions is increased from 2% to 5%.

Comptroller's discretion for Enveloped Property Transaction Tax (EPTT)

A provision is inserted to the Enveloped Property Transaction Tax Law to enable the Comptroller to remit or reduce the tax where it is considered just to do so.

Group registrations for GST

The 90-day lead-in time to vary a group registration for GST is removed.

Registered healthcare professionals

The GST Law currently exempts certain medical supplies by referring to a service or goods provided by individuals registered to practice under various health care registration laws. Those laws, including the Health Care (Registration) (Jersey) Law 1995 will be repealed in 2027 and replaced with the Draft Health and Social Care Professionals Register (Jersey) Law 202-. This means the GST Law needs to be updated. Ahead of the enactment of the new Draft Health and Social Registration Law, amendments are made both to that Draft Law and to the GST Law to ensure the closest possible alignment and consistency of GST treatment.

Article 135A references

References under Article 135A are updated following the adoption of the Control of Housing and Work (Residential Employment Status) (Jersey) Regulations 2025.

Multinational Corporate Income Tax (Jersey) Law 2025 ("the MCIT Law")

It will be necessary to include technical amendments in the Finance Law to the current MCIT Law to adapt to US and OECD developments and negotiations in relation to Pillar Two.

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