FREQUENTLY ASKED QUESTIONS (FAQS)

PARISH OF ST SAVIOUR®

ACCOUNTS AT 30 APRIL 2026
AND ESTIMATES FOR 2026/2027

These FAQs have been prepared to promote transparency and provide clear, plain-English explanations of the Annual Accounts, Estimates and the Parish's financial management. They are intended to help Parishioners better understand how public funds are managed and how financial decisions are made.

1. Why is this year's surplus lower than last year when the Parish still performed well?

Although the operating surplus of £216,228 was lower than the exceptional result achieved in 2024/25, it was over 16 times higher than the original budgeted surplus of £12,803.

This demonstrates that the Parish continued to exercise strong financial control despite inflationary pressures and increased investment in essential services and infrastructure.

Key message: The result exceeded expectations rather than falling short.

2. Why did income only increase by 2.5%?

Total income increased from approximately £3.201 million to £3.282 million, an increase of £81,170 (2.5%).

The increase was modest because:

- Rates remained unchanged.
- The Parish continues to rely on stable income sources.
- Some smaller income streams reduced whilst others increased.

The accounts therefore demonstrate stable recurring income rather than dependence on one-off receipts.

3. Why did expenditure increase by 5%?

Total expenditure increased by around £145,000 (5%), principally because the Parish deliberately invested in:

- drainage improvements
- resurfacing works
- Parish Hall maintenance
- information technology
- legal and professional advice
- insurance

These are largely investments in protecting Parish assets and improving resilience rather than increased day-to-day administration.

4. Why were legal and professional fees much higher this year?

Professional fees increased because several significant one-off matters occurred during the year, including:

- Firearms legal proceedings
- Visite Royale boundary dispute
- Trademark registration
- Insurance valuation exercise
- Parish Hall architectural work
- Governance and compliance advice

Many of these costs are not expected to recur annually.

5. Why did IT expenditure increase by almost 30%?

IT expenditure increased from £71,985 to £92,892.

The increase reflects planned investment including:

- replacement PCs
- Windows 10 migration
- business continuity improvements
- cyber resilience
- Direct Debit development
- secure remote working

These investments reduce operational risk and improve services to parishioners.

6. Why did insurance costs increase by almost 50%?

Insurance premiums increased by 47.3% during the year. This reflects a combination of factors affecting both the global insurance market and the cost of providing appropriate cover for Parish assets.

The principal reasons include:

- Insurance market inflation – Premiums have increased across the insurance sector as insurers continue to respond to rising claims costs and changing market conditions. Consolidation within the insurance industry has also reduced competition in some areas, which can place upward pressure on premiums.

- Severe weather events – An increase in the frequency and severity of storms, flooding and other natural disasters worldwide has resulted in higher claims across the insurance market, contributing to increased premiums.

- Higher rebuilding costs – Rising construction costs, including materials and labour, have significantly increased the cost of reinstating buildings following damage or loss. As insurance is based on reinstatement values, this has directly influenced premium levels.

The Parish has recently commissioned an independent insurance reinstatement valuation of its buildings to ensure that insured values remain appropriate. This helps avoid both under-insurance and unnecessary over-insurance, ensuring that the Parish continues to obtain appropriate cover while achieving value for money.

7. Why has Roads expenditure increased?

Road’s expenditure increased by £45,982 (5%). The largest increases were:

Area	**Increase**
Drainage repairs	+£115,829
Resurfacing	+£54,516

These works were undertaken to improve:

- flood resilience
- drainage capacity
- highway condition
- public safety

Much of the expenditure represents investment rather than routine maintenance.

8. Why did drainage costs increased by over 360%?

Drainage expenditure increased because the Parish undertook significant works at:

- Grand Vaux
- Rue de la Vignette
- Parish drainage network
- culverts
- gullies
- investigative surveys

The works form part of the Parish's long-term climate resilience strategy following increasingly severe rainfall events.

9. Why have Refuse and Recycling costs actually fallen?

Despite inflation, Refuse and Recycling costs reduced by £11,212 (1.7%).

Savings were achieved through:

- lower overtime
- fewer weather incidents
- reduced depot repairs
- lower recycling consumables

These savings were partially offset by higher vehicle maintenance and fuel costs.

10. Why has cash increased so significantly?

Cash increased from £3.71 million to £4.14 million.

This reflects:

- another operating surplus
- careful cash management
- reduced creditors
- improved liquidity

The Parish therefore has stronger working capital than last year.

11. Why have liabilities reduced?

Current liabilities reduced from £344,576 to £266,553.

This indicates:

- fewer unpaid invoices at year end, improved creditor management and;
- stronger liquidity

Overall, the Parish is financially stronger than a year ago.

12. Why have unrestricted reserves increased?

Following the transfer of £50,000 into the Property Reserve, unrestricted reserves still increased to £901,015, largely due to surplus.

This improves the Parish's resilience against future financial shocks and provides greater flexibility to respond to unexpected expenditure.

13. Why isn't the Parish increasing rates in 2026/27?

The Connétable has proposed no increase in the Parish rate.

This has been possible because:

- expenditure has been tightly controlled, reserves remain strong, cash balances are healthy and the Parish has continued to deliver operational surpluses.

However, the report also makes clear that this position may not be sustainable indefinitely.

14. Why is the estimated surplus for 2026/27 only £22,567?

The 2026/27 budget has been prepared on a prudent basis.

The Parish has deliberately budgeted conservatively because:

- inflation remains uncertain
- ageing assets require ongoing maintenance
- vehicle replacement costs continue to increase
- infrastructure investment remains significant

A cautious budget reduces the risk of unexpected deficits during the year , other income being difficult to forecast.

15. Why are £200,000 being transferred into reserves?

The Estimates include transfers of:

- £100,000 to the Property Fund
- £100,000 to the Roads Reserve

These are not additional spending commitments but planned investments in future capital works, helping to avoid sudden increases in the Parish rate when major infrastructure or building projects arise.

16. What are the biggest financial risks facing the Parish?

We have identified several medium-term risks:

- continuing inflation
- ageing infrastructure
- rising insurance costs
- vehicle replacement
- church maintenance obligations & future funding arrangements for parish churches
- uncertainty over road traffic penalty income
- limited scope for further efficiencies without affecting services.

17. Overall, what is the financial position of the Parish?

The accounts demonstrate that the Parish remains in a strong financial position, with:

- an operating surplus significantly above budget;
- increased cash balances and improved liquidity;
- lower current liabilities;
- increased unrestricted reserves;
- a stronger MCO Fund;
- no increase proposed in the Parish rate for 2026/27; and
- continued investment in infrastructure, technology and community services.

The Connétable also recognises that, while the Parish is well positioned today, maintaining this position will require continued financial discipline and careful long-term planning as operational costs continue to rise.

Additional Frequently Asked Questions

18. How are the Parish's Annual Accounts prepared?

The Parish's Annual Accounts are prepared to comply with the Rates (Jersey) Law 2005. While a number of accounting policies are consistent with UK GAAP and, where appropriate, FRS 102 principles, the accounts are not prepared with the objective of achieving full compliance with those standards. They are prepared for the statutory purposes of the Rates (Jersey) Law 2005 and should be read in that context. The independent auditors audit the accounts in accordance with applicable auditing standards.

19. What does the Parish do with its cash balances?

The Parish places surplus cash in short-term fixed deposits with reputable financial institutions. During the last financial year, interest earned ranged from approximately 4.15% to 3.46%. Although Bank of England base rates have fallen, higher average cash balances have helped maintain a strong investment return.

20. Why doesn't the Parish capitalise all of its assets?

Insurance reinstatement values demonstrate the scale of the Parish's assets but are prepared for insurance purposes rather than financial reporting. Adopting a full FRS 102 asset accounting framework would require additional valuations, specialist accounting expertise and ongoing costs. Whether the additional information would justify those costs is ultimately a policy decision.

21. Why do we spend so much on roads and drainage?

The Parish maintains approximately 26.1 miles of by-roads across around 91 roads, together with footpaths, drainage infrastructure and approximately 169 street lights. Maintaining these assets is one of the Parish's largest statutory responsibilities.

22. Do the Estimates allow for inflation?

Yes. Inflation has been considered when preparing the Estimates. The Parish has also offset some inflationary pressures by removing one-off expenditure incurred in the previous year and identifying efficiencies where possible.

23. How many vehicles does the Parish own?

The Parish operates 21 specialist vehicles: 11 for Roads, Parks and Gardens (52%), 8 for Waste and Recycling (38%) and 2 for the Honorary Police (10%). The average fleet age is approximately 9.25 years, with specialist vehicles generally retained for around 20 years to maximise value for money.

24. Why is the Parish Rate set at 1.59?

The Parish Rate is set to fund expected expenditure while ensuring sufficient cash flow throughout the year. As rates income is seasonal, careful control of expenditure early in the financial year helps maintain adequate working capital.

25. Why are £200,000 of reserve transfers included in the Estimates?

The transfers strengthen earmarked reserves for future capital expenditure, including major office and Parish Hall refurbishment and future road resurfacing programmes. Other planned capital expenditure in the future, includes Church Bell repairs, Vehicle replacement programme), and more investment on roads and public parks.

26. Why is road resurfacing expensive?

The principal costs relate to asphalt materials and specialist contractors. Jersey's limited supplier market contributes to higher costs than may be experienced elsewhere.

27. Why does the Parish support youth services?

The Parish believes youth centres play an important role in supporting young people and contributes towards the cost of a part-time youth worker at Grand Vaux Youth Centre.

28. Why doesn't the Parish receive compensation for collecting the Island-Wide Rate?

The law currently makes no provision for compensating Parishes for administering and collecting the Island-Wide Rate, despite the associated staffing and administration costs.

29. Should the Island-Wide Rate remain with the Parishes?

This is a wider policy issue that has been discussed by Parish management and the Comité des Connétables. Recent Scrutiny recommendations have encouraged further consideration of the future funding of Parish services.