

**STATES OF DELIBERATION**

27<sup>th</sup> October, 2009

**Billet d'État No. XXVI**

**AMENDMENT**

Proposed by: Deputy M H Dorey

Seconded by: Deputy C A Steere

**Policy Council – States Strategic Plan 2009-2013**

1. In Proposition 4 to insert after “the relevant year” the following “, together in 2010 with the additional revenue generated through reducing by 2% each of the allowances claimable by an individual solely or principally resident in Guernsey by way of relief from income tax at the individual standard rate for the Year of Charge 2010, as approved by the States at their November 2008 Meeting (Billet d'État XIV/2008 Art I), and in consequence substituting the Schedule to this Proposition in place of Part B of the First Schedule to Resolution I.14(a)(ii) on that Billet d'État:

**SCHEDULE**

**Year of Charge 2010**

Allowances claimable by an individual solely or principally resident in Guernsey by way of relief from income tax at the individual standard rate.

<b><u>Nature of Allowance</u></b>	<b><u>Amount of Allowance</u></b>
<b>1. Personal Allowance.</b>	
(i) for married persons.	Tax at the individual standard rate on £17,700. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
ii) for married persons where, at the commencement of the year of charge either he, or his wife living with him, was of the age of 64 years or over.	Tax at the individual standard rate on £19,350. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
(iii) for married persons where, at the commencement of the year of charge both he, and his wife living with him, were of the age of 64 years or over.	Tax at the individual standard rate on £21,000. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
(iv) for single persons.	Tax at the individual standard rate on £8,850.
(v) for single persons aged 64 years or over at the commencement of the year of charge.	Tax at the individual standard rate on £10,500.
<b>2. Dependent Relative Allowance.</b>	In respect of each dependent relative –tax at the individual standard rate on £2,850 or on the amount of

the contributions whichever is less:

Provided that if the income of the dependent relative (exclusive of any contribution) exceeds £6,000 the allowance shall be reduced to tax at the individual standard rate on such sum as remains after subtracting from £2,850 the sum of £1 for every pound by which the dependent relative's income exceeds £6,000.

Provided further that if any Family Allowances are payable in respect of the dependent relative, the allowance shall be further reduced to tax at the individual standard rate on such sum as remains after subtracting from £2,850, or such lesser sum as remains after deducting from £2,850 the sum of £1 for every pound by which the dependent relative's income exceeds £6,000, the sum of £238 for every month in the year of charge for which such Family Allowances are payable.

- |   |   |
|---|---|
| 3. <b>Infirm Person's Allowance.</b>      | Tax at the individual standard rate on £2,850.  |
| 4. <b>Housekeeper Allowance.</b>          | Tax at the individual standard rate on £2,850.  |
| 5. <b>Wife's Earned Income Allowance.</b> | Tax at the individual standard rate on a sum equal to the amount of the claimant's wife's net qualifying income but not exceeding tax at the standard rate on £8,850. |
| 6. <b>Life Assurance Allowance.</b>       | No Allowance.   |
| 7. <b>Charge of Children Allowance.</b>   | Tax at the individual standard rate on £6,000.  |
| 8. <b>Retirement Annuity Allowance.</b>   | Tax at the individual standard rate on a sum equal to the qualifying premiums or contributions.   |

2. In Proposition 5 to add:

- L Disability Officer (£50,000)
- M Domestic Abuse Strategy (£270,000)
- N Colorectal Bowel Screening (£261,000)
- O Wheelchair Service (£130,000)
- P Drug & Alcohol Strategy (£80,000)
- Q Minimum Income Standards Study (£150,000)
- R Alderney Social Care (£40,000)
- S New Initiatives and training aimed at assisting people into employment/up skilling (£50,000)
- T Adult Guidance Unit (£60,000)
- U Criminal Justice Project (£50,000)
- V Obesity Strategy (£400,000)
- W Neurological Rehabilitation and Stroke Services (£320,000)
- X Offender Management Review Project (£73,000)
- Y Prison Service Review Project (£166,000)"

### Explanatory Note

In the Budget for 2009 debated by the States at the 2008 November States meeting, tax allowances for 2009 were increased by 5.5 %, the same rate as the June 2008 RPI, and tax allowances for 2010 were increased by 4 %. However the June 2009 RPI was -1.3% rather than the anticipated 4%. This amendment proposes that the increase in Tax Allowances for 2010 is 2% rather than 4% as previously agreed.

The original proposed increase of 4% would result in a fall in States revenues of approximately £3 million per annum. This amendment restricts the fall in States revenues to £1.5million per annum.

This amendment proposes to use the £1.5million of additional revenue for the projects 'L' to 'Y' listed above and to add them to the list of essential service developments.

The total value of the projects 'L' to 'Y' is greater than £1.5million. The reason is because other amendments are anticipated which would add some of the same projects to the list of essential service developments. If those amendments are successful the projects which are repeated in this amendment will be deleted. If those other amendments are unsuccessful the projects at the bottom of the list starting with 'Y' will be deleted until the total cost of the additional projects is not greater than £1.5million.



**STATES OF DELIBERATION**

27<sup>th</sup> October, 2009

**Billet d'État No. XXVI**

**AMENDMENT**

Proposed by: Deputy M H Dorey

Seconded by: Deputy C A Steere

**Policy Council – States Strategic Plan 2009-2013**

1. In Proposition 4 to insert after “the relevant year” the following “, together in 2010 with and the additional revenue generated through reducing by 1% each of the allowances claimable by an individual solely or principally resident in Guernsey by way of relief from income tax at the individual standard rate for the Year of Charge 2010, as approved by the States at their November 2008 Meeting (Billet d'État XIV/2008 Art I), and in consequence substituting the Schedule to this Proposition in place of Part B of the First Schedule to Resolution I.14(a)(ii) on that Billet d'État:

**SCHEDULE**

**Year of Charge 2010**

Allowances claimable by an individual solely or principally resident in Guernsey by way of relief from income tax at the individual standard rate.

<b><u>Nature of Allowance</u></b>	<b><u>Amount of Allowance</u></b>
<b>1. Personal Allowance.</b>	
(i) for married persons.	Tax at the individual standard rate on £17,900. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
ii) for married persons where, at the commencement of the year of charge either he, or his wife living with him, was of the age of 64 years or over.	Tax at the individual standard rate on £19,550. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
(iii) for married persons where, at the commencement of the year of charge both he, and his wife living with him, were of the age of 64 years or over.	Tax at the individual standard rate on £21,200. Provided that the allowance shall be reduced by the sum of £1 for every pound of wife's earned income allowance granted.
(iv) for single persons.	Tax at the individual standard rate on £8,950.
(v) for single persons aged 64 years or over at the commencement of the year of charge.	Tax at the individual standard rate on £10,600.
<b>2. Dependent Relative Allowance.</b>	In respect of each dependent relative –tax at the individual standard rate on £2,900 or on the amount of

the contributions whichever is less:

Provided that if the income of the dependent relative (exclusive of any contribution) exceeds £6,100 the allowance shall be reduced to tax at the individual standard rate on such sum as remains after subtracting from £2,900 the sum of £1 for every pound by which the dependent relative's income exceeds £6,100.

Provided further that if any Family Allowances are payable in respect of the dependent relative, the allowance shall be further reduced to tax at the individual standard rate on such sum as remains after subtracting from £2,900, or such lesser sum as remains after deducting from £2,900 the sum of £1 for every pound by which the dependent relative's income exceeds £6,100, the sum of £242 for every month in the year of charge for which such Family Allowances are payable.

- |   |   |
|---|---|
| 3. <b>Infirm Person's Allowance.</b>      | Tax at the individual standard rate on £2,900.  |
| 4. <b>Housekeeper Allowance.</b>          | Tax at the individual standard rate on £2,900.  |
| 5. <b>Wife's Earned Income Allowance.</b> | Tax at the individual standard rate on a sum equal to the amount of the claimant's wife's net qualifying income but not exceeding tax at the standard rate on £8,950. |
| 6. <b>Life Assurance Allowance.</b>       | No Allowance.   |
| 7. <b>Charge of Children Allowance.</b>   | Tax at the individual standard rate on £6,100.  |
| 8. <b>Retirement Annuity Allowance.</b>   | Tax at the individual standard rate on a sum equal to the qualifying premiums or contributions.   |

2. In Proposition 5 to add:

- L Disability Officer (£50,000)
- M Domestic Abuse Strategy (£270,000)
- N Colorectal Bowel Screening (£261,000)
- O Wheelchair Service (£130,000)
- P Drug & Alcohol Strategy (£80,000)
- Q Minimum Income Standards Study (£150,000)
- R Alderney Social Care (£40,000)
- S New Initiatives and training aimed at assisting people into employment/up skilling (£50,000)
- T Adult Guidance Unit (£60,000)
- U Criminal Justice Project (£50,000)
- V Obesity Strategy (£400,000)

Explanatory Note

In the Budget for 2009 debated by the States at the 2008 November States meeting, tax allowances for 2009 were increased by 5.5 %, the same rate as the June 2008 RPI, and tax allowances for 2010 were increased by 4 %. However the June 2009 RPI was -1.3% rather than the anticipated 4%. This amendment proposes that the increase in Tax Allowances for 2010 is 3% rather than 4% as previously agreed.

The original proposed increase of 4% would result in a fall in States revenues of approximately £3 million per annum. This amendment restricts the fall in States revenues to £2.25 million per annum.

This amendment proposes to use the £750,000 of additional revenue for the projects 'L' to 'V' listed above and to add them to the list of essential service developments.

The total value of the projects 'L' to 'V' is greater than £750,000. The reason is because other amendments are anticipated which would add some of the same projects to the list of essential service developments. If those amendments are successful the projects which are repeated in this amendment will be deleted. If those other amendments are unsuccessful the projects at the bottom of the list starting with 'V' will be deleted until the total cost of the additional projects is not greater than £750,000.

# Fallaize 1.

## STATES OF DELIBERATION

27<sup>th</sup> October, 2009

### Billet d'État No. XXVI

#### AMENDMENT

Proposed by: Deputy M J Fallaize

Seconded by: Deputy R Domaille

#### Policy Council States Strategic Plan 2009-2013

To delete Proposition 5 and substitute therefor:

- “5. To approve in principle the list of essential service developments for 2010 as set out in the following paragraphs of this Proposition, and to direct that comprehensive cases for funding shall be prepared before final approval is given for each new initiative:
- A. Airport fire fighters’ dispute inquiry (indicative cost: £250,000)
  - B. Safeguarding vulnerable groups (£155,000)
  - C. Improving mental health services (£75,000)
  - D. Child and adolescent intensive outreach service (£275,000)
  - E. Children and young people’s plan (£108,000)
  - F. BIC developments to meet external obligations (£175,000)
  - G. External relations initiatives in the EC (£200,000)
  - H. Employment of lawyers (£365,000).”

#### EXPLANATORY NOTE

Existing Proposition 5 invites the Assembly to agree en bloc to eight items of additional expenditure with a total cost in 2010 of around £1.6m.

On the basis that the eight items cover different and quite diverse areas of policy, this amendment proposes that the Proposition should be presented in a way that allows the States to vote separately in respect of each item of expenditure.

Other amendments submitted by the proposer of this amendment are worded so as to be compatible with the amended version of this Proposition as proposed above.



## **Fallaize 2.**

### **STATES OF DELIBERATION**

27<sup>th</sup> October, 2009

**Billet d'État No. XXVI**

### **AMENDMENT**

Proposed by: Deputy M J Fallaize

Seconded by: Deputy M S Laine

### **Policy Council**

### **States Strategic Plan 2009-2013**

To add the following at the end of the substituted Proposition 5:

“and to rescind their Resolution of 16<sup>th</sup> July 2009 on Billet d'État XXII of 2009”;

and in Proposition 5, to delete:

“A. Airport fire fighters' dispute inquiry (indicative cost: £250,000)”;

substitute therefor:

“A. Domestic abuse strategy (indicative cost: £200,000)”;

and add:

“I. Disability officer (£41,000)”.

## **Fallaize 2.b**

### **STATES OF DELIBERATION**

**27<sup>th</sup> October, 2009**

**Billet d'État No. XXVI**

### **AMENDMENT**

Proposed by: Deputy M J Fallaize

Seconded by: Deputy M S Laine

### **Policy Council**

### **States Strategic Plan 2009-2013**

In Proposition 5, to add:

“A. Domestic abuse strategy (indicative cost: £200,000)”;

and

“I. Disability officer (£41,000)”.

### **EXPLANATORY NOTE**

This amendment will be moved, in place of that marked ‘Fallaize 2’, only in the event that the amendment circulated on behalf of Deputy Maindonald shall have been carried.

## **Fallaize 3.**

### **STATES OF DELIBERATION**

**27<sup>th</sup> October, 2009**

**Billet d'État No. XXVI**

### **AMENDMENT**

Proposed by: Deputy M J Fallaize  
Seconded by: Deputy A R Le Lievre

### **Policy Council** **States Strategic Plan 2009-2013**

In Proposition 5, to delete:

“F. BIC developments to meet external obligations (£175,000)”;

and substitute therefor:

“F. Colorectal bowel screening (£175,000)”.

## **Fallaize 4.**

### **STATES OF DELIBERATION**

**27<sup>th</sup> October, 2009**

**Billet d'État No. XXVI**

### **AMENDMENT**

Proposed by: Deputy M J Fallaize

Seconded by: Alderney Representative R G Willmott

### **Policy Council** **States Strategic Plan 2009-2013**

1. To insert the following new Proposition between Propositions 3 and 4:

“3A. To note that the savings anticipated from the Fundamental Spending Review in 2010 are £1,753,000.”

2. In Proposition 5, to add:

“J. Enhance social care services in Alderney (£40,000)”; and

“K. Provision of a wheelchair service (£130,000)”.

**STATE OF DELIBERATION**

**27 October 2009**

**Billet D'Etat No XXVI**

**AMENDMENT**

Proposed by: Deputy L R Gallienne

Seconded by: Deputy B J E Paint

**Policy Council**

**States Strategic Plan 2009-2013**

To insert a proposition, between Proposition 6 and Proposition 7, as follows:

“6A. To direct the Policy Council to report back to the States by March 2010, with clear proposals on setting up an independent commission to examine and make recommendations in respect of the governance issues raised in the September 2009 Auditor General for Wales and the Wales Audit Office’s Report on “Good Governance: The States of Guernsey”.”.

**Explanatory Note**

The reason for this amendment is to ensure that action is taken to further the above named report.

**STATES OF DELIBERATION**

**27<sup>th</sup> October, 2009**

**Billet d'État No. XXVI**

**AMENDMENT**

Proposed by: Deputy S J Maindonald

Seconded by: Deputy M M Lowe

**Policy Council**  
**States Strategic Plan 2009-2013**

In Proposition 5, to delete:

“A. Airport fire fighters’ dispute inquiry (indicative cost: £250,000)”;

and add at the end

“and to direct the Treasury and Resources Department to fund the entire costs of the Airport fire fighters’ dispute inquiry by making a transfer into general revenue from the contingency reserve fund.”.

## **STATES OF DELIBERATION**

27<sup>th</sup> October, 2009

### **Billet d'État No. XXVI**

#### **AMENDMENT**

Proposed by: Deputy M J Storey

Seconded by: Deputy R W Sillars

#### **Policy Council**

#### **States Strategic Plan 2009 – 2013**

To delete propositions 3 and 4 and substitute:

- “3. That all of the net savings identified by, and forming part of the recommendations proposed by Tribal Helm Limited in its Fundamental Spending Review (FSR) shall be retained so as to reduce States revenue expenditure in real terms over the period to the end of 2014.
4. That, as a general principle, the States will only fund new service initiatives during the plan period and to the end of 2014 to the extent that they can be funded by re-allocation of funds approved for existing activities and not from savings achieved as a result of successfully implementing the FSR.”;

and to insert in Proposition 5, immediately after “preparation of a business case”, the words “and identification of the source of the funds to be used”.

#### **Explanatory Note**

For the avoidance of doubt, the effect of this amendment would be to maintain the aggregate of departmental cash limited expenditure at 2009 levels less the net efficiency savings identified by the FSR on an annual basis in real terms. The resulting cash limits would be increased annually by RPI.

This proposal is not prescriptive in detail and would leave flexibility for departments to re-prioritise their expenditure within their revised limits and/or the Policy Council to re-prioritise cash limited expenditure between departments if the need arose.

By retaining the savings achieved by the FSR the States revenue account could be brought into balance by 2014 without recourse to additional or increased taxes. If the fiscal deficit remains unchecked or is addressed by new or increased taxes, significant harm could be caused to Guernsey’s economy.

**STATES OF DELIBERATION**

27<sup>th</sup> October, 2009

**Billet d'État No. XXVI**

**AMENDMENT**

Proposed by: Deputy J M Tasker  
Seconded by:

**Policy Council – States Strategic Plan 2009-2013**

To add an additional proposition numbered 5A:

“5A. To approve in principle that the Domestic Abuse Strategy should be funded no later than 2011, and in 2010 if funding can be made available within the principle set out in Proposition 4”.

**Explanatory note**

The intention of this amendment is to ensure that the Domestic Abuse Strategy should be introduced as planned in 2010 if funding becomes available. Failing this, it seeks to establish that the Strategy should be a top priority for 2011.