

Mr J Dent
Chairman
States of Alderney Policy & Finance Committee
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Dear

Alderney Revenue Budget 2017 & 2018 – Budget Reserve Request

I refer your letter dated 22 August 2017 and our subsequent discussion.

At its meeting on 5 September 2017, my Committee noted with extreme disappointment that it had not been advised of these budget pressures prior to any expenditure commitment being entered into by the States of Alderney. This early notification would have enabled meaningful discussions to take place concerning the source of funding and, if appropriate, the Committee would have been able to consider whether any items could be funded from the Budget Reserve.

In respect of the costs associated with the change in Chief Executive, the Committee will make specific allowance of £20,000 in the recommended 2018 Cash Limit for this matter.

It is suggested that consideration is given to funding the Director of Business Development post from the Alderney Economic Development Fund.

In respect of all the other funding requests, totalling £435,000 in 2017 and £105,000 in 2018, I regret to advise you that the Policy & Resources Committee has not agreed to make available funding from the Budget Reserve and is of the view that the most appropriate source of funding for this one-off expenditure is from the Alderney Gambling Control Commission surpluses. Therefore, unless the States of Alderney are able to identify a suitable alternative funding source, the Policy & Resources Committee will include a recommendation in the 2018 Budget Report to transfer £435,000 in 2017 and £105,000 in 2018 from the States of Alderney capital allocation to the States of Alderney revenue budget.

I should be grateful if you would advise how this unacceptable level of over-commitment has incurred this year. I understand from our conversation that some measures have been put in place to address the apparent weak governance over authorisation of expenditure and budgetary control. As discussed, I should be grateful if officers from both islands could engage to review the measures with a view to ensuring that the controls are both appropriate and effective.

Yours sincerely

Deputy Gavin St Pier
President of the Policy & Resources Committee