

STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

7th November, 2017

Proposition No. P2017/90

AMENDMENT

Proposed by: Deputy D de G De Lisle

Seconded by: Deputy B J E Paint

Policy & Resources Committee

States of Guernsey Annual Budget for 2018

1. For proposition 19 to substitute the following proposition -
 - "19. To approve the cash limits for ordinary revenue expenditure for 2018 totalling £368.58 million as set out in paragraph 6.21 of the Report, subject to the substitution of the table set out at paragraph 6.21 (page 47 of Billet XX) with the table set out below.

Paragraph 6.21 (page 47)

	Note	2018 Revenue Cash Limit £'000s
Policy & Resources:	1	
Corporate Services		26,165
Core and Other Services		<u>9,345</u>
		35,510
Economic Development		6,235
Education, Sport & Culture	2	73,700
Timing of delivery of FTP		<u>225</u>
Benefits		73,925
Employment & Social Security	3	10,870
Environment & Infrastructure	4	11,975
Health & Social Care	5	115,450
Home Affairs	6	29,825
Scrutiny Management	7	547
Development & Planning		1,340
Overseas Aid & Development	8	2,960
States' Trading Supervisory		1,490
Royal Court	9	2,535
Law Officers		4,475
States of Alderney		1,840
TOTAL NON-FORMULA LED		298,977
Policy & Resources – Formula		1,900
Led		
Employment & Social Security		
Formula Led	3	56,020
TOTAL FORMULA LED		57,920
BUDGET RESERVE		11,683
		368,580

".

- To delete proposition 23.

Explanatory Note

The purpose of this amendment is to remove funding for the introduction from July 2018 of the new income support scheme which has a net anticipated additional cost of £2,480,000 in 2018 with additional expenditure of £9,000,000 (Formula Led) and £220,000 (Non-Formula Led) being offset by an increase in housing rental income received of £6,740,000 due to the ending of the rent rebate scheme. Therefore,

there would be a net improvement of £2,480,000 in the States financial position in 2018 which would increase the budgeted surplus from £500,000 to £2,980,000.

If the amendment is successful, the relevant table at paragraph 6.21 of the Report (page 47 of the Billet) will be replaced by the table set out above, the amended figures being highlighted in ***bold italic***. A consequential effect of the amendment would be to amend the overall General revenue financial position as set out in the table at paragraph 3.10 of the Report (Page 15 of the Billet) as follows, with amended figures also being highlighted in ***bold italic*** –

Paragraph 3.10 (page 15)

	2018 Budget Estimate £m
Revenue Income	
Income Tax	325
Other Taxes	80
Miscellaneous Income	20
Revenue Income	425
Revenue Expenditure	(369)
Revenue Surplus	56
Capital Income	7
Operating Surplus	63
Transfer to Capital Reserve (including capital income)	(60)
Surplus	3
Transfer to: General Revenue Account Reserve	3

The anticipated 2019 effect of the income support scheme is net additional cost of £4,435,000 with additional expenditure of £17,694,000 (Formula Led) and £215,000 (Non-Formula Led) being offset by an increase in housing rental income received of £13,474,000 due to the ending of the rent rebate scheme.