

# Financial Position

JULY 2023

	2023 Full Year Budget £'m	YTD Actuals £'m	Full Year Forecast £'m	Forecast Difference to Budget £'m	Narrative
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## Revenue Income

Income Tax - ETI	263.5	159.6	273.7	10.2	ETI (individual income tax from employment) is forecast to be £10m higher than budget, as a result of both median earnings rising faster than anticipated and employment levels increasing.
Income Tax - Other Categories	143.8	94.3	161.7	17.9	Other categories of income tax are forecast to be £18m over budget, with the major driver being interest rate rises affecting banking profits.
Document Duty	25.0	11.2	18.0	(7.0)	Document duty is likely to be £7m below the budgeted figure, due to a slow down in the housing market both in terms of volumes and prices.
Contribution Receipts	32.0	18.9	32.4	0.4	Other areas of income are largely in line with budget expectations
Customs Duties	46.0	25.4	46.1	0.1	
TRP	34.1	19.9	34.1	-	
Other Corporate Income	37.8	22.8	37.4	(0.4)	
<b>Total Revenue Income</b>	<b>582.2</b>	<b>352.1</b>	<b>603.4</b>	<b>21.2</b>	Overall revenue income is forecast to be £21m higher than 2023 Budget which has been reflected in the F&I Plan baseline

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## Net Committee Expenditure

Pay	(309.1)	(177.4)	(310.1)	(1.0)	Pay costs are forecast £1m higher than budget overall. A forecast overspend on Health & Social Care staffing of £2.4m being partially offset by underspends elsewhere.
Non Pay	(235.7)	(135.8)	(241.5)	(5.8)	Non Pay costs are forecast to be £5.8m over budget and have been heavily impacted by inflation, with the cost of most goods and services rising, causing projected overspends for several Committees.
Fomula Led	(70.0)	(41.2)	(71.4)	(1.4)	Formula led expenditure is forecast to be £1.4m over budget due to increased demand for non-contributory benefits, particularly income support, and a mid year rate increase
Less: Committee Operating Income	54.8	33.4	56.3	1.5	Operating income (which is netted off Committee expenditure to give their overall budget) is expected to be £1.5m higher than budget mostly driven through income in Health and Home Affairs.
Centrally Held Budgets	(13.1)	-	(9.1)	4.0	As part of the budget setting process provisions are held centrally for service development and a budget reserve to cover other risks. This funding would be requested by Committees and transferred to their budgets where the spend actually occurs. It is being forecast that use of these budgets will be £4m lower than planned by the end of the year due to the pause on approval of GWP initiative funding earlier in the year.
<b>Total Net Committee Expenditure</b>	<b>(573.1)</b>	<b>(321.0)</b>	<b>(575.8)</b>	<b>(2.7)</b>	Net Committee Expenditure is forecast to be £2.7m higher than budget

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## Surplus / Deficit

<b>Net Revenue Surplus</b>	9.1	31.1	27.6	18.5	Net Revenue Surplus is forecast to be £18.5m higher than 2023 Budget
One-off proceeds from sale of property	3.0	-	3.0	-	Expected to be in line with Budget
Guernsey Ports Loss	(6.2)	(2.9)	(6.6)	(0.4)	It was agreed in the 2023 Budget that the Ports Trading losses would be funded through General Revenue
<b>Total Surplus / Deficit</b>	<b>5.9</b>	<b>28.2</b>	<b>24.0</b>	<b>18.1</b>	This surplus excludes investment return, the deficit on the social security funds, or any funding for capital programmes and is in line with the F&IP
<b>Note: Investment Return</b>	<b>26.6</b>	<b>21.6</b>	<b>32.5</b>	<b>5.9</b>	Investment return was in line with budget in the first six months of the year with July yielding a strong return in month to move ahead of budget. This has resulted in an adjustment to the estimated return for the year to £32.5m