

BUDGET 2017 ON A PAGE

Budget Overview

Overall Position	2017	2018	2019	2020
Revenue Income	403	404	405	406
Capital Income	5	8	8	8
Revenue Expenditure	(362)	(356)	(346)	(345)
Routine Capital Expenditure	(11)	(11)	(11)	(11)
Operating Surplus	35	45	56	58
Transfers to Capital Reserve	35	45	46	46
Surplus	-	-	10	12

Budget measures totalling £5.4m

- + Personal income tax allowances increased to £10,000
- + Withdrawal of allowances for higher earners (in line with States' direction)
- + Changes to dependent relative and age related allowances
- + Domestic TRP up by 7.5% in real terms – as per previous States resolution
- + Commercial TRP up by 2% in real terms
- + Alcohol up by 2% in real-terms - 2p on a pint of beer, 8p on a bottle of wine.
- + Cigarettes increase in line with States' direction – 5% real terms
- + 5p increase on a litre of fuel

Revenue expenditure set to reduce by £10m

- + Cash limits reduced by 3% saving £6.6m
- + Additional health funding continued for a further year
- + One year suspension of grant to the Health Service Fund

A Return to Balance

- + Achieving balance through managing transfers to Capital Reserve
- + Prudent assumptions used on revenue income
- + Assumed savings in public sector expenditure of 3%, 5%, 5%
- + Return to surplus in 2019 – funding then available for reinvesting in services, replenishing capital reserve or other reserves

Capital

	Maintain	Transform	Grow
Proposals #	24	19	8
Proposals £	£275m	£282m	£133m
Allocation %	30%	50%	20%
Allocation £	£85m	£141m	£56m

- + Transfer to capital reserve increased by £18m
- + Target set for returns from States' Trading Supervisory Board - £5m
- + Total funding available in capital reserve for next prioritisation round = £282m
- + 51 proposals with indicative cost of £690m submitted
- + Proposals categorised and funding allocated
- + Further work required to see what can realistically be delivered – seed funding £5m
- + Some projects 'ready to go' – P&R seeking delegated authority to proceed - £10m

Other

- + Reform of document duty regime
- + Economic Development Fund rebranded to support Policy & Resource Plan
- + Progress on changes to financial arrangements with Alderney
- + Further investigation into:
 - + Charitable tax relief
 - + Duty on other fuels
 - + Increased business contribution