



STATES OF ALDERNEY

AND

STATES OF ALDERNEY WATER BOARD

BUDGET REPORT 2016

BUDGET REPORT 2016

EXECUTIVE SUMMARY

The attached Budget for 2016, shown on pages 1 to 13, has been prepared in line with the agreed budget process, and was considered and approved at the September Policy & Finance Committee Budget Meeting. The main points to note are as follows:-

- Annual budgets provide a framework, they do not bind the States to spend in any particular area and nor do they preclude the States from choosing to vary the levels and standards of service it provides.
- The States of Alderney receives an annual cash allocation for the revenue account from the States of Guernsey, which together with its own income makes it necessary to prioritise the areas of public services that can be provided from the finite resources available.
- The 2016 revenue cash allocation from Guernsey is set at £1.9m which is similar to 2015 but increased to reflect expected pay awards.
- The capital program is mainly funded by Alderney Gambling Control Commission surpluses, together with locally raised revenue from property duties and asset sales, totalling over £1.7million for 2016. There is no cash allocation received from Guernsey in respect of capital funding.
- The Water Board revenue account is expected to raise £645K from water rates and charges, which in 2016 will cover its operating costs.
- The Water Board capital program (Phases 1 to 5) continues successfully, funded by grants from the States of Alderney amounting to £2.2 million since 2008, with a further grant of £250K anticipated for 2016.
- The Economic Development Reserve Fund, established in 2014 continues to be funded by AGCC at £300k per annum for a period of 3 years in order to finance the research and development of initiatives to improve the economy, some of which will attract inward investment by way of direct and indirect revenue. Although the funding expires at the end of 2016 any unspent balances will be rolled forward until they are expended. Each initiative is subject to an approvals process via the Policy & Finance Committee, and will require application of measurement standards and regular updates, however separating the Fund allows additional flexibility without affecting the revenue account which is under pressure. Further details of the individual initiatives and associated workstreams are shown in detail on page 2 of this report.

ECONOMIC DEVELOPMENT

The extreme economic problems and consequential depopulation being suffered by Alderney are well understood. The States of Alderney and the States of Guernsey have been working closely for some time on the economic and social challenges and opportunities faced by both Islands. In August this year, as a result of this collaboration, the Economic Development Officer was appointed in order to assist in driving a series of economic development initiatives, many of these relating to research & development.

We are pleased to report that following the research process some of the initiatives are now reaching fruition and are featuring in the capital program for 2016 i.e. Improvements to Island Wide Broadband Infrastructure, Asset Management (development briefs for Victorian Forts/Old Connaught etc), Aircraft Refuelling Facilities etc. Although this fund does not feature in the main part of this budget (it will be shown in the year end accounts as a separate fund), the main initiatives and current workstreams are listed below (not necessarily in order of priority) :-

- **Review of Transport Links/Airport Facilities** – Agree service level agreement with provider and States of Guernsey, review alternative/complimentary solutions in order to meet current and future service needs, review airport including maintenance requirements for terminal, investigate ferry service(s)
- **Review of the Financial Relationship** – Ongoing review of financial relationship with Guernsey
- **Marina Development Investigation** – Review proposals from scheme developer(s) with public consultation to take forward marina development
- **Tidal Energy/FAB link** – Conclude easement agreements to facilitate FAB link cable
- **Evaluation of Broadband Infrastructure** – Identify & evaluate options to provide fit for purpose broadband infrastructure
- **Review of Legislation** – Review fit for purpose legislation i.e. Company Law, Inheritance Law etc
- **Investor Residence Program** – Provide limited number of visas to vetted individuals to visit/reside in Alderney or the UK
- **Review of Education Provision** – Review of existing provision & develop improvement plan
- **Review Harbour Strategy** – Review strategy to future proof fit for purpose sea port
- **Review Existing Market Strategy** – Conduct review of existing marketing strategy
- **Blockchain Technology Research etc** - Identify possible new regulatory business opportunities i.e. Block Chain, Digital Asset Registry
- **Planning/Housing Strategy** – Implement ARUP planning review, prepare housing strategy
- **Asset Management** – Prepare development briefs for Victorian Forts, States buildings and compile full asset register
- **Support Existing Businesses** – Includes review of Young Entrepreneurs Scheme
- **Aviation Fuel Subsidy** – Provide AVGAS subsidy to encourage General Aviation
- **Living Islands Grant** – Project concludes by end 2015, review assessment report and means of integration into States tourism strategy
- **Taxation Regime** – Financial incentives for specific groups, review tax arrangements & identify any amendments via ongoing review of financial relationships
- **Creation of Anti Money Laundering Centre of Excellence** – PWC pilot now established in Alderney
- **Agriculture & Fisheries** – Introduce policies to encourage sustainable growth
- **Immigration/Residency Controls** – Review existing controls & consider amendments

STATES OF ALDERNEY REVENUE ACCOUNT

Year-end flexibility – For several years now we have not had any unspent balances available, historically this has provided the flexibility of under or overspending during the financial year without penalty.

Budget delegation - As previously reported Senior Managers from each Department are delegated with full responsibility for their budgets as the Principal Budget Holder, and in turn have been given the authority to sub delegate to their staff where appropriate. Each Department is therefore responsible for ensuring that there is sufficient funding available in order to reach the objectives outlined in their departmental business plan.

Staff – Following the VES Scheme in 2014, the number of permanent staff is generally as predicted, with any further changes in numbers relating to bank or temporary/seasonal staff. Any variations in wages/salaries costs throughout the budget are due to the apportionment of salaries between headings, deployment of PSE labour between headings, together with annual increments etc. The cash allocation from Guernsey is adjusted to incorporate any pay settlement awarded. Any bought-in services from external parties appear under supplies & services.

Revised Revenue Budget 2015 (see Summary – Page 1) - The total revised net cash allocation from Guernsey for 2015 is £1,909,050 (less 2014 underspend) which has been increased from Original Budget to meet known pay awards. This figure, in addition to our locally raised revenue, gives a total income of £2,887,944.

Revenue Budget 2016 - is based on income of £991,315 from the three Committees, together with the cash allocation from Guernsey at £1,900,000, in order to meet the expenditure requirement of £2,891,315.

The material changes relating to the 2015 Revised Budget, as compared to Original Budget, mainly relate to :-

- BDCC - lower staff costs, offset by increase in bought in services.
- BDCC consultants fees (mainly due to ARUP report recommendations, as also reported separately within the Billet).
- GSC - overall expenditure £135k less than predicted, due to staff savings & re-allocation between headings, (bank staff now allocated to sector headings), & less expenditure on supplies & services.
- P&F Administration – increase due to salaries (£25k) and net legal & consultancy expenses (£47k) (relating to Fablink legal costs & other consultancy work).
- Insurance Reserve Fund – additional allowance which is being increased incrementally on an annual basis to cover potential liability (i.e. higher degree of self insurance).
- St John Ambulance – additional grant (£60k over 2 years), towards a new vehicle.
- Marketing Support – reduction as more work undertaken in economic development.

In respect of the 2016 Revenue Budget the material changes and assumptions per section as compared with 2015 Original Budget (i.e. over £20K), together with any new headings, on pages 1 to 8 are listed as follows

BUILDING & DEVELOPMENT CONTROL COMMITTEE

Expenditure

Consultancy Fees & Land Use Plan Inspections - increased to reflect the recommendations in the ARUP report.

GENERAL SERVICES COMMITTEE

Income

New heading included under Recreation to reflect income (and expenditure) relating to Corporation Quarry following significant expenditure & improvements, and introduction new operating procedures.

Expenditure

Contracted Out Works – formerly “minor projects” – heading removed as reduced capacity to carry out work for third parties. Any works for third parties now shown as recoveries against the heading from which staff are originally charged.

GENERAL SERVICES COMMITTEE – ALDERNEY HARBOUR

Overall the Harbour is showing an increased deficit of £13k compared to 2015, however this reflects a reduction on the 2014 deficit. Measures are ongoing to seek to achieve further efficiencies whilst maintaining no increase in harbour dues/mooring fees etc.

POLICY & FINANCE COMMITTEE

Income

Occupiers Rates – Mindful of the current financial pressures on Alderney residents and businesses it has been agreed not to increase Occupiers Rates for 2016, as per the separate Billet Item.

Expenditure

Administration – Staff cost increase due to apportionment of salaries/percentage charge out between headings, known increments, staff restructuring, and recruitment of Senior Officer posts etc which were unknown at previous budget approval, partially offset by increased recoveries. Also increase in legal/consultancy fees and Insurance Fund, similar to 2015, as mentioned above.

Grants – Additional grant to St John Ambulance of £60k (over 2 years) towards funding of new vehicle.

Marketing Support – reduced by £60k as some initiatives now charged to economic development.

STATES OF ALDERNEY CAPITAL BUDGET

It is important to recognise that approval by the States of the overall capital budget does not mean that any individual project can proceed without further approval under the financial procedures, and should therefore be recognised as an indication of probable projects as opposed to a firm schedule. Although new projects are listed all will require individual costings and approvals via Committees/full States as necessary. Any figures shown in brackets alongside the project heading relates to amounts already voted, i.e. any remaining headings require further approvals.

Income

In addition to capital revenue raised from Conge and sale of assets, the Capital Program continues to be mainly funded by Alderney Gambling Control Commission surpluses which are expected to amount to approximately £1.785k in 2016, which is the net figure after adjusting for the Alderney eGambling Ltd costs. AGCC income is also used to fund the Economic Development Reserve.

During 2015 the Commercial Quay Revetment Litigation claim was settled at approx £1m, which has been credited to the capital project (net of 2015 capital expenditure, and related revenue costs). It is proposed that a similar amount, at £500k in 2016 and 2017 is allocated towards Strategic Transport Initiatives (shown under Policy & Finance capital expenditure) to allow the States to consider additional transport proposals/airport infrastructure improvements etc.

In addition to the recovery above, due to capital project slippage in 2015, a surplus of £1.5m is anticipated within the financial year, which added to reserves will be required to fund the 2016 projects, amounting to £3.9m as outlined below.

Expenditure

The main expenditure on many of the GSC projects scheduled for 2015 has been deferred to 2016 to allow for projects to be fully costed and approved, and pending the appointment in January of the Technical Services Officer. In 2016 the General Services Committee therefore anticipate £2.1m expenditure, comprising approx £200k on improvements at the Harbour, £250k grant to the Water Board (as outlined below), together with £1.7m relating to Public Services projects to deliver a significant capital program on Roads, Sewers, Coastal Protection & Property, together with vehicles & plant etc as per rolling replacement program, as listed on page 10 & 11.

The Policy & Finance Committee is also predicting to spend in excess of £1.8m, comprising £750k on Island Wide Broadband initiative, £500k on Strategic Transport Initiatives (as above), £300k on Asset Management (valuations, development briefs) & Financial Services, and £100k on Aircraft Refuelling Facilities. The Sports Centre Grant, originally budgeted for 2014/15 has been carried forward into 2015/16 due to delays with commencement of the project, as listed on page 12.

Overall this reflects an ambitious capital program for the year ahead, and capital expenditure on some major projects may extend into 2017.

WATERBOARD REVENUE BUDGET

The budget achieves the key objective that the Board should meet its operating costs in any given year in order to build a reserve to fund future capital liabilities and the associated increases in depreciation. It should be noted that each time a capital project is approved the associated ongoing opex costs i.e. depreciation, maintenance contracts, replacements, TRP etc are charged to the revenue account.

Income

After several years of above RPIX increases, in order to return the Board to profitable status, since 2013 these have reduced to increases closer to RPIX with an amount of 2% proposed for 2015 (effective from Q1 2016 billing). This item will be brought to the November States meeting.

Expenditure

Operating expenditure has been retained at current levels as far as possible, however as mentioned earlier the depreciation costs continue to increase due to the capitalisation of the new plant and associated equipment.

Maintenance Contract costs are expected to increase due to servicing agreements relating to the new/additional plant etc.

The gross wage costs are partially offset by the recovery from the in-house labour and supervision on capital projects together with overtime savings achieved due to greater reliance on automated systems. Equally the administration charge has been kept artificially low over the years which will continue to be incrementally adjusted over the next few years in order to show the true cost of operating the Board.

The consultancy fees are slightly higher in 2015 due to a proportion of the interim States Engineer costs being charged to the Board. This arrangement has now ceased with the appointment of Head of Operations.

WATERBOARD CAPITAL BUDGET

The Water Board continues to be supported by substantial capital investment from the States of Alderney, in the form of capital grants, currently in excess of £2.2M, since 2008. Phases 1 to 4 have significantly improved the water collection, filtration, treatment, storage and distribution.

Expenditure for 2015 initially budgeted at £250k for a standby water filtration plant, has now been deferred to 2016/2017 pending further investigation and costings. Therefore the expenditure included for 2015 relates to continued distribution improvements at £50k, in order to take the opportunity to trench share with AEL, funded by a further grant from the States of Alderney.

CONCLUSION

The pressures on the revenue budget continue to present the greatest challenges. The 2014 VES scheme was a reluctant but necessary response to a long neglected problem, however the resultant reduction in revenue funding will continue to impact upon future years which will necessitate careful budgeting by all departments concerned.

Guernsey, in response to its own growing costs and revenue challenges, will continue to seek to reduce its revenue expenditure and this will include contributions to Alderney. It therefore is increasingly important that States Members and Civil Servants look to demonstrate efficiencies in spending and working practices. Much of the public benefit of any economic development will be the generation of Income Tax and Social Security, which are paid to Guernsey. The States of Alderney must continue to look closer and harder at opportunities to create direct home grown revenue streams as well as maximising opportunities from existing income streams where this is justified.

The challenges in capital spending are the capacity, resources and capability to deliver what is budgeted. Greater focus has to be placed not so much on the cost, but on the benefits derived from the capital projects. Much capital spend is in response to actual or perceived compliance requirements with standards or risk assessments, most of which are set by international or extra-jurisdictional bodies.

The Financial Relationship Review with Guernsey is particularly important for Alderney in the years ahead, initially defining the main cost/income flows between the islands, but then seeking ways to reduce outdated bureaucracy, and gradually permit the States of Alderney a greater measure of control over key economic levers for the Island.

Finally, we would like to thank the Treasurer and her staff for their work in delivering a workable budget in this period of continuing costs and revenue pressures, a feature I fear for all the Channel Islands for the foreseeable future.

N. Harvey, Chairman Policy & Finance Committee

R. McDowall, Chairman Finance Committee

September 2015

STATES OF ALDERNEY

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SUMMARY OF GENERAL REVENUE INCOME AND EXPENDITURE

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
INCOME ON REVENUE ACCOUNT				
Building and Development Control Committee	14,000	13,000	14,800	16,237
General Services Committee	266,210	267,771	259,278	302,917
Policy and Finance Committee	711,105	711,305	721,980	739,632
TOTAL INCOME ON REVENUE ACCOUNT	991,315	992,076	996,058	1,058,786
Net revenue allocation from States of Guernsey	1,900,000	1,909,050	1,875,000	1,960,450
Less underspend 2014	-	(13,182)	-	-
Additional Funding VES	-	-	-	510,500
	2,891,315	2,887,944	2,871,058	3,529,736

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
EXPENDITURE ON REVENUE ACCOUNT				
Building and Development Control Committee	107,059	155,978	114,050	77,031
General Services Committee	1,397,278	1,361,100	1,496,722	1,917,585
Policy and Finance Committee	1,386,978	1,370,866	1,260,286	1,521,938
TOTAL EXPENDITURE ON REVENUE ACCOUNT	2,891,315	2,887,944	2,871,058	3,516,554
Surplus/(Deficit) for the year		-	-	13,182
	2,891,315	2,887,944	2,871,058	3,529,736

BUILDING AND DEVELOPMENT CONTROL COMMITTEE

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
Income	£	£	£	£
Planning & Building Permit fees	14,000	13,000	14,800	16,237
TOTAL REVENUE INCOME	14,000	13,000	14,800	16,237

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
Expenditure	£	£	£	£
Administration				
Staff costs	94,059	48,978	100,250	67,560
Supplies and services	7,500	35,500	10,300	6,413
Consultants Fees	-	63,000	-	240
Planning records system	5,000	8,000	3,000	2,818
External Planning Advice	500	500	500	-
TOTAL REVENUE EXPENDITURE	107,059	155,978	114,050	77,031

GENERAL SERVICES COMMITTEE

	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Income								
Agriculture								
Fees and charges	2,200		2,000		2,200		2,866	
Rents	7,200		7,200		6,950		6,866	
Abattoir Fees	8,500		8,500		8,500		9,042	
		17,900		17,700		17,650		18,774
Public Services								
Administration								
Hire vehicle fees	3,000		3,000		3,000		3,053	
Vehicle Import Licence Fees	35,000		35,000		33,000		44,126	
		38,000		38,000		36,000		47,179
Properties								
Rent - General	201,330		199,290		203,375		204,670	
Rent - Housing	27,740		20,530		9,165		25,166	
		229,070		219,820		212,540		229,836
Sewage and Sanitation								
Cesspit emptying fees	12,500		12,500		12,500		13,024	
		12,500		12,500		12,500		13,024
Recreation								
Campsite Fees (net) & rent	3,500		5,053		3,500		-	
Butes Recreation Park	-		-		-		41,231	
Corporation Quarry Rent	1,400		-		-		-	
Island Hall Rents	15,000		15,000		15,000		18,711	
		19,900		20,053		18,500		59,942
Alderney Harbour trading (Loss)/Surplus		(51,160)		(40,302)		(37,912)		(65,838)
TOTAL REVENUE INCOME		266,210		267,771		259,278		302,917

GENERAL SERVICES COMMITTEE

Expenditure	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Agriculture								
Staff (inc Bank Staff)	132,065		126,860		145,800		243,596	
Supplies and services	27,500		33,000		40,000		32,347	
Bovine Spongiform Encephalopathy: -								
Compensation	1,500		1,500		1,500		-	
Disposal costs	600		600		600		-	
Dairy and land management compensation	65,000		65,000		65,000		53,837	
Abattoir operating costs	6,000		6,000		7,100		5,177	
Veterinary services	20,000		16,500		5,000		5,646	
	<u>252,665</u>		<u>249,460</u>		<u>265,000</u>		<u>340,603</u>	
<i>Less recoveries</i>	<u>(4,750)</u>		<u>(3,750)</u>		<u>(4,750)</u>		<u>(6,491)</u>	
		247,915		245,710		260,250		334,112
Recreation								
Camp Site expenses	5,000		5,000		10,000		5,003	
Butes Recreation Park	1,000		2,500		4,000		52,330	
Corporation Quarry	2,200		600		-		-	
Island Hall Staff	13,200		13,200		9,585		10,874	
Premises	9,000		9,500		9,500		7,195	
Supplies and services	2,500		2,000		13,000		8,266	
		32,900		32,800		46,085		83,668
Emergency Services & Environmental Trusts								
Fire Brigade and Cliff Rescue								
Staff & Retained Crew	25,750		24,250		32,540		29,041	
<i>Less recoveries</i>	<u>(3,800)</u>		<u>(1,000)</u>		<u>(3,818)</u>		<u>(1,730)</u>	
Supplies and services	23,000		23,000		33,430		27,913	
Administration of Law	12,730		12,730		12,730		11,368	
		57,680		58,980		74,882		66,592
Civil Emergency								
Premises	750		750		750		582	
Supplies and services	1,500		1,100		3,000		1,418	
Environmental monitoring	22,000		20,200		22,500		21,369	
		24,250		22,050		26,250		23,369
Alderney Wildlife Trust								
Annual allocation	16,000		16,000		16,000		16,000	
Ramsar	11,470		11,300		11,300		11,070	
Woodland Project	1,000		1,000		1,000		1,000	
		28,470		28,300		28,300		28,070

GENERAL SERVICES COMMITTEE

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Expenditure (Cont'd)	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Public Services								
Administration Staff	79,658		69,288		76,200		185,665	
Supplies and services	7,900		7,900		7,900		10,175	
SWD Organisational Review	-		-		-		765	
Health and Safety - training & equipment	16,200		18,300		14,300		7,846	
Insurance	8,500		8,000		14,200		8,798	
		112,258		103,488		112,600		213,249
Apprenticeship/Training Scheme								
Staff	50,865		48,466		45,345		53,194	
Associated costs	400		400		400		409	
<i>Less grant recoveries</i>	(1,000)		(2,000)		(1,000)		(2,655)	
		50,265		46,866		44,745		50,948
Contracted Out Work								
Labour	-		14,470		12,820		117,559	
Materials / Goods	-		2,000		2,000		5,861	
			16,470		14,820		123,420	
<i>Less recoveries</i>	-		(12,500)		(3,500)		(26,011)	
				3,970		11,320		97,409
Properties - General & Housing								
Staff	110,549		100,595		77,490		100,044	
Supplies and services	113,625		113,625		137,625		99,454	
	224,174		214,220		215,115		199,498	
<i>Less recoveries</i>	(2,500)		(2,500)		(2,500)		(3,842)	
		221,674		211,720		212,615		195,656
Refuse Collection, Recycling & Disposal								
Household Collection and Impôt								
Staff	124,491		122,144		101,200		186,438	
Supplies and services: -								
Vehicles & plant maintenance	28,000		28,000		28,000		25,593	
Household & general waste - disposal	170,000		170,000		170,000		177,953	
Vehicles & white goods etc - disposal	3,250		3,250		2,500		1,722	
		325,741		323,394		301,700		391,706
Recycling Centre - Glacis								
Staff	92,643		85,786		71,700		128,712	
Supplies & services	17,000		17,000		17,000		18,060	
		109,643		102,786		88,700		146,772
Roads, Coasts and Beaches								
Staff	54,177		50,443		73,745		42,839	
Supplies and services	41,000		37,500		40,000		48,526	
	95,177		87,943		113,745		91,365	
<i>Less recoveries</i>	(4,000)		(1,000)		(1,000)		(962)	
		91,177		86,943		112,745		90,403
Sewage and Sanitation								
Staff	33,055		28,893		33,790		106,759	
Supplies and services	55,000		55,000		52,500		45,967	
	88,055		83,893		86,290		152,726	
<i>Less recoveries</i>	(6,500)		(3,500)		(3,500)		(8,869)	
		81,555		80,393		82,790		143,857
Bank Staff (post VES)		-		-		70,000		
Vehicle Fleet								
Staff	-		-		-		41,452	
Supplies and services	37,250		37,200		47,240		39,745	
	37,250		37,200		47,240		81,197	
<i>Less recoveries</i>	(23,500)		(23,500)		(23,500)		(29,422)	
		13,750		13,700		23,740		51,775
TOTAL REVENUE EXPENDITURE		1,397,278		1,361,100		1,496,722		1,917,585

GENERAL SERVICES COMMITTEE - HARBOUR ACCOUNT

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	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Income on Harbour Account								
Administration								
Harbour Dues and Fees	119,700		119,700		125,168		134,714	
Sundries	4,800		4,500		4,000		4,149	
	<u>124,500</u>		<u>124,200</u>		<u>129,168</u>		<u>138,863</u>	
Less concessions on charges	(2,000)		(2,000)		(2,000)		(2,664)	
		122,500		122,200		127,168		136,199
Crane Dues & Boat Lifts	<u>50,000</u>		<u>50,000</u>		<u>50,000</u>		<u>55,731</u>	
		50,000		50,000		50,000		55,731
Moorings and Navigation								
Fees	119,000		121,000		118,000		117,686	
Pilotage fees	39,700		39,300		39,627		50,502	
	<u>158,700</u>		<u>160,300</u>		<u>157,627</u>		<u>168,188</u>	
Less pilots remuneration	(13,000)		(13,000)		(10,000)		(15,821)	
concessions on charges	(2,000)		(2,000)		(2,000)		(4,291)	
		143,700		145,300		145,627		148,076
Quays and Buildings Rent	<u>18,340</u>		<u>18,180</u>		<u>13,000</u>		<u>12,885</u>	
		18,340		18,180		13,000		12,885
TOTAL REVENUE INCOME		334,540		336,680		335,795		352,891

	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Expenditure on Harbour Account								
Administration								
Staff	250,800		248,402		236,371		269,873	
Supplies and services	20,900		21,900		21,400		17,797	
Training costs	5,000		3,000		6,000		5,492	
Insurance	4,000		3,700		5,000		4,066	
Port Security/Health & Safety	3,000		1,000		3,000		589	
	<u>283,700</u>		<u>278,002</u>		<u>271,771</u>		<u>297,817</u>	
Less recoveries	(48,000)		(48,000)		(48,000)		(45,401)	
		235,700		230,002		223,771		252,416
Cranes								
Staff	36,100		35,180		33,136		34,823	
Supplies and services	22,800		22,700		23,200		39,857	
	<u>58,900</u>		<u>57,880</u>		<u>56,336</u>		<u>74,680</u>	
Less recoveries	(1,500)		(1,500)		(3,000)		(2,583)	
		57,400		56,380		53,336		72,097
Moorings and Navigation								
Supplies and services	50,000		52,000		52,000		49,821	
Wrecks and salvage	3,000		2,500		3,000		2,120	
		53,000		54,500		55,000		51,941
Quays and Buildings								
Buildings & Quay Maintenance	10,000		10,000		10,000		13,249	
Pontoon Maintenance	5,000		5,000		5,000		3,960	
Survey Fees	5,000		1,000		6,500		6,001	
		20,000		16,000		21,500		23,210
Fisheries								
Staff Costs	17,600		17,600		17,600		17,600	
Supplies and services	2,000		1,500		2,500		1,465	
		19,600		19,100		20,100		19,065
TOTAL REVENUE EXPENDITURE		385,700		375,982		373,707		418,729
(Loss)/Surplus for the year funded by the General Services Committee		(£51,160)		(£40,302)		(£37,912)		(£65,838)

POLICY AND FINANCE COMMITTEE

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	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Income								
Administration								
Company registrations	40,000		43,000		43,000		50,362	
Court receipts, licences and fines	26,500		25,500		28,000		39,009	
Duty free concession	25,000		25,000		25,000		25,000	
Interest receivable	40,200		40,200		39,000		43,118	
Numismatic and philatelic profit	47,800		47,800		44,000		89,577	
Occupiers rates	464,400		464,400		465,200		461,778	
Permits, licences and fines	12,700		12,700		15,550		13,812	
Rents	41,730		41,730		41,730		41,729	
Royalties and fees	3,500		3,500		3,500		3,138	
Sundry sales and charges	21,275		19,475		18,700		20,870	
	723,105		723,305		723,680		788,393	
Less transfer to currency reserve	(30,000)		(30,000)		(20,000)		(65,679)	
		693,105		693,305		703,680		722,714
Promotion and Marketing								
Accommodation permits	3,000		3,000		5,000		4,512	
Sale of advertising space	15,000		15,000		13,300		12,406	
		18,000		18,000		18,300		16,918
TOTAL REVENUE INCOME		711,105		711,305		721,980		739,632

Expenditure	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Administration								
Staff	549,250		479,953		454,050		485,127	
Premises	24,000		23,050		21,000		20,117	
Supplies, services and recruitment	124,160		135,700		125,000		194,557	
Audit fees and expenses	36,000		37,500		32,000		30,302	
Legal and Consultancy Expenses (net)	20,000		47,423		-		24,860	
Breakwater maintenance contribution	15,000		15,000		15,000		15,000	
Health and safety regulations	3,000		2,000		3,000		2,868	
Insurance and Reserve	43,000		107,500		46,500		114,767	
States members allowances	103,500		100,000		102,000		93,908	
Supplementary/retirement pensions	-		-		-		17,493	
Unforeseen expenditure: -	22,490		35,281		29,284		13,183	
	940,400		983,407		827,834		1,012,182	
Less recoveries	(106,522)		(100,475)		(100,473)		(94,173)	
		833,878		882,932		727,361		918,009
Court								
Staff	146,800		150,434		159,000		158,663	
Premises	6,000		5,500		5,000		5,588	
Supplies and services	18,000		23,000		18,000		13,774	
Insurance	2,200		2,100		2,150		2,003	
		173,000		181,034		184,150		180,028
Education and Health Services								
Supplies and services	200		200		200		-	
Grant for IT Education	-		-		-		500	
Grant to Alderney Playschools	5,600		5,500		5,500		5,500	
School Bus subsidy	25,000		24,000		23,000		22,871	
Youth Services grant	5,000		5,000		5,000		5,000	
		35,800		34,700		33,700		33,871
Social Services and welfare support	102,500		99,000		79,500		76,473	
Less recoveries	(82,000)		(82,000)		(61,000)		(61,825)	
		20,500		17,000		18,500		14,648
Grants								
Alderney Island Games Association	6,000		3,000		3,000		-	
Alderney Library	3,500		3,500		3,500		3,500	
Alderney Museum	5,000		-		-		-	
Minor grants	10,000		10,000		7,000		7,119	
Living Islands (funded 2015 from EDR)	-		-		-		25,000	
St. John Ambulance Brigade	72,000		72,000		42,000		42,000	
		96,500		88,500		55,500		77,619
Marketing								
Administration & Promotion								
Staff	61,000		38,900		33,275		48,367	
Premises	16,000		10,500		9,000		15,830	
Supplies and services	3,300		3,300		3,300		3,564	
Promotion of Tourism	127,000		94,000		115,500		119,138	
Marketing Support (ex Business Development)	20,000		20,000		80,000		110,865	
		227,300		166,700		241,075		297,764
TOTAL REVENUE EXPENDITURE		1,386,978		1,370,866		1,260,286		1,521,938

STATES OF ALDERNEY CAPITAL ACCOUNT SUMMARY

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
INCOME ON CAPITAL ACCOUNT				
General Services Committee	10,000	2,350	10,000	25,965
Policy and Finance Committee	238,000	265,000	262,000	278,862
TOTAL INCOME ON CAPITAL ACCOUNT	248,000	267,350	272,000	304,827
Transfer of funds from AGCC reserves	1,785,000	1,560,000	1,800,000	1,935,381
Less Transfer to Economic Development	(300,000)	(300,000)	(300,000)	(152,207)
Surplus/(Deficit) for the year	(2,258,000)	1,503,825	(640,600)	613,261
	3,991,000	(23,525)	2,412,600	1,474,740

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
EXPENDITURE ON CAPITAL ACCOUNT				
General Services Committee	2,161,000	(241,125)	2,225,000	1,125,340
Policy and Finance Committee	1,830,000	217,600	187,600	349,400
TOTAL EXPENDITURE ON CAPITAL ACCOUNT	3,991,000	(23,525)	2,412,600	1,474,740

GENERAL SERVICES COMMITTEE CAPITAL ACCOUNT

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	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
Income	£	£	£	£
Sewerage Law contributions	10,000	-	10,000	1,000
Sale of Capital Assets States Works	-	2,000	-	24,965
Sale of Capital Assets Harbour	-	350	-	
TOTAL	10,000	2,350	10,000	25,965

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
Expenditure	£	£	£	£
Alderney Harbour Capital Expenditure	201,000	(860,000)	269,000	132,049
Alderney Water Board - Capital Grants:				
Distribution Network - Phase 5 (£50k)	-	50,000	250,000	-
Phase 6 - Projects tbc	250,000	-	-	-
Public Services				
Roads Projects:-				
Road Resurfacing Contract	300,000	-	-	259,253
Replacement Cobbles/Drainage/Repairs	150,000	-	200,000	-
Surfacing of Unmade Roads (£15k 2014)	-	20,000	20,000	15,149
Improve Disabled Access - Town Area	45,000	15,000	55,000	-
Coastal Protection Projects (£35k)	180,000	40,000	170,000	12,940
Sewerage Projects (M-PSaline prelims £117k)	505,000	60,000	452,000	49,078
Waste Disposal Improvements	60,000	20,000	80,000	19,230
Fire Brigade				
Tanker Replacement (£25k 2014)	-	23,700	-	609
4 x 4 Replacement	-	50,000	50,000	-
Land and Property				
States Properties Refurbishment (£49k)	230,000	141,000	300,000	-
Land for Runway Safety Area (£50k)	-	5,000	-	-
Camp Site - Laundry (£41k 2014) project closed	-	-	24,000	39,399
St Anne's Church Roof Phase 1-4 (£436k)	100,000	46,000	205,000	167,716
Agric Relocation to Butes	15,000	-	15,000	-
Recreational Facilities (£75k)	25,000	95,000	90,000	1,578
Asbestos Surveys (£22k)	-	3,675	-	19,115
Museum Building Improvements (£12k)	-	1,000	-	6,151
Quay FM - Grant for Building (£15k)	-	500	5,000	15,000
Works Department Vehicles and Plant				
Vehicles & Plant (£15k 2014)	100,000	48,000	40,000	106,986
<i>Per published accounts 2014</i>	-	-	-	281,087
TOTAL	2,161,000	(241,125)	2,225,000	1,125,340

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
Expenditure	£	£	£	£
Commercial Quay - Revetment :-				
Revetment Rebuild (£770k)	-	(920,000)	-	65,458
Harbour Area Redevelopment :-				
Boat Park (Prelims £15k)	-	-	45,000	-
Improvements to Visitor Facilities	120,000	10,000	100,000	-
Pontoon & Pax Landing Improvements (£12.5k)	-	5,000	11,000	7,441
Fendering Replacements	33,000	-	-	-
Rock Removal	18,000	-	-	-
Douglas Quay repairs/Surfacing	30,000	-	-	-
Inner Harbour Improvements :-				
Marine Fuelling Facility	-	-	10,000	-
Quay Face Pointing (£3.5k prelims)	-	20,000	20,000	-
Mooring Buoy & Block Replacements	-	10,000	10,000	-
Inner Harbour Moorings - Ground chain	-	15,000	-	-
Harbour Vehicles/Plant/Boats:-				
Boat Hoist Replacement	-	-	73,000	-
<i>Per published accounts 2015</i>	-	-	-	59,150
TOTAL CAPITAL EXPENDITURE FUNDED BY THE GENERAL SERVICES COMMITTEE	£201,000	(£860,000)	£269,000	£132,049

POLICY AND FINANCE COMMITTEE CAPITAL ACCOUNT

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	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Income								
Property Transfer Duties								
Congé	220,000		220,000		230,000		232,585	
Leasehold Duty	17,000		17,000		15,000		21,512	
Transfer Duty	1,000		1,000		17,000		14,315	
		238,000		238,000		262,000		268,412
Sale of States Land and Property		-		27,000		-		10,450
TOTAL		238,000		265,000		262,000		278,862

	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
Expenditure								
P&F Projects								
IT Systems		30,000		50,000		20,000		-
Asset Management & Financial Services		300,000		20,000		20,000		-
Telecoms/Broadband		750,000		-		-		-
Strategic Transport Initiative		500,000		-		-		-
Aircraft Refuelling Facility		100,000		-		-		-
Allocation of Funds/Grants								
Social Housing Projects - Sable D'Or (£238k)		-		47,600		47,600		190,400
Sports Centre Trust-matched funding (£250k)		150,000		100,000		100,000		-
<i>Per published accounts 2014</i>								159,000
TOTAL		1,830,000		217,600		187,600		349,400

STATES OF ALDERNEY WATER BOARD

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REVENUE ACCOUNT BUDGET

	Budget 2016		Revised Budget 2015		Budget 2015		Accounts 2014	
	£	£	£	£	£	£	£	£
INCOME								
Unmetered supplies	550,000		538,500		535,780		524,539	
Metered supplies	91,800		89,500		78,260		75,907	
Service charges	2,500		11,000		10,000		7,840	
Contract work	1,000		1,500		1,000		2,045	
Sale of Fixed Assets	-		2,683		-		1,000	
Total Income		645,300		643,183		625,040		611,331
EXPENDITURE								
Operating and Maintenance Expenses								
Depreciation	129,900		125,700		119,000		101,307	
Pumping costs (fuel, electricity & telemetry)	105,000		105,000		105,000		98,912	
Mains, machinery & materials	55,000		57,000		55,000		72,809	
Maintenance contracts	25,000		20,000		18,500		14,320	
Health & Safety expenses	3,000		3,000		3,000		4,273	
Staff pension - contributions	29,932		28,081		28,458		33,505	
Wages, salaries & supervision	170,000		165,000		176,598		171,897	
Water treatment & testing	30,000		27,500		30,000		30,552	
		547,832		531,261		531,556		527,575
Administration and General Expenses								
Accountancy, audit & expenses	6,780		6,650		6,650		6,284	
Administration charges	36,522		30,473		30,473		23,800	
Bad debts written off	500		400		500		2,143	
Bank charges	250		250		250		185	
Consultancy fees & expenses	2,000		4,000		1,500		3,387	
Insurance - machinery & buildings	7,500		7,000		8,000		5,987	
Motor vehicle expenses	5,000		5,000		8,000		4,859	
Office expenses & equipment	5,000		5,000		5,000		5,712	
Rents, rates & taxes	20,000		17,500		20,000		15,736	
Staff training	3,000		2,900		3,000		715	
Travelling & general expenses	2,000		2,000		2,000		2,156	
Write-off of fixed assets	-		-		-		-	
		88,552		81,173		83,373		70,924
TOTAL EXPENDITURE		636,384		612,434		614,929		598,499
Operating Surplus / (Deficit)		8,916		30,749		10,111		12,832
Interest and other income receivable	-		-		-		-	
Rents receivable	11,345		11,340		11,334		11,427	
TOTAL SURPLUS / (DEFICIT) ON REVENUE ACCOUNT		20,261		42,089		21,445		24,259

CAPITAL ACCOUNT BUDGET

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
INCOME				
States Grants:				
2014 - Distribution Network -Phase 4c	-	-	-	239,200
2015 - Distribution Network - Phase 5	-	50,000	250,000	-
2016 - Phase 6 - project(s) to be confirmed	250,000	-	-	-
Total Capital Income	250,000	50,000	250,000	239,200

	Budget 2016	Revised Budget 2015	Budget 2015	Accounts 2014
	£	£	£	£
EXPENDITURE				
Distribution network - Phase 4b £241k	-	23,000	-	134,084
Distribution Network - Phase 4c £239.2k	39,700	94,000	39,200	105,513
Distribution Network - Phase 5	-	50,000	-	-
Phase 6 (2016) - project(s) to be confirmed	250,000	-	250,000	-
Minor Capital (mains & services, tools, meters)	25,000	35,000	39,000	2,428
Vehicle Replacement	20,000	-	-	18,450
<i>Per Published Accounts 2014</i>				11,806
Total Capital Expenditure	334,700	202,000	328,200	272,291