

BUDGET 2023 ON A PAGE

Budget Overview

	2022 Budget	2022 Revised Budget	2023 Budget
Operational Activities Cost of Services	3,037,865	3,716,920	4,216,065
Other Operating Income	481,605	527,235	808,670
Property and other Taxation Income	2,755,000	4,010,000	2,874,000
Operating Surplus/(Deficit)	198,740	820,315	(533,395)
Funding to/ from Reserves	(35,050)	(55,025)	533,395
Surplus/ (Deficit) at year end to/ from General Reserve	163,690	765,290	-

2023 Summary

- Budget showing Operating deficit of £533k which will need to be met from an exceptional one-off contribution from reserves. However, this is not a sustainable solution. Other mechanisms for addressing future shortfalls must be considered
- Significant growth areas due to assumption of responsibilities for:
 - Primary Health Care provision (£355k)
 - Funding of Ambulance Set Up Costs (100k)
- Financial pressures relating to Health provision on the Island expected to continue, with added pressure of projected reduction in Property Transfer duties and increased cost of living
- Allowances made for inflation increases across all departments based on current evidence
- Contractual Pay agreements for all staff included (Public Service Employees pending outcome of pay discussions)
- Includes an estimated return on the Investment Policy & Strategy approved by PFC in September

Budget Measures

- APT increase of 9% to all APT tariffs excluding Public Utilities to mitigate the impact of inflationary increases in 2023 (this equates to an additional £107k) (200 unit property = £1 per week; 500 unit property = £4 per week)
- Fuel duty rates to be kept in line with States of Guernsey Fuel duty rates
- Document duty and Property Transfer rates maintained, but duty collected expected to decline from levels in 2021 and 2022

2022 Position Update

- Income expected to be £1,3M more than budget
- Document duty & Property Transfer duty £1,2M higher with the housing market particularly buoyant for the first half of 2022
- Interest Receivable expected to be £32k more than budget due to interest rates recovering post-pandemic
- Fuel duty income is expected to be £65k higher than budget
- Overall expenditure on Operational Activities expected to be £680k more than budget
- Significant unforeseen expenditure relates to supporting provision of Primary Health Care (£220k) on the Island, plus additional costs to ensure a safe and resilient Ambulance Service (£420k)
- Contractual pay agreements for all staff included (Public Service Employees pending outcome of pay discussions)
- Overall surplus of £820k to General and specific reserves

Water Board

- Revised Budget 2022 shows a projected surplus of £84k, compared to Budget 2022 of £117k whilst in 2023 the Board will again cover its operating costs, with a surplus of £28k towards reserves
- No increase to Water Rates in 2023