

**WRITTEN QUESTION TO THE MINISTER FOR TREASURY AND RESOURCES
BY THE DEPUTY OF ST. MARY
ANSWER TO BE TABLED ON MONDAY 13th SEPTEMBER 2010**

Question

Can the Minister explain the difference in the CSR cuts targets of 2%, 3% and 5% applying to departments' net expenditure and gross expenditure?

Can the Minister confirm that the information by department in the Annex to the Annual Business Plan is a comprehensive list of all the income, however generated, which then goes towards offsetting a given department's gross expenditure?

Answer

The CSR targets totalling 10% will reduce the net expenditure of the States. The £50 million target was initially based on 10% of the 2010 gross expenditure budget excluding Social Security, given that the latter department's expenditure is almost all Supplementation (which is being considered as part of the Fiscal strategy) and Income Support. However, Social Security will now contribute to achieving the overall target.

Departments were specifically requested to come forward with proposals to reduce their gross budgets by 10% so that increased income/revenue could be considered over and above savings and provide some political choice in which proposals to support.

I can confirm that the information given in the Annex to the Business Plan lists all departmental income. There are other income sources such as States Income (including taxation, impots, Stamp Duty and the Island Rate) which is not attributable to individual departments as well as special funds and bequests which have their own rules regarding income and expenditure.