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THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

15th July, 2026

Proposition No. P. 2026/49

Policy & Resources Committee

Tax Reform 2026

MOTION UNDER ARTICLE 7(1) OF THE REFORM (GUERNSEY) LAW, 1948

Proposed by: Deputy G Collins
Seconded by: Deputy H Camp

To suspend Rule 24(2) of the Rules of Procedure of the States of Deliberation and their Committees to the extent necessary to permit the amendment below to be debated.

AMENDMENT

Proposed by: Deputy G Collins
Seconded by: Deputy H Camp

To insert additional propositions as follows:

"5. To agree to establish, by no later than September 2026, and in accordance with Rule 53 of the Rules of Procedure of the States of Deliberation and their Committees, a States' Investigation & Advisory Committee to be known as the Appropriations Committee whose mandate shall be to;

a. identify core services provided by the States of Guernsey across all committees and service areas and to consider which of those services; must be delivered by the States of Guernsey, would either be better suited to being commissioned by others, or should be paid for by users or should cease;
b. consider new methods of taxation and social security or other contributions to ensure a steady and stable financial future or

alternatively, to propose suitable reform to the States administration of taxation and social security contributions; and

c. investigate all other public sector expenditure in order to consider what sustainable savings, efficiencies, optimisation, harmonisation or other reasonable changes, as the case may be, might be made.

6. To direct all Committees of the States to make available the resources necessary for the Appropriations Committee to fulfil its mandate.

7. To direct the Policy & Resources Committee to release funding up to £50,000 from the budget reserve, should it be deemed necessary by the Appropriations Committee.

8. To direct the Appropriations Committee to report back to the States with its findings and recommendations as soon as possible but no later than December 2027.

9. The Committee's membership shall be:

    a. A President, who shall be referred to as Chair, elected by the States, who must have completed a minimum of one complete political term; and
    b. Six members elected by the States;

    Provided that only one member of the Appropriations Committee shall also be a member of the Policy & Resources Committee and that only one member of the Appropriations Committee shall also be a member of the Committee for Employment & Social Security.".

Rule 4(1) Information

a) The proposition contributes to the States' objectives and policy plans by ensuring the States of Guernsey applies appropriate restraint for government expenditure.

b) In preparing this proposition the views of Members during debate on Amendment 1 were taken into consideration.

c) The proposition has been submitted to His Majesty's Procureur for advice on any legal or constitutional implications.

d) The financial implication of carrying out this amendment would be up to £50,000 from general reserve.

e) Drafting advice has been sought from the States' Greffier.

Explanatory Note

1. The effect of this amendment would be to establish an investigation and advisory committee to review the States' public expenditure and sustainable fiscal policies.

2. The Island is at a critical juncture, with a cited funding gap to sustain known commitments, let alone meet future ambitions. Against a backdrop of weak economic performance and a Government citing the need for ever-increasing expenditure, it is incumbent upon the States to complete the third strand of this work by undertaking a comprehensive review of what government delivers, how it delivers it and why. This review should assess the necessity of the services provided, their associated costs, and develop a whole-of-government view of how public funds can be deployed most effectively to deliver value for money for service users and for the Government more generally in a manner that is fiscally sustainable and recognises the long-term challenges identified, including demographic change, productivity and the changing dependency ratio.

3. Critically, the review should identify measures that are demonstrably achievable and deliverable, supported by robust quantitative analysis and implementation planning, rather than relying on aspirational savings or efficiencies that cannot be evidenced with confidence.