OFFICIAL REPORT

OF THE

STATES OF DELIBERATION OF THE ISLAND OF GUERNSEY

HANSARD

Royal Court House, Guernsey, Friday, 6th November 2026

All published Official Reports can be found on the official States of Guernsey website www.gov.gg

Volume 14, No. 25

ISSN 2049-8284

Published by the States' Greffier, The Royal Court House, St Peter Port, GY1 2NZ. *© States of Guernsey, 2025*

Present:

Ms J. E. Roland, Bailiff and Presiding Officer

Law Officers

M. M. E. Pullum, K.C. (H.M. Procureur)

People's Deputies

C. P. A Blin
Y. Burford
T. L. Bury
A. K. Cameron
H. L. Camp
H. L. de Sausmarez
D. F. Dorrity
S. J. Falla
A. Gabriel
J. A. B. Gollop
L. T. Goy
M. A. J. Helyar
R. M. Humphreys
N. R. Inder
B. R. Kay-Mouat
A. Kazantseva-Miller
M. P. Leadbeater
M. Malik
A. D. S. Matthews
L. J. McKenna
P. S. N. Montague
A. J. Niles
G. A. Oswald
J. M. Ozanne OBE
C. N. K. Parkinson
S. R. Rochester
T. M. Rylatt
A. S. Sloan
J. D. Strachan
S. P. J. Vermeulen
S. Williams

Representatives of the Island of Alderney

Alderney Representatives E. Hill and E. A. J. Snowdon

The Clerk to the States of Deliberation

S. M. D. Ross, Esq. (States' Greffier)

Absent at the Evocation

Deputy G. M. Collins (*relevé à 9h 41*) ; Deputy R. P. Curgenven (*relevé à 9h 32*) ; Deputy S. T. Hansmann Rouxel (*relevé à 9h 41*) ; Deputy M. S. Laine ; Deputy R. Le Brun (*relevé à 9h 41*) ; Deputy G. A. St Pier (*relevé à 9h 44*) ; Deputy L. C. Van Katwyk (*relevé à 10h 13*)

Business transacted

Evocation 5

Billet d'État XVIII 5

1. The States of Guernsey Annual Budget for 2027 – Debate continued 5

Procedural – Motion for shorter lunch break 12.45 p.m. to 1.45 p.m. 21

The Assembly adjourned at 10.46 a.m. and resumed its sitting at 11.18 a.m. 22

The States of Guernsey Annual Budget for 2027 – Debate continued 22

The Assembly adjourned at 12.46 p.m. and resumed its sitting at 1.48 p.m. 41

The States of Guernsey Annual Budget for 2027 – Debate concluded – Propositions carried as amended 41

2. Non-contributory Benefit Rates for 2027 – Proposition carried 67

The Assembly adjourned at 4.14 p.m. 88

PAGE LEFT DELIBERATELY BLANK

States of Deliberation

The States met at 9.30 a.m.

[THE BAILIFF *in the Chair*]

PRAYERS
The States' Greffier

EVOCATION

Billet d'État XVIII

POLICY & RESOURCES COMMITTEE

1. The States of Guernsey Annual Budget for 2027 –
Debate continued

The States' Greffier: Billet d'État XVIII of 2026, Article 1. the continuation of the debate.

The Bailiff: Deputy Curgenven, do you wish to be relevéd?

Deputy Curgenven: Yes, thank you, madam.

Amendment 1.
To insert the following Proposition immediately after Proposition 24:
"24A To direct the Committee for Employment & Social Security to introduce at the earliest opportunity, and no later than September 2027, an Essential Cost Relief Payment targeted at low-income households which are not in receipt of income support.
(a) That initial rates should be set at £210 for a single adult and £353 for a couple.
(b) That the rates applied to the Essential Cost Relief Payment should be reviewed prior to the implementation of GST to ensure that it represents in full the estimated annual GST incurred by a household on Income Support."

The Bailiff: Good morning, everybody. We are starting now with Amendment 1. Deputy Ozanne, do you wish the States' Greffier to read your amendment?

Deputy Ozanne: No, ma'am.

The Bailiff: Over to you then, Deputy Ozanne.

Deputy Ozanne: Thank you, ma'am.

While I appreciate this is our last amendment, I would venture to suggest that it is actually our most important. That is because it gives us the opportunity to do something simple, yet crucial. Help those now who we know are disproportionately affected by the cost-of-living crisis, and who are really struggling to afford the bare everyday essentials, rather than in three years' time.

As a reminder to Members, last February we debated the Tax Reform Workstream 1 policy letter, which focused on whether we should add GST to food. We agreed by a substantial majority, 26 to 12, to include an Essential Cost Relief Payment as a key part of that package. Specifically, we agreed that lower-income households who do not qualify for income support should receive this targeted assistance to help protect them and enable them to cover additional costs.

We agreed the principle. We agreed the rationale. We agreed which households needed protection, the criteria they needed to meet in order to apply for it, and how we would, and who would, deliver it. It is all set out in section 4 of the policy letter.

In a nutshell, it was a relief payment to help those households who would be adversely impacted by GST. However, ma'am, those same households are being adversely impacted by significantly higher than average inflation and they need help right now. The latest inflation figures released last week to us makes this abundantly clear. The annual change in RPI in Guernsey was 4.6% over the past year. However, the truth is that this is considerably worse for many households, and worryingly it is specifically those that are the least able to bear it, not least because we know that fuel and light costs have risen by an eye-watering increase of 16.6% over the year.

This typically impacts retired Islanders more, with homes containing one or more retired Islanders experiencing an increase in HCI, that is household consumer index, of 5.3%; the highest of any household group measured. By comparison, for households with no retired person, it was just 4.3%. Going into even more granular detail, the cost of staple goods and services for these retired households has risen by 6.7%. Their pensions certainly have not risen by that amount.

Ma'am, these are not luxuries. They are not discretionary purchases. They are the cost of keeping a home warm, of preparing a meal, and living with a precious commodity that so many of us take for granted; our dignity. When we looked at all this in the policy letter, we used a measure called the minimum income standards (MIS), which is based on a basket of essential goods. We agreed that a 5% increase in those prices, the increased annual MIS cost for a single person household, was £520. If we translate this to the plus 2% inflation increase that pensioners and lower income households are experiencing now, compared to other Islanders this equates to an additional £210 annual payment on their basket of goods. Forgive me, this is clearly not £5 a week, which was the unfortunate slip I made in paragraph 6, for which I apologise to the Assembly.

Having spoken with many Islanders, I know that for a pensioner living alone on a modest fixed income, these increases of 6.7% can be devastating. Sadly, most cannot simply work another few hours or take on another job or seek a promotion. Their income does not rise at the same rate as their bills, which is what all these inflationary statistics are trying to highlight. So something has to give, and something that was once affordable becomes a rare luxury. A choice between heating and eating becomes, for many, a true reality. That is before we even begin to consider the additional impact that GST will have on them in future.

The size of our inboxes has shown that this is definitely not just a pensioner issue. Indeed, the September inflation report specifically highlighted that lower-income households have experienced inflation of 5.2% compared with 4.2% for higher-income households. Again, we see that the burden of rising prices is falling hardest on those least able to absorb it. That is the reality behind the statistics, and it is why we agreed that those households needed protecting. My amendment asks the Committee *for* Employment & Social Security, of which I declare obviously an interest as its Vice-President, to introduce the payment at the earliest opportunity, and no later than September next year. It proposes an initial annual payment of £210 for a single adult and £353 a year for a couple.

As I have explained, this equates to the additional 2% inflation many pensioners and lower-income households are facing in their staple goods and services, compared to other households. I know that this payment will by no means solve the cost-of-living crisis, but it is a

meaningful contribution towards the cost of essentials and recognises the disproportionate way inflation hits lower-income households. Importantly, it is help that can be delivered to those who need it most by a mechanism we, as a States, have already agreed.

In the short term, it will require two staff, I am told, on a contract basis, but it is doable if we agree it as a priority. The modelling undertaken as part of a tax reform proposal suggests that between 2,500 and 3,000 households could be eligible for this relief. Over half, 55% of those households, are expected to be a single-person pensioner household, that is, a retiree struggling to get by on just one income.

The estimated cost, at its absolute highest, is no more than £1 million a year, which includes the administration costs. Personally, however, I believe it is likely to be far less given the likely speed of uptake. I would suggest that it is going to be no more than £400,000, but we cannot prove that without understanding how many people will come forward to claim it.

Importantly, this amendment does not stop at the immediate payment. It also requires the rates to be reviewed before the GST is introduced to ensure that the payment fully reflects the estimated annual GST incurred by a household on income support.

Ma'am, I do recognise the competing demands on our public finances, but I would ask Members to consider what we have already agreed this week: mortgage relief to those lucky enough to have a mortgage, support for those who enjoy the odd drink out, and a much-needed freeze on petrol and diesel prices, which as many will remember I was very keen on last year.

We have here an opportunity to provide targeted assistance to those struggling to afford the essentials, who we know are hit hardest by inflation. If we can find the money to support those who have the means to spend, surely we can find money to support those who are struggling to get by with the basics.

Being frank, if we have agreed that these lower-income households deserve our support, and we now have clear evidence just how urgently they need that support, is it really right to make them wait three more years? Ma'am, we cannot control the rising cost of essentials, but we can choose whether to help those who are finding it hardest to cope. We have a mechanism to hand, so please, let us use it.

For these reasons, ma'am, I ask Members to support my amendment.

The Bailiff: Do you formally second that amendment, Deputy Matthews?

Deputy Matthews: Yes, madam.

The Bailiff: Deputies Collins, Hansmann Rouxell and Le Brun, do you wish to be relevéd?

Deputy Hansmann Rouxel: Yes, please, madam.

Deputy Le Brun: Yes, please, madam.

Deputy Collins: Yes, please, madam.

The Bailiff: Deputy Rylatt:

Deputy Rylatt: Thank you, madam.

I will be very brief. Deputy Ozanne has been a consistent advocate within ESS and within this Assembly for exploring ways to ease cost-of-living pressures on Islanders, and I applaud her steadfast commitment for doing so. But I do have significant reservations about this amendment.

Madam, the Essential Cost Relief Payment was designed for a very specific purpose, to protect lower income households from the additional costs arising from the introduction of a GST, specifically those who do not qualify for income support but those who would also not benefit to the same extent from the Income Tax and social security reforms elsewhere in the package. Yet this

amendment proposes to introduce that mitigation at least 15 months before the very tax it was designed to mitigate comes in. We would, in effect, be compensating households for a tax they are not yet paying.

Madam, the amendment proposes up to £1 million in additional annual expenditure, including the £140,000 to administer the scheme manually before the necessary systems are in place. I have concerns about the operational implications of this for ESS, but I expect some of my Committee colleagues may be going into this in greater detail later.

But my greater concern is that if this succeeds, what happens when GST is actually introduced in 2029? Because once households begin receiving these payments, they will understandably come to rely upon them and incorporate them into their household budgets. When GST arrives with the additional costs it brings, will there not be an expectation set that further assistance should and could then be provided on top?

Madam, I think we risk fundamentally changing the purpose of this relief payment, turning a targeted GST mitigation into a general cost-of-living payment and potentially increasing the eventual cost of an already considerable package of mitigations and reforms.

I do recognise the very real pressures facing lower income households, but if we believe that additional financial assistance is needed independently of the tax reform package, then I believe that should be considered on its own merits with proper regard to its cost, its targeting, and our ability to deliver that within existing systems.

As I said yesterday, that is exactly what my Forward Guernsey colleagues and I will be carefully considering following this debate. But we should not begin unpicking a carefully constructed tax reform package before it has even seen at the light of day.

I really do appreciate and commend the intentions behind this amendment, madam, but, for the reasons I have outlined, I will not be supporting it.

The Bailiff: Thank you.

Deputy St Pier, do you wish to be relevéd?

Deputy St Pier: Yes please, thank you, madam.

The Bailiff: Deputy Gollop.

Deputy Gollop: I often found myself supportive of Future Guernsey and Forward Guernsey on a number of areas, but I think one area that differentiates me from them is probably wanting to strengthen what I would call the more left-centre approach, because I will support Deputy Ozanne's amendment, seconded by Deputy Matthews.

I think in the first place I sat over 10 years on Social Security, and we were aware of the struggles that people have. We have seen dramatic election results in America and Germany, riots in France, a landslide in the UK that then led to a Prime Minister retiring when they were in third position. The relevance of all that is there is very much a rebellion across the Western world against incumbent governments. I suspect that is not down just to ideology or personalities but the rising cost of living for reasons that we all know about. That cost of living needs to be appeased.

I think a lot of the anger that came out of the GST debate, people like me who voted for it, is precisely because there is a fear out there that the cost of living is getting worse and will get worse still.

Deputy Rylatt made some sound points as this is potentially a big step. But I think I am right in saying that Policy & Resources have indicated, at least in the media, that there may well be an earlier implementation of some of the mitigation factors before the introduction of GST. That, of course, has the disadvantages Deputy Rylatt pointed out, in relation to this amendment, because people could be coaxed into a false sense of security and then the prices rise.

But I think even since the time of the Tax Reform debate was published, we are seeing more pressures on the cost of living. We have seen successful amendments go through the States against

the trend on fuel duty, on alcohol duty, which will help some people. I did not have the courage to bring one on cigarettes, but that is a cost for some of us.

But this will help the pensioners who smoke. I am afraid not so many pensioners smoke these days because sometimes your longevity is threatened. But nevertheless this will benefit not just older people but all kinds of people who are not quite getting the income support that they need through the benefit system, as I understand it, but nevertheless are struggling. I did support some amendments yesterday, I think in an approach of inclusivity and unity that allowed support for people who are better off to have more benefits or concessions.

This I think is very much targeted on the less well-off, and I think we really do need to realise that there is a lot of pain out there, and a lot of frustration, and regardless of whether we supported GST or not, I am afraid in many instances the prices of food, fuel, other consumer goods, transport, is going up far more than 3%, or even the cost of RPI overall, which includes other elements that are not relevant to everybody's life.

So we need to get, I think, more of a populist outlook really, and a social and economic conscience. We have had relatively good news on the Budget. This is a better outturn than predicted for last year. We have the Pillar Two certainty. We have a culture of rising tax projections. We did not actually go, sadly, for the Deputy Sloan-Deputy Malik amendment yesterday, which would have been beneficial for many people but, as we did not go for that, we can surely bank it and support this amendment today.

Thank you.

The Bailiff: Thank you.

Deputy Matthews.

Deputy Matthews: Thank you, madam.

Madam, when I was first asked to second this amendment, my first thought was that I am not actually a huge fan of the essentials cost relief mechanism. In my view, it should not really exist; it was brought in as a consequence of the States' decision to put GST on food, which of course I strongly disagree with and I think was a poor decision.

As it is, it has been voted through, and during my initial research into some of the background behind the reason for applying GST or VAT for food, I did become, madam, quite concerned about the effect of inflation on the less well-off, which is essentially what the Essential Cost Relief aims to avoid.

As I said, madam, it would not be my preferred mechanism to do it. I can see Deputy Sloan almost wincing at the thought of instead of failing to collect revenue through an exemption or a zero rate on GST, we are essentially building a state benefit instead, which is not, I do not think, the best way of doing this.

But such as it is, and as Deputy Bury noted in her speech on an amendment which subsequently was withdrawn, the household costs indices rate, which tracks or attempts to measure the effective inflation rate as it appears to different groups of people, is much higher for those on lower incomes. I think, madam, this is something that is not always well-appreciated in the States at large, both in this Assembly and in the Civil Service, who tend to treat the published inflation rate, as if it was a sort of exchange rate, it was just a number. When you got a rate of 4%, it just meant that everything goes up by 4% uniformly, and you just adjust all your numbers to cope with it, which of course it is not. Inflation is an average of lots of different movements and lots of different costs that can go up very differently so that different groups can experience that very differently.

In the same way that the less well-off can experience much higher inflation, we also see, for example, on Health & Social Care, that our budgets are higher because medical inflation is higher than the rate of general inflation.

But, madam, the Essential Cost Relief was brought in, I believe, based on an idea from Jersey. Now I mentioned in a previous amendment that Jersey occasionally have some good ideas. But this, I think, was one that they were essentially forced to bring in after having applied GST to food. I think

the Jersey scheme is somewhat different. It was a food voucher, or a different scheme. This is based on the same principle, but it operates differently. I do not think that Jersey introducing GST on food was one of their finest moments, and I do not think it was one of our finest moments, but this is the place that we find ourselves in.

But, madam, I guess the question for Members would be, why would you now bring this in early? Why would you introduce it early now before the introduction of GST? As Deputy Rylatt said, why not just wait until GST comes in and then compensate at that point?

Well, in Jersey, I think we did see quite a slow uptake. It is not the case that everybody knows about the availability of the benefit. These things we may all know about in this Assembly, madam, but it is not always widely known about at large. I think as we mentioned yesterday when we were talking about downsizing relief, people may not know it exists and getting the message out there can sometimes be quite difficult, and an early introduction is not a bad idea.

But I think, madam, the best reason is really to look at where we think the rate of inflation might be. Crystal ball gazing is not my strong point, but I think we can all see that there are world events that are driving inflation up. We are in an Assembly now. We have a Budget in front of us for 2027. We could at least look at the idea of trying to predict where inflation might go.

I do not think my prediction would be particularly valid, but I know that the Bank of England have recently – in fact, the interest rate rise was in response to anticipated higher inflation, and their prediction for quarter two of 2027 is that the UK CPI will go up to 4.9%.

Madam, I know Members will know that our inflation rate tends to be higher than the UK CPI rate. So I think for that reason, for us in this Assembly, looking at the prospect of inflation rising during 2027, world events that cause inflation; we have so many of them. We have had Brexit and COVID, but the ones that seem to really drive inflation are wars.

The Bailiff: Thirty seconds left, Deputy Matthews.

Deputy Matthews: So for that reason, madam, I would encourage Members to consider supporting the amendment.

Thank you.

The Bailiff: Thank you.

Who else wishes to speak on this amendment?

Deputy Sloan.

Deputy Sloan: I think I was almost invited to, madam. Once upon a time I was an economics lecturer. It is really good fun being an economics lecturer. Being a lecturer, you have got a captive audience and it feels very much like this, this morning, madam. I direct it directly to you. I have got to learn how to do it properly. I have used up 40 seconds. Oh, dear.

Anyway inflation; Deputy Gollop and Deputy Matthews have talked about it. Actually, inflation was slayed. I do not know if people remember this. We had the Great Moderation, you had the Volcker recession of the 1980s. You had the UK recession of the 1980s. Inflation was slayed, you had inflation targeting, you had the Ken and Eddie Show, and it was done and dusted.

Actually, a lot of inflation nowadays is as a result of government spending and borrowing, and also central bank spending and borrowing because it was in response to the global financial crisis. We had quantitative easing (QE), then we had the euro crisis, then we had Brexit, then we had the oil prices. Every time we had lots and lots of new spending or new deferred spending and borrowing. You are just borrowing for the future, so you have not actually got the money so, effectively, it is deferred so we have made ourselves poorer.

This is quite an interesting, abstract conversation here, but it comes to the points that people are making. Actually, government action has been behind, and the government action I will include the central banks in there; they are part of the state, effectively. But government action has been

the single root cause of a lot of inflation. That is what we are living with. We are living with the after effect of 25 years of a pretty poor economic policy.

The last decade has been supply shocks, it has been this, it has been that, and whatever, and Government spending in Guernsey. We have a microcosm of the issue, where the planes, the electricity, the water, it is all owned by us. It is all a result of a failure to keep a control of cost, not just the state. We have had the tax burden, it all goes up.

So I completely empathise and understand with the motivation behind this amendment. But as I said – I am sorry, my apologies, madam. If you read my column, it is a specialist audience, I have said all that before, but I say that today.

One thing I have already said in my columns, I said it last week, I will say it again today, we have a client state problem. Deputy Matthews is right, I disagreed with the Essential Cost Payment Relief. The verse was to design a new tax reform package and introduce a new payment administration of burden just to mitigate the effects of our own introduction of a tax. But what we are doing today, as Deputy Rylatt said, is we are bringing that forward. So we have not actually got the tax but we are introducing the spending now. Well, that is the proposal.

Madam, some people seem to think that our whole role is to direct welfare payments and other people's money to other people. That is not our job. It is stewardship of the whole economy in the best interests of all of us.

Now, I completely appreciate the sentiment behind this, but we cannot bring forward a payment that is designed for the future again, because we will only have more spending in the future. Those people will require it again, they will need to be mitigated again. I did say, this will not start – it starts at £1 million, the welfare payments, they mushroom and grow. They are all well-intended, but they become much larger over time. That is the road we will go.

I completely concur with the concerns about the cost of living, about the burden we are putting on individuals, which is why I voted every single proposal to defer revenue and give something back to the backbone of Guernsey, as Deputy Gollop said. But I cannot vote in good conscience for something that is poor economics, madam. There are many other areas. We already have a welfare system, which is generous and works. So therefore, I direct people to rely on our current provisions, madam.

Thank you very much.

The Bailiff: Thank you.

Deputy Hansmann Rouxel, then Deputy Bury.

Deputy Hansmann Rouxel: Thank you.

Once again, I find myself agreeing with somebody who I do not usually agree with. *(Laughter)* It does come to the principle of bringing something in. Something that I caught in Deputy Ozanne's opening speech was that it may require two staff on contract. So that is new administration.

There are far better ways of tackling cost of living and we do need to take that seriously. I do think we need to bring those measures to the Assembly sooner rather than later. We cannot wait until the GST package, but this is not the way to do it.

For instance, we know that housing is the key, your largest expense; we know that that has the biggest expense. We can look at ways of trying to bring that down, but supply is the key to that.

But there are other things. Fuel, for instance, and electricity. The rates on electricity are higher because we are also paying for infrastructure of the electricity infrastructure on Island. Could we, for two years, take the Pillar Two receipts or some of that and mitigate those payments so that the electricity strategy is still working, that we are still paying for the infrastructure work that needs to happen to bring us into the future, but we are keeping bills down for the shock that people are feeling now because of the price.

There are cleverer ways of doing that and we have to be braver about bringing those in, but I think the time is really now to start looking at doing these because of the global situation that we find ourselves in and because we have just had that enormous amount of contact with the public.

If you remember back to the GST debate, and I know that I have said this before, and for danger of falling into tedious repetition, every single one of the people that wrote in to us during that debate and asked us not to put GST on, were telling us because they could not afford to live now, not in the future. The mitigations are all there, they cannot afford to live now. So what can we as a Government do now? This is not it. I am afraid, it is not.

As much as I would like to vote for this I do not think this is a wise use of resources as well as officer time. I would prefer to have two extra officers in the Revenue Service sorting that mess out.

Thank you very much.

The Bailiff: Deputy Bury.

Deputy Bury: Thank you, ma'am.

While an initiative to support the financially vulnerable, less well-off, would usually be something that ESS would support, we have some operational matters that we have to consider in light of this amendment that I need to inform Members of for making their decisions.

Since the September 2026 States' meeting, work at ESS is underway on the various measures within the tax reform package, including development of the Essential Cost Relief Payment Scheme. I think it has been said, but indicative estimates prepared during those proposals suggested that approximately 2,700 residents could be eligible for support at a maximum annual cost of approximately £1 million.

On the operational side, while the intention is for the scheme to be relatively straightforward to administer, implementation still requires changes to systems, so that is Cúram, to enable claims to be submitted, assessed and paid. Work on the detailed scheme is currently underway in preparation, but as implementation of the scheme is currently planned for January 2029, this work is planned to follow other agreed priorities, which include the long-term care changes, which are scheduled for 2027, that form part of our Committee Work Plan. Consideration also needs to be given to the associated operational processes and the resourcing arrangements required within the Customer Hub teams.

Given the current, very early stage of development of the scheme, there would be significant challenges associated with bringing it in to operation in 2027. As I said, this includes necessary system development and operational arrangements to administer the scheme effectively. As I think Deputy Hansmann Rouxel just mentioned, there would be staffing requirement and cost to operate a manual system, and that has been estimated as up to two full-time equivalents, which would cost around £140,000 per annum in 2026 terms. Those are the quite dry, boring, operational pieces of information that ESS felt it necessary to provide for Members to take into account when making their decision on this amendment.

Thank you, ma'am.

The Bailiff: Thank you.

Who else wishes to speak on Amendment 1?

Deputy Goy.

Deputy Goy: Thank you, ma'am.

Ma'am, I really want to thank Deputy Ozanne for bringing this amendment. I think it is timely, it is in touch with the people, it is in touch with the sentiment of the wider public. I cannot emphasise this enough. I would like to put three points to the Assembly today. The first one, that this amendment is important regardless of GST. As some Members have already explained, the cost of living today, even without GST for some people, is unbearable.

A lot of people that I have spoken to, they have expressed how difficult it is that they have to work two jobs, and this is a family, this is a household. They work two jobs, some three if they are single, just to fill up time. They go to work, they wake up in the morning – I mean they go to work, they come back tired, they eat, they go back to sleep, and the next day they repeat the same thing.

I do not know what quality of life this is, but this is the cost of living in Guernsey now for a lot of people.

Some of us may not realise this because we are not in those positions, nor are these people in our circle, but I am very familiar with a lot of people in that circle, and I have also seen a lot of it on social media as well, because social media is really important. This is where people hang out and express their difficulties where they cannot express otherwise in person.

The second point is, this amendment can actually encourage productivity. Why do I say that? I do not know if you have heard this but you probably have, a lot of people say, 'Why do I bother working so hard. I might as well just be on benefits. I am working day and night and I just about not qualify for benefits, while I look at some people who are on benefits and they do not even need to work. Why should I work my back side off? Maybe I should go on benefits instead'.

Do you see the argument here, ma'am? This amendment is basically there to say, no, we are here to support you. We want to encourage your productivity, your hard workingness; if there is such words. I apologise for my English. We do not want to lose our working population to the UK, I will put it this way.

There is something what I would term as a population exchange happening quietly right now between the UK and Guernsey. There are a lot of very wealthy retirees who are currently not paying quite a number of taxes in the UK. After Andy Burnham came in and introduced some of these measures, they are fleeing and Andy Burnham is saying, 'Yes, no problem, you were not paying much anyway, go ahead' and you know where they come to; Guernsey, because they have a British passport and all they need to qualify is an Open Market. If they can afford an Open Market property, they can live in Guernsey.

You know what, the opposite is also happening, ma'am. A lot of our working population who are squeezed on this Island are looking at the UK and said, 'You know what, for £1,000 I could rent a nice place in the UK'. Despite that in the UK, things are still cheaper in the UK. So we are losing our working population to the UK while getting wealthy retirees from the UK in return who are prepared to not pay taxes to this Island because they can legally do so.

I would like us to think about the drop in productivity as well if we do not support people who are just above the ability to receive benefits but are working really hard but still struggling in life.

The third thing that I want to say is charity begins at home. I understand the point that Deputy Bury said about potentially some adjustments, some sacrifices need to be made somewhere in ESS. Can I be very daring and say that we need to look after ourselves first, that we give overseas aid. I understand that and I understand the sentiment, but if there is a great need at home, we are the People's Deputy of Guernsey. We are the People's Deputy, the People of Guernsey's Deputy. I believe –

The Bailiff: Thirty seconds left, Deputy Goy.

Deputy Goy: I believe we should prioritise our own, and if we need to draw some money from Overseas Aid to help the locals who are struggling –

The Bailiff: Deputy Goy, I do not believe that is what this amendment is seeking.

Deputy Goy: – we should do so.
Thank you very much.

The Bailiff: Deputy Dorrity.

Deputy Dorrity: Thank you, madam.

I have to say I find this amendment rather troubling. Not least because the Essential Cost Relief Payment, as we have heard from Deputy Rylatt, was conceived as an integral part of the tax reform package, specifically to help lower income households who might otherwise struggle with the

introduction of the GST element of the package. Yet, here we are being asked to introduce that payment as early as September 2027, some 15 months before the introduction of the GST that will fund it, is even due to come into effect.

I have absolutely no objection to looking at ways to help those on lower incomes. Indeed, that was precisely why this payment was designed. But I understand that rather than proposing to compensate people for a tax that we have not yet introduced and will not be introducing for another two years, Deputy Ozanne is looking to bring the Essential Cost Relief Payment here to deal with the cost-of-living pressures.

I suppose it is reassuring to discover that whilst Deputy Ozanne has stated many times that she would never vote for GST, she is nevertheless happy to bring forward one of the benefits that was specifically part of the package. The rest of us agreed.

But perhaps we should look beyond the politics and consider the principle. The payment she refers to in her explanatory note was designed to mitigate the impact of GST. It was not intended to be a general cost-of-living payment, nor was it designed to address every increase in the cost of food, energy or other household expenses. Those are legitimate concerns, but they need to be considered as part of our wider policies to counter cost-of-living pressures, rather than by taking one element of an agreed tax package and introducing it in isolation.

Madam, we debated tax reform at considerable length. We agreed a package of measures, including targeted support for lower-income households, which was intended to come together when the tax reform package is introduced. I cannot see that unpicking that package before it has even been implemented is the way to deal with this issue. Whilst I will always fully support ways of providing help where we are able for those who need it, I do not believe this particular amendment is the right way of doing so. For those reasons, I will not be supporting Deputy Ozanne's amendment.

Thank you, madam.

The Bailiff: Thank you.

Deputy Van Katwyk, do you wish to be relevéd?

Deputy Van Katwyk: Yes, please, ma'am, thank you.

The Bailiff: Deputy Camp.

Deputy Camp: Thank you.

I want to start off by saying I do not like that a reason for not doing something is its cost. When I look over the history of our Government, there are a lot of poorly justified decisions that involved a high level of cost, and those decisions have been made regardless of their disastrous outcomes and high cost attached to them. So I do not think that is a reason for not doing something.

However, I will not be supporting this amendment. I understand its spirit. I understand the cost-of-living issue. I think that Deputy Goy went into quite some fantastical realms to explain it. But we do have a cost-of-living issue. However, I believe our biggest lever to helping everybody on this Island is to get spades in the ground and get homes built. I would rather we were coming to this Assembly and putting our efforts into empowering the Housing Committee to prove its worth and do its critical job. So I cannot support things that, in the short term, help a few people. I only want to support measures that, in the long term, help everyone on this Island.

That is the reason why I cannot support this. I would prefer, if we are going to take £1 million out of our revenue, that we were using that towards a housing crisis.

Thank you.

The Bailiff: Deputy Blin and then Deputy Kazantseva-Miller.

Deputy Blin: Thank you, ma'am.

I would like to thank Deputy Ozanne for bringing this amendment. This is ironically part of the circle we go in. It is one of these situations where it has brought home a message which we should have been looking at previously, because this is not new. So I would like to talk about that section of our community, which I believe is particularly important but often overlooked.

Before becoming a Deputy, I spent four years working under contract under the direction of ESS and the Jobcentre, and it was with my dear colleague, Deputy Gollop, who was actually involved on that. The purpose of that work was to help people find routes into employment, identify opportunities, access training, and receive the practical support they needed to move forward. It was not just to get someone into a job. It was to develop skills, build confidence, improve their circumstances and, wherever possible, move to that new level of independence and opportunity in their lives to get them out of that position where they had been.

It was about giving people a better pathway to a better future, and that experience taught me something really important. People can make tremendous efforts to improve their circumstances, but that does not mean that their financial pressures suddenly disappear. So, madam, we rightly have systems in place to support those who need benefits, health services, and other forms of assistance. We also have people on higher incomes who, depending on their circumstances, may have greater choices about how they use their disposable income.

But between those groups is a very important section of our community, and these are the people on modest incomes, including the pensioners, who may be above the threshold for income support but are certainly not financially comfortable in any way. They are paying their bills, they are managing their households and doing their utmost to make ends meet.

Some will have worked hard to move into employment to improve their earnings only to find out they can no longer qualify for certain assistance while their essential living costs remain a considerable burden. Now that one I would like to emphasise, that was the biggest area I saw during the four years working with them. So they are not necessarily poor enough to qualify for support but are certainly not wealthy enough to be free from that strong financial worry.

Yesterday in the debate when we discussed the £85,000 thresholds I suggested that earning £85,000 does not automatically mean someone has substantial disposable income, and I made that observation amidst what appeared to be a few frowns of surprise from fellow Members, and I am sure people listening in as well. But I still stand by that principle. Of course I am not suggesting that someone earning £85,000 faces the same financial services; they plainly do not. My point is that income on paper is not the same as disposable income; the same message. We should be careful about making assumptions about people's circumstances.

If that principle deserves consideration at £85,000, it certainly deserves our attention when discussing households on modest and very modest income, where essential living costs can consume almost everything they receive.

I also want to emphasise that this group includes pensioners, many of whom have spent their lives contributing to our Island and now have limited opportunities to increase their income. So, madam, I understand that P&R intends to include this form of assistance when GST is introduced; that is very clear. I have also heard Members speaking, 'Well this is not the right time', but I would ask if not now, when?

The pressures we are discussing, they are not new. Rising costs have been affecting Islanders for some time now. War, international instability, inflation, higher energy prices, all the things that have been mentioned in the last few minutes. We are largely passengers when it comes to these global developments. We cannot control them, but we certainly experience their consequences. So we may not be able to control the forces driving up household costs, but we can decide how we respond to them.

That is why I very much appreciate the thinking behind Deputy Ozanne's amendment. It recognises that the need exists already, not simply when GST arrives. If P&R accepts that these households will require assistance as part of the introduction of GST, then surely one must also recognise that many are struggling with their essential costs today and for some time. As Deputy Matthews correctly pointed out, we are debating the Budget now, so this is the opportunity

before us to consider providing that assistance rather than postponing the decision until the introduction of GST.

I recognise there is a financial cost and the scheme must be administered properly, but I believe that one of the measures of our society is how we treat all sections of our community, not only those who qualify for existing benefit or those who have financial means to manage without assistance. Let us not forget the people in between. They work, they contribute, they support their families, and many have contributed throughout their lives.

They are an essential part of the fabric and they deserve to –

The Bailiff: Thirty seconds left, Deputy Blin.

Deputy Blin: – be recognised. I will cut to the last point. The last point is, it was mentioned by Deputy Bury about the adjustment of Cúram and all the changes there. That is an area with AI we could make improvements, Microsoft Dynamics, etc. Areas where we can improve how the cost would be to deliver that.

The Bailiff: Deputy Kazantseva-Miller, and then you, Deputy Inder.

Deputy Kazantseva-Miller: Madam Bailiff, I think there is sometimes a perception that inflation and the cost of living is something that happens outside of Government. It is something we import and we have not got any levers. But I think Deputy Sloan has pointed to the crucial fact that the Government plays a crucial role in the level of inflation and ultimately living standards. Because if we are as Government about 22%, 23% of the GDP, well automatically we have about a quarter impact on inflation and what happens in the economy by the virtue of the policies we set in terms of expenditure, in terms of revenue generating measures, etc.

So far, in absence of a consumption tax, what we have had is ongoing rate and stealth taxes above inflation for the last 10 years. Most notably, you look at Tax on Real Property (TRP) rates, you look at duty rates, we have had amendments on those policies. So we, as Government, have had an ongoing above RPIX increase on a number of different revenue-raising measures. But on the other side, we also just bake in inflation and we take it for given. That is baked into our formula-led expenditure for, for example, Employment & Social Security. It is baked into pay awards, etc. We take a passive role in terms of what happens to inflation rather than maybe an active role actually trying to do something to keep the inflation down.

For example, we could adopt a policy where it is RPIX minus 1 policy going forward, or any kind of expenditure or inflation revenue-raising setting measures. But we take a not only passive, we actively worsen it because we bake the inflation in and, by and large, we also add a little bit here and there. The cumulative impact of that is what we have had over the last 10 years-plus, is we have had an acceleration of state expenditure, but it has come – and with the lack of the economic growth as well, it has come at the expense of living standards of the population. Probably the largest transfer has been from those who can pay a bit more to those who do not earn as much.

But the cumulative impact has been across the board, so everyone feels that. I think it is a fallacy to saying that we can continue mitigating those issues of the living standard by continuing to transfer something from someone who has got a bit more to someone who has got a bit less. I think we need to start having a more radical rethink about what does it take to improve the cost of living.

Deputy Camp was absolutely right. Housing is absolutely one of those core policies that we should be focusing on. But I think I just wanted to make that point to say, I think this is really not the right time and it is a sticking plaster. It is actually exacerbating the problem we have got. It is taking from those who are also struggling and trying to give, so it is a continued redistribution of wealth, and the whole economy is struggling with the cost of living, not just a few people.

So I will not be supporting this amendment. I am curious to hear about the ideas that Deputy Hansmann Rouxel has in terms of improving living standards and keeping inflation down. I think those are really serious considerations, but I do really want to point to the fact that the States

plays a very active role in making inflation worse, not better, through those type of policies where we think we are justified to have RPIX increases; especially above RPIX increases. We need to be very careful how we do that.

Again, probably some of the most difficult questions will be around how do we control our own expenditure? How do we cut it across the board? Those are the challenges we need to solve, not continuing redistribution of wealth.

The Bailiff: Deputy Inder.

Deputy Inder: Thank you, Madam Bailli.

I find this amendment difficult because, in many ways, it is trying to address a very real problem. So I entirely accept the reason for Deputy Ozanne laying it. For many households, the cost-of-living crisis is already here, as ably pointed out by, again, Deputy Ozanne, Deputy Matthews, and to a degree, Deputy Goy, who has been banging the same drum that anyone – we must be living under a rock if we do not know that this exists.

I do not oppose the amendment because I disagree with helping people. My difficulty is a broader one, and this is purely down to my own personal politics, and I will never apologise for this. I believe the States is too inefficient. The job of the whole of the States is a bureaucracy, and its job is to basically begat bureaucracy. That is its job. If we had a smaller States, if we were genuinely reducing the size and the cost of Government, and if those office savings were being, in part, redirected towards those in the very lowest incomes, those whom we seldom hear from, and who often have the least voice in this Assembly, or with the exception, with the greatest respect, now Deputy Ozanne, at least we have finally got a voice for the poorest, and Deputy Bury as well. I will not take that away from her, then I would be far more inclined to support measures of this kind.

I said before, I do not support universal benefits. I never have done, and this amendment, although early, is a targeted benefit.

Now the lowest quartile earnings often do not have the lobby groups. The professional representatives, organised campaigns, speaking on their behalf, they are simply trying to get by. If savings from a leaner and more efficient public sector were being channelled to those households, I would regard that as both fair and responsible, but we do not do that. The size of the States, to me anyway, seems to be the priority of successive governments, and I am almost sure I have helped that on its way. Every now and then I have to get up and slap myself in the face and regret probably most of the votes I have done over the last 13 years.

I would wager, and this is important, that most of those on that lower quarter are actually Guernsey folk. Guernsey folk who are real history in this Island; born and bred.

In a Scrutiny meeting last term, I did ask a rhetorical question, and I have probably gone off-piste as well, that as we – I think the words were, as we head towards a more professionalised Island, what is in it for the Guernsey folk? I do mean that, and I will say it again. I do still have concerns about who we are leaving literally behind, those who actually built the Island. Deputy Gollop touched on that in his speech, but probably less direct than I am being here today.

Anyway, I see little evidence that the States intends to reduce either size or its cost. Instead, we seem increasingly willing to add new schemes, new commitments, new spending, while asking taxpayers to meet the bill. In those circumstances, I struggle to support another permanent payment, however worthy the objective may be, because I just do not think we are in the right place. I genuinely do not think.

Yesterday, some of us stood on the steps in the Assembly wearing proudly their Guernseys. Metaphorically, I would ask Members, as we go through the rest of this term, not to forget who knitted that history.

Thank you.

The Bailiff: Who else wishes to speak in debate on Amendment 1? In that case, I will turn to Deputy Parkinson, who is replying on behalf of P&R.

Deputy Parkinson: Thank you, ma'am.

Well, in a sense, P&R does not really need to take a position on this amendment because Deputies Ozanne and Matthews are not actually asking for an increase in the Budget of the Committee *for* Employment & Social Security. So, this amendment has no impact on our Budget.

However, what it does do, and what will be of concern to us, is it will create an expectation that will set the course for future increases in benefits because, if this amendment is passed, which would of course mean that the Committee *for* Employment & Social Security would have to reprioritise their existing budget to fund it, the benefit or the accelerated arrival of the benefit will set expectations for the future. It is pretty clear, I think, that if the Essential Cost Relief Payments were started in 2027, third quarter, that by the beginning of 2029 there would be an expectation among the public that further payments would be made to compensate for the introduction of GST.

I think it was Deputy Gollop who said that some of the mitigations, as some people call them, are expected to come in before GST. But we are talking, in that case, a matter of months. If GST were to come in, let us say, at the end of March 2029, then we would be bringing in the increases in pensions and so on, and the increases in personal assets, etc., from, let us say, 1st January. We are not talking about bringing in mitigations 15 months ahead of the arrival of GST.

I think what would happen is, assuming Employment & Social Security, on which, of course, Deputy Ozanne sits, decide to reprioritise their budget to make these payments, that by the time we got to 2029, the public would have got used to them, or those in receipt of the benefit would have got used to it, and they would be saying, 'Ah, but now you are bringing in GST, we need more money'.

I think a point about inflationary impacts made by Deputy Sloan and Deputy Kazantseva-Miller are well made. The Government does, in a sense, contribute to the inflation rate, although most inflation is imported. But clearly this would be a case where we would have set expectations running and, come 2029, people would say, 'Yes, but now we need more money because you are bringing in GST'. I think from that point of view, P&R would oppose this, notwithstanding that it does not impact the Budget for 2027 or 2028.

This is clearly a very well-meaning amendment, and I can assure Deputy Ozanne, if she was not already sure of it, that I am acutely aware of the cost-of-living pressures on Islanders. I believe we should do what we can to alleviate them. As Deputy Camp has said, a big thing we could do is to bring down the cost of housing. But I do not think this is the right way to go about it. If, however, ESS chooses to bring forward the Essential Cost Relief Payments, then that, of course, is within their gift to do so.

The Bailiff: Deputy Ozanne.

Deputy Ozanne: Thank you, ma'am; and I am very grateful to Members for a debate.

I do not know if I need to read this note before. Sorry, I thought it was from you, ma'am.

The Bailiff: No.

Deputy Ozanne: Lessons on inflation, discussions about what we should be doing. I think for me, the phrase that came to mind was the good old Lewis Carroll phrase, 'People cannot live on jam tomorrow when they need bread today'.

We obviously need to look at all the sorts of things we should be doing in the future, but the problem is right now. We have very limited mechanisms. I heard my colleague, Deputy Rylatt, talking about the fact that we need to look at existing systems. Yes, this is the only existing system I could see that we could press the button now and help people immediately. Everything else would need to be discussed by this Chamber, worked up by our officers, agreed by Committee, brought as a policy letter and then brought into legislation. We have not got time for that. People need help right now.

One of the real frustrations I think many of us feel, ma'am, with this way of working as a Government, is that things take such a long time to agree and push through. One of our unique selling points (USPs) as an Island where we make our own legislation should be that we are nimble and fast and able to react to situations, but sadly we are still trying to react to things that are 100 years old. We have got Education Law that looks at checking girl skirts for vermin. We really do find it hard to react quickly.

I am welcome to have an intervention, if anybody else can point me to any other measure that is in place and agreed by this Chamber, which can give targeted support, so tax allowances or contribution rates would go across the board, targeted to support a small group of people who are earning below £32,400.

Yesterday I am afraid I was not here to debate when you talked about thresholds of £85,000 a month, but that is an eye-watering amount to the people we are talking about here. I was stopped both last night and this morning. I know it is an anecdote, but it is Guernsey, is it not, when you go and do your at night shop and then this morning I had to pop in? Both by pensioners, both – thank you. Okay my challenge has been accepted. I will give way.

The Bailiff: Deputy de Sausmarez.

Deputy de Sausmarez: Deputy Ozanne asked what existing measures we have got that might help in a targeted way the people who need it, and I believe that mechanism is income support. The problem is that the group of people that Deputy Ozanne is referring to fall outside of that, but I would suggest that it is actually a matter for ESS if they consider that that group of people should be included and eligible for income support, then that is something that ESS might like to consider and bring back.

The Bailiff: Deputy Ozanne.

Deputy Ozanne: I am extremely grateful to Deputy de Sausmarez for saying that, because that is exactly the trap I was hoping she would fall into. *(Laughter)* Sorry, ma'am, but the truth is income support is a range of benefits, which is exactly what it needs to be, but it has medical covers and dental covers and opticians. This is a one-off small payment. Why is it needed? It is because the inflation figures, as I set out, are much higher for pensioners and those on lower income than higher income. It is two percentage points difference on an essential bucket.

That is a very specific need which we recognise for GST, and that principle, if we truly believed it, is exactly what we are looking at now with the September figures that were released last week. Lower-income households with one or more retirees in the household – you can look at the report, it was sent to all of us – are experiencing much higher inflation than the rest of us. That is why they need some support that is targeted, that does not open the door.

Most of these people – I was going to say about the anecdote of people coming up to me last night, both pensioners, both struggling, both would not dream of coming for income support, or indeed asking the States for help. My parents' generation were extremely proud. They want to get by. But that sort of stoic, what I call war mentality, is what is driving many of them to a place where they are having to choose between heating and eating, because they do not know how to make things work.

We have a crisis now. We have a mechanism which we can use now. I just want to also deal with the operational challenges. You heard me being honest about the fact I have been told that because the IT systems are not in place yet, they are not likely to be in place for some time to deliver the GST version of ECRP, we would need to do this manually in the short term. Yes, there are, we recognise, between 2,500 to 3,000 people who might be eligible. But the truth is, we will probably not have 2,500 people knocking on our door on 1st January. It will take time for people to learn about this and pick this up.

The idea of having a small contract member of staff who, yes, would be in the Revenue Service. Deputy Hansmann Rouxel asked how it would help; it would actually give them much needed support. But what I learned in trying to do something differently is that when the system does not want to do it, it throws every block it can at you. It decides to dig its feet in and say, 'Oh, this cannot be done. I am sorry, it is really hard. Gosh, we would have to get more people. Oh, no, this is far too difficult'. I am sorry to say, but we often find ourselves met with a Civil Service that puts the brakes on really good ideas.

Deputy Rylatt's comments about responding on behalf of my colleagues, he is saying that we need a system that can be judged on its own merits, with its own costs. Yes, we do, but that will take time, Deputy Rylatt, as you well know.

Deputy Gollop, I am very pleased for your support. You say there is a lot of pain out there and people need help with the bare essentials. I am not sure cigarettes are part of the bare essentials, but that is basically milk, bread, fruit, a square hot meal. It is very basic and that is what formed that minimum income standards basket, which is what I have based my calculations on.

Deputy Matthews, I am very grateful for your support and you did talk about inflation hitting the less well-off much higher, and you also agreed that there would be a slow uptake probably as people found out about it, but also, I would suggest, got over that shame barrier of having to come knocking on a door for help.

What will inflation be in three years' time? Well, none of us know, but the truth is interest rates have just gone up. But what I want the Chamber to remember is that it is not the average inflation we are talking about here, it is the higher inflation of 6.7% at the moment on staple goods for pensioners and for lower income households.

Deputy Sloan, I am grateful we have Deputy Sloan in the Chamber to give us the big macroeconomic view. He disagrees, I know, with the concept of ECRP as a mechanism. But this is the same Deputy who wanted to increase family allowance to a level of £138,000 when I am dealing with people on £32,400.

Deputy Hansmann Rouxel, do we really need two staff? Well, these are contract in the short term before we get the IT system set up. My hope is that if this Chamber sent a very clear message it was a priority, then that IT system would be prioritised and we would get there much quicker. But as I say, it depends on how quickly the Civil Service want to respond to this.

My President also talked about operational –

The Bailiff: One minute to go, Deputy Ozanne.

Deputy Ozanne: Thank you. A minute did you say?

The Bailiff: Yes.

Deputy Ozanne: I have touched on the operational challenges. Deputy Goy, thank you for your support.

Deputy Dorrity, I would suggest I am bringing this now because it is the only mechanism we have, the only lever we can pull to make this work.

Deputy Camp, cost is not a reason, no it is not; but it is actually the cost of the individual's budget right now that brings things home.

Forgive me if I am speeding, but Deputy Kazantseva-Miller, you talk about macroeconomics. I am talking about the microeconomics of an individual's home pocket right now that needs help. Deputy Inder, you and I agree, ma'am – sorry, Deputy Inder and I often agree much more than we disagree. This is –

The Bailiff: Ten seconds.

Deputy Ozanne: – about Guernsey folk. It is about the people who built our Island and who we have a duty to. I really hope this small amount would be something you would support, please.

The Bailiff: Thank you, Deputy Ozanne.

Members, you have on your SEV screen Amendment 1. I am going to ask the States' Greffier to open the voting on that amendment, please. There are still a number of you who have not actually signed into SEV. There is still one Member who has not signed in.

There was a recorded vote.

Not carried – Pour 11, Contre 27, Ne vote pas 1, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Burford, Yvonne	Cameron, Andy	None	Laine, Marc
Gollop, John	Bury, Tina			
Goy, David	Camp, Haley			
Hill, Edward	Collins, Garry			
Inder, Neil	Curgenven, Rob			
Leadbeater, Marc	de Sausmarez, Lindsay			
Matthews, Aidan	Dorrity, David			
McKenna, Liam	Falla, Steve			
Ozanne, Jayne	Gabriel, Adrian			
Snowdon, Alexander	Hansmann Rouxel, Sarah			
Vermeulen, Simon	Helyar, Mark			
	Humphreys, Rhona			
	Kay-Mouat, Bruno			
	Kazantseva-Miller, Sasha			
	Le Brun, Ross			
	Malik, Munazza			
	Montague, Paul			
	Niles, Andrew			
	Oswald, George			
	Parkinson, Charles			
	Rochester, Sally			
	Rylatt, Tom			
	Sloan, Andy			
	St Pier, Gavin			
	Strachan, Jennifer			
	Van Katwyk, Lee			
	Williams, Steve			

The Bailiff: There voted in relation to Amendment 1: pour 11, contre 27, and there was 1 abstention. I therefore declare the amendment has not been passed.

Procedural –
Motion for shorter lunch break 12.45 p.m. to 1.45 p.m.

The Bailiff: Members, that brings us to the end of the amendments. We are going to have a short break because we want to make sure that there is a consolidated hard copy of the Propositions before we go into voting. Before that, I would like the Chamber to consider about timing. It is quarter to 11 now. We have general debate and we have the non-contributory benefit rates also to deal with, with one amendment. I am going to suggest that we again take a shorter lunch hour. I am going to suggest and put it to the Chamber that we have another one – yes, Deputy Sloan.

Deputy Sloan: Before you do, can you be mindful I have a physio appointment at one o'clock? That has been in the diary for weeks. It is a physical thing and I am proposing the amendment to the social security debate. I am happy to finish earlier, but I cannot miss my physio, I am afraid.

The Bailiff: I doubt we are going to be on Amendment 1, but alternatively we go from quarter to one until quarter to two, although I do not know if anybody has any – I will put that then. So in order that Deputy Sloan can get to his physio appointment, we will finish at quarter to one and come back at quarter to two. Those who support the motion please say pour; those against.

Members voted Pour.

The Bailiff: The pours have it. We will see whether we need to work late, depending on progress. Anyway, we will have a – States' Greffier, how long do you think you need? Ten minutes? Fifteen minutes. So we will start again at 11 o'clock and then on your desk will be the Proposition as amended. We will shortly adjourn.

The Assembly adjourned at 10.46 a.m.
and resumed its sitting at 11.18 a.m.

The States of Guernsey Annual Budget for 2027 – Debate continued

The Bailiff: Thank you for your patience, Members. What is being distributed now is an amalgamated version of the Budget as proposed by Policy & Resources but recognising the amendments as tracked changes and also referring to which amendment has inserted it. So I hope that will make it clear to everyone exactly where we are.

So we now turn to general debate. Who wishes to speak in general debate on the Budget? Deputy Kazantseva – sorry, Hansmann Rouxel. *(Laughter)* Sorry, no excuse.

Deputy Hansmann Rouxel.

Deputy Hansmann Rouxel: Close call. *(Laughter)*

Just getting the speech. I just wanted to check the Propositions, madam, to know which Proposition to – there we go, yes.

What strikes me about this Budget is not simply what was in it but what was missing: a meaningful response to the cost-of-living pressures facing Islanders right now. I recognise the financial pressures on the States and I support the Government Work Plan super priorities. They should put the foundations in place for real, sustainable change, but structural change takes time. The benefits may be years away. People are struggling today. We have heard that already today and throughout this debate.

The Budget itself acknowledges persistent inflation, expensive housing and pressures on household finances, yet there is precious little that will make everyday life more affordable immediately. We have agreed some measures that protect households and I welcome those, but there is a difference between preventing things from getting worse and actively making them better. There are always good reasons to be cautious about pulling economic levers and the obvious intervention is not necessarily the most effective. Instead of discounting electricity bills, we might be advised to invest in insulation; long term absolutely right, but it does not help someone struggling with this month's bill. Instead of helping with today's rent, we increase housing supply, again right, but homes take years to build. Instead of easing childcare costs now, we develop comprehensive early years' policies, vital work but of little comfort to the parent who cannot afford childcare next week.

I am not arguing that we abandon long-term policy for quick fixes. I am arguing that we must be capable of doing both. The pursuit of perfect long-term intervention cannot become an excuse for doing too little now. The principle applies to our public services. I urge Members to vote for Proposition 17, option B. Option A would leave Health & Social Care, Education, Sport & Culture, Employment & Social Security unable to fulfil the roles this Assembly expects without serious consequences for services. This is not simply a matter of tightening our belts. We have been doing that for years. There are no more easy cuts. What remains are the difficult decisions about services or structural changes to how we deliver them. They may be necessary but they are harder to achieve and they do not produce savings overnight.

I was struck by what the President of Home Affairs said during debate on his Committee's amendments. He described the cumulative effect of cuts over successive terms, year on year salami slicing, with consequences that have now mushroomed into the difficulty facing his Committee. That is what happens when we treat each annual reduction as a small, manageable adjustment without recognising what they add up to. I believe we should support each other as Committees, not simply defend our own budgets. We should look across mandates for opportunities to work differently, structure services together, share expertise and remove duplication, but we should also ask other Committees how can we help.

Communication is vital and I would ask whether P&R intends to work particularly closely with Home Affairs, perhaps through special measures, to manage immediate pressures while more sustainable reform is developed. We cannot demand structural change while removing the capacity committees need to deliver it. I also support economic growth. The proposed £15 million fund could help create opportunities, improve productivity and foster emerging industries.

Some projects will involve spending hundreds of thousands of pounds without an immediate visible return, and I suspect that the people telling Members not to waste money will be equally quick to call out those investments as wasteful. Growth requires investment, imagination and calculated risk. If we want a stronger economy and ultimately less pressure on taxpayers, we must be prepared to invest. The patience we ask Islanders to show for long-term economic growth must be matched by an understanding of what households and public services need in the meantime. With every new proposal I want us to ask: will this make life better for Islanders? What will it do to their cost of living and when will they actually feel the benefit?

Finally, madam, a word about the rules. Yesterday Members supported a Proposition directing a change to the rules. I urged Members not to vote in favour of that immediate rule change, which is Proposition 31. Rule 24(6) is there for a reason. This Budget debate was not the forum for a considered examination of the rules. The limited time available meant I could not give Members the full explanation they deserved, and judging by some of the dismissive and, frankly, ridiculing speeches about my Committee and its work, I would simply say this. The rules are not my rules, they are the Assembly's rules. Members will have to live with the consequences of the procedures they choose. The rules are yours; just be careful what you wish for.

Please support Proposition 17.

Thank you.

The Bailiff: Thank you.

Who else wishes to speak in general debate? Deputy Ozanne and then Deputy Goy.

Deputy Ozanne: Thank you, ma'am.

Sometimes I do wonder whether we are living in the 'Alice in Wonderland' universe of Lewis Carroll, that we have gone down a rabbit hole, perhaps one of Deputy Gollop's rabbit holes that he mentioned, and found ourselves in a universe which is a parallel universe. I mentioned a quote earlier of people cannot be promised jam tomorrow when they need bread today, and I feel a lot of our discussions have been about things that we want to do in the future and things that we need to do. I have just heard a speech by Deputy Hansmann Rouxel which I rather thought would have been in place in the last amendment speech about the need for us to tackle the cost of living

with something. No, we are yet again hearing debates about we need to do something in the future. The trouble is we have issues right now on the Island and we are not addressing them.

Islanders want us to tighten our belts because they cannot afford the taxes that we are asking them to pay. Yet they do not always realise that in tightening those belts they will stop receiving the very services that they rely on, and there needs to be a level of reality brought in to the debate now, not in five years' time, not in three years' time or whenever we feel that we can do some proper efficiency savings. We need that reality now. So I will – forgive me – be voting for option B. The reality is we have cut back our budgets as far as we can in many Committees, right back to the bone. What option A asks us to do is to break those bones and come up with a different form of animal, which we may well need to do but that will take time and we do not have that time at the moment. We need to live in the reality, the actual universe that we are in now, and that requires us to deliver services, which has a cost associated with them.

If I can be bold, I do worry for us as an Island. I think our expectations of our electorate are far higher than our ability to deliver. That is in healthcare. That is in Education. That is in Home Affairs and, of course, it is also in ESS. We expect to be able to deliver services better than the UK on a budget much less. We expect our Civil Service to be much smaller than the UK, yet we want to do far more. There has to be a realism check. I do not know where that realism check will happen, unless it happens in here. We have to find a way of being honest with the electorate, that if we want to continue as our own jurisdiction and have our own legislature that comes up with our own legislation, then there is a cost to that. If we cannot afford that cost in the long term, it is not just about cutting back on Committees. It may well be about looking at far more radical responses.

Personally, I would hope that over the next year we will be looking at some of those radical responses, things that have been forever off the table, about our relationship with our other Channel Islands and our relationship with the UK. Because for me the writing is on the wall. We cannot continue to deliver the services that our Islanders want, need, with the budgets that we have, with the calls for cost efficiencies. We may be able to shave off a few senior salaries but that will not deliver the change that we need. We have to find a way of tackling what I call the future impending gloom that we are heading towards at breakneck speed. If we do not start talking about it here – and I suggest the Budget is the right place to do so – we never will.

So, the reality is option B for now but we do have to look at, I think, the future trajectory that we are on and find a new way of funding what it means to be a separate jurisdiction in a 21st century world.

The Bailiff: Deputy Goy and then Deputy Inder.

Deputy Goy: Thank you, ma'am.

Ma'am, I have said this numerous times but I am going to say this again, because this is really relevant for this debate. Never ask Government to save money without also telling it where the savings should come from. Now, if Members have followed this principle, we would not have what we have today, 30 amendments, so many parachutes and half parachutes, option A and option B and, most importantly, a false sense of savings being presented to the public that we can actually save 1% when in reality, as we all now realise, with all the parachutes trying to hedge their bets, that if those savings were to be made there will be cuts to public services, the quality of public services, some subsidies, threats to passing costs from Government to customers. These things I think could have all been avoided if, instead of giving a blanket 1%, 2% savings instruction to P&R, we should say, 'Okay, I can see waste in this area; therefore, we create an amendment to make changes for that specific area'. I think that is a lot more doable and for the next year I believe this will be a much better idea than to end up with a blanket saving and having so many parachute amendments trying to hedge a bet against that.

So I plead with Members for the 2028 Budget let us remember what happened today and hopefully we can have much more targeted savings, much more targeted instructions. Again,

I wanted to say this. There is a big difference between waste and savings, and I will not repeat the points that I made yesterday. I know Members have already heard it, so that is all I wanted to say.

Thank you very much.

The Bailiff: Deputy Inder and then Deputy Gabriel.

Deputy Inder: Members, I am going to focus my speech on the efficiency of Government and I made reference to that in the Ozanne amendments, so I am on a bit of a theme, which is probably a 10-year theme, so I am going to pursue that.

My concern is simply about how many officers sit behind a particular Committee. It is about whether resources of the States are aligned with the priorities, if indeed they can even deliver them. I am going to make a comparison between two Committees, and I hope Members on those Committees do not defend the realm too strongly. This is purely for comparison. It is because it is something I have seen. I have said previously I am not on the big service Committees. I have been on some of the smaller Committees, so it is only with some knowledge and this may be applied elsewhere.

Now, take, for example, the States' Scrutiny Management Committee. It has five officers supporting its work. That is 37.5 hours a week. That represents around 170 hours of officers' work per week and it is to a degree to what Deputy Goy said about waste and efficiency. Housing meanwhile, a Committee established to help deliver solutions to one of the most significant challenges facing our Island, has three officers, many of whom are actually part-time. I think I am correct; no one has got up and corrected me so far. I think – I will give way.

The Bailiff: Deputy Williams.

Deputy Williams: Just for clarity, I think we share six staff with E&I. They work 50:50, basically. So it is three full-time equivalent.

The Bailiff: Deputy Inder.

Deputy Inder: Okay. I think I am still in the room, then, effectively. So we have established staffs of five working for one Committee and we have – I struggle with the word 'shared'. Input is input. I think shared is often less than 50% in terms of focus, but the point remains. We have a Committee tasked with delivering on the housing crisis which only has three staff. I am not criticising the Committees or the officers involved. It is mainly about this idea of rightsizing Government. There appears to be a mismatch between support and output. I would suggest that this argument should not be controversial, and I may even suggest that Deputy Sloan, as the President, is more likely to agree with me than not in the general round. Those of us who believe in efficient Government, and I do, value for money, and I do, and directing resources towards delivery rather than process ought to be able to agree with what I am saying: ought to.

What is more, this is not a problem that is beyond our control. It is entirely possible for Presidents and Committees and, indeed, heads of public services to reshape how resources are deployed. I know that because I have seen it done, and I also know that because I have done it myself. I will give an example. As a former President of Economic Development, Visit Guernsey, when we started, had approximately 13 members of staff and the budget was around £2.2 million. Well, I managed £2.2 million budgets when I was 25 years old with three people, so I know how this works.

Through clear policy direction, focused on outcomes rather than structures, we changed that model. Deputy Niles was in the room, Deputy Vermeulen was in the room at the time, as was Deputy Kazantseva-Miller, who now heads Economic Development. So that was transformed immeasurably and quickly, but that was done by the political committee. That was done by direction. We were not hiding behind process and claiming it could not be done. I know it can be done because it has been done. So this is a statement of fact.

Now, the officer structures are not fixed. They are not handed down in tablets of stone. They can be changed where there is leadership, clarity of purpose and determination to achieve better value from the public resources. As explained in that previous amendment, the only way you can truly force change in Government is through the Budget. Do not expect the bureaucracy to ever change itself. It simply will never do that. We, as the executive of the Civil Service, need to do it ourselves. Time and time again this Assembly talks about transformation, efficiency, reform, productivity, yet meaningful change only tends to occur when budgets are challenged and priorities are forced to compete with one another. That is why I will be supporting Proposition 16, which is loosely called option A. (**A Member:** Hear, hear.) I suspect it will lose but I will sleep well. I will sleep well.

I believe Budgets are the most effective mechanism available to the Assembly to drive reform and improve efficiency. In fact, it sorts the internal drive for efficiency. If we are really serious about changing behaviour – really serious – improving productivity and ensuring resources are directed towards delivery rather than administration, then we have to use the one lever that consistently produces results, and that lever is the overall Budget and individual Committee budgets. For that reason, Members, Madam Bailli, through you, ma'am, I will be supporting Proposition 16 and will not be supporting Proposition 17.

The Bailiff: Deputy Gabriel.

Deputy Gabriel: Thank you, madam.

This has been a very interesting Budget because usually it is not focused or amendments are not focused around Committee budgets, they are focused around duty rates or TRP or how we can influence it. Yes, we have had some Budgets which have changed the fuel duty and the spirit producer rate, and I welcome those, too, but historically we have never really focused on Committee budgets as much as we have in this Budget.

E&I has been conspicuous in its absence and if Members look at the Budget table, they will see that option A and option B both carry the same figure for E&I. Because I want to thank my Committee members and I also want to pay tribute to the officers at E&I that work exceptionally hard to achieve those savings and get us where we are today with our Budget submission, which is one of the reasons why I will be supporting Proposition 16, not 17, which has been widely touted as option A. Not because we have been through some aspects of parts of the operation. Some Departments have been through the priority-based budgeting process, because effectively although it did identify some areas and we did make some very limited savings there, pretty much at E&I it highlighted that it was an efficient ship in most areas and that we were doing exceptionally well with what we had. Although it did pick out that there were some areas of spend to save which could well be seen in the next Budget.

Which brings me on to the main thrust of my speech. Members will have noticed that I have spoken against every Committee budget increase, and I am going to be consistent in my messaging and say that, yes, we have to be realistic and we have a responsibility about the financial position we find ourselves in and to make decisions that are affordable and sustainable for the future. I think there is a phrase in here; I said it yesterday and I will say it again today. We must cut our cloth to suit. Across Guernsey, Members, the public have been doing exactly that for some time. Families are tightening their belts. Businesses are watching every penny and households are making difficult decisions about what they can and cannot afford. They are having to prioritise already, make sacrifices and live within their means. I believe it is only right that Government demonstrates this same discipline and principle. We cannot continue to assume that every service, every project and every area of spending and our revenue budget can be protected without considering the consequences. Difficult decisions are inevitable and we have a duty to make them responsibly.

Supporting option A, Proposition 16, is about recognising the financial reality we find ourselves in, setting sensible priorities and ensuring that we do not place an even greater burden on the public, who are already feeling the pressure. This is not about making cuts for the sake of making cuts, it is about being responsible with public money, challenging spending where necessary and

making sure that the taxpayers can see that we are prepared to make the same difficult choices that we expect them to be making.

Madam, the people of Guernsey cannot keep being expected to do more with less while Government avoids making the same difficult choices. Our taxpayers are not an endless source of money and we must never lose sight of the fact that every pound we are spending is ultimately their money. (**A Member:** Hear, hear.) If families can adjust their spending, if businesses can make tough decisions to survive, then Government must be prepared to show the same responsibility. We cannot keep asking the public to tighten their belts while refusing to tighten our own. It is time to lead by example, live within our means, and make decisions that are financially responsible for the long-term future of Guernsey. I cannot and will not be supporting Proposition 17, which is option B.

Thank you, madam.

The Bailiff: Deputy Sloan, then Deputy Dorrity.

Deputy Sloan: Thank you, madam.

Firstly, just to address the points that Deputy Inder made, he did give me forewarning he was going to mention it so I did not want to interrupt his flow, but SMC staff support three different Committees, the LRP and the Public Accounts Sub-Committee, and we have had an effective staff reduction this year agreed by the Committee. It is operational matters, madam, and I did not think it was appropriate to introduce in this speech, but we have our report that will be debated in December. I am happy to expand then.

Also, my point, madam, for my other college, Deputy Hansmann Rouxel talking about the debate at the end of yesterday, it would be nice to see the members of SACC apply those rules consistently in this Chamber when it applies to themselves. I am surprised about the appeal to what I will call the democratic double jeopardy of voting for an amendment again through the voting from different Propositions a second time. Madam knows my views on this subject. I clearly need to maybe correspond with SACC or bring a requête myself to actually stop us doing this practice and voting on every single amendment twice.

Now to the substance, and the substance of the debate, madam, is we do not get twice as much time because there are two options, we get half, but I will be brief. It is option A or option B. It is an interesting approach from P&R. We looked into it: was there any precedent for an Administration to produce two Budgets? No, we could not find one, I am afraid. I know the communications of P&R in *The Guernsey Press* claim to have done – or one of the writers claimed to have done something similar but that was an amendment. It was not actually the Administration. Anyway, it is an interesting approach. It is a clear 'pick a card' approach: what would you like, option A designed to fail or option B? I wonder where we are all going with this one, madam. I stopped running the book halfway through the debate, clearly.

Congratulations to P&R. Their effective stewardship of a Budget, you will get the Budget that you have proposed, effectively option B, so I am not going to be churlish. I said this week I will not be churlish. Well done. Congratulations, too, you have slowed down expenditure growth. Well done.

The Bailiff: You are doing it again, Deputy Sloan.

Deputy Sloan: Sorry. Congratulations –

The Bailiff: Remember those rules that you are keen on now. *(Laughter)* You are again referring to 'you'.

Deputy Sloan: Congratulations to P&R, through you, madam. Congratulations is a – surely then offering congratulations and breaking the rules, honestly I just cannot help myself. I do apologise.

The Bailiff: Thank you.

Deputy Sloan: Yes, we have successfully slowed down expenditure growth, but it is still expenditure growth.

Deputy Parkinson, madam, through you, made the point that this is a Budget for growth. He said the problem we have is that we have not had any economic growth for the last 15 years. No, we have not, and that has been the problem. You cannot keep growing spending faster than the economy. It is unsustainable, yet here we are doing it again. We have slowed it down but we have not stopped. This is the second year we will approve – or I am predicting that we will approve – option B, a Budget that will grow expenditure faster than the economy, and that is a problem. I first described this Budget as a bit of a kick in the teeth for the average – because after we had just – we were told how quickly this Budget appeared after the Tax Reform debate, and as soon as we have the Tax Reform debate where we increase the general level of taxation on the population, i.e. we voted to agree to introduce GST, madam, we have a Budget that increases expenditure. Not from long-term demographic pressures, not in 2050, but in 2027. This Budget, option B, increases the number of posts by 70. We are expanding the size of the States through this very first action after agreeing GST, and I think that is wrong. I cannot support option B, ma'am, for that reason.

Now, one final point I would like to make is that we still, by the way, will be burning through, madam, £75 million to £80 million of cash next year that we do not have. It is balanced in accounting terms. It is not balanced in cash terms. It was an interesting exchange with myself and members of P&R during the Scrutiny hearing; go back and watch it. It is not cash balanced. I agree with Deputy Ozanne. We had an opportunity with Pillar Two. We have an opportunity. We still do have an opportunity with Pillar Two to rejig a lot of our fiscal design in terms of allowances. In that respect, I feel for P&R not really having had the opportunity yet to deliver their own Budget. Maybe the third Budget will be that Budget. Just after the general election and consumed by the tax debate, I feel for you.

Having said that, I will end on a positive, madam. I congratulate P&R for getting this Budget through. I will congratulate P&R for slowing down expenditure growth. It does not go as far as I would like and for that reason I have made a commitment I will not vote for a Budget that increases expenditure in real terms.

Thank you, madam.

The Bailiff: Thank you.

Deputy Dorrity and then Deputy Oswald.

Deputy Dorrity: Thank you, madam.

Madam, I suspect I am not alone in finding myself rather torn between the two choices that P&R have put before us this morning. Now, my political self is instinctively drawn towards option A. Who would not be? The commitment to reducing expenditure in real terms by 1% is a decision that we have all supported. Backing option A is certainly the sort of thing a Deputy would like to say they voted for when speaking to the electorate. But then there is my committee self and unfortunately that rather inconvenient part of me, like many colleagues, has to deal with the reality of delivering public services, meeting statutory obligations and addressing the very real pressures facing our Departments. That makes the decision rather less straightforward.

I know only too well the pressures facing Committees. These are not simple wish lists of additional spending. They include demands arising from an ageing population, increasing service needs and commitments that cannot simply be wished away by applying another round of budget cuts. Option B provides an additional £15.7 million compared with option A. That is certainly a substantial sum and none of us should pretend that money grows on trees, although judging by some of the amendments we have debated during this session I sometimes think that perhaps some Members may think it does.

Option B also comes with a commitment to deliver savings and, importantly, to do so in a more structured and sustainable way rather than relying on successive rounds of incremental cuts. I am certainly not suggesting that Committees should be given a blank cheque. There must be scrutiny, prioritisation, efficiency and a continuing determination to eliminate waste. There is a stark difference between challenging Committees to do things better and simply expecting them to do more with less.

Madam, I would love to be able to vote for option A. My political self would be considerably happier and I suspect my inbox might be a little quieter. My committee self knows the pressures, knows the work that needs to be done, and knows the consequences of not providing the resources to do that work. I will listen closely to fellow Members' thoughts during this debate before making a final decision but must admit that at the moment I am afraid it is my committee self who is winning the argument.

Thank you, madam.

The Bailiff: Thank you.

Deputy Oswald.

Deputy Oswald: Thank you, madam.

It will come as no surprise that it is my Committee's view by a majority that support for option B, which rightly captures a combination of service challenge and need for mitigation through savings is, in our opinion, the pragmatic way forward. Members will ask why by a majority rather than unanimity. It is a right of every Member in this Assembly to listen to debate, listen to opinion from other Members of the Assembly, to view amendments and consider where they will stand. I did this myself when it came to the alcohol policy, which upset Deputy Parkinson – I can quite see the reason why – not inconsiderably, but I looked at the hard figures and made a choice. My colleague who has changed her mind will no doubt expand on the reasons why she has done this when she comes to stand herself.

I agree, however, with the speeches made by Deputy Hansmann Rouxel regarding the need for pragmatism. I listened very carefully to what Deputy Dorrity said and I can appreciate his quandary. With specific reference to healthcare delivery, option B as a Budget approach for 2027 enables investment that will underpin existing pressures, including off-Island treatments, and a number of principally demographic-driven requirements across multiple service areas. What we have in option B is a sound representation of how demand might be mitigated but only in part. Option B is still some £2 million below our original submission, which we have described as a practical and pragmatic approach to the financial pressures the Island faces, cognisant of both the demand and expectations of the population. The submission included savings of £2.3 million, which is 85% of the 1% target, and also deprioritised a large number of service-led requests. I have sympathy with Deputy Goy's opinion about the 1% salami slicing across all areas and I was one of five Members, including Deputy Goy, who voted against that 1% target when we considered it nearly a year ago now. I am, as I previously said, a saver by nature and we will continue to endeavour to reach the target which was determined democratically in this Assembly.

This £2 million gap is certainly challenging but is potentially achievable for 2027. To address that funding gap a number of actions will have to be considered, including increases to the Emergency Department fees. Although increases would not be as high as would be the case with option A, maintaining the balance of a 50:50 split between what the user pays and what the States funds is appropriate and the Committee will consider fee changes from 2027.

Option B also enables the potential to underpin change through the corporate spend to save initiative and the investment in at least some preventative strategies, which in combination will help us start to move the dial from a focus on the now to a longer-term model for care across the Bailiwick. Option B includes an answer to off-Island acute pressures. In 2026 such pressures have been supported through the Budget Reserve and would still be supported in that way forward. Under option B, in 2027 a sum of £3.1 million is set aside in the General Revenue Reserve to fund

unforeseen and therefore unbudgeted pressures, which could and probably will arise. Deputy Van Katwyk gave me the opportunity to expand on why such unforeseen and unbudgeted pressures could arise leading to very expensive care off-Island, and I hope that Members will appreciate that.

Such other need could relate to circumstances, as I have just said, which, for example, could include complex cardiac care, prolonged neonatal intensive care, or a placement at short notice of a young person with major complex needs. Option B is a sensible and realistic option, which preserves service delivery as in practice today, but supports a drive toward savings and the recognition of the need to progress the work on the model for delivery of sustainable healthcare.

I urge fellow Members to support this Proposition.

The Bailiff: Deputy Montague.

Deputy Montague: Thought you were going to give me another weird double-barrelled name. *(Laughter)*

Madam Bailiff, we have just spent three days debating amendments of various individual Committees. Some passed, some failed. The amendment that Deputy Cameron and I brought was a draw, 14-all draw, lost therefore by a single vote. I think there is a wider lesson from the debate, madam. Committee members have come before the Assembly explaining the genuine pressures within their services. The question now for the Assembly is whether you are going to not take those pressures on board and go for option A or whether you support what I believe is a more balanced position, option B.

Be clear. Option B is not a spending spree. It is not turning on the taps. It is not the Budget that Committees asked for. It is a compromise. Look, if P&R had accepted every single Budget submission, I would accept the argument that this is post-Tax Reform debate; we are turning on the taps. But they did not. Option B funds less than half the amount requested, and again, speaking from my own perspective, and I am sure it is representative of other Committees, we do not sit around thinking would it not be great to have this, that and the other. We look at the demands and the pressures and we approach our budget accordingly.

I think that option B is already demonstrated to be a restrained and carefully prioritised approach. Some Members have suggested that the trouble with Government now is it seems to be just taking money from taxpayers and redistributing it. I do not accept that characterisation. The question is all about do we spend that money effectively. Education, health, policing, safeguarding and skills development are not examples of government distribution for its own sake. They are examples of investment in the functioning of our society and in our economy.

If we want a skilled workforce, we invest in apprenticeships. If we want children to succeed and thrive, we invest in education. I am not going to be in a position where I want to be cutting finances to our sporting provision. The Sports Commission do an amazing job in terms of driving up health for our communities. I do not want to be in a position where we are having to cut from our culture budget. I believe that is absolutely an economic enabler that we can work very, very carefully on in the future.

If we want lower long-term costs, we need to invest in prevention. Good public expenditure is not an alternative to economic success; it is the foundation of it. I think this needs saying plainly and I do not want to relitigate Amendment 25, but if you vote for option A and that goes through, it is a £535,000 cut in the budget for ESC and we will have to do more cuts than we have already done just to get down to option A.

We will cut our services further if option B is not successful and I know that means making choices. I have some sympathy with Deputy Inder's argument a short while ago, and I know that all Committees make choices. We have already cut roles at the centre. We have had difficult conversations, but look at the things we will lose: our apprenticeship grants. I just want to talk about some of the other things. One or two colleagues, madam, have spoken about the additional learning needs, those pressures, those demands, and dismissed them as a fabricated thing.

I want to say very clearly to my colleagues, madam, that I worked in a system where I saw my colleagues unable to teach effectively because the support was not in place. We are talking about effective and efficient delivery of government services, and that is why we need this funding. I know that is about education but I accept we can broaden it.

Members have heard similar arguments from Health & Social Care, Home Affairs and other Committees. Please do not characterise option B as an example of wasteful Government and option A as the sensible, hard-nosed position. I think that option B recognises the requirement of good governing and option A would require rapid reduction in services, which I do not think the community would accept and I think would cost us more in the long run.

Madam Bailiff, the States of Deliberation functions best when we approach decisions rationally and collectively, not through ego, not through social media, not through who can produce the most popular soundbite, but a careful consideration of evidence and consequences. I believe the evidence before us is clear. Let us not play personality politics here. The Policy & Resources Committee has looked across the whole organisation. It has heard from every Committee. It has evaluated those competing pressures and it has presented option B.

No one is suggesting that public expenditure can grow indefinitely. We know that reform is necessary. We know we need to be efficient and we know that better prioritisation is necessary, but option B recognises the truth of demand and pressures. The pressures facing our public services are real and we need to respond to them. Abrupt reductions will not remove those pressures; they will just reduce our ability to respond.

So I do not believe option B is an extravagant Budget. It is a measured response to the reality before us. It is the option I believe Members should support. I would urge Members to vote, therefore, for Proposition 17. Remember, option B is not the Budget committees requested. It is the Budget that was considered affordable.

Thank you.

The Bailiff: Thank you.

Who else wishes to speak in general debate?

Deputy Gollop.

Deputy Gollop: First, I will reiterate a little issue about clarifying the position of the Transport Licensing Authority in relation to some of the recent discussions which are included in the Budget concerning Aurigny. Our remit is to consider licence applications for specific airline routes and to award such licences if appropriate. The Authority's role is regulatory rather than operational. That distinction is important in understanding where the Authority's responsibilities begin and end. There is not a specific proposition within this Budget about Aurigny. If there was, I would abstain from it because of our regulatory role relating to Aurigny. It is mentioned as an ongoing consideration. Why there is not a specific one perhaps is interesting.

Turning to the wider Budget, I will support option B. We are being asked today to endorse a Budget for growth but we must ask ourselves an essential question: growth for whom? I do support an article written I think by somebody Deputy Camp knows quite well about the necessity for growth and the points Deputy Parkinson has made. This Budget still represents, to a degree, a continuation of perhaps regressive policies because we are reliant on growth of our most affluent residents to a degree, but it would help if we could be reliant on growth and skills development such as the apprenticeship issue for everybody. We need the economic burden to be on everybody and not on the shoulders of ordinary working people and the most vulnerable, but on everybody. I would support the enterprise message and I think now Economic Development is more involved as a result of the amendment is a good thing.

I think we are presented with a slightly false choice between option A and option B because option A is a perhaps rather cruel, unachievable real-terms cut, and I will support B partly because it ensures Education, Home Affairs and others will not have such a draconian situation. We do not want overstretched classrooms in education or, as the press might say, fewer bobbies on the beat.

It is a kind of austerity. Option B is more generous but still I suspect the Prime Minister of the UK would regard it as still bound by the same neo-liberal mindset that treats public expenditure as a liability rather than as an investment.

I would like to see more progress on work with the entrepreneurial tax caps. We deliberately chose to freeze the £85,000 threshold, and in rejecting the amendment we are allowing fiscal drag to squeeze perhaps upper middle income earners even harder, as well as squeezing people in a lower situation than that. If you are perhaps a senior nurse, a headteacher or a senior civil servant, we will let inflation erode your hard-earned income to a degree. We rejected the £795,000 extra money to address the maintenance pressure of our States' housing stock and we did not get to consider the free bus service. Although I am not sure it was quite the right time, I think that universal service would be a social boon as well as an environmentally good policy and economic enabler. The pilot project would indeed be useful.

I am also a bit concerned to hear a little bit that Health & Social Care are planning to think the unthinkable and introduce a greater contribution from people to pay for their own care. Obviously, we will look at all their proposals in an open-minded way, but I think that coming on top of the GST decision and certain other restraints will not go down well. We need the economic growth fund not just to be aimed at our achieving corporate interests but also other businesses. I think one of the issues is we still, for example, do not have a policy on what we do with the greenhouses – I do not mean the Digital Greenhouse but that is included as well – and whether they can have a role in future crafts and other activities.

We need to rebuild our crumbling social infrastructure, fortify our public services and very much focus on social housing. I would have liked to have seen more emphasis on housing in this Budget and on the thousands of Islanders who –

The Bailiff: Thirty seconds left, Deputy Gollop.

Deputy Gollop: – are not eligible for income support but are struggling just to get by. That is the category we need to focus on. Indeed, I think we need more investment and more public welfare and less emphasis on finding savings that are a mirage.

The Bailiff: Thank you.

Deputy Curgenven and then Deputy Strachan.

Deputy Curgenven: Madam Bailiff, if you really think about it, this debate rests on the assumption that the services that this Government provides are good and the only question is how much more it costs to keep them that way. I believe that assumption is wrong. Madam, I posit that money is not the issue. The system is the issue. I wish former Deputy Heidi Soulsby was here today because she spoke about a fundamental services review. I agreed with her then, and I agree with her even more so now. We are often told by officers that things are wonderful, yet when I speak to the public I hear a different story. There is an old saying: there is your truth, there is my truth, and somewhere in between lies the objective truth. Government too often behaves as if the truth is the objective truth. It is not.

I have heard accounts, Madam Bailiff, of how some very vulnerable people have been treated and they are troubling. I will not detail them here as I am not here to point fingers. What I will say, though, is that when an institution grows more anxious about how it appears than about how people fare, it has lost sight of its purpose. (**A Member:** Hear, hear.) Candour about failure should not be the mark of good government – sorry, should be the mark of good government. *(Laughter)* The wrong way round there. Not a breach of etiquette.

People say that when it comes to this Government the system is broken. I used to think exactly the same thing, but having seen it now from the inside I disagree. A system produces the results it was designed to produce. Ours is not broken, it is working exactly as it was built. Rising costs, more staff – always more staff – more process, always more process, and the same complaints on repeat.

Madam, in 1999 – I should not laugh; this is not funny – at Schiphol Airport in the Netherlands, 440 squirrels arrived on a plane from China without the right paperwork. Nobody would take them, so an airline fed them, alive and kicking, into an industrial shredder. The company said it was just following the regulations. Think about that. Nobody in the chain set out to do something monstrous. The rules had been written for a handful of animals, never hundreds. Each person did what the process, what the legislation, had told them to do, and the result was an absolute horror show. Only when the public was appalled, when the Dutch Parliament met in emergency session, did anything change. The airline admitted a grave mistake on ethical grounds and changed what it would carry.

That is how systems change, Madam Bailiff, not through another report, not through quiet reassurance. They change when something severe happens. Deputy Montague is right to want an efficient and effective service and I doubt anyone in here disagrees. Where my President and I differ, madam, is on the method. More money will not make a flawed system work better. It will only make it cost more. Fix the system first and then fund it. I do not want this Island to wait for its squirrels.

Option A will not fix this. I do not pretend that it will, but it is a start. It tells the organisation and the public that more money is not the answer to every problem and that it must look hard, really hard, at how it works, not just how much it spends. So I will vote for option A and I urge colleagues to do the same thing.

Thank you, madam.

The Bailiff: Thank you.

Deputy Strachan.

Deputy Strachan: Thank you, madam.

I rise as one of the five, one of the five Deputies who voted against the 1% reduction amendment in February. In that same spirit, I have consistently voted to support the Committees trying to protect their budgets against the successive Proposition 16 or option A. I understand the logic of waiting for the final vote, but this was an entirely rational move to make for those Committees involved.

What I have to say will probably infuriate those who are calling for more efficiencies, but I am actually doing this in order to create efficiencies. Rather than just enforcing cuts, I want to ensure Committees have the resources to make the efficiencies while maintaining the frontline services on which Islanders rely.

On the Committee *for* Health & Social Care we could make cuts, but our services are driven by demand and that demand does not disappear because our budgets are reduced. In reality, as Deputy Oswald has said, cuts would make longer waiting lists, reduced access to medicines, higher charges and fewer services. We would simply shift the cost on to those in poorer health while creating greater expense elsewhere in the system. That is not a sustainable way forward.

More importantly for me, cuts would also prevent us from creating the changes we desperately need to make. That would be a real shame because we can already see some ways forward to create our sustainable healthcare model. We could not have done this work by diverting a few members of staff here and there and asking them to absorb additional responsibilities. In fact, option A would reduce even that limited capacity. We need dedicated change agents and I am pleased that we now have some of these in place. Option B will allow us to bring in temporary expertise to help develop the overall plan. If we support it, we will be able to progress initiatives already in place, including a new frailty clinic designed to reduce falls and improve resilience and prevent more costly interventions later on. It will also support the digital transformation that will be the engine for much of the efficiencies we want to achieve.

We are developing new models of care that rebuild healthcare support from the ground up, including early intervention, prevention and early years, to catch issues early. These initiatives will not only deliver savings over time, they will improve the quality of life of Islanders. I want us to go further. I want to understand not only how these initiatives will help improve services but how they can contribute to economic growth as well.

That brings me to the speech I would have made on Amendment 8 regarding Pillar Two receipts. Some have described Pillar Two receipts as a windfall, but I see them differently. Since the introduction of Zero-10 we have consistently tried to tighten our belts as a reaction; some would argue very unsuccessfully. What is clear is that we have not consistently invested in our infrastructure. Despite reforms and centralised property services, many of our public assets have been allowed to deteriorate rather than being developed, improved or rebuilt. We should have been investing in these assets and realising the long-term benefits that investment would have delivered. For that reason I do not see Pillar Two as a windfall. I see it as recovering a portion of the corporate taxes that over the last 15 years might otherwise have supported investment in our infrastructure and our people. Those revenues could have contributed to new schools, an expanded hospital and other essential projects.

So, while I think it is admirable to legislate to save part of Pillar Two payments, I also hope we can use them to step up the pace of key projects that have already been delayed for too long. Nor do we need to do this alone. We should listen to local businesses, investors and off-Island experts about how they can partner with us to develop our assets and strengthen our economy. I welcome the new support being offered to incoming entrepreneurs through the revised tax arrangements, and I hope that whatever emerges from the Digital Greenhouse's successor arrangements provides meaningful support to both existing and future entrepreneurs. I also welcome the creation of an economic development fund. However, I am disappointed that we have very little detail about how it will operate or what outcomes it is expected to deliver. I look forward to hearing more.

I am not alone. Throughout this debate we have passed a number of amendments that have sent a clear message: economic development must play a much more central role in Government decision-making. So I stand with those who want greater efficiency. The difference is that I believe efficiencies must be delivered through proper change management, investment and reform, not simply through cuts. If we use the tools available to us to grow our economy, invest wisely in our assets and modernise our public services, we can create the efficiencies we all want while building a stronger and more prosperous Guernsey. For that reason, I will be supporting option B.

Thank you.

The Bailiff: Thank you.

Deputy Humphreys.

Deputy Humphreys: Madam, this has been an interesting debate and not necessarily an easy one. Head versus heart, constantly at odds. The speed things can be done versus the speed we can actually get things done. Presentation of people's circumstances. I am not heartless, I do care, but we need to make the right changes at the right time for all of the people. A 1% savings amendment: was it good, was it bad? Well, it got people talking. It delivered option A. It delivered the compromise of option C and it has delivered 17(d). I hope whatever the outcome today we will continue to focus our mind on savings. Option C has gone. That is democracy.

Option A is not our amendment and I have made it very clear to all of you we never wanted salami slicing or service cuts, but it is the closest thing we have on the table to our manifesto commitment and our amendment. I truly believe that most savings can be found without chopping services. I am not going to rehearse all of the arguments yet again. I am boring myself so I must be boring you, too. I do continue to urge you to think about how savings can be made and push procurement to get the best value for money and make good use of the spend to save initiatives.

If option B passes today and a nuanced version of our amendment remains in 17(d) it is the responsibility of everyone in the Assembly to help deliver it. Please do your part in it. My word, this job is hard. Do not let anyone tell you otherwise. No one in this Assembly deserves to be labelled as lazy, self-interested or corrupt and I urge you all to call out that behaviour whether you agree or disagree with the person being labelled.

The Bailiff: I am sorry to interrupt you, Deputy Humphreys, but you are doing the same thing where you are not directing your comments.

Deputy Humphreys: My apologies.

The Bailiff: That is all right.

Deputy Humphreys: If I look at you I may remember. *(Laughter)*

We all need to vote in this debate on the way forward we think is best for the Island, and then whatever the outcome we need to work together to come in line with if not under it and certainly not over it. I urge you to target beating budget through the course of the year.

I am extremely pleased to see the economic initiatives fund in this Budget. Government cannot grow the economy. What Government can do is facilitate the growth of the economy through whatever means businesses and people seek. The economic development fund will help us do that and I look forward to my part of being involved in that deployment. Again, though, I remind all Committees this is not just the Economic Development Committee's job and I look forward to receiving applications from other Committees in due course. So let us hope some savings, some growth. If both happen, this debate next year could be a very different thing.

Thank you, madam.

The Bailiff: Who else wishes to speak in debate?

Yes, Deputy Le Brun.

Deputy Le Brun: Thank you, madam.

I will be supporting option B, not because it is perfect, not because it solves all of our problems, but because it is probably the closest thing we are going to get to a sensible compromise. As Deputy Montague described, it is a compromise and in truth it is a compromise that allows us to keep the bare minimum of services ticking over while we continue the work of getting our finances into a more sustainable footing. We also need to remember that not everybody in this Chamber has to deliver public services.

Yesterday quite a few Members stood up to declare that they earn more than £85,000 a year. Good luck to them, but many of the people we represent are not in that position. We are supposed to be the People's Deputies. When people come to us, they are not talking about tax caps and budget lines. They are worried about their child's education, whether they can get a housing officer to return their call, whether their elderly relative can access support, whether the roads are maintained, whether their public services are there when they need them. These are the things we should be thinking about today. If we vote for deeper cuts now, those cuts will not be felt by us sitting in this Chamber. They will be felt by the people who rely on those services every single day.

We also have to recognise the position we are currently in. We have a short-term windfall from Pillar Two receipts coming. That money will not be there forever and nobody is pretending otherwise, but while it is on the way we should not be scared to invest wisely now. To my mind, using that funding to support services while we modernise, reform and improve efficiency is a far better option than slashing services now and dealing with the consequences later.

It is the difference between investing now and saving later or cutting now and paying later. Let us be honest. Government has a long history of paying later. We all complain about the condition of some Government properties, yet we go and look at buildings that have suffered years of underinvestment. We hear that maintenance has been deferred again and again. Eventually, some of those buildings become so run down that they can no longer safely be used for their intended purpose. Then we are left with an even bigger bill. I worry we are in danger of doing exactly the same thing to our public services. If we keep cutting and cutting, asking Departments to absorb more and more pressure, without giving them the resources to adapt and improve, eventually

something breaks and when it breaks fixing it costs far more than it would have done had we invested in it properly in the first place.

I know there are difficult decisions ahead, I know there are difficult conversations ahead, but there are only so many difficult conversations we can keep having with the public about what we are taking away from them, only so many times we can tell Islanders that a service is being reduced, removed or delayed, only so many times we can ask them to accept less while expecting them to keep paying the same or more. At some point it starts looking less like responsible Government and more like we are all on the steps sticking our finger up to the public. That is not why I stood for election, and I do not believe why most Members stood either. Option B is not extravagant. It is not reckless. It does not avoid the need for reform, efficiencies or savings. What it does do is recognise that public services need thorough support to function while those reforms take place. For me, that is the more honest, more practical and ultimately more responsible choice.

For those reasons, I will be supporting option B and I encourage Members to do the same.

Thank you.

The Bailiff: Thank you.

Deputy Van Katwyk then Deputy Camp.

Deputy Van Katwyk: Thank you, ma'am.

A couple of days ago during debate I implied that over the last few decades we have attempted to build a country on top of an Island. After that debate I was outside having a chat with a fellow Deputy, and for a moment I thought they were trying to persuade me that we are actually a country. What they were trying to tell me was we have the same needs as a country. As a Government, our job is as important as those in the UK or those in Jersey or the Isle of Man. I completely agree with that. I think 60 million people are as important as 60,000 or as 60 people. I am no utilitarian and you cannot shake Jeremy Bentham's head in my face. *(Laughter)*

Ma'am, it did me to thinking about why exactly we are not a country. One of the main reasons is we do not control our foreign policy. Why do we not control our foreign policy? Because we do not have enough people to form an army. If we do not have enough people to form an army, we do not have enough people to tax to have a level of infrastructure and services in line with a country.

Now, there are some of you here that may say I do not know what it is like to be needing a service that I cannot get. Well, let me tell you one of my parents is in desperate need of a service at the moment and we have to wait three weeks for that service. We cannot afford to go anywhere else. We just have to be in that situation. That is something that we have to accept as a family that is living on this Island, and we do accept that. I also have a baby, as you know. My wife is a teacher, an all-Island supply teacher, who goes into all the schools. I hear about the pressures with special needs students and I know that my child is going into those schools. Yet I am not asking or I am not willing to vote for option B, which I know I really want for my child. I also know that we are a small Island here and we have to be pragmatic.

We have overinvested in our Civil Service. We have overinvested in our services and we have underinvested in the infrastructure that we have. As a new Deputy, I refuse to be swept away with a spending tsunami. I really do ask everybody, whether a new Deputy or not, to change the tune. Now is the time to show the public that we can have fiscal restraint. If we do not do it now, we will do it never. This Island will be buried in debt and my son will be paying for it.

Thank you.

The Bailiff: Thank you.

Deputy Camp.

Deputy Camp: Thank you, madam.

I approach this Budget with a considerable sense of disappointment, not because I underestimate the financial challenges facing this Assembly but because once again we seem to

have produced a Budget that tells us considerably more about what Government wishes to spend than what Government actually intends to achieve. We are budgeting for the Government we have rather than deciding what Government we actually need. Whenever the prospect of managing expenditure arises, we can almost predict the language that will follow. Indeed, I am beginning to think we should introduce a Budget bingo card: salami slicing, cuts to frontline services, unsustainable pressures, increasing demand, ageing demographics, protecting essential services.

Of course, the suggestion that expecting Committees to operate within their existing financial envelopes is somehow unreasonable. I do not dismiss the very real pressures behind some of those expressions, but I do question how readily we reach for them and how rarely we interrogate what they actually mean. Because the debate invariably becomes about what additional money Committees need to maintain their services. It is almost never about whether the wider machinery of government could operate differently to release the resources those services require. We hear we need more police officers, more nurses, more teachers, but when do we hear Government say that perhaps we could reduce headcount elsewhere within our administrative or central functions because another bobby on the beat is more important? When do we genuinely consider whether the resources tied up in bureaucracy might deliver greater public value if they were redirected towards the services people actually need?

That brings me to something I believe deserves far greater attention: the growth of our central and civil services. Centralisation was supposed to professionalise Government, eliminate duplication, improve efficiency and deliver economies of scale. Those are sensible ambitions, yet I suspect every Member of this Assembly could identify at least one example where centralisation has instead introduced additional bureaucracy, slower decision-making, greater complexity or costs that are difficult to justify. (**A Member:** Hear, hear.)

According to the allocations in this Budget, central services appears to represent the second largest area of expenditure growth behind only health. That should give us considerable pause for thought. How much of that expenditure genuinely represents efficient shared provision? How much is simply expenditure that would otherwise sit within individual Committee budgets and how much reflects inefficiency that we have inadvertently institutionalised? I do not know.

More importantly, I do not believe this Assembly has the information or the processes necessary to answer those questions with any confidence. We scrutinise Committee budgets but how effectively do we scrutinise the cost of the services those Committees are required to obtain centrally? How do we establish whether those services represent value for money, whether they could be delivered more efficiently, or whether the original rationale for centralising them remains valid? Without that visibility we cannot properly understand the true cost of delivering individual services, let alone make informed decisions about where resources should be directed. That brings me back to strategy. We talk endlessly about strategy, more squares for the Budget bingo card perhaps, but what do those words mean in practice? We have been told that priority-based budgeting will help us make better decisions but priority-based budgeting cannot meaningfully prioritise expenditure when this Assembly has not determined what its priorities actually are. If everything is a priority, nothing is. If every existing activity is treated as essential, we are not making choices, we are simply finding ways to preserve what we already do.

This is why I continue to believe that the activity-based, zero-based budgeting programme called for by this Assembly is so important, not because it is a magic solution or because every pound of expenditure must be justified for an endless bureaucratic exercise, but because we need to understand what activities Government is undertaking, what they actually cost, what outcomes they deliver and whether they remain necessary.

Until we do, we will keep returning to precisely the same position. That is what concerns me most because these difficult decisions we avoid today do not disappear. They become the decisions we are forced to make tomorrow, and by then we may have considerably fewer options available to us. We may no longer have the financial flexibility to invest in reform, the time to implement changes sensibly or the ability to protect the services that matter most. The longer we postpone making choices, the less choice we will ultimately have.

Madam, that is why I intend to support option A, not because I believe it will be comfortable, not because I dismiss the pressures facing Committees, and certainly not because I believe that simply constraining expenditure amounts to meaningful structural reform. It does not. This Assembly has already committed to finding savings. I believe that before we decide those savings are too difficult to achieve, we ought at least to spend one year genuinely trying to deliver them.

There will be uncomfortable conversations, there will be competing demands, and there may be activities that Government can no longer justify continuing in their present form. Those conversations are precisely the ones we need to have. A financial constraint is not in itself a strategy but it can provide the discipline necessary to develop one. I would rather see us demonstrate that we are capable of exercising that discipline than continue to approve additional expenditure in the hope that a more strategic approach will somehow emerge later because every pound Government spends ultimately comes from the community.

The Bailiff: Twenty seconds.

Deputy Camp: That is why I will support option A, not because it is an easy option, but because continuing to avoid difficult choices is becoming the most dangerous option of all. (**A Member:** Hear, hear.)

Thank you.

The Bailiff: Deputy Rochester.

Deputy Rochester: Thank you very much, madam.

At the beginning of this term I supported Amendment 55 to deliver 1% savings in 2027. At the end of September I voted for tax reform in support of starting to address the long-term funding gap. Today I will vote for option A to deliver that 1% saving in a continuing effort to reduce that long-term funding gap.

Let me open the door to Committee life as a finance lead and explain to you why I have reluctantly concluded that option A is the only option we can choose if we hope for any chance of delivering the 1% savings we have committed to over the next three years. Both of my Committees entered the budgeting process with steadfast determination to deliver a 1% real-term reduction that both Committees, in my opinion, were doomed to fail, and I want to explain why.

The detail is dry but I do not apologise for taking the time to explain how the process is worked. In practice, as finance lead on HSC and Environment & Infrastructure, it is my job to consider the detail. Environment & Infrastructure were forced to find 1% savings from 25% of their budget. Seventy-five per cent of the Environment & Infrastructure budget relates to expenditure on third-party contracts.

The Committee received direction at the outset of the process that the 1% reduction in third-party contracts will be dealt with essentially by Procurement. That was in May. We are now in November, and we have received absolutely no communication about how those reductions will be secured, what percentage is expected to be secured and when.

Nonetheless, the Committee did secure 1% from 25% of its budget. Of the remaining 25%, a significant quantum is pay costs. We can shift pay costs by one of two ways: reducing headcount or below-inflation pay rises. The former is within our gift; the latter within the gift of Policy & Resources, not my Committee.

So to conclude on the Environment & Infrastructure budget and their ability to deliver 1%, we had less than a 25% chance of delivering that as the result of responsibility for over 75% of our budget sitting elsewhere in practice. I vote for option A to make the 1% a whole-of-Government responsibility, as I see now it is the only way we can hope to secure those savings. A system-wide focus on delivering efficiencies and savings is the only way it can be achieved, to my mind.

How much time have I got left, please, madam?

The Bailiff: Three minutes and 18 seconds.

Deputy Rochester: Thank you.

In that case, what of HSC? How can I reconcile my position of voting for option A with the clear demand and off-Island costs that are breaking our budget every year? Well the same arguments hold as I just set out for Environment & Infrastructure but to a lesser degree. Twenty-five per cent of the HSC budget has remained untouched in a bid for savings as they relate to third-party contracts, for the reasons I have articulated already. I look forward to Procurement communicating their plans in relation to those contracts in due course.

For HSC, pay costs make up 58% or our total budget; again, headcount restraint is within our gift and, as our President set out earlier in this debate, we have staff approval mechanisms in place to exercise restraint in those regards. Pay rises which have been broadly in line with inflation sit with P&R and again out of our control.

To conclude, on HSC's budgetary position, we are attempting to deliver 1% savings across 100% of our budget with, at most, 75% of the budget to work with. I wholeheartedly agree with Deputies Montague, Oswald and Bury that these cuts of 1% across the board, if delivered bluntly, will inevitably result in letting our community down.

One per cent across the board being delivered with politicians and officers alike can be delivered if we relentlessly focus on those efficiencies, force everyone to deliver them and thus protect the services we want to provide to our community. It is my intention to do that, and I hope that voting for option A will deliver those outcomes across Government. I urge Members to support that ambition by voting for option A as well.

The Bailiff: Thank you.

Who else wishes to speak?

Deputy Collins.

Deputy Collins: Thank you, ma'am.

I am just going to start by drawing Members' attention to Proposition 20. I will just declare an interest. My wife works at Beau Séjour, so I am very grateful if Members support that. As I remind my wife occasionally when I buy a scratch card, I am supporting her in her employment. Unfortunately, I learnt a hard lesson, ma'am, that when she won, and she won a considerable amount, it went into her bank account, not in our joint bank account. So that was a lesson learnt for me there.

I am disappointed we did not discuss Amendment 22, as Members know, family allowance. I think that could be cut back and perhaps redirected. I am really keen that that is directed in early years. I did ask a question of P&R earlier this year and I am happy work is progressing in that area. I did not bring an amendment on that because I want that process to go through.

I was also very interested in what Deputy Gabriel had to say to the Assembly. He of course represents the Committee that has operational income, and a way to help grease the wheels is increase your fees you charge to members. They have £4 million or £5 million worth of operational income, so of course they increase the fees they *(Interjection)* – £4.5 million? Okay, Deputy Gabriel, I do not know what you are going to charge next year, what he and his Committee are proposing. They could increase it a bit more; I do not know, but that is a relative point there.

Same as HSC, they have the ability to perhaps look at charges. I have already declared in the past, I used to work for the Ambulance Service. There is a question there whether actually subscription charges and ambulance charges should be perhaps a bit higher, going back to my point I have made before many times about insurance. I do hope the Committee will look at that because, again, I have said it before, I do not need £12 towards my doctor where the insurance companies would pay for it.

I think some good things have been said about corporate services that I would like to draw to attention. Absolutely right, £96 million a year. For me, having worked in the private sector and taken

some teams that were charging their services to clients and actually got them to increase their rate, I really would love for corporate services to be charged across Committees.

To me, some eyes were opened doing some EDDIAC work where some of the costs coming are spent on HR, on education or this or that. It is really, for me, interesting that if Committees knew how much was being spent in a certain area on HR, you might find a more efficient way of doing it. I am not too sure that corporate services is really working.

I am going to attach on a comment. I was really interested that the Law Officers are doing a fantastic job. They seem to be delivered at the Royal Court; you all seem to be delivering the same service last year as this year and that is something again –

The Bailiff: The Law Officers and the Royal Court are not the same thing, so I just thought I ought to say that.

Deputy Collins: Yes, ma'am, I know. They are separated budgets, you are absolutely right; the Law Officers I think having an extra very small amount. The point that I was trying to get to is that you both, through your arms, deliver services for us and if we want you to do more we are not necessarily funding that more. As I said, the Law Officers, especially through drafting of legislation, I am very keen that we get some things done. If they need additional resources I think that is something we should be supporting on.

Just to mention one other comment from a speaker who mentioned of course income. We are back to that same topic about potentially – I am not going to use me as an example – I do not have a lot of income but I could be considered a wealthy man through my family.

It is an interesting part again, going through this Budget. I must admit, this Budget, I have approached it – my contributions, I do not think have been fantastic, ma'am, I am willing to admit that. I have been quite grumpy about this whole Budget. Like I said, I thought I would bring a number of amendments; I did not. I am actually quite pleased the way it has progressed, and I will be voting for most of this. In fact, I might vote for option A and B, it seems to be one of the options. Happy to give way to Deputy Gabriel.

The Bailiff: Deputy Gabriel.

Deputy Gabriel: Thank you to Deputy Collins for giving way.

He made specific reference to me and my Committee and I wanted to pass on my thanks to him for calling that out about our income streams. I made it very clear to officers, and we rejected some of their claims, that the savings of 1% had to be savings and not new income streams. That was a specific direction, I understand, in the resolution as well. They did come back to us with an increase in revenue streams and they were removed from our Budget submission.

The Bailiff: Deputy Collins.

Deputy Collins: I thank Deputy Gabriel for that interjection. I welcome it, and that is made very clear. I do not really have anything else to contribute, ma'am. I thank Members and you for your time.

Thank you.

The Bailiff: Thank you.

Does anybody else wish to speak in general debate?

Deputy Blin. This will be the last speech before the luncheon break.

Deputy Blin: Thank you, ma'am.

Well I will be short, given the time as well. After these three days of amendments, I think we need to remember that financial discipline and protecting essential services are not mutually

exclusive. That is why I supported well-considered amendments from Home Affairs, ESC and HSC. I was seeking to address specific identifiable pressures and not to support a general increase in the Government expenditure. To be fair, I would still welcome an explanation as to why the ESS amendment was withdrawn, because I was keen on that as well.

Through the process, rejecting or withdrawing an amendment does not make the underlying pressures disappear. There is an important distinction between targeted expenditure where the need and purpose can be demonstrated, and simply increasing the overall Budget. That distinction is central to my position.

Madam, I have said throughout this debate that a savings target is not a savings plan. I want to hear much more about what Government will actually do differently. How will we improve productivity, simplify processes, and reduce unnecessary administration? Yes, I do mean making better use of technology, digital systems and artificial intelligence where appropriate. We should be debating not just what the services cost, but how we can actually make them work better. That must be our objective whichever Budget option succeeds.

Islanders have already been making difficult decisions. Families, pensioners and working households have had to make painful choices about what they can afford. Some have had to make harsh cuts to their household budgets. If we expect the people we represent to make those choices, we must be prepared to make difficult choices ourselves. As my colleague Deputy Niles reminded us, there is no such thing as Government money, it is the people's money. We are entrusted with spending it wisely.

That brings me to the final part. I understand the arguments for option B are well-explained, particularly given the service pressures we have discussed. Approving a larger Budget does not by itself guarantee better services or greater efficiency. I supported targeted amendments, precisely because I wanted us to address specific needs while maintaining overall financial discipline.

My preference therefore still remains option A. I do not suggest that achieving its expenditure reductions will be easy. They must be properly planned, with essential services protected wherever possible, but we cannot keep postponing these difficult choices. Our responsibility is not simply to spend less or to spend more, it is to spend better, deliver better and respect the sacrifices Islanders are already making.

Madam, to finish off, I have done a little arithmetic of my own and I reckon there may be no more than 12 of us supporting option A. So unless my calculations are widely optimistic, I shall be signing off as one of what I might call the 'determined dozen' or maybe the 'disappearing dozen'.

Thank you.

The Bailiff: Thank you.

Members, we will adjourn for lunch now. While you have your hour's break, can you think about any Propositions that you want to be voted on separately? At the moment, we have had requests during the discussion of Proposition now 30 and Proposition now 31 to be dealt with separately, and of course Proposition 16 and Proposition 17. I do not need you to tell me now, but just think about any other additional Propositions you want separate votes on.

Thank you very much. We will adjourn for lunch and see you at quarter to two.

The Assembly adjourned at 12.46 p.m.
and resumed its sitting at 1.48 p.m.

The States of Guernsey Annual Budget for 2027 –
Debate concluded –
Propositions carried as amended

The Bailiff: Who wishes to speak in general debate next?

Deputy Cameron.

Deputy Cameron: Thank you, madam.

I rise briefly primarily to support Proposition 18 and its £5 million spend-to-save allocation. I would like to see the lion's share go towards the many IT projects, the sound business cases that are awaiting delivery because of funding or resource constraints. I expect this fund will be depleted quickly and we need clear priorities, but also a route to further funding where projects demonstrate recurring net savings and we have the capacity to deliver them.

That capacity is really important. I have met with the Head of D&T on several occasions, and a lack of funding and staffing remain major concerns. More money alone will not clear the backlog; we need additional suitable, qualified people to deliver these projects. AI is developing rapidly, including its ability to help build software and automate routine work. Unless we strengthen our capacity now, we risk falling further behind rather than taking advantage of those opportunities.

Like Deputy Hansmann Rouxel, I remain concerned about the workload arising from Amendment 18; officer time has a cost. I have not heard clearly who will undertake these assessments, what they will cost or how their economic benefit will be measured. I therefore will not support Propositions 30 and 31.

Finally, those supporting option A should consider the consequences carefully. If budget reductions push costs into families, other services or future Budgets, that is cost shifting rather than cost saving. Please be comfortable with those consequences before voting for it. I respect Deputy Van Katwyk's wish to protect his son's future. I want the same for my daughters. That future depends on the education, infrastructure and public services we invest in today, as well as the finances we leave behind.

If reducing expenditure now creates greater cost later, we are simply passing the bill to our children. The question is whether option A delivers genuine savings or leaves the next generation with the problems that cost more to put right.

Thank you, ma'am.

The Bailiff: Thank you.

Who else wishes to speak in general debate?

Deputy Kazantseva-Miller and then Deputy Matthews.

Deputy Kazantseva-Miller: Madam, so far most of the general debate has focused on Members' rationale for voting for Proposition 16 or Proposition 17, options A or B. Certainly, this is at the core of the debate. It is really important to know how important it is for us all as a whole Government to continue demonstrating the efficiency in savings and finding ways to do more and better.

I think throughout this debate and the Budget process, we have also seen how difficult it has been. If you actually look at the figures for specific Committees, Economic Development is ending quite poorly for both options A and B, notwithstanding that Economic Development is obviously a key priority for the Government, notwithstanding the Assembly hopefully will give us the confidence to administer the new Economic Incentive Fund.

If I was just looking at this Budget as President of the Committee *for* Economic Development and Housing, I could maybe just about live with option A. What I cannot do right now, putting my hand on my heart, is to let down my other colleagues on the Committees *for* Health, Education, Home Affairs and Employment & Social Security (**A Member:** Hear, hear.) because voting for option A is an approach that I believe is too radical for where we are in the process of the transformation of Government.

This is where I am noting as well, I believe there is a little bit of political posturing happening from the party that we have got in the Assembly, who appear that they will be now only supporting option A and abstaining from option B. My sense is that they sense option B has a chance to succeed. It is quite easy to sit back and let the Assembly vote it through and sit back and basically

say, 'Well we are sticking to our manifesto' all while we have had the effort that was explained to us that the way the 1% savings amendment was interpreted was wrong; option A has actually been interpreted wrong.

I believe voting for option A is kicking us into potentially this austerity Budget which might actually be counterproductive. I know there are efficiencies to be made, I know there are services to potentially be cut, and we at Economic Development are not shying away from that. We have made a decision to withdraw Government provision of services from the Digital Greenhouse that will remove six Civil Service posts.

We are not afraid to do it but we need time to continue that transformation. I see really positive seeds of really positive momentum across the organisation. Having Chief Officers come in I think is the right, again, approach. I would like to endorse an approach of a transition period where we are building the organisation. We are empowering everyone in the organisation to be responsible for those savings. I think we absolutely have to be still behind the efficiency approach, but we need to be ensuring it is translated into the whole of Government. It is part of the Civil Service performance and there continues to be a really strong direction.

I also wanted to speak to a few other sections in the Budget Propositions which we have not spoken too much about. One of them is in relation to the tax gaps. When we had the tax debate – and I know Deputy Bury in particular feels very frustrated that a certain part of investigation of taxation has not been explored – I stood here and said, 'Listen, there is still an area we should be continuing to work, and that is in relation to the tax gaps'.

At the time, P&R, my understanding, was committed that that work will be undertaken. However, what is proposed to us in terms of Proposition 5 in relation to the tax gaps is that for this political term we settle on a 'do nothing' scenario, which means we just approve the continuation of the policy in relation to all of the tax gaps as those of increasing it by RPI only.

I have not seen those workings being done. There has not been any consultation done and I cannot stand today and look in Deputy Bury's eyes, because I think there was a commitment that this would be done, that is actually the work has been done.

I would like to suggest to the whole of the Assembly that we vote down Proposition 5. It does not mean in the next Budget that P&R cannot come back, having done the work in consultation with Committees, and suggest that that should be the policy we take forward. I would have preferred not to have even mentioned this today but I believe we need to. I would like to ask that Members not support Proposition 5 specifically.

The other area I wanted to briefly point to, which I will support fully, is Proposition 21; that is in relation to the transfer of the General Reserve of £1.1 million to Guernsey Ports. I think trading assets under Deputy Helyar's leadership are doing quite a lot to commercialise. Assets like Ports in specific, and Harbours in specific, are constrained in what policy –

The Bailiff: Forty seconds left.

Deputy Kazantseva-Miller: – they have to actually run commercially. One of the biggest areas I think is in relation to parking. They cannot keep increasing their fees based on the current users because actually a very large portion of users are not paying for the use of the real estate. I think this is an area we need to be closely looking at because it potentially may require a larger subsidy in the future. I will be voting for option B and I encourage Members, and also my dear colleagues at Forward Guernsey Party, not to abstain on the Proposition.

The Bailiff: It is your time, Deputy Kazantseva-Miller.
Deputy Matthews.

Deputy Matthews: Thank you, madam.

I think I heard Deputy Gabriel open up this debate in support of option A by saying that a business or a household would tighten their belts. I agree with that idea, but I also agree with

Deputy Sloan, almost immediately afterwards, who said that option A is almost designed to fail. I think that I have spoken at length about how I think that the way we went about option A – I agree with the principle of it – dividing up the savings between Committees and giving it to Committees to make cuts as they feel appropriate is never likely to achieve sensible results, and it has not.

I could go on about how I do not think that has happened, but I could also just quote Deputy Humphreys. Deputy Humphreys, who proposed the savings recently, emailed all Members and explained how this has not really worked, and that the intention was that this would be achievable from the core, the support services vacancy review: efficient use of time and space and better and more efficient procurement processes, just things that any business owner would naturally do to improve productivity and profitability.

To the best of my knowledge, this is not what has happened and not what has been proposed through Budget A, which I agree with. I do find it odd that Forward Guernsey would then go on to support what they accept has not been achieved. Because, to my mind, Committees just do not have the same sort of levers that business owners have in order to be able to make those types of adjustments.

There clearly are areas where the States could be much more efficient. In an earlier amendment debate, for example, Deputy Bury was explaining about how it would be difficult for ESS to implement the systems for the employment contribution return (ECR) payment and that it would take up to two years to implement and automate a system. In the meantime, it would be necessary to employ two people on contract if the amendment had passed, which it did not.

As a former software developer, I winced, hearing about the extended timelines and the lack of agility that we have in being able to implement these sorts of changes. I remember going and pitching to my boss that something would take six months to do and being told, 'Well we have got 10 weeks'. I can hear the voice saying, the expression he used was 'just do it' or JDI or another one, JFDI, which I will not spell out in this Chamber. *(Laughter)*.

It is clearly the case as a States' Member that we know there are efficiencies that can be made. It reminds me that business people often say phrases like, 'I know that half of my marketing budget is wasted, I just do not know which half'. That is a very similar situation that we find ourselves in on Committees. There clearly are areas where expenditure could be reduced and where efficiencies could be found. It is a case of being able to run a sensible programme to try and identify those and to make those savings.

This is why I find myself in support of Deputy Parkinson and P&R in their approach to say, well an evidence-based approach is the way to go about this, not the option A approach that is being proposed, which to my mind, we have not heard it in this debate. We used to often hear, I think in a previous term, the word 'irresponsible' was often bandied about, about changes that were phrased; I think it was overused and became a bit of a cliché. I think in this case though it does just seem like it would be a very irresponsible thing to do to vote for option A. It would not produce the results that it should produce.

I will be expecting the changes to be brought around. We are promised in the Budget that there is a commitment to look at bringing savings in a much more structured way, and I will be continuing to look for those to happen. It is just, for me, simply cutting a budget, I agree with Deputy Goy: never tell a government to make a saving without saying where. I think Deputies and the politicians need to put in the work to do that.

That is exactly what we are planning to do on Health & Social Care, for example. We have a workstream for sustainable healthcare which is designed to do exactly that. It is designed to discover how we can make our healthcare services more sustainable and more efficient in the long term, not simply making cutbacks in areas that would affect patient care very negatively.

I am sure even Deputy Inder would agree that if you are going to make cutbacks to budgets, which can be an effective way of doing things, you would at least need to drop a hint about where you think those cutbacks should be made rather than just cutting the numbers and hoping for the best. Madam, I will be supporting option B. I think there are plenty of areas where we could look at efficiencies.

The Bailiff: Thirty seconds.

Deputy Matthews: Did you say 10 seconds, Madam?

The Bailiff: I said 30; now 25. *(Laughter)*

Deputy Matthews: For example, we have not looked at the rent subsidy and the relocation scheme at all. I think that is an area where there is clearly something that we are expending money and we should not be. For lots of reasons, Madam, I will be supporting option B.

Thank you.

The Bailiff: Thank you.

Who else wishes to speak in general debate?

Deputy St Pier.

Deputy St Pier: Madam, this Budget is described as a Budget for growth, but I would suggest that I am afraid it really is not. Injecting £5 million into an economy of £3.5 billion is not a Budget for growth. Neither is increasing the tax breaks for charities, nor is thinking about an entrepreneur's tax cap.

I think calling it a Budget for growth feels very much like a veneer which has been lacquered on it towards the end of the Budget process. I am all for talking up the economy and talking optimistically, and I am all for a bit of political spin *(Laughter)* but I think we should acknowledge that this really, I am afraid, is not a Budget for growth.

With regard to Propositions 30 and 31 and Deputy Sloan's concerns about the fact that there are two votes on every amendment, well that is how our system works. He perhaps could have helped himself by splitting the amendment into two amendments, so he would have known where the will of the Assembly was in relation to each. All amendments do of course, madam, as you will know, simply insert or amend Propositions which then are subject to the final vote. Of course, that is best illustrated by, in fact, the very first new Proposition 1 that needs to be affirmed, and you cannot simply rely on the first debate.

Forward Guernsey is the first proper political party with a detailed manifesto that we are committed to delivering, and we are not going to apologise to colleagues for that. Our manifesto said that we support introducing a 1% reduction in baseline spending in each year from 2026, saving Guernsey more than £25 million a year by 2029.

In presenting Amendment 7 on our behalf, Deputies Humphreys and Rylatt sought to explain why we did not feel that option A was a proper discharge of the January amendment. That amendment and option C have been defeated, so the party has had to reflect on this new position which we found ourselves in to the new reality. Tempting though it is to vote against both A and B, that would be irresponsible in the absence of C, so we have concluded that actually option A is closer to our manifesto than option B.

For some of the reasons that were set out by Deputy Inder, and in more detail and more clearly by Deputy Rochester, option A is, through perhaps a process of shock, better able to deliver the efficiencies and savings that we are committed to and have asked for than option B, which rests on an ambition to do so by 2029 or as soon as possible thereafter, which is picked up by Deputy Camp yesterday.

We will be supporting Proposition 16. While we cannot support Proposition 17, we will abstain from it. That is consistent with the position that we have adopted throughout this debate on all the amendments for additional funding over and above option A. Our manifesto commitment to delivering £25 million of savings by 2029 is looking a real stretch at this point, but we cannot abandon a key commitment on which we were elected and to which we are committed. Clearly, if

option B succeeds, we are going to need to revisit our manifesto commitment to meet the new reality for the remainder of this term. That, madam, I think sets out our position for the final votes.

The Bailiff: Thank you.

Does anybody else wish to speak in general debate?

Deputy Vermeulen.

Deputy Vermeulen: Thank you, ma'am.

Well it has been a curious Budget and a curious debate. On the debate, I have come to the Assembly thinking I have been put here to make a decision; it is a yes or a no, and that is the job the public expect me to do. They do not expect me to abstain and it is something I will not do, so it is going to be either a yes or a no from me.

Where this debate has been curious is, I do not think I have ever seen so many abstentions. I have really been quite taken aback by that. Obviously, it is up to all Members to vote how they see fit, but I do think abstaining is not really what you were put here to do. You were put here to do a job, to make a decision and get on with it. Very quickly, Deputy Ozanne, I will give way.

The Bailiff: Deputy Ozanne.

Deputy Ozanne: I am very grateful to Deputy Vermeulen for giving way, and I totally agree with his points on abstaining. I wonder if he would agree with me that it is very curious also that we have a party who have members in various Committees where they know the impact that abstaining on option B will have on those very Committees. When there is more than one of them on a Committee, that makes it extremely difficult, even to the point that we may have to remove policy letters.

The Bailiff: Deputy Vermeulen.

Deputy Vermeulen: Well, I am not going to have a go at any parties, having been in a party myself; they are doing their very best. I do think one of the standout speeches has come from Deputy Rochester (**A Member:** Hear, hear.) who just happens to be sat next to me. *(Interjections and laughter)* Do you know, I think we have agreed seven or eight times during this debate on the way we voted. I was very excited that it might be making it nine when we get to voting for option A. Some people have said they were voting for options A and B which again takes me back to perhaps abstaining.

The Budget, how that is curious. Well, it is curious because it is not what I have been used to. It has usually been a Budget that has been prepared without multi-options. I have not seen in the past five years so many amendments as we have seen. That probably speaks volumes as to what Deputies think of the Budget. Multi-amendments have been made; there has even been mention of a Daurian ground squirrel from China which is grey, apparently. If you are in Schiphol it was fed into a shredder, which is a bit of a thought, but yes.

The bits I like about this Budget are there is some provision for growth. Finally, after years of calling for growth somebody has woken up and listened and quite quickly responded to putting a volume of money towards growth. That is probably even more important than making savings. That is how we are going to survive going forward. We cannot afford to make any mistakes with this money. We have got to make sure it does what it says on the tin, that it grows the economy. So no pressure, Deputy Kazantseva-Miller, at all there. I wish you well and things are working quite well on Economic Development at the moment, and long may that continue.

That is pretty much it, I think. I do like the savings which are also mentioned here. I do not like flip-flop, as I have explained before, which is why I tabled that amendment to not be out and vote for A. I have really been surprised that so many people are asking me today which way I am going to vote. I think I have telegraphed that with that amendment. I was not expecting the Option C and

I was surprised at how people were banking on that being accepted, but amendments have not been that popular with this Budget debate.

So that is pretty much my observations on it. We will go forward, we need to grow our economy desperately, and we need to try and make efficiencies where we can. If you are expecting Home to do extra things like collect revenue from GST then it is probably going to cost more than what it cost last year where we did not collect GST.

Thank you.

The Bailiff: Thank you.

Does anybody else wish to speak in general debate?

Deputy Niles.

Deputy Niles: Thank you, madam.

I would just like to say a few words, and they are my words, not Policy & Resources' words. I would like to reflect on this Budget. It is the first one that I have been a member of P&R on, and I would like to think about change versus savings and growth versus savings. I think the way that we change the way we do things and the way that we grow our economy in the future is far more important than savings (**A Member:** Hear, hear.) and yet we focus a lot on savings. (**Several Members:** Hear, hear.)

I would like to say that the way the Policy & Resources has approached this Budget, it has been from one starting point, and that has been fiscal good sense. Much has been made about the number of Committee amendments and each one reflects real pressure and real people. It is simply not possible to give every Committee what it asks for and be prudent at the same time.

The whole debate over four days and multiple months in planning has been about a relative increase or decrease of 1% in costs. This is again relative to an average increase over the last decade of 3.5% a year. I do not think we need to beat ourselves up as much as we do. We are getting there. We need to do more but we need to grow faster.

Let us be honest with ourselves, this whole process is brutal; it is brutal for Committees, for officers and for this Assembly. If we change nothing to fix the process following this debate, we will fail ultimately, not because people have not worked hard, but because we have not changed the way that we make our choices.

That change has to be led from the top, and this is the top. It must be our leadership from here, with support and encouragement from our services and civil services that deliver that change. When we come back next year, we should be able to show that we have listened and that we understand better how to deliver our services with a whole lot more efficiency; not through simple cuts, but through better delivery.

We often talk about Government in the third person, as though it is somebody else's problem. It is not, it is our problem; all of our problem. That means questioning ourselves every time that we are tempted to make or create another process. I was struck that, in the middle of a debate about our Budget and efficiency, this Assembly happily agreed to two new processes: one that will now apply to every future decision that we take, and another in our stimulus package for growth, which I support, and has now come with a much more complex process attached to it.

Economic growth must be at the centre of everything that we do (**A Member:** Hear, hear.) but growth, savings and better government all come from the same place: good decisions made as simply as possible, with outcomes delivered quickly, with less process and more delivery. If we want Islanders to come with us this term, we must show restraint first. We must save more than we spend on new commitments. We must be in a hurry to do fewer things, and the ones that we do, we must do really well. No more process, better decisions delivered faster. This is what efficiency is, it is not all about savings, and that should be what the test of this Budget is all about.

Thank you.

The Bailiff: Thank you.

Does anybody else wish to speak? In that case, I will turn to Deputy Parkinson who is replying on behalf of P&R.

Deputy Parkinson: Thank you, ma'am.

Well it is very hard to follow a speech like that, and I do offer my congratulations to Deputy Niles. What is this about? Very much the label on the tin. This is the States of Guernsey's Annual Budget for 2027 and that means it is all of our budgets, it is not P&R's budget. I think Members have commented on the unusual number of amendments. Certainly, I do not recall a Budget that has received 30 amendments before, which has resulted in a four-day long debate with a huge number of speeches and a lot of people able to make their points.

I think that shows how much the States as a whole has been involved in coming up with this Budget, which of course now has been amended by several of those successful amendments. I do not think there is really much more I can add to what people have already said. It is very clear that people have made their minds up on the key issue of option A or option B. I am not going to get out my crystal ball and predict the results. The important thing is that we end up with a Budget. We cannot go into 2027 without a Budget.

Members will know that I support option B, but if the majority decided it was going to be option A, well we would simply allocate those cash limits to the various Committees and they would have to get on with it, including of course P&R. I do not think that would be the right thing to do because I do not think that would allow us to get to the efficiencies we need to make in an orderly, structured way.

Personally, I say, I am going to vote for option B. My colleagues in P&R will also vote for Option B, although some of them I think are also going to support option A, which might confuse some people. The structure of the Propositions is that if option B succeeds, Proposition 17, then it supersedes Proposition 16.

I do not think I need to say very much more. I would just like to thank everyone who has participated in the debate. I think on the whole it has been quite good natured. I think Deputy Vermeulen called this a little bit tetchy. Obviously there is a certain amount of tension in the debate, but that is natural. We are dealing with really hard choices involving considerable sums of public money.

We all have political views and political philosophies. That is why we are here; we are politicians, and we do not always agree with each other. I am not going to persuade those who are of the other persuasion. I think we really just need to get to the vote and make the decision which Guernsey needs us to make.

Thank you.

The Bailiff: Thank you.

So far I have had requests to have the following as a separate vote: number 5, number 9, 13A, 16, 17, 20, 29, 30 and 31. If there are no other ones that Members would like to be dealt with separately, I will ask the States' Greffier to group together the ones in between. Yes, Deputy –

A Member: Can you just repeat that again, Madam, sorry?

The Bailiff: Yes, 5, 9, 13A, 16, 17, 20, 29, 30 and 31.

Yes, Deputy Van Katwyk?

Deputy Van Katwyk: I believe there was a request from Deputy Kazantseva-Miller to handle 21 separately as well.

The Bailiff: It was number 5.

Deputy Van Katwyk: I thought 21 as well, ma'am. Apologies if not.

The Bailiff: Do you want 21 separately?

Deputy Kazantseva-Miller: No, I am supportive of it; I just wanted to make a point about it.

The Bailiff: Yes.
Yes, Deputy Ozanne.

Deputy Ozanne: Ma'am, can we have 27 separate too, please?

The Bailiff: Twenty-seven, yes. Any other?
Yes, Deputy Strachan.

Deputy Strachan: Yes, could you tell me whether 9, 9A and 9B, when you said 9 –

The Bailiff: I do mean 9. I do not mean 9A and 9B; 9 is a separate one from 9A. Although they are numbered like that, they are all separate.

Deputy Strachan: Can we have 9A separate, please?

The Bailiff: 9A separate as well; 9 and then 9A. Deputy Matthews, did you have one that you wanted to separate out?
Did you hear all those, States' Greffier?

The States' Greffier: All together?

The Bailiff: We will do them in numerical order, yes.
Therefore, on that basis, I will ask the States' Greffier to put – yes, Deputy de Sausmarez?

Deputy de Sausmarez: Madam, I do not know how you wanted any declarations of interest, if at all, but are you intending to ask for them ahead of each vote or now in a lump sum?

The Bailiff: No, ahead of each vote so people know what is involved.

Deputy de Sausmarez: May I declare an interest in Proposition 1, which is mortgage interest relief. I would benefit from that.

The Bailiff: Does anybody else wish to declare an interest in relation to 1 to 4A, which is in fact the Propositions that we are going to do in one vote? Deputy Burford. Deputy Bury. Deputy Humphreys. Deputy Strachan.

Deputy Strachan: Declare an interest.

The Bailiff: Deputy Hansmann Rouxel. Deputy Goy.

Deputy Goy: Mortgage interest relief.

The Bailiff: Yes, Deputy Parkinson.

Deputy Parkinson: Yes, I have a mortgage.

The Bailiff: I will go back, Deputy Sloan. Deputy Rylatt. Deputy Blin.

Deputy Blin: Yes.

The Bailiff: Deputy Dorrity.

Deputy Dorrity: Yes, ma'am.

The Bailiff: Deputy Collins.

Deputy Collins:: Yes, ma'am.

The Bailiff: Deputy Curgenven.

Deputy Curgenven: Yes, madam.

The Bailiff: Deputy Matthews.

Deputy Matthews: Yes, madam.

The Bailiff: Deputy Le Brun.

Deputy Le Brun: Yes.

The Bailiff: Deputy Kazantseva-Miller and Deputy Gabriel.

Deputy Gabriel: One and 2 for me, ma'am.

The Bailiff: Thank you.

I am going to ask the States' Greffier to put Propositions 1 to 4A, as I have not had a request for any of those to be dealt with separately. Just before I ask the voting to be opened, can I just check that nobody is seeking – yes, Deputy de Sausmarez?

Deputy de Sausmarez: May I please take 1 separately?

The Bailiff: Which one would you like to be dealt with separately, Deputy de Sausmarez?

Deputy de Sausmarez: Number 1.

The Bailiff: Number 1.

States' Greffier, would you kindly separate out 1 from 2 to 4A? We are just going to deal with Proposition 1 first. Proposition 1 is now on the SEV. States' Greffier, would you kindly open the voting on Proposition 1?

There was a recorded vote.

Carried – Pour 31, Contre 6, Ne vote pas 2, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Collins, Garry	de Sausmarez, Lindsay	None	Laine, Marc
Burford, Yvonne	Dorrity, David	Ozanne, Jayne		
Bury, Tina	McKenna, Liam			
Cameron, Andy	Montague, Paul			
Camp, Haley	Niles, Andrew			

Curgenven, Rob
Falla, Steve
Gabriel, Adrian
Gollop, John
Goy, David
Hansmann Rouxel, Sarah
Helyar, Mark
Hill, Edward
Humphreys, Rhona
Inder, Neil
Kay-Mouat, Bruno
Kazantseva-Miller, Sasha
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
Matthews, Aidan
Oswald, George
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: In relation to Proposition 1 there voted: pour 31, contre 6, there were 2 abstentions. I therefore declare that Proposition 1 has been carried.

We will now put Propositions 2 to 4A, so that is 2, 3, 4 and 4A all as one vote. If nobody is objecting to that, I will ask the States' Greffier to open the voting.

There was a recorded vote.

Carried – Pour 37, Contre 2, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Dorrity, David	None	None	Laine, Marc
Burford, Yvonne	McKenna, Liam			
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				

Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: In relation to this vote there voted: pour 37, contre 2. I therefore declare that all those Propositions were carried.

States' Greffier, would you put Proposition number 5 on? Before you, Members, is Proposition 5. States' Greffier, would you open the voting on Proposition 5?

There was a recorded vote.

Carried – Pour 30, Contre 8, Ne vote pas 1, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Dorrity, David	Bury, Tina	None	Laine, Marc
Burford, Yvonne	Gollop, John			
Cameron, Andy	Hansmann Rouxel, Sarah			
Camp, Haley	Kazantseva-Miller, Sasha			
Collins, Garry	Le Brun, Ross			
Curgenven, Rob	McKenna, Liam			
de Sausmarez, Lindsay	Strachan, Jennifer			
Falla, Steve	Van Katwyk, Lee			
Gabriel, Adrian				
Goy, David				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted in relation to Proposition 5: pour 30, contre 8, there was 1 abstention. I therefore declare the Proposition has been carried.

We will now deal with Propositions 6, 7 and 8 together. If there are no requests for any of those to be dealt with separately, I will ask the States' Greffier to open the voting on those Propositions, please.

There was a recorded vote.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0 Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	McKenna, Liam	None	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: In relation to those Propositions there voted: pour 38, contre 1. I therefore declare that those Propositions have been carried.

Proposition 9, please. Members, you now have on your screens Proposition 9 as it was amended. States' Greffier, would you open the voting on Proposition 9? Deputy Goy, can you vote, please? Deputy Goy, can you vote, please?

There was a recorded vote.

Carried – Pour 35, Contre 3, Ne vote pas 1, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Gollop, John	Matthews, Aidan	None	Laine, Marc
Burford, Yvonne	Goy, David			
Bury, Tina	Helyar, Mark			
Cameron, Andy				
Camp, Haley				
Collins, Garry				

Curgenven, Rob
de Sausmarez, Lindsay
Dorrity, David
Falla, Steve
Gabriel, Adrian
Hansmann Rouxel, Sarah
Hill, Edward
Humphreys, Rhona
Inder, Neil
Kay-Mouat, Bruno
Kazantseva-Miller, Sasha
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
McKenna, Liam
Montague, Paul
Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted in relation to Proposition 9 as amended: pour 35, contre 3 and there was 1 abstention. I therefore declare that that Proposition has been passed.

Proposition 9A, please. Members, you have on your screen Proposition 9A as inserted by Amendment 28. States' Greffier, would you open the voting on that please.

There was a recorded vote.

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Bury, Tina	None	None	Laine, Marc
Burford, Yvonne	Goy, David			
Cameron, Andy	Strachan, Jennifer			
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				

Montague, Paul
Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted in relation to Proposition 9A: pour 36, contre 3. I therefore declare that that Proposition has been carried.

We now deal with 9B through to 13. Unless there is any request for any of those Propositions to be dealt with separately? 9B to 13.

Deputy Matthews.

Deputy Matthews: Madam, could I have Proposition 11 separately?

The Bailiff: Yes, you may.

States' Greffier, if you would kindly re-divide those. Members, you now have on your screens Proposition 9B and Proposition 10 as one vote. I will ask the States' Greffier to open the voting on those. Deputy Goy, please could you indicate your vote, please?

There was a recorded vote.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	McKenna, Liam	None	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				

Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted pour 38, contre 1. I therefore declare that those Propositions have been carried.

Now I will deal with Proposition 11. Members on your screens is Proposition 11. States' Greffier, would you open the voting?

There was a recorded vote.

Carried – Pour 35, Contre 2, Ne vote pas 2, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Gollop, John	Matthews, Aidan	None	Laine, Marc
Burford, Yvonne	McKenna, Liam	Sloan, Andy		
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted in relation to Proposition 11: pour 35, contre 2, there were 2 abstentions. I therefore declare that the Proposition has been carried.

We now deal with Propositions 12 and 13. Propositions 12 and 13, there are no requests to have these dealt with separately. I will ask the States' Greffier to open the voting on these two Propositions as one vote.

There was a recorded vote.

Carried – Pour 35, Contre 2, Ne vote pas 2, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Inder, Neil	Hill, Edward	None	Laine, Marc
Burford, Yvonne	McKenna, Liam	Snowdon, Alexander		
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Humphreys, Rhona				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted in relation to these Propositions: pour 35, contre 2, there were 2 abstentions. I therefore declare that these Propositions have been carried.

Proposition 13A. States' Greffier, would you open the voting on this Proposition?

There was a recorded vote.

Carried – Pour 26, Contre 11, Ne vote pas 2, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Bury, Tina	Hill, Edward	None	Laine, Marc
Burford, Yvonne	Camp, Haley	Snowdon, Alexander		
Cameron, Andy	Gollop, John			
Collins, Garry	Goy, David			
Curgenven, Rob	Kazantseva-Miller, Sasha			
de Sausmarez, Lindsay	Matthews, Aidan			
Dorrity, David	McKenna, Liam			
Falla, Steve	Ozanne, Jayne			
Gabriel, Adrian	Parkinson, Charles			
Hansmann Rouxel, Sarah	Sloan, Andy			
Helyar, Mark	Van Katwyk, Lee			

Humphreys, Rhona
Inder, Neil
Kay-Mouat, Bruno
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
Montague, Paul
Niles, Andrew
Oswald, George
Rochester, Sally
Rylatt, Tom
St Pier, Gavin
Strachan, Jennifer
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted in relation to Proposition 13A: pour 26, contre 11, there were 2 abstentions. I therefore declare that the Proposition has been carried.

Propositions 14 and 15, please. Unless there are any requests to have these Propositions dealt with separately, I would ask the States' Greffier to kindly open the voting on these Propositions.

There was a recorded vote.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	McKenna, Liam	None	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				

Williams, Steve

The Bailiff: There voted in relation to these Propositions: pour 38, contre 1. I therefore declare that these Propositions have been carried.

Proposition 16. States' Greffier, would you open the voting?

There was a recorded vote.

Carried – Pour 24, Contre 15, Ne vote pas 0, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Bury, Tina	None	None	Laine, Marc
Burford, Yvonne	Dorrity, David			
Cameron, Andy	Gollop, John			
Camp, Haley	Hansmann Rouxel, Sarah			
Collins, Garry	Hill, Edward			
Curgenven, Rob	Kazantseva-Miller, Sasha			
de Sausmarez, Lindsay	Leadbeater, Marc			
Falla, Steve	Malik, Munazza			
Gabriel, Adrian	Montague, Paul			
Goy, David	Oswald, George			
Helyar, Mark	Ozanne, Jayne			
Humphreys, Rhona	Parkinson, Charles			
Inder, Neil	Snowdon, Alexander			
Kay-Mouat, Bruno	Strachan, Jennifer			
Le Brun, Ross	Williams, Steve			
Matthews, Aidan				
McKenna, Liam				
Niles, Andrew				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
St Pier, Gavin				
Van Katwyk, Lee				
Vermeulen, Simon				

The Bailiff: There voted in relation to Proposition 16, pour 24, contre 15. I therefore declare that the Proposition has been passed.

Proposition 17. Could you kindly open the voting, please? Deputy Vermeulen. *(Laughter)*

There was a recorded vote.

Carried – Pour 23, Contre 12, Ne vote pas 4, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Burford, Yvonne	Blin, Chris	Humphreys, Rhona	None	Laine, Marc
Bury, Tina	Camp, Haley	Rochester, Sally		
Cameron, Andy	Collins, Garry	Rylatt, Tom		
de Sausmarez, Lindsay	Curgenven, Rob	St Pier, Gavin		
Dorrity, David	Gabriel, Adrian			
Falla, Steve	Helyar, Mark			
Gollop, John	Inder, Neil			
Goy, David	Kay-Mouat, Bruno			
Hansmann Rouxel, Sarah	McKenna, Liam			
Hill, Edward	Sloan, Andy			
Kazantseva-Miller, Sasha	Van Katwyk, Lee			
Le Brun, Ross	Vermeulen, Simon			
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
Montague, Paul				

Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Snowdon, Alexander
Strachan, Jennifer
Williams, Steve

The Bailiff: In relation to Proposition 17, there voted: pour 23, contre 12, there were 4 abstentions. I therefore declare that Proposition 17 has been passed.

Propositions 18 and 19, unless there are any requests to deal with these two Propositions separately.

A Member: Yes, could we deal with 18 and 19 separately, please?

The Bailiff: Yes, States' Greffier, would you kindly – Proposition 18 is on your screen. States' Greffier, would you open the voting on that? Deputy Malik, could you vote, please?

There was a recorded vote.

Carried – Pour 34, Contre 5, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Camp, Haley	None	None	Laine, Marc
Burford, Yvonne	Curgenven, Rob			
Bury, Tina	Inder, Neil			
Cameron, Andy	Sloan, Andy			
Collins, Garry	Van Katwyk, Lee			
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted for Proposition 18: pour 34, contre 5. I therefore declare that Proposition 18 has been passed.

States' Greffier, would you put Proposition 19 on the screen, please? Members on the screen now, Proposition 19 as amended by Amendment 11. States' Greffier, would you open the voting on that Proposition please?

There was a recorded vote.

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Cameron, Andy	None	None	Laine, Marc
Burford, Yvonne	Le Brun, Ross			
Bury, Tina	Van Katwyk, Lee			
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted in relation to Proposition 19: pour 36, contre 3. I therefore declare that the Proposition has been carried.

Proposition 20. States' Greffier, would you open the voting on Proposition 20?

There was a recorded vote.

Carried – Pour 37, Contre 1, Ne vote pas 1, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Van Katwyk, Lee	Bury, Tina	None	Laine, Marc
Burford, Yvonne				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				

de Sausmarez, Lindsay
Dorrity, David
Falla, Steve
Gabriel, Adrian
Gollop, John
Goy, David
Hansmann Rouxel, Sarah
Helyar, Mark
Hill, Edward
Humphreys, Rhona
Inder, Neil
Kay-Mouat, Bruno
Kazantseva-Miller, Sasha
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
Matthews, Aidan
McKenna, Liam
Montague, Paul
Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted pour 37, contre 1, and there was 1 abstention. I therefore declare that the Proposition has been passed.

I had no requests for Propositions 21, 22, 23, 24, 25 and 26 to be dealt with separately. Are there any late requests for these to be separated out?

Deputy Goy: Ma'am, can we have 26 separate, please?

The Bailiff: Sorry, which one; 26?

So can we have only up to 25 then, please, States' Greffier? Members, you have on your screens Propositions 21 through to 25. States' Greffier, would you open the voting on that?

There was a recorded vote.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Van Katwyk, Lee	None	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				

Hansmann Rouxel, Sarah
Helyar, Mark
Hill, Edward
Humphreys, Rhona
Inder, Neil
Kay-Mouat, Bruno
Kazantseva-Miller, Sasha
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
Matthews, Aidan
McKenna, Liam
Montague, Paul
Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted pour 38, contre 1. I therefore declare that those Propositions have been passed.

Proposition 26. Members, it is now on your screen, Proposition 26, it was inserted by Amendment 31. States' Greffier, would you open the voting on that?

There was a recorded vote.

Carried – Pour 38, Contre 1, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Sloan, Andy	None	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				

Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: There voted pour 38, contre 1. I therefore declare that that Proposition has been carried.

Proposition 27. Members, on your screen is Proposition 27, which was inserted by Amendment 6. States' Greffier, would you open the voting on that Proposition?

There was a recorded vote.

Carried – Pour 37, Contre 1, Ne vote pas 1, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Ozanne, Jayne	Parkinson, Charles	None	Laine, Marc
Burford, Yvonne				
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: There voted in relation to Proposition 27: pour 37, contre 1 and there was 1 abstention. I therefore declare that the Proposition has been passed.

Proposition 28, please. Members, you have on your screens Proposition 28, which was inserted by Amendment 9. Would you open the voting on that Proposition, please, States' Greffier?

There was a recorded vote.

Carried – Pour 37, Contre 2, Ne vote pas 0, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Goy, David	None	None	Laine, Marc
Burford, Yvonne	Sloan, Andy			
Bury, Tina				
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Van Katwyk, Lee				
Vermeulen, Simon				
Williams, Steve				

The Bailiff: In relation to Proposition 28, there voted: pour, 37, contre, 2. I therefore declare that the Proposition has been passed.

Proposition 29. Would you kindly open the voting on Proposition 29, please?

There was a recorded vote.

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	Helyar, Mark	None	None	Laine, Marc
Burford, Yvonne	Inder, Neil			
Bury, Tina	Sloan, Andy			
Cameron, Andy				
Camp, Haley				
Collins, Garry				

Curgenven, Rob
de Sausmarez, Lindsay
Dorrity, David
Falla, Steve
Gabriel, Adrian
Gollop, John
Goy, David
Hansmann Rouxel, Sarah
Hill, Edward
Humphreys, Rhona
Kay-Mouat, Bruno
Kazantseva-Miller, Sasha
Le Brun, Ross
Leadbeater, Marc
Malik, Munazza
Matthews, Aidan
McKenna, Liam
Montague, Paul
Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: In relation to Proposition 29, there voted: pour 36, contre 3. I therefore declare that Proposition 29 has been carried.

Proposition 30. Would you kindly open the voting on Proposition 30, please?

There was a recorded vote.

Carried – Pour 36, Contre 3, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Cameron, Andy	None	None	Laine, Marc
Burford, Yvonne	Hansmann Rouxel, Sarah			
Bury, Tina	Le Brun, Ross			
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Inder, Neil				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Leadbeater, Marc				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				

Niles, Andrew
Oswald, George
Ozanne, Jayne
Parkinson, Charles
Rochester, Sally
Rylatt, Tom
Sloan, Andy
Snowdon, Alexander
St Pier, Gavin
Strachan, Jennifer
Van Katwyk, Lee
Vermeulen, Simon
Williams, Steve

The Bailiff: In relation to Proposition 30 there voted: pour 36, contre 3. I therefore declare that Proposition 30 has been carried.

Proposition 31. Members, you have on your screen Proposition 31, as inserted by Amendment 18. States' Greffier, would you open the voting on that Proposition?

There was a recorded vote.

Carried – Pour 20, Contre 19, Ne vote pas 0, Did not vote 0, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Blin, Chris	Burford, Yvonne	None	None	Laine, Marc
Camp, Haley	Bury, Tina			
Collins, Garry	Cameron, Andy			
Curgenven, Rob	de Sausmarez, Lindsay			
Dorrity, David	Falla, Steve			
Goy, David	Gabriel, Adrian			
Helyar, Mark	Gollop, John			
Hill, Edward	Hansmann Rouxel, Sarah			
Inder, Neil	Humphreys, Rhona			
Kay-Mouat, Bruno	Le Brun, Ross			
Kazantseva-Miller, Sasha	Montague, Paul			
Leadbeater, Marc	Niles, Andrew			
Malik, Munazza	Oswald, George			
Matthews, Aidan	Ozanne, Jayne			
McKenna, Liam	Parkinson, Charles			
Sloan, Andy	Rochester, Sally			
Snowdon, Alexander	Rylatt, Tom			
Van Katwyk, Lee	St Pier, Gavin			
Vermeulen, Simon	Strachan, Jennifer			
Williams, Steve				

The Bailiff: There voted in relation to Proposition 31: pour 20, contre 19. I therefore declare that the Proposition has been carried.

COMMITTEE *FOR* EMPLOYMENT & SOCIAL SECURITY

2. Non-contributory Benefit Rates for 2027 – Proposition carried

The Bailiff: Next item of business, please, States' Greffier.

The States' Greffier: Article 2. Non-contributory Benefit Rates for 2027.

The Bailiff: Deputy Bury.

Deputy Bury: Thank you ma'am.

I will try to keep this fairly brief as it has been a long week, but here is a canter through the proposals in this our second uprating policy letter. The non-contributory benefits covered in this policy letter are funded entirely through general revenue and include income support, family allowance, severe disability benefit and carers allowance. The Committee's proposals for most non-contributory benefit rates for 2027 are in line with either resolutions of the States or guideline uprating policies.

The Committee recommends that the majority of non-contributory benefits are increased for 2027 in line with the annual rate of core inflation, RPIX, as at 30th June 2026, which was 4.3%. But as I mentioned yesterday, this figure is actually below the rate of inflation that many of these household types are experiencing as per the household cost indices. It is closer to 5% in many of these cases.

The Committee has recommended that the income support maximum rent allowance be increased by 5% with effect from 8th January. This modest real terms increase has been proposed in response to the increasing number of income support customers residing in private rental properties whose rent exceeds the current relevant maximum rent allowance. We use MRA. I am saying it a lot, so I am just going to move to MRA.

MRA is the maximum amount an income support claimant can have factored into the means test for rental costs. If a person's rent is lower than the relevant MRA, they would have an amount equal to their rent factored into the means test, not the full MRA amount. MRAs fully cover all social housing rents, however approximately 25% of income support claimants reside in private rental properties, the rents for which are typically much higher than those of social housing properties. Applying an MRA to income support customers residing in private rental properties can therefore sometimes result in a shortfall in rent which must be met from other sources such as their personal living allowance or savings. At the time of writing the policy letter, 119 income support claimants had rental costs which exceeded the relevant MRA for their household composition.

Further, the Committee recommends that the winter fuel allowance be adjusted by the change in the cost of fuel and light over the year ending 30th June 2026, which was 19%. This will increase the winter fuel allowance to £50.48 per week from the end of October this year to 29th April next year. Although this level of increase is high, it is longstanding practice to increase this allowance by the rate of inflation of the fuel and light group. Many fear this still will not be enough.

The Committee recommends that the annual household income limit to receive family allowance be frozen at its current level of £125,000. The States agreed to set the household limit at £125,000 with effect from 6th January 2025, and it was frozen at that level during 2026. Freezing the annual household limit for 2027 would reduce its real terms value compared to 2026 by £5,000. If this proposal is approved, it is estimated that 3% of currently eligible households will become ineligible to receive family allowance in 2027. This would result in an estimated saving of around £200,000 compared to increasing the limit in line with inflation.

There are also some proposed legislative changes in the policy letter. The Committee proposes that severe disability benefit and carers allowance laws be amended to allow that both these benefits be backdated for a period of up to 12 months before the date on which a claim was made, provided that there is good cause for the delay.

It is currently not possible to backdate severe disability allowance and carers allowance, and the Committee's proposal to allow this would bring both benefits broadly in line with several other benefits for which the Committee is responsible. The requirement that there be good cause for a delay in making a claim for benefit is already set out in legislation in respect of a number of benefits the Committee administers and local and UK social security case law makes it clear that good cause is not the same as good excuse.

The Committee also proposes that the Income Support Implementation Ordinance be amended (a) to allow payments made under any health compensation or incentivisation scheme approved by

the Committee to be disregarded from the income support means test – so this would mean schemes such as the most recent infected blood compensation scheme – and (b) to clarify certain anti-divestment provisions set out in the first schedule of the ordinance.

Firstly, the proposed changes would clarify that the phrase 'to secure income support' includes obtaining or maintaining an income support claim. Secondly, the proposed changes would clarify that resources include the cash value lost when a resource is sold, given away or otherwise disposed of for less than its market value.

As I explained yesterday, these benefits are demand-led and cannot be restricted to simply meet a predetermined expenditure target. The 4.3% increase is in line with RPIX and aims to protect the real value of support as living costs continue to rise. To receive a benefit an individual must meet a set list of eligibility criteria, which might include income and capital limits and residency requirements. If a person meets those criteria they receive the benefit in question. We do sometimes hear misconceptions that there is a low bar or even no rules at all to qualify to receive benefits and that is certainly not the case.

Members of the Committee, I would say myself in particular, often receive enquiries from individuals who have not satisfied the eligibility criteria to receive a certain benefit. While it is never the intention to deny access to benefits, the conversations the Committee has with these individuals illustrate that ESS officers often have to make very tough decisions regarding who is entitled to benefits and who is not.

That was a quick canter through. I welcome any debate and questions from Members.

Thank you, ma'am.

Amendment 1.

To insert an additional Proposition immediately after Proposition 6, as follows:

'6A. To agree that the gross annual household income limit for entitlement to family allowance shall be £136,800 with effect from 4th January 2027, and to direct that the draft Family Allowances Ordinance, 2026 (P.2026/74) be amended accordingly before its approval by the States, together with the preparation of such further legislation as may be necessary to give effect to this decision.'.

The Bailiff: Deputy Sloan, do you wish the States' Greffier to read your amendment?

Deputy Sloan: I do, madam, for the sake of those listening in.

The States' Greffier read out Amendment 1.

The Bailiff: Deputy Sloan.

Deputy Sloan: Thank you, madam.

Madam, my colleagues may be beginning to detect something of a theme in my contributions to debate this week, or another theme I should say. Having spent some time yesterday with Deputy Malik arguing for the restoration of Child Responsibility Tax Allowance, I find myself this afternoon proposing an amendment concerning family allowance.

Now I appreciate I am becoming a bit obsessive on this and might be having a bit of a reputation in that respect, but indeed at this rate, madam, I may soon have to start describing myself as the unofficial Deputy for families. But there is a serious point behind this amendment, madam.

I think we have rather lost sight of the financial responsibilities involved in raising children and the importance in recognising those responsibilities in our tax and benefits arrangements. This amendment, madam, is relatively straightforward. It proposes increasing the household income ceiling for family allowance from £125,000 to £136,800, bringing it into line with the ceiling proposed for severe disability benefit and carers allowance, quite consistent. The Committee is proposing to increase the weekly rate of family allowance by 4.3% in line with inflation and to freeze the income ceiling at £125,000, repeating what it did last year.

So in contrast, the Severe Disability Benefit and Carer's Allowance, it proposed increasing both the payment and the income ceiling by 4.3%. Madam, I struggle to understand the consistency of that approach. In one case we recognise that inflation affects the value of the benefit and the income threshold used to determine eligibility. In the other we recognise the first but not the second, as was done last year. The consequence is that the real value of the family allowance income ceiling is progressively reduced. Analogous to fiscal drag, as an issue raised by Deputy St Pier yesterday.

It is not simply a theoretical concern, madam. The Committee itself, as we have just heard, estimates that approximately 3% of currently eligible households will lose entitlement as a consequence of not uprating the threshold. Now, I appreciate that £125,000 sounds like a substantial household income. I can hear already the response that these are hardly the households in need of support. But we are talking gross household income, potentially earned by two working parents, and we should recognise that raising children involves substantial additional responsibilities.

Madam, more importantly, though, the question is not whether £125,000 or £136,800 is the right income ceiling. The question is how we have arrived at the decision to treat family allowance differently. And this is where I have a fundamental, or a more fundamental concern. The explanation appears to be that family allowance was identified as a potential savings measure during the 2024 exercise to reduce the cost of public services. I believe that was a wide-ranging consultation with the public.

I am probably one of the last Members of this Assembly who needs persuading of the importance of controlling public expenditure. But there is a distinction, madam, between identifying something as a possible saving and establishing that reducing expenditure in that area represents good public policy, and sometimes we confuse the two.

Indeed, madam, the Committee already acknowledges in paragraph 3.3 of its own policy letter that the proposed review of family allowance has not yet been undertaken. So what are we doing here, madam? We have identified family allowance as an area where we might save some money. But we have not undertaken the policy review to establish whether those savings are justified or even desirable. But, in the meantime, we are proceeding with a measure that progressively reduces eligibility. In fact, we are implementing a saving before we have established a policy case for making them.

Now, madam, I do not think that is a particularly sensible way to proceed. It is especially difficult to reconcile with the approach being taken to the other non-contributive benefits.

Finally, let me just address, madam, the financial consequences. The additional estimated cost of this amendment is approximately £500,000 a year. Madam, that is clearly an indicative sum. I fully acknowledge that it is not an insignificant sum, but we should put it into perspective. The Committee's own projections show that income support expenditure increasing from £61 million this year to £66.3 million next year. Madam, that is an increase of £5.3 million in a single year. The additional cost of this amendment would represent less than a tenth of that increase, around 0.6% of projected general revenue funded Social Security expenditure.

I am not suggesting we should disregard £500,000 simply because other areas of expenditure are increasing. Quite the opposite. We should be examining all expenditure carefully. But we should be asking whether decisions we make are consistent with our wider policy objectives. That brings me back to the argument I made yesterday. We spend a great deal of time, madam, discussing Guernsey's demographic challenges. We worry about our ageing population, the future size of our working age population, the sustainability of our public finances, pressure on our health and social services system, etc. We recognise we need working families to remain in Guernsey and that we need the Island to be an attractive place in which to bring up children.

Yet, when it comes to our tax and benefit arrangements, we seem increasingly reluctant to recognise the additional financial responsibilities of doing precisely that. Yesterday, madam, I argued that our tax system should recognise the responsibilities associated with raising children. This amendment approaches the same issue but from a different direction. It is about ensuring we

do not progressively withdraw an existing form of family support without first establishing a policy justification for doing so.

Madam, I want to be clear about something. I am not arguing that family allowance should be immune from scrutiny or reform. There may well be good arguments for changing its eligibility criteria. There may well be better ways of targeting support. There may be questions about its effectiveness, its distributional consequences, and whether it represents, madam, the best use of public money. These are all perfectly legitimate questions, but they are questions for a proper policy review informed by evidence, not questions that should be answered by allowing an income threshold to erode through inflation.

I would have thought that was a Proposition with which the Committee could agree. This amendment does not prevent the Committee from undertaking that review. It does not prejudge what the outcome of that review should be. It simply says, in the meantime, we should adopt a consistent approach to the uprating of income ceilings across these benefits.

Madam, I am conscious that having proposed two amendments this week with supporting families, I may be exhausting Members' patience on the subject, particularly after a long week, but I can assure them I have not undergone some sudden conversion to the cause of unrestricted public expenditure. I remain every bit as concerned about growth in States' spending as I was when the debate began this week. But fiscal discipline is not just about finding opportunities to spend less. It is also about making considered choices, understanding the consequence of those choices, and ensuring that expenditure decisions reflect our stated priorities.

If supporting families and responding to our demographic challenges are genuinely among those priorities, then we should demonstrate a little more consistency in how we approach them. Let us undertake the review, madam, Let us examine the evidence, and then let us make a considered decision about the future of family allowance. But, madam, let us not allow an arbitrary freeze to do the work of a policy review we have yet to conclude.

I ask Members, through you, madam, to support the amendment.

The Bailiff: Thank you.

Deputy Malik, do you formally second that amendment?

Deputy Malik: Yes, ma'am.

The Bailiff: Who wishes to speak on this amendment?

Deputy Inder.

Deputy Inder: Only briefly, Madam Bailli and Members.

I do not really know much about social policy and welfare. I will leave it to people who can (1) probably count and (2) have expressed a greater interest. I have always made reference to Deputy Collins, who I have always welcomed to have him on the side of me if I was making a decision, and obviously Deputy Bury, perhaps she genuinely really is kind of from – and as she has expressed in the past – this sort of lowly upbringing, I think she said, where she has come from.

But surely, and I am experimenting here, the needs of families who choose to have children are distinctly different to those who fall foul of disability or suddenly become carers. That feels to me like different policy objectives, probably. Those with disability or care responsibility are not the same as those who choose to have children. I think what Deputy Sloan is trying to argue is based on equality of administration, not necessarily a quality of, I suppose, the choices or the position they find themselves.

Again, Members, as I have said before, Deputy Sloan, he said previously that he is a fan of universal benefits. I am simply not. I will not be supporting this because more work should be done in this area, and I do not think a single figure of earning in any way reflects a position of a family. But I do know that people with disabilities and those with carer responsibilities are suffering quite

greatly. Strangely enough, I would rather have seen an amendment that reflected giving more money to those with disabilities and reflecting the role that the carers play in society.

So, in this case, Madam Bailli, through you to Members, I will not be supporting this amendment.

The Bailiff: Thank you.

Deputy Ozanne, and then Deputy Gollop.

Deputy Ozanne: Thank you, ma'am.

I said earlier that I thought I was stuck down a rabbit hole in Alice's Wonderland. I now believe I might be stuck in Groundhog Day because I do think we have been around this topic quite a few times. We are probably likely to keep going over the next few years.

One of the questions I have for the Chamber is whether they really think the difference for someone who is earning between £125,000 and £138,000, that the difference in that tax bracket or income bracket is going to make a huge difference.

Deputy Kazantseva-Miller: Point of correction, madam. Household income; I just want to say this is household income, so it could be £66,000, £67,000.

The Bailiff: Deputy Ozanne.

Deputy Ozanne: I stand corrected. Thank you, Deputy Kazantseva-Miller.

The truth is, though, that at that level a lot of people are single income households and somebody stays at home. Either way, it is an awful lot of money. That is what I am trying to say, compared to the £32,000 that we turned down this morning to give some relief for.

But the bottom line is, there is a difference between academic rigour and purist thinking, which I am very grateful we get lessons on in this Chamber, whether it is on inflation or on a range of topics, and the mucky reality of having to make budgets work. Deputy Sloan challenged us to be consistent, but I would suggest part of that consistency is to follow through on votes that have just been taken. Deputy Sloan has voted for option A to freeze our budget, but then wants us to find an awful lot more money for this group, a specific group, between £125,000 and £138,000.

On ESS, we are tasked with trying to find savings. We are tasked to make really difficult choices as to where do we cut benefits, where can we tighten our belts, who do we hurt in order to who do we support. I suggest that that is not a comfortable place to be in. I am sure our President will touch on this. But the reality is, we are trying to be not just consistent but fair.

Again, in trying to force us to keep a cap, or rather take the cap up to £138,000 in such a context as we currently are, it is just irresponsible. It is inconsistent with the decisions that we have just made in the Budget. I strongly urge Members to send a clear message that we do not want to be stuck in this Groundhog Day again, and this is not something that we want to support.

Thank you.

The Bailiff: Thank you.

Deputy Gollop.

Deputy Gollop: I quite like Groundhog Day and, what was the song, 'I Got You Babe'? But the thing is, we are in this cycle on this because of a mixture not just of academic scrutinising rigour, but inconsistency within Committees like Employment & Social Security, and more generally. I believe the family allowance concept was introduced in Guernsey from a 1950 Law. Initially, it sat within Income Tax, then in the 1980s it became a family allowance.

I remember when the then Deputy Dorey was President, Minister of Social Security, and he launched a useful exercise, and so did his predecessor, into looking at family allowance and whether it was still relevant. There was such a reaction from the public, and to a degree States' Members, it was kept. But to a certain extent, it has been on death row for a number of years. Certainly, different

Committees I sat on saw it as more of a reluctant inheritance from the past rather than something relevant for today.

Yet, it has continued to survive, still rising from £1,350 in 2017 to £1,840 in 2025. In reality, it has not kept up with inflation altogether. There has been a certain resistance to it. So it is not surprising to me that, in a pragmatic way, ESS decided to budget-bust by effectively reducing the ability to get family allowance for higher-earning people, while not doing the same process with attendance allowance and care. They are very different. But that is not entirely the point. They are two different kinds of benefit that have been treated very differently. Indeed, attendance allowance and carer's allowance have gone up fairly rapidly. I remember Deputy McKenna made a strong speech about that in the past.

My point is to really, for everybody, bearing in mind the support, which was then taken away but still a near miss, for the earlier one about a tax benefit for families to really sensibly look at this. I am very much in the camp to support family life. We heard some interesting examples of countries where they have given more to families, and it has not resulted in huge changes. The Hungarian example is interesting, because that is a very unusual society with its politics and communist past. The research suggests that the numbers of families have stayed consistent rather than declined.

We in Guernsey have seen a significant decline in our birth rate, so we really do need to encourage people across the income spectrum to have family life.

Bearing in mind the long debate we had on £85,000, with these figures, if you have a couple who are together, by my maths, it is about £67,000 each. So, again, there is a little bit of inconsistency for one group in one Committee compared to Policy & Resources in another.

Yes, maybe we do have to make hard decisions about what kind of family support we are going to give, and whether it is entirely universal, which is not quite, or targeted. But surely, as Deputy Sloan said, it should be on the back of a considered policy report, cross-Committee, rather than what amounts to a change in policy without particular rationale or evidence behind it. Except, as I appreciate from Deputy Ozanne, the need to protect the budget.

I may talk about other ones, but they are not relevant to this amendment.

Thank you.

The Bailiff: Thank you.

Deputy Matthews.

Deputy Matthews: Thank you, madam.

I agree with much of Deputy Gollop's views as expressed in his speech. I find myself a little torn on this amendment, because on the one hand, in general, in an abstract sense, I support more the principle of universal benefits. On the other hand, in order to fund universal benefits, you would have to have a more progressive taxation system, rather than the flat one that we tend to have, or it is not even flat, because we have tax caps.

In terms of uprating this, it is a more difficult decision to make. But there is one question which I would like for the proposer and Deputy Bury to maybe answer during their summing-up, which is, I know that this is the household income. A few speakers have talked, madam, about how you can hit that with two working parents at about £67,000. An awful lot of families now do have two working parents. That is quite common. I have heard a couple of people say that, at that level, you would probably only have one working parent. In my experience, it is much more common these days for both parents to be working full-time.

But I also did wonder, with a household allowance, it may be possible to hit that even more easily than that. If you have a family, especially if you have a large family, and you have children who grow up and remain at home but go out and start earning. So, as soon as your eldest child starts to earn, I believe that can contribute to your household income, which can then reduce, or in this case, would make you ineligible for child support for your younger siblings. So I would just like somebody to confirm whether that is the case.

Because, if that is the case, then it is genuinely quite easy to hit that cap if you have three earners contributing to a household income. Even if, of course, your 18 or 19-year-old son or daughter might not be earning all that much, it would certainly be enough maybe to push you over that cap. So that was my only question, madam, and I hope somebody could answer that during summing-up.

Thank you.

The Bailiff: Does anybody else wish to speak?

Yes, Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Madam, yesterday I spoke about fiscal inconsistency. We approved the tax reform with the core purpose of diversifying away from Income Tax, and the next day we are using Income Tax fiscal drag to tax more people. Now this is about policy inconsistency, because one of our five super priorities is about supporting families and children. Just this week Deputy de Sausmarez was giving us an update about how well that work is progressing, and literally the next day we are looking to withdraw, effectively, through another fiscal drag, support for families.

I am not sure how we can continue having such inconsistent policy directions as a States, and Deputy Sloan was absolutely right, this represents a policy decision and a policy shift without any policy vacuum, but in fact contrary to the super priority the States is directing.

I give way to Deputy Rochester.

The Bailiff: Deputy Rochester.

Deputy Rochester: Thank you.

I have just got a genuine question. We debated the family benefits element of the Forward Guernsey amendments, and there has been a direction to go away and look at allowances, benefits in the round. So, through you, madam, would you agree that that piece of work would cover exactly this point, and hopefully will address it.

The Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: Madam, through you, yes, absolutely, but any changes should be brought at the time when the policy direction is brought, not prematurely effecting policy change contrary to the direction under our super priority, not just a box in the GWP, a super priority.

It feels like there was also going to be an amendment if option A was approved, it was going to be again the criteria around the family allowance that was going to be penalised. So it does feel like the family allowance is the ultimate penalty where, if ESS does not get the budget it needs, that is effectively where the penalty comes.

I get the sense that there is some philosophy that we should only prioritise support for families with children in the poorer families, but disregard families with other children. I just think this is really completely inconsistent to the fundamental policy direction that this Government is trying to really properly investigate with the view of, I hope, providing more support for families with children, not less overall.

So I do not think this is politically consistent, it is the wrong time to do it, we should let that work absolutely, as Deputy Rochester says, be developed properly. But let us not continue having this fiscal drag. Again, as I said yesterday, we already know that the tax reform changes with the GST will be mostly affecting families. Again, by making 3% of households worse, you are making the projections of the GST impact even worse for those families today. Again, during the cost-of-living crisis, during our priorities of supporting families, and you are continuing to penalise families with children.

I just think, let us pack our bags and go today. Really inconsistent; I am really surprised this has been brought forward. I do not have a benefit to declare, but this is stealth tax through the back door.

The Bailiff: Deputy Camp.

Deputy Camp: Thank you.

I find myself agreeing with Deputy Kazantseva-Miller. Yesterday, Deputy Sloan was told do not try to change anything while we are doing this review, and yet we now have a Proposition that definitely changes something in exactly the same area before the review is done. So I completely agree, things should be properly considered before. I still believe, and I have said to those on the political oversight group around this particular area, that the instruction given to them could involve them bringing something to this Assembly, or not, and it being approved, or not. So I would rather try to preserve what we do have for families than not.

I get the point; this is a large amount of money that people can earn. I get that, and probably when I had my allowance removed, when I was earning this kind of money, I thought, yes, okay, so it has gone; that is fair enough. But this is about a policy point rather than perhaps that point.

Finally, as well, I understand Deputy Inder, children are a choice, but by god we want people to make that choice. Because the ultimate economic theory is they pay for us when we are older, right? I have done my bit, I have a son who will pay for my old age, I can feel very happy about that. But that is not always the case, and he had better flippin' stay so he can pay for my old age too. So please help him to come back.

But they are very different things when we are talking about sickness benefits and things that help people, because they are very different economic sides of the coin. Children being born into the world is what furthers the human race ultimately, and is what furthers the Guernsey community ultimately. So when we all wore our Guernseys yesterday, which Deputy Inder reminded us of, we were all hoping that there would be Guernsey children, not just Guernsey old people and then Guernsey dead people.

So thank you, I will support the amendment.

Deputy Leadbeater: Can I try a 26(1) please, madam?

The Bailiff: Yes, Deputy Leadbeater is seeking a guillotine motion on the debate on Amendment 1. Those who still wish to talk in debate, stand in their places. Would you like me to put it to the vote?

Deputy Helyar: May I ask for an electronic vote?

The Bailiff: You may indeed, Deputy Helyar.

States' Greffier, could you put an electronic vote on a 26(1)? He had one in his back pocket. Members, on your screens is the guillotine motion in relation to amendment 1. States' Greffier, would you open the voting on this?

There was a recorded vote.

Not carried – Pour 17, Contre 21, Ne vote pas 0, Did not vote 1, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Cameron, Andy	Blin, Chris	None	Van Katwyk, Lee	Laine, Marc
Dorrity, David	Burford, Yvonne			
Falla, Steve	Bury, Tina			
Helyar, Mark	Camp, Haley			
Hill, Edward	Collins, Garry			

Inder, Neil	Curgenven, Rob
Le Brun, Ross	de Sausmarez, Lindsay
Leadbeater, Marc	Gabriel, Adrian
McKenna, Liam	Gollop, John
Montague, Paul	Goy, David
Niles, Andrew	Hansmann Rouxel, Sarah
Oswald, George	Humphreys, Rhona
Ozanne, Jayne	Kay-Mouat, Bruno
Parkinson, Charles	Kazantseva-Miller, Sasha
Rochester, Sally	Malik, Munazza
Snowdon, Alexander	Matthews, Aidan
Williams, Steve	Rylatt, Tom
	Sloan, Andy
	St Pier, Gavin
	Strachan, Jennifer
	Vermeulen, Simon

The Bailiff: In relation to the guillotine motion, there voted: pour 17, contre 21, and 1 Member had left the Chamber by the time of the vote, so therefore we will continue to debate Amendment 1.

Those who wish to speak on amendment 1, please stand in your place.

Deputy Hansmann Rouxel, you can go.

Deputy Hansmann Rouxel: Thank you.

I will be very brief because the points made by Deputy Kazantseva-Miller are absolutely valid. But having not sat on the Committee *for* ESS, it is slightly difficult to make that assertion about a Committee's decision to make very difficult decisions. Yes, it is inconsistent, but we were tasked to come back and fit within option B.

All of the Members in this Assembly who sit on those larger Principal Committees that do have these social benefit services, those are the kind of decisions that we have been forced to make. I absolutely agree, it is inconsistent. I am not comfortable with it being inconsistent, but I would like to hear from the Committee what the implications of agreeing this amendment would be to their budget that we have just agreed.

So we did not agree more money for their budget. They have budgeted based on what is in this; that is my understanding. By agreeing this, we would be then putting the pressure that we have just agreed not to put on them, on them. That is the core crux of this. It is not an ideological argument over whether it is or is not inconsistent. We have been forced into making inconsistent decisions, and I absolutely agree that we need to sort that out. We need to have consistent policymaking. That is part of why, when you have what feels like a nebulous body like the children and young people super priority, it is about bringing consistency across all of these policy areas.

But, in the meantime, we are stuck with a lot of inconsistent decisions that we are making. It is not going to help us by throwing out one of those inconsistent decisions and then forcing a Committee to make other, deeper inconsistent decisions within their mandate in order to fit in. So I would like the President of ESS, in reply to debate, please, to clarify that my understanding is correct that this will have to be absorbed within their budget.

Thank you.

The Bailiff: Deputy Collins.

Deputy Collins: Thank you, ma'am.

I will be very brief. To be honest, the last speaker has probably coined what I was going to say. I was going to ask a technical question almost, because I have thought about this before. We have just agreed the budget for ESS, so I always think that the policy before us should have been debated before the Budget, but I get it is horse and cart, ma'am. So I would really like some input on that.

I do understand absolutely what Members are saying. It is so inconsistent across different caps at all. I mean, access to the 15 hours free preschool is a cap of £150,000. So you are absolutely right.

The whole early years needs to be looked at, and I have spoken passionately, ma'am, about supporting that work any way I can.

I am not going to say more than that, ma'am. I am not supporting this.

Thank you.

The Bailiff: Deputy St Pier.

Deputy St Pier: Just following on from the last couple of speakers, madam, in relation to this issue of the funding of this measure. Clearly, with the budgets now having been set, ESS would need to accommodate that policy change within the overall cash limit allocated, which would therefore require some decisions in relation to some of the other non-contributory benefits. Certainly, when I saw this amendment, it struck me that really what those proposing and supporting it needed to have done was to have brought an amendment to the Budget first in order to ensure that the funds were there to enable this subsequently to follow. So I do think that is a fatal flaw.

I will give way to Deputy Kazantseva-Miller.

The Bailiff: Deputy Kazantseva-Miller.

Deputy Kazantseva-Miller: I am grateful to Deputy St Pier and previously Deputy Collins to illustrate exactly what the point I am trying to make, is we have seven different policy letters throughout the year where we are making different decisions. I have consistently said we need to bring contributory and non-contributory benefits into the Budget debate exactly for the reasons we are displaying.

I am not sure it is a good enough reason to suggest that we should be making amendments elsewhere. They should be in one Budget debate because ultimately all of those interactions make a difference. So it exactly illustrates what they are facing, the technical issue we are facing today illustrates the nature why all these debates have to be in one, largely the Budget debate.

The Bailiff: Deputy St Pier.

Deputy St Pier: Thank you, madam.

Of course Deputy Kazantseva-Miller has made that point before, and there is some validity in that. In which course, that is one of the reasons why this special meeting specifically provides for both of these policy letters to be debated at the same time.

However, in the context of the whole ESS non-contributory budget, the amendment that was laid and withdrawn, and indeed in relation to this, it is a valid question perhaps to ask whether this report ought to be debated before the Budget Report in order that the policy-setting determined by this policy letter feeds logically into the States' Budget Report. I guess that is a matter perhaps for P&R to consider in due course with SACC as to whether there is a valid argument for doing something differently.

In relation to the non-contributory report, that does have less connection clearly with the general revenue budget that is dealt with by the Budget Report, but Deputy Kazantseva-Miller's point is there. But nonetheless, all of that is a nice theoretical discussion in terms of how things perhaps ought to be. We have to deal with where we are, and where we are is that the cash limit has now been set in the series of votes taken less than an hour ago, and those should have been amended in order to accommodate this policy change.

In the absence of that, it will mean that policy has to be changed by the Committee in relation to other non-contributory benefits, and that effectively is a decision that Members will be making is, in order to give more to this cohort, there will have to be less given to others.

The Bailiff: Does anybody else wish to speak? In that case, I will turn to Deputy Bury to respond on behalf of the Committee.

Deputy Bury: Thank you ma'am.

I will pick up a couple of points that were made similarly by Deputy Sloan and Deputy Inder at the start of debate. The comparison between carer's allowance, severe disability and family allowance; it is definitely not apples and apples. The qualifying criteria to receive, which is the question that Deputy Inder was asking, the qualifying criteria to receive severe disability benefit and carer's allowance is an incredibly high bar.

So severe disability benefit, quick descriptions. By day, if you require frequent attention in connection with your bodily functions or constant supervision throughout the day in order to avoid substantial danger to yourself or others. By night, if you require prolonged or repeated attention in connection with your bodily functions or constant supervision throughout the night in order to avoid substantial danger to yourself or others.

Carer's allowance; you must be caring for a severely disabled person in receipt of severe disability benefit for at least 35 hours per week. You may be able to get carer's allowance, 35 hours a week. That might be on top of a full-time job. So that is the very high bar for severe disability benefit and carer's allowance.

The criteria for family allowance is having a child, essentially. So it is practically universal apart from this affluence test that we would call it. In addition to that, as I stated in previous speeches, the Household Cost Indices (HCIs) for households with a child is considerably lower than for those households with a person with a disability.

In response to a question from Deputy Matthews, the £125,000 limit only takes into account the annual gross income of the parent claiming the family allowance and the gross income of that person's spouse. So none of the additional people he was referring to.

Within my speech, I will pick up some of the other questions that were asked. In recognition of the need to strike a balance between our obligation to support members of the community and maintain fiscal responsibility, the Committee has proposed the freeze in our policy letter at the current rate of £125,000. The modelling indicates that increasing the limit to £136,800 would increase the number of households eligible by around 9%, so it is about 400 households. Deputies Sloan and Malik estimate a cost of £500,000. The modelling we have received indicates that this increase would cost in the region of £600,000. As has just been picked up, the funding required to pay these approximately 400 households did not form part of the Committee's formula-led Budget submission.

So the answer to Deputy Hansmann Rouxel is I do not know. I do not know where the money is coming from. There was no proposal within the amendment, as Deputy St Pier has just picked up, and so it is either, I suppose, cap in hand to P&R, or we have to take it off someone else. So that is the answer to that question, I am afraid.

Deputy Kazantseva-Miller picked up inconsistency, and I do not disagree, but we are under a direction to investigate and look at where savings can be made in terms of family allowance, and I have never really agreed with that sentiment, but we are. It came out of the tier one savings group from last term, which, if I remember rightly, Deputy Kazantseva-Miller was the Chair of. But we believe that, as again Deputy Hansmann Rouxel said, the Children and Families Political Oversight Group is the most appropriate place to be bringing together everybody to make these consistent decisions. But we are under direction to make a saving, and we have to make savings.

So, do I want to be standing up here arguing for less financial support for families in what are very difficult financial times? No, of course I do not. As a single parent, and one that has experienced in-work poverty in the not-too-distant past, I know only too well the financial challenges of bringing up children, especially in Guernsey with housing and food costs being so high. But, as Deputy Hansmann Rouxel expressed so well in her excellent speech yesterday, this is the reality of making savings. It is easy to vote and advocate for a nebulous concept, smaller government, cut spending, save 1%. It gets a whole lot harder when the rubber starts to hit the road, and that nebulous concept becomes a policy impacting real people and real lives.

That is exactly why I did not vote for the savings proposal last year. Not because I am fiscally irresponsible, but because I have been around the block enough now to know how it pans out. When the rubber starts to hit the road, this is what happens. It was disingenuous to make promises about savings that we very likely will not be able to keep, and that prediction is being proven in part by this amendment. We are back to fiscal nimbyism, in my opinion, which we have seen a lot of in this Budget process. Make savings, but not there. That is the message.

I quote Deputy Sloan from a media interview following a recent Scrutiny hearing, 'My concern with the Budget is that we are still burning through more cash than we have coming in.' Of course that is something we would all expect Deputy Sloan to say. He has been very consistent in his drive for savings, which is what makes this amendment so entirely incongruent.

As I have explained before around the work of our savings group, ESS is committed to doing what the States has directed, but we must do so in a considered way, ensuring that any changes to benefit rates or eligibility criteria do not have unintended consequences and create higher costs further down the line. That is how this proposal was reached. The reality is that the impact would fall on households with comparatively higher incomes rather than those that are more financially vulnerable.

Ma'am, many Members of this Assembly have children, and quite understandably may be able to relate to this amendment through their own personal experience. By contrast, I suspect there are far fewer Members, if any, with direct experience of relying on severe disability benefit, carer's allowance, or income support. But our responsibility at ESS is not simply to advocate for those whose circumstances most closely resemble our own. It has considered the needs of everyone who rely on the social security system, including those who are often less visible in debates such as this, and whose circumstances are significantly more challenging.

Is it comfortable having to weigh the impacts of different groups and make difficult choices about where limited public funds should be directed? No, it is not. But that is precisely the responsibility entrusted to us. On this occasion, we believe our proposal strikes the right balance. It delivers a modest saving while affecting only those on comparatively higher incomes. That is the careful, responsible approach we are taking when identifying savings.

If this amendment is supported, I am afraid that balance will be lost and the burden of those savings is more likely to fall on those who are far less able to bear it.

Thank you, ma'am.

The Bailiff: Thank you.

Before I turn to Deputy Sloan, it feels very warm in here this afternoon. If you want to remove your jackets, please do.

Deputy Sloan, I will just wait for everybody, yes. Kerfuffle over now.

Deputy Sloan.

Deputy Sloan: Thank you very much, madam.

To Deputy Bury's point through you, madam, obviously. She may consider my position to be incongruous, but it is not inconsistent. I may have some positions that you might find idiosyncratic, madam, but they are consistent. I am always consistent on this point.

But let me go through some of the arguments that were made. I will go through my notes because I have not prepared a concluding speech, for obvious reasons.

Deputy Inder – my apologies, Deputy Inder, through you, madam, he misses the point on this one. It is about consistency of approach to the different threshold levels rather than in particular. I appreciate that Deputy Inder does not like universal benefits. This is not universal benefits, although the threshold for it has been removed, but I get that, but it is not. It is about consistency of approach that we have a threshold level that started last year to be frozen in the case of family allowance. I appreciate there are different needs, but I am not making that decision about the different needs. I am arguing for consistency of approach until such time as there is a proactive decision to change.

So Deputy Ozanne's point, through you, madam, and we have not been around the houses on this point. This was proposed last year in the Social Security Report that we were probably nodding through last year, and I noticed it after the event. I had a conversation with Deputy Bury. I said, 'Hey, hang on a minute, what is going on there?' She said, 'Ah, well, you missed it. It is a bit too late to amend it now'. I paraphrased Deputy Bury, but that was sort of the point. It went in the calendar. I will be watching for this one.

So we have not been around the block; this is the first. The Committee wrote in last year's report, 'We have not concluded the review yet, but we decided we will do this anyway, because we have been directed to investigate'. My point is, it was one of those it is investigate, not find, not do; it was investigate. It is supposed to be investigated. Until that investigation is concluded, there is no action required. In fact, the investigation might conclude something entirely the opposite. So do not prejudge your own investigation, is what I would say to the Committee, madam.

In terms of Deputy Gollop, thank you so much for Deputy Gollop. Again, due to my idiosyncrasies and Deputy Gollop's idiosyncrasies, I put my tooth back in this afternoon. We often find ourselves on the same page, not on all the same pages, but for different reasons. But we are on this one. I appreciate his excellent history. This is back to his points about supporting families.

To Deputy Kazantseva-Miller's points, madam, I will not thank her, it's got a heart in terms of all of the points that were made by Deputy Kazantseva-Miller. She made my points much more eloquently than I in so many areas. She is absolutely right. This is fiscal drag on families. We are talking about 3,000 – is it 3,000 families? One thousand families, no, 300 families. I cannot remember. But it is families, 3%, was it not? Three per cent, that is the number I am looking for. It is 1,000 families that were going to lose out, whatever happened to the Budget yesterday. But these are families, it is fiscal drag.

It is always interesting, madam, to hear what the instantaneous contrarian argument is going to be to whatever I say. But I did thank Deputy Hansmann Rouxel too. There is a heart there, madam, too, in terms of to find out what that was, the instant knee jerk. Oh, well, it was the concerns about the expenditure.

Deputy St Pier also, madam, immediately leapt to the point of how on earth is this going to be paid for? How are we even having this discussion now? That is a fairly legitimate point, which is chicken and egg, is it not? Which comes first, the Social Security benefit review or is it the Budget? If the two are interlinked. But to Deputy St Pier's point, there would be no point in having this debate at all. It would be pointless. We really cannot do anything now because the Budget has been set. Well, do not have this debate then. Absolutely no point about it.

But, to their point, there is collective angst, madam. We were saved by comments from the President of P&R yesterday who made the point, once the contribution rates are set for formula-led expenditure, they are paid and they will be paid by law. So if you set the contribution rate this year, they will be paid next year. We saw it yesterday afternoon. So thank you ever so much, Deputy Hansmann Rouxel. That is the answer to your concerns. So, the £500,000 to £600,000 not a bad approximation. You are back in the right ballpark of understanding how much of this costs. I am just checking to see if there is anybody else.

Deputy Matthews, I did not know the answer to your point, so my apologies for that. But I appeal to your rational sense, through you, madam, obviously, in terms of voting in favour of this amendment, because it is about consistency. It is not about prejudging actions and reviews before they are concluded. It is the same as the withdrawal of mortgage rate relief. Until there is something else that puts it in its place, you carry on as you are. You do not change until you have concluded.

Why would we put the vagaries of families at risk of the dangers of capriciousness, just because we want to balance a budget? In terms of the grand scheme of things, it is £500,000. To one final point of consistency, when Deputy Camp and I, madam, proposed our budget freeze last year, we excluded formula-led expenditure. Formula-led expenditure, I am an ex-civil servant, it is just axiomatic. It is formula-led. It is what it is in general terms, once you have set the contribution limits.

So it is what it is, once we have set the contribution limits, the contribution rates and limits and whatever, through this debate on this report and this debate on this amendment. In the grand

scheme of things, it is not that much money, but it is a lot of money to those families involved. I have no interest to declare, but to those 3% of families that will be going without family allowance, it will make a major bit of difference.

If we are about putting something back or not taking away at such a tough time for families, then I would urge Members to support this amendment. This is about consistency, it is about fairness, and it is about supporting families at a time when it is very difficult for people to make ends meet.

Thank you very much, madam.

The Bailiff: Thank you.

Members, you have on your screen Amendment 1, and I will ask the States' Greffier to open the voting on this now, please.

There was a recorded vote.

Not carried – Pour 11, Contre 25, Ne vote pas 2, Did not vote 1, Absent 1

Pour	**Contre**	**Ne vote pas**	**Did not vote**	**Absent**
Camp, Haley	Burford, Yvonne	Blin, Chris	Van Katwyk, Lee	Laine, Marc
Gollop, John	Bury, Tina	Curgenven, Rob		
Helyar, Mark	Cameron, Andy			
Kazantseva-Miller, Sasha	Collins, Garry			
Leadbeater, Marc	de Sausmarez, Lindsay			
Malik, Munazza	Dorrity, David			
Matthews, Aidan	Falla, Steve			
McKenna, Liam	Gabriel, Adrian			
Sloan, Andy	Goy, David			
Strachan, Jennifer	Hansmann Rouxel, Sarah			
Vermeulen, Simon	Hill, Edward			
	Humphreys, Rhona			
	Inder, Neil			
	Kay-Mouat, Bruno			
	Le Brun, Ross			
	Montague, Paul			
	Niles, Andrew			
	Oswald, George			
	Ozanne, Jayne			
	Parkinson, Charles			
	Rochester, Sally			
	Rylatt, Tom			
	Snowdon, Alexander			
	St Pier, Gavin			
	Williams, Steve			

The Bailiff: Would you close the voting, please?

In relation to Amendment 1 there voted: pour 11, contre 25, and there were 2 abstentions, 1 Member had left the Chamber at the time of the vote. I therefore declare that the amendment has not passed.

Who wishes to speak on general debate?

Yes, Deputy Gollop.

Deputy Gollop: I have a few observations and questions. The first is, we were going to debate yesterday amendments on the Budget, which was later withdrawn, and I hope in a good relationship between ESS and Policy & Resources. But there was, as I recall, an implication, even if the States voted for option B in the tax package, which we have now, that there could be a financial worry, and I hope we are assured that, as regards the proposals in this policy letter, particularly as the last amendment did not make it, are able to be funded.

The second point is, when I was looking it up, sometimes I do not get the technology right with the parliamentary website, and I got hold of last year's policy letter by mistake and thought, ;Oh, this is not right', because it was about certain things that have now been done by the Law Officers. But one thing that was noticeable, apart from the fact that this policy letter is slightly longer, is the core rate of inflation last year was 3.7%, whereas this year it is 4.3%, which makes the point that we have made all week, that there is a growing cost, especially for some of the most vulnerable in our society.

One can see that ESS are honouring the resolutions of previous Assemblies in proposing to rise income support limits of weekly income for those people who are living in homes, residential homes, substantially more money. So you see £1,286 goes up to £1,353, with elderly mental infirm (EMI) care £1,451 to £1,527, and the very wonderful Cheshire Home from £1,824 to £1,920. Now I am sure those views have been worked out according to the formulas we have seen this year and last year, and I am convinced that those homes need a greater uplift. That is the point of the clause; supporting living and ageing well.

But when you turn the page to table 4, on page 11, 2.13, one sees the personal allowance, I will not call it pocket money, but it is a gesture to people who live in those homes, has gone up, or will go up, those dependent on income support, from £50.67 to £52.85 in England. It goes up from over £71 to nearly £75 for people from Guernsey are resident. But they are relatively low, but the rate of increase there is, of course, much lower for the residents of the homes than for what the homes are collecting. Again, we are seeing an increase in rent allowances as well, but whether they satisfy what has been an escalation in local rents I do not know, and we come back to housing being very important.

A more general point is, I find in my life I meet quite a lot of people who are on income support or similar benefits, and they do not have it easy at all. If they are a bit addicted to alcohol or pharmaceutical drugs or even cigarettes, that makes it even harder. Their dietary habits might make things tricky. The hardship they feel is quite significant. Although rightly we adjusted our figures to take into account needy families a few years ago during the Michelle Le Clerc era and later eras, there is a problem for people, almost like me really, middle-aged and older guys who live alone. They have more issues than many would realise – might apply to ladies who live alone as well.

We need to really study more a compassionate approach to giving more of a universal income approach and more universal services for those people. For example, they still have the same food costs as everybody else. We know that both Jersey and Guernsey have seen an increase in demand for food banks, which I do not think is quite the right answer to our social policy.

So I do support these measures. Maybe ESS will be able to work with Environment & Infrastructure in the next year to look at a way that certain deserving people with disabilities and/or income support could access, for example, free bus fares. That would be a useful move, resolving more than one issue, including connectivity of the people.

Thank you.

The Bailiff: Thank you.

Deputy Curgenven.

Deputy Curgenven: Thank you, madam.

It is just a quick aside, madam, through you to Members, just paragraph 1.3:

> In response to the increasing number of income support customers residing in private rental residences whose rent exceeds the relevant maximum rent allowance, it is recommended that the maximum rent allowance is to be increased by 5%.

I know that At Home in Guernsey do a wonderful job, as I said, madam. Sorry, it was a quick aside.

I would just like to say whatever this Assembly can do to get out of the way of the Housing Committee to do what they need to do, that should be our top priority. Because as we see through

here, as Deputy Camp and various other Members, madam, have said beforehand, and Deputy Collins made a very excellent speech about it, or has done a couple of times, madam, it is our number one problem. It affects every single Committee, or at least every single Principal Committee here. Housing, housing, housing, rental, rental. Let us put, as Deputy Vermeulen says, or likes to say, or Deputy Inder, let us put more spades in the ground. Let us dig more holes. Let us build more things.

Thank you very much, madam.

The Bailiff: Thank you.

Deputy Sloan and then Deputy Collins.

Deputy Sloan: Thank you very much, madam.

Just a couple of points on general debate that I do want to bring into the amendment on the family allowance, and it comes to the point that Deputy St Pier did make in the debate. It is like, well, what is the correct ordering of these two debates? Because quite frankly, if they are interdependent, and like I said, my view is once the rates are set here, then the Budget has to find – because that was the conversation we had yesterday afternoon.

In fact, through you, madam, to your left, the President of P&R expressly said, once the contributions are set, the law is that they have to be paid. So the query is about what is the ordering, the proper and appropriate ordering of this debate. I seem to recall the Budget used to be in December – Deputy Parkinson, remember – and that was after Social Security. So therefore, it is not this night follows day, or as opposed to day follows night, is not prejudged, it can be changed.

So I throw out into the air, if any Committee that is responsible for Rules of Procedure or such might want to look at this issue. But in that vein, one thing that did concern me about the debate yesterday afternoon was the comments that forecasts from ESS and P&R did not match up. We were particularly concerned about that, how that could be. We had an issue at the SMC where we were talking about projections and forecasts. Then you go back on counterfactuals. Did you use that? No, the data is given to us by P&R. So who is generating all of these forecasts?

But the fact that two large Committees had such a difference of opinion, apparently, at such a late juncture in the debate was of concern to us. The SMC did meet, albeit virtually, this morning to discuss this issue. We agreed that we would look at this particular point as an investigation from the panel, because of the concern it should not be the case that our forecasts are differing between Committees.

But to the point, madam, like I said, if somebody would want to look at that and bring that forward about the ordering, I am most happy for that to take place.

Thank you.

The Bailiff: Deputy Collins.

Deputy Collins: Thank you, ma'am.

I was just picking up on the point, and I welcome the prescient information about the 25% living in private residency, not in social housing. As I have mentioned before, ma'am, I have taken every opportunity I can to do shadowing with the teams. When I was on ESS, I spent some time with the ESS team. I also spent some time with the Revenue Service, which reminds me, the President of P&R said there would be opportunities to go into Revenue Service, so I encourage her. I have not seen anything yet, but I would welcome any time to go in there and really understand what is going on.

Also recently, ma'am, in the last few weeks ago now, I spent considerable time with the Housing team. Deputy Helyar is spot on, ma'am. It is exactly what I found. I had one row of civil servants, ma'am, paying out money, and another civil servant, the next column over, collecting money in. I thought, by me, this is madness. He is spot on, and I have highlighted that, that we need to get that changed. Absolutely. It seems mad.

I did say, 'Oh, do we not do direct pay?" and the wonderful staff that we have, ma'am, and I really want to pay credit to them across all of it, they do a wonderful job. They said, 'Oh, no, we do direct pay'. It can happen, ma'am. So I would really like to put those two things together. That is all I really wanted to say, ma'am. I do welcome the opportunity if the ESS savings sub-committee would like an observer or any help, I would be willing to come in now and then and have a chat. As I said, I have stepped away from the Committee, but it does not mean I am not interested. I would certainly love to have a conversation or two.

I would hate to come here next year with a load of amendments without talking to them. So I would love to talk to them. I have backed off a little bit to give time, as I have said, ma'am, for the early years, the bits and pieces and people to fulfil what they said they would do, ma'am. That is all I was going to say, ma'am. I am going to support everything. I thank them for bringing the policy letter.

The Bailiff: Thank you.

Does anybody else wish to speak in general debate?

Deputy McKenna.

Deputy McKenna: I have been brought to my feet, Madam Bailiff, by the Vice-President of Health and almost guilted in the standing by the Father of the House, Deputy Gollop, as regards what I had said before in the carer's allowance. I will be supporting the ESS amendment 100%. I did support the scrutiny, Deputy Sloan. I did support him, mainly because we do have a declining birth rate. So anything to help get more families into the Island, I was happy to support it.

I have four children myself, so I am trying to improve the statistics. Only four. The previous Bailiff did ask me, when we were asked a question about having four children, was I finished, I said I would have to ask my wife about that one. But that was on the private education.

But the carer's allowance, the carer's allowance is quite an interesting one. For anyone who does not know, when you are caring for someone, it is not 9 a.m. to 5 p.m. It is seven days a week, 24 hours a day. Before the increase of the carer's allowance, a former Chief Minister, a wonderful man – I am not sure if I am allowed to say his name. I do not know if I am allowed to say Advocate Harwood. No? A wonderful man. But he worked out 24 hours a day, seven days a week, it was like 50 pence an hour. That really is quite hard hitting.

So the carer's allowance has increased since then. But it is wonderful what ESS do to give that allowance. By the way, if it was up to me, there is no amount you can possibly give carers when you see what they do and they substitute for, if you are in private nursing homes, residential homes, care homes. I have worked in them for 30 years. Something like £7,000 a month for some residents. If you go into dementia care, GreenAcres, Maison de Quetteville, places like that, who specialise in dementia, it can be a lot more.

So the carer's allowance, absolutely fantastic. It is wonderful what ESS are doing and trying to achieve. That is why supporting them in going forward in our term is essential because, when you get to the stage when you need that money, it really is – critical does not cover it. So I am going to stop. What ESS do, absolutely fantastic. We are going to support it.

It is wonderful the carer's allowance is increasing, but remember, this carer's allowance, it is not – there is your money, really, 24 hours a day, seven days a week; it is never enough.

The Bailiff: Does anybody else wish to speak?

Deputy de Sausmarez.

Deputy de Sausmarez: Thank you, madam.

Firstly, a couple of people have mentioned this. So just to provide a little bit of additional clarity. P&R supported the decision by ESS to withdraw their amendment to the Budget because we were keen to avoid the immediate real-world impacts that may have resulted in response. We still

consider that the originally proposed Budget in Proposition 17, which is now in resolution, is likely to be sufficient to meet the cost of the non-contributory benefits in 2027.

However, we understand the reasoning for the expected level of expenditure contained within the uprating report, which incorporates the provision for demand and higher forecasts. The Budget Reserve is the appropriate mechanism for managing variations in formula-led expenditure and we will work closely with ESS through each of the forecasts to ensure that funding is available should it be required.

The only other comment I would like to make, other than thanking the Committee for their report and all the work that I know from personal experience goes on in that Committee, is just an observation. It does not really relate to the Propositions in front of us, but I thought as family allowance has been a subject of the debate, it is just an observation, it really speaks more to the point that Deputy Hansmann Rouxel said in the debate on the amendment, which is this is a consideration that needs to be looked at in the round. I just thought I would take this opportunity very briefly to put the issue on the official record.

That is that we have an income limit, a household income limit, which is a single limit. But the impact on a family is very different depending on the number of children within that impact. So the cliff edge of that impact increases the more children there are in that family, in that household. So just by way of example, I have done some rapid sums, so I have not had a chance to check them. But if we assume that at the proposed rate, family allowance is just shy of £1,000 over the course of a year, if there is someone who is just the right side of the income threshold, and they move just the wrong side, then that has an impact of £1,000. But if there is a family with, say, five children, then that is an impact of about £5,000. So you get a really disadvantageous cliff edge, the more children there are in a household.

I have often thought this in relation to a number of different things, and I do sit on the political oversight group of the children and young people, so it will be something I raise in that forum as well. But when we do some of the financial modelling, we often, in order to compare like for like, use equivalised household income. In many cases, it might be more appropriate to use equivalised household income, rather than just nominal household income or whatever the correct terminology is.

So I just thought I would put that point on record. It obviously does not affect the Propositions; I am not seeking to make any amendments. I just thought it was a point worth raising while it was the topic of debate. But beyond that, I am very supportive of the Propositions and thank ESS for their work.

The Bailiff: I now turn to Deputy Bury to respond on behalf of the Committee.

Deputy Bury: Thank you, ma'am.

So, as a starting point, I will start with the last, but not the least. I thank the President of Policy & Resources for the assurance just given. ESS remains satisfied that the provision set out in the uprating report appropriately reflects the anticipated formula-led expenditure based on projected demand, which has been informed by analysis of trends over the last decade. But, notwithstanding that, we welcome P&R's reassurance that the Budget Reserve will be available should that funding be required. On that basis, we are content that the necessary provision is in place.

Just going quickly through a few of the speakers. Deputy Gollop mentioned the seeming disparity between the increase of amount being given to residents of care homes for their personal allowance and what is being given to care homes for providing the care. That of course comes off the back of the decisions made in February last year. That was a conscious decision to increase to the midpoint of the LaingBuisson benchmarking to incentivise and stabilise the care home market, recognising that we were not covering how much care costs to deliver.

Deputy Curgenven mentioned maximum rent allowances, but then his message was primarily for housing, but I entirely agree because supply and demand, ultimately it will probably bring our bill down. So I absolutely back him on that one.

Deputy Sloan brought up the point that has been brought up in various places around the ordering of debate. Obviously this is not something that is really within my gift. It comes up a lot around this policy letter and there is quite a lot of history that I have been provided by officers that goes well before my time around how things have been previously. There used to be a single uprating report, so I do not know if there is one for SACC. Obviously we would be happy to engage. Just one of the key things is that this policy sits in ESS's mandate. So if this gets merged into the budget, there can be a blurring then of who owns that. So that would be a key part for us of that work, to not have a mandate grab, I suppose. But open to discussions.

We have covered at the start, between Deputy de Sausmarez and I, SMC's concerns and I welcome their investigation and thank them for their proactivity on that.

Deputy McKenna, I thank him for his support around carer's allowance. Again, I entirely agree. Carers, it is not even the 35 hours, it is an incredibly important role that informal caring takes in our community. While these are really relatively modest increases compared to the service and the gap that those informal carers are fulfilling, what I would like to reassure him is that, as part of the Supported Living and Ageing Well Strategy (SLAWS) 2 work, there will be more full reviews of carer's allowance and how carers fit into that overall SLAWS and long-term care funding. But it is definitely widely recognised by that political oversight group.

To Deputy de Sausmarez's point around the cliff edge and the equivalised household income. Yes, it is getting late now. Yes, obviously that is something that she raised with me at our savings presentation. So it is on our list as part of our review, but obviously we do have the Families Political Oversight Group, which Deputy Rylatt is our representative of. So I am absolutely sure that can be considered as part of that work.

I think everyone would probably be quite glad if I stopped now, ma'am. So I thank Members for their engagement, particularly after a long few days, and ask them to support the policy letter.

The Bailiff: Thank you.

There are 11 Propositions. Is anybody seeking to separate any of the Propositions out in terms of voting?

No, in that case, we will put on all 11 at the same time. But before I do so, there may be some Members who need to declare interests in relation to some of those Propositions. So I would invite Members to do so now, if they consider they have a declaration to make.

Yes, Deputy Curgenven.

Deputy Curgenven: Do I need to name them, ma'am?

The Bailiff: No, just –

Deputy Curgenven: Yes, I have interests to declare.

Thank you.

The Bailiff: Anybody else?

Deputy de Sausmarez: I would like to declare an interest; family allowance.

The Bailiff: Thank you.

Deputy Bury.

Deputy Bury: Family allowance, ma'am.

The Bailiff: Deputy Gabriel. Deputy Matthews.

Deputy Matthews: Family allowance, ma'am.

The Bailiff: Deputy Collins.

Deputy Collins: Family allowance, ma'am.

The Bailiff: Deputy Goy.

Deputy Goy: Family allowance.

Deputy Le Brun: Yes, family allowance.

The Bailiff: Deputy Le Brun.

Thank you very much, everybody.

In that case, we will now go to the voting on the 11 Propositions. States' Greffier, would you open the voting? Has it had another wobble? There, it is.

There was a recorded vote.

Carried – Pour 36, Contre 0, Ne vote pas 0, Did not vote 3, Absent 1

Pour	Contre	Ne vote pas	Did not vote	Absent
Blin, Chris	None	None	Inder, Neil	Laine, Marc
Burford, Yvonne			Leadbeater, Marc	
Bury, Tina			Van Katwyk, Lee	
Cameron, Andy				
Camp, Haley				
Collins, Garry				
Curgenven, Rob				
de Sausmarez, Lindsay				
Dorrity, David				
Falla, Steve				
Gabriel, Adrian				
Gollop, John				
Goy, David				
Hansmann Rouxel, Sarah				
Helyar, Mark				
Hill, Edward				
Humphreys, Rhona				
Kay-Mouat, Bruno				
Kazantseva-Miller, Sasha				
Le Brun, Ross				
Malik, Munazza				
Matthews, Aidan				
McKenna, Liam				
Montague, Paul				
Niles, Andrew				
Oswald, George				
Ozanne, Jayne				
Parkinson, Charles				
Rochester, Sally				
Rylatt, Tom				
Sloan, Andy				
Snowdon, Alexander				
St Pier, Gavin				
Strachan, Jennifer				
Vermeulen, Simon				

Williams, Steve

The Bailiff: In relation to the Propositions there voted: pour 36, and 3 Members had left the Chamber at the time of the vote. Thank you very much. I declare those Propositions have been carried.

Members, we are now draw to the end of four quite long days. You have done so well, I am going to give you two weeks off. *(Laughter)* I just wanted to remind everybody that there will be various Acts of Remembrance over this weekend, including at the War Memorial in town, starting just before 11 a.m. on Sunday. Of course, everyone is very welcome to attend, although Deputy Gollop, as Father of the House, will be representing you at the Act of Remembrance there.

With that, States' Greffier, can I ask you to kindly close the meeting?

The Assembly adjourned at 4.14 p.m.