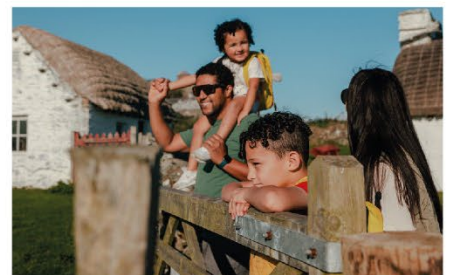
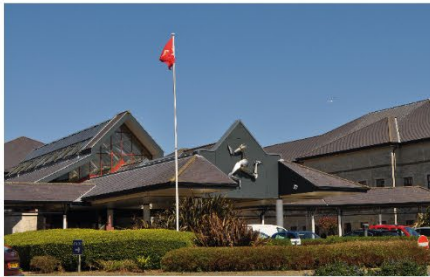




THE BUDGET

2023

INVESTING IN OUR ISLAND PLAN



**Isle of Man
Government**
Reiltys Ellan Vannin

GD 2023/0001





Isle of Man
Government
Reilrys Ellan Vannin

2023-24 Budget



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1. INTRODUCTION FROM THE MINISTER – BUDGET 2023-24

Investing in Our Island Plan

The last three years have seen global events cause significant disruption to the way we lead our lives and have led to instability and uncertainty.

The Isle of Man Government and Tynwald have taken decisive action to support our community and economy. Throughout the pandemic and the financial pressures of 2022 we continued to adjust and adapt to meet the challenges we faced together. But this has come at a cost; physically, emotionally and financially.

The Chief Minister, the Honourable Alfred Cannan MHK, has been quite clear that 2023 will see us all having to face further challenges, but also that significant opportunities will present themselves as we look past the short term difficulties and take a more strategic view of where our island sits in the world.

Our Island Plan, now incorporates the ambitions and aims of the Economic Strategy and seeks to set out an agenda not just for this administration, but for those which follow.

It has never been harder to predict the future, or try and calculate Government revenue and expenditure, but this Budget sets out to invest in Our Island Plan. To invest in our people, front line services and infrastructure.

It marks a significant change in the way Treasury interacts with other Departments, giving greater responsibility and financial accountability to those providing the services to our people.

The capital programme has been overhauled so that it is more responsive to change, and regular democratic scrutiny is enhanced on how Government spends our people's money.

At a time of global instability and uncertainty it is Government's role to provide clear leadership and direction. Now is not the time for austerity measures and cutbacks, but we have to be honest about the use of our reserves to invest in economic growth, productivity and improve the prosperity for all those who call our island home.

This year's Budget initiates a strategic review of our taxation system, and the long term viability and purpose of our National Insurance system. It sets out a five year plan to create a more diversified and sustainable economy which will benefit all our community. It supports all those working in our front line services such as health, education, social care and our emergency services whilst investing in the future of our island.

I am very grateful for the advice, help and support offered to me by all the staff at Treasury. They are a talented and committed team of people dedicated to public service and to the long term economic security of our island. With their help and yours I hope this budget will act as a catalyst for positive change, inspire trust in our future potential and confidence in our collective ability to build a secure, vibrant and sustainable future for our island.

Yours truly,

Hon Dr Alex Allinson MHK

Minister for the Treasury



2. BASIS OF PREPARATION

It was noted within the 2022-23 Pink Book that the level of uncertainty within the economy had reduced as the Island continued to recover from the effects of the Covid pandemic. It was hoped that uncertainty would continue to lessen through the year into the 2023-24 financial year.

Unfortunately this has not been the case with the ongoing conflict in Ukraine and increased inflationary pressures in all areas of the economy, particularly in the areas of energy costs and fuel. It is therefore still the case that it is difficult to forecast how the public finances will perform in the coming year and across the period of the indicative financial plan.

It is expected that the inflationary risk will continue through the 2023-24 financial year. This does lead to an increased level of risk within this budget, where actual costs could exceed budgeted levels. Treasury has supported Departments during the current year and will continue to do so where budgetary pressures are faced as a result of external unanticipated factors.

As with the prior year, the Island's economy continues to face challenges from inflationary pressures, the effects of possible labour shortages and demand reductions, Climate Change funding and the continuing requirement to increase the funding of Manx Care in relation to the provision of Health and Care services.

Treasury has produced a budget for 2023-24 and has also included an indicative financial plan for the following four years based on the assumption that Government income will continue to recover to pre-pandemic levels by the end of the 2023-24 financial year and then growth will move in line with the expectations within the economic strategy.

Treasury's approach continues to be one of prudence and caution regarding budgetary forecasts and estimates. This recognises the uncertainty being faced in all areas of income and cost throughout Government.

There remains a funding gap within the Government finances, mainly due to the previously highlighted requirement to increase Health and Care funding. Financing the extensive Capital Programme also remains a challenge across the period of this indicative financial plan. This gap has been closed for the current year using two measures:

- a. A proportion of the investment income generated by the Manx National Insurance Fund will be utilised to assist with funding the mandate to Manx Care, via an additional budget allocation to the Department of Health and Social Care, as was the case for the 2022-23 financial year. It is intended that this measure will be applied for 2023-24 and has not been included as a recurring source of funding within the budget forecasts.
- b. A transfer from General Reserves will be made to the Capital Financing Reserve in order to support the projected Capital Programme. It was intended that the Capital Programme would be fully financed from General Revenue by 2026-27 but this will now not be possible until 2027-28. This assumption is built into the indicative financial plan.

The Health and Care funding gap from 2024-25 going forward has been shown within the indicative financial plan. Plans and options to address this gap will be brought forward in due course.

Treasury believes that the Island's finances continue to be in a strong position and the level of reserves remain high. The continued reliance on reserves to finance revenue and capital activities does need to be eliminated over the medium term to maintain this position.



3. OVERALL FINANCIAL SUMMARY FOR REVENUE AND CAPITAL

3.1 Government Revenue Forecast 2023-24 to 2027-28

In accordance with the Treasury Act 1985, the Treasury is pleased to present the revenue forecast for the Isle of Man Government for the financial year 2023-24, together with indicative financial projections for the following four years to 2027-28.

TABLE 1 – Government Revenue Forecast 2023-24 to 2027-28

GOVERNMENT REVENUE FORECAST 2023-24 TO 2027-28							
Budget 2022-23	Probable 2022-23	£000	Provisional Budget 2023-24	Indicative financial projection			
				2024-25	2025-26	2026-27	2027-28
1,137,311	1,155,830	Income	1,204,880	1,266,780	1,318,275	1,370,507	1,428,499
1,136,862	1,144,890	Expenditure	1,203,963	1,265,202	1,316,832	1,369,526	1,427,659
449	10,940	Surplus/(Deficit)	917	1,578	1,443	981	840

3.2 Government Capital Forecast 2023-24 to 2027-28

The summary Capital Account for the financial year 2023-24 is shown below, including details of expected receipts and payments (based on adjusted expected capital expenditure levels). Provisional projections are provided for the following four years to 2027-28.

The Capital Programme is presented on an estimated delivery basis, as explained further within Section 5.5.

TABLE 2 – Government Capital Forecast 2023-24 to 2027-28

GOVERNMENT CAPITAL FORECAST 2022-23 TO 2027-28							
Budget 2022-23	Probable 2022-23	£000	Provisional Budget 2023-24	Indicative financial projection			
				2024-25	2025-26	2026-27	2027-28
23,621	23,482	Receipts	4,663	30,182	45,694	58,211	76,232
85,000	105,233	Payments	85,000	85,000	85,000	85,000	85,000
(61,379)	(81,751)	Surplus/(Deficit)	(80,337)	(54,818)	(39,306)	(26,789)	(8,768)
89,829	75,165	Capital Account Balance B/F	26,035	4,198	3,380	4,074	5,785
(61,379)	(81,751)	Surplus / (Deficit) on Capital Account	(80,337)	(54,818)	(39,306)	(26,789)	(8,768)
-	-	Transfer from External Reserve	10,000	10,000	12,000	12,000	12,000
95,000	32,621	Transfer from General Reserve	48,500	44,000	28,000	16,500	-
-	-	Transfer from Operating Account	-	-	-	-	-
123,450	26,035	Capital Account Balance C/F	4,198	3,380	4,074	5,785	9,017



4. 2023-24 BUDGET HEADLINES

OVERVIEW

- 5 year indicative plan updated
- Departments now provided with a net funding amount and can allocate according to their priorities
- Total capital programme of £114.5m for 2023-24 and £441.6m across five years to 2027-28
- Plan to fund CFR Capital Programme from General Revenue income by 2027-28, one year later than previously planned
- Inflationary pressures remain and are expected to continue, at least in the short term

REVENUE INCOME

- Revenue targets increased by 5% in general
- Income tax revenue still assumed to return to pre-pandemic levels by 2023-24 and then grow by 4% per year thereafter
- Customs & Excise income growth based on agreed FERSA rate with some prudence
- Government income assumed to continue to grow steadily over the period of the indicative financial plan

REVENUE EXPENDITURE

- Pay related costs uplifted by 6% and non-pay related costs uplifted by 5% year on year generally
- Departments targeted to achieve savings of 1.5% of non-pay costs
- Public Service Employee Pension Reserve has been fully expended during 2022-23
- Health and Care funding gap to be partially met with £8.5m from the NI investment income for 2023-24
- Funding gap for Health and Care for 2024-25 and onwards included within forecasts but still to be closed

BENEFITS

- 16.8% uplift in maternity, adoption and paternity allowances
- Basic state pension and Manx state pension increased by 10.1%
- 9.8% increase in income support, child benefit, EPA and job seeker's allowance
- 10.7% uplift in carer's allowance

CAPITAL BUDGET

- Review of full Capital Programme to ensure schemes remain appropriate and deliverable
- Schemes that have significantly changed in scope and cost referred back to design and feasibility
- Full CFR Capital Programme of £82.6m and CLF Capital Programme of £31.9m for 2023-24
- CFR Capital Programme of £233.5m and CLF Capital Programme of £208.1m over indicative financial plan period
- Proposed change to capital approvals process, moving to quarterly approvals

INTERNAL FUNDS

- Rationalisation of internal funds with some funds combined or repurposed
- Economic Strategy Fund provided with £100m in line with the Economic Strategy
- Increases to existing funds including the Agriculture and Forestry Fund, Healthcare Transformation Fund and the Project Development Fund

TAXATION

- Personal income tax allowances will be reduced by £1 for every £2 that a persons' total income in above £100,000 and jointly assessed married couples'/civil partners' total income is above £200,000



5. THE FIVE YEAR FINANCIAL PLAN

5.1 Summary

The budget for 2023-24 is presented along with the indicative financial plan for the subsequent years through to 2027-28.

The Government spending plans continue to align with the themes of 'Our Island Plan'¹ and also the Economic Strategy, which was approved by Tynwald in November 2022².

Our Island Plan has the following five broad themes:

- Building great communities
- An Island of health and wellbeing
- A strong and diverse economy
- An environment we can be proud of
- Outstanding lifelong learning and development opportunities for all

The Economic Strategy links closely into these themes with its economic aspirations and shifts:

- Shape of the economy: 5,000 new jobs across new, enabling and existing key sectors by 2032, reaching an overall GDP of £10bn
- Infrastructure and services: Further develop the infrastructure and services of our community to plan for an estimated population of 100,000 by 2037
- Public finances: To generate over £200m of additional annual income to reinvest in services and quality of life by 2032
- Sustainability: Substantially decarbonise the services part of the Island's economy by 2030, supporting an overall reduction of 35% in the Island's greenhouse gas emissions

This budget has been produced to support the work in bringing the aims above to fruition. In line with the announcement made by the Treasury Minister in July 2022, an initial £100m Economic Strategy Fund will be established in the 2023-24 financial year.

There needs to be a strong financial plan to support delivery of Our Island Plan and the Economic Strategy and Treasury have produced an ambitious budget and indicative financial plan whilst recognising the need for prudence where it is appropriate.

The overall aim is to continue to maintain a strong financial foundation from where to grow the Island's economy when the level of uncertainty subsides.

It is recognised that further development is required in order to create sustainable long term funding plans that will support the cost of health and care and also climate change initiatives and work continues in these areas, including the continued encouragement of external investment to assist in delivering the net-zero carbon plans.

¹ <https://www.gov.im/island-plan>

² <https://www.gov.im/economicstrategy>



5.2 Economic Overview

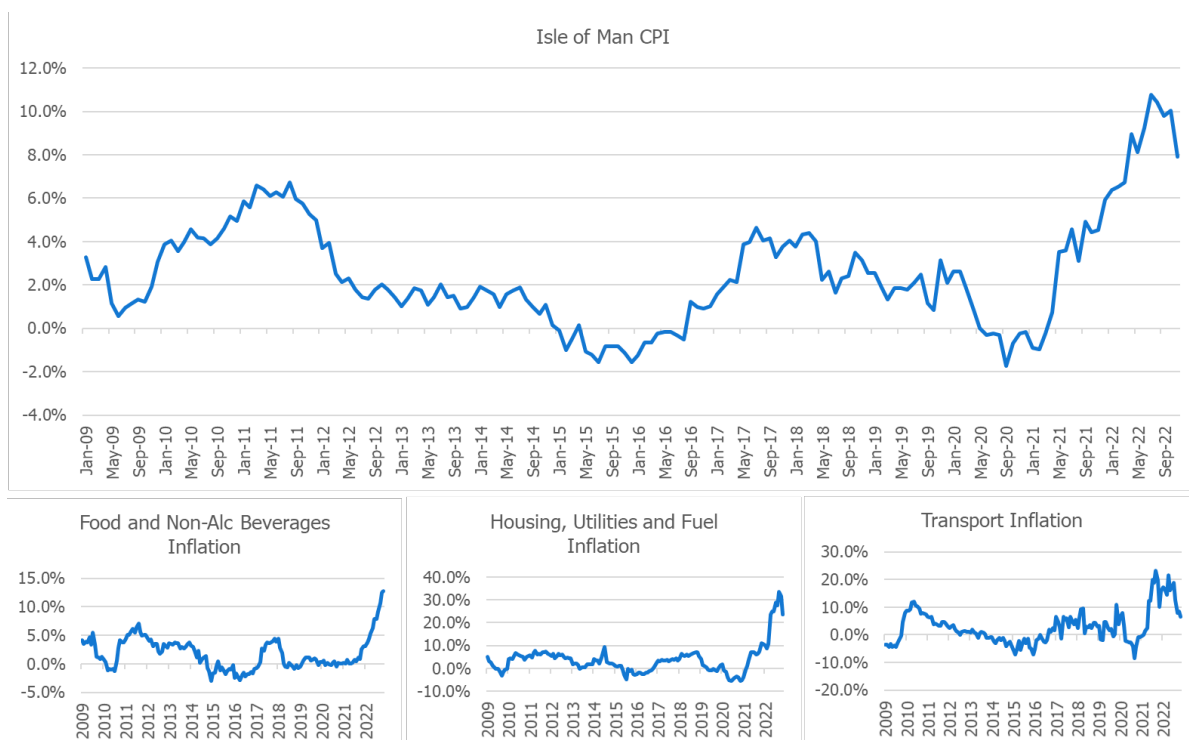
5.2.1 Economic Impact of the Covid Pandemic

The Covid pandemic that arrived on the Island in 2020 had profound impact on the local economy, as well as impacting global economic conditions in ways not seen in recent years. The Isle of Man’s response to the pandemic involved restrictions on movement and economic activity, alongside extensive Government financial support. This support, at an approximate total value of £136 million was aimed at ensuring that individuals and businesses were able to withstand the most severe economic effects of the pandemic and to allow the economy to be positioned to rebound once the public health restrictions eased.

As with the disruption to the economy and society, this level of Government support was also unprecedented in recent times. Combined with a sharp but temporary decrease in Government income, the additional expenditure has had impacts on reserve positions which will require work to recover going forward.

5.2.2 Inflationary Situation and Cost of Living Pressure

As the Isle of Man and economies around the world began to resume activity as public health restrictions eased, pressures were exerted on supply chains that had been disrupted. During 2021 in particular, this led to increases in prices of key commodities and energy. These inflationary pressures were then dramatically exacerbated by Russia’s invasion of Ukraine in February 2022. Energy prices which had already begun rising were put under further pressure, leading to increased costs to consumers for heating and transportation, while threatening the viability of industries that are reliant on low-cost hydrocarbons. Currently, inflationary pressures are also being felt more widely, including in food and other essential commodities.



(Source: Statistics Isle of Man)



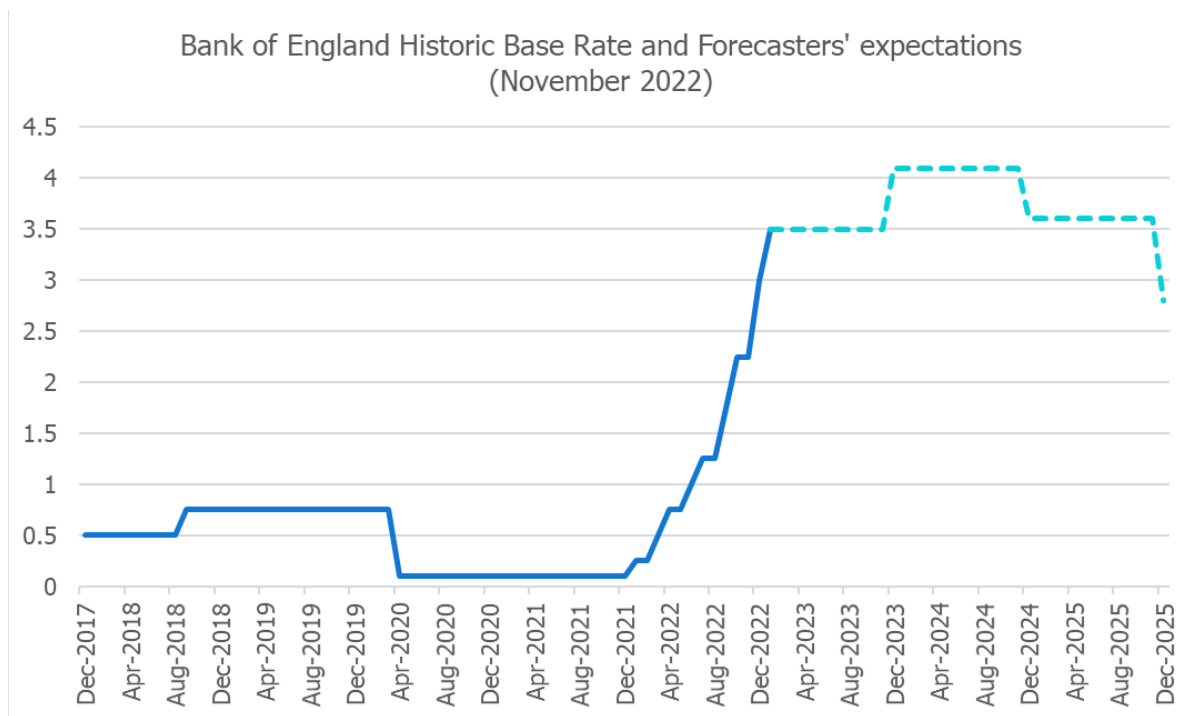
The impact of these price rises is likely to be disproportionately felt by those on lower incomes, and this risk prompted further Government responses. In the Isle of Man, a package of measures was developed in Spring 2022 and has been refreshed at numerous points with repeat support and enhanced action. The headline initiatives include direct financial support to recipients of certain benefits, energy efficiency support schemes, and a price cap on electricity supplied by Manx Utilities Authority. These measures are intended to provide assistance to all households and businesses, and will have the ancillary effect of supporting consumer confidence.

These support measures, as with Covid support, have placed further pressure on Government finances, at a time when Government itself is facing increased costs for business-as-usual operations.

Current planning assumptions set out in this budget are for Government revenues to continue to recover through 2023-24 to pre-pandemic levels and then grow going forward, building to a sustainable position over the course of the five year indicative financial plan.

5.2.3 Economic Outlook

The economic outlook remains highly uncertain in 2023-24 and beyond. Inflationary pressures remain acute in the Isle of Man and the United Kingdom, although the sustained rises in prices are likely to level off before gradually reducing in the face of monetary policy tightening and a general economic downturn in the United Kingdom.

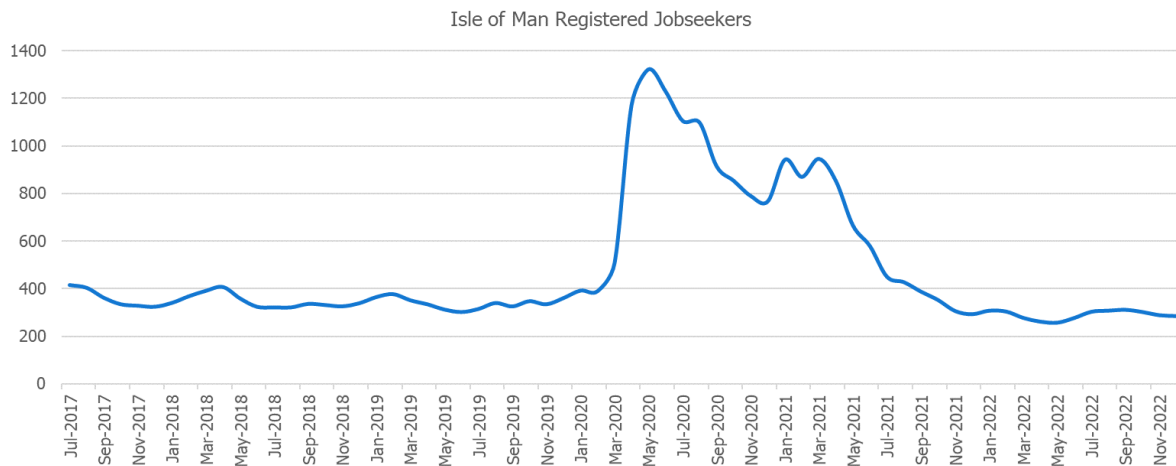


(Source: Bank of England, November 2022)

Energy prices are likely to remain volatile: it is unlikely that business-as-usual conditions will return regarding Russian energy supplies in the foreseeable future and this will mean Europe will continue to have to explore alternative sources for energy, potentially pushing up prices at severe cost to some industries. On the other hand, a global economic slowdown could dampen demand for energy and lead to price reductions. The re-opening of the Chinese economy following relaxation of Covid restrictions could also affect prices of energy and commodities over the course of 2023 and beyond.



An ongoing risk that has been exacerbated by the pandemic are skills shortages – these were particularly acute in the Isle of Man prior to the pandemic, and pandemic trends of individuals leaving the workforce at the same time as rebounding economic growth has combined to reduce supply and raise demand for workers. Registered Jobseeker numbers, after rising sharply during the early stages of the pandemic, have now fallen to below levels seen in 2019, while advertised vacancies remain substantially higher than the number of available workers. Strong demand for workers is being experienced in many places, even despite the economic outlook, which makes recruitment of overseas workers more challenging and raises the importance of the Isle of Man being able to differentiate itself as a special place to live and work.



(Source: Social Security Division / Economic Advisory Function, Treasury)

While the Island may be insulated to a degree from some of the economic pressures, there is a need to adopt a cautious approach in managing spending in the medium-term. Substantial expenditure to support the economy cannot be sustained indefinitely and reserve positions will need to be repaired. Furthermore, after two concurrent economic events requiring Government intervention, the Treasury needs to retain some capacity to address any further unexpected developments. Despite these pressures in the immediate term, there remains a need to begin delivering on the medium and long-term economic shifts required to safeguard the Island’s economic future.

5.2.4 Economic Strategy

The Economic Strategy, approved by Tynwald in November 2022, sets out broad economic shifts that need to take place for the Island to succeed in the 2030s and beyond. These shifts are:

- A need to develop and improve Island infrastructure such that existing residents are well-served, and the Island is an attractive place for workers to relocate and fill roles across the economy, with the ultimate goal of growing the economically-active population;
- Linked to the above, a need to ensure productive jobs are created and filled;
- A shift in how Government generates income, widening and expanding sources to ensure that high-quality public services can be provided, while ensuring sustainability of the financial position; and



- A focus on sustainability, ensuring the economy supports commitments to climate and environmental aims.

From a financial perspective, maximising the productivity of the economy, while broadening and growing income streams will enable the ongoing provision of the high-quality public services that are expected by residents and contribute to the Island's attractiveness as a place to live and do business. The economic strategy envisions that this will be a self-reinforcing cycle, as a larger population can better support the economies of scale for high quality public services.

5.3 Revenue Account

Table 3A overleaf presents a summary of the projected five year financial position.

The table includes a budget for 2023-24 and indicative financial projections for the financial years 2024-25 to 2027-28.



TABLE 3A – Five Year Financial Plan

FINANCIAL PLAN 2023-24 TO 2027-28								
£000	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
GROSS INCOME								
Treasury Income								
Customs and Excise	423,417	430,726	430,461	440,673	454,359	468,168	481,236	495,808
Income and Other Taxes	241,372	250,429	272,353	278,765	287,717	296,100	304,778	315,705
Other Treasury Income	8,761	7,937	9,410	10,406	10,926	11,473	12,046	12,769
Other Income								
Departmental Fees and Charges	118,786	129,438	121,037	139,845	143,143	146,531	150,014	154,148
Employee Pension Contributions	33,398	33,751	33,988	35,776	36,491	37,221	37,965	38,725
Health Care Funding Gap	-	-	-	-	28,727	38,095	47,746	57,786
SUB-TOTAL	825,734	852,281	867,249	905,465	961,363	997,588	1,033,785	1,074,941
NI Operating Account	306,482	285,030	288,581	299,415	305,417	320,687	336,722	353,558
TOTAL INCOME	1,132,216	1,137,311	1,155,830	1,204,880	1,266,780	1,318,275	1,370,507	1,428,499
GROSS EXPENDITURE								
Employee Costs	390,151	390,727	416,762	426,270	437,267	448,580	461,627	475,111
Employer Pension Contribution	42,393	48,324	46,496	52,376	53,752	55,169	56,814	58,516
Pension Costs (net departmental)	71,227	68,010	71,031	78,640	85,049	85,734	86,233	86,717
Total Pension Costs	113,620	116,334	117,527	131,016	138,801	140,903	143,047	145,233
Non-Employee Costs	293,182	297,051	272,133	304,810	311,518	318,205	326,386	332,696
NHS Allocation	(41,444)	(41,100)	(41,100)	(45,065)	(45,565)	(46,072)	(46,586)	(47,106)
NI Fund - Health and Care	-	(8,249)	(8,253)	(8,542)	-	-	-	-
Total Non-Employee Costs	251,738	247,702	222,780	251,203	265,953	272,133	279,800	285,590
NI Funded Payments	274,842	275,126	282,493	296,422	300,374	306,911	313,527	320,316
Revenue Funded Welfare Payments	76,308	79,117	85,530	85,059	89,264	91,029	92,830	94,667
Bond Repayment Sinking Fund	-	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Transfer to Capital Financing Reserve	25,000	20,000	20,000	-	25,000	40,000	52,000	70,000
Loan Charges	(72)	-	-	-	-	-	-	-
Housing Reserve Fund Expenditure	571	1,900	1,658	1,900	1,900	1,900	1,900	1,900
Transfer to internal funds	-	-	-	7,500	-	-	-	-
Internal Fund Expenditure	42,293	38,050	71,551	78,600	37,848	27,849	27,850	27,850
Total Expenditure pre Reserves Transfers	1,174,451	1,172,456	1,221,801	1,281,470	1,299,907	1,332,805	1,376,081	1,424,167
Transfer from internal funds	(42,293)	(38,050)	(71,551)	(78,600)	(37,848)	(27,849)	(27,850)	(27,850)
Housing Reserve Fund	(571)	(1,900)	(1,658)	(1,900)	(1,900)	(1,900)	(1,900)	(1,900)
Transfer to the NI Account	31,640	9,904	6,088	2,993	5,043	13,776	23,195	33,242
Transfer from the PSEPR	(37,829)	(5,548)	(9,790)	-	-	-	-	-
Total Transfer (from)/to reserves	(49,053)	(35,594)	(76,911)	(77,507)	(34,705)	(15,973)	(6,555)	3,492
Net Expenditure post Reserves Transfer	1,125,398	1,136,862	1,144,890	1,203,963	1,265,202	1,316,832	1,369,526	1,427,659
Surplus	6,818	449	10,940	917	1,578	1,443	981	840



5.4 Operating Account

Table 3B details transfers which are planned to take place from the Operating Account to support spending from internal funds. The Operating Account acts as a buffer to protect the Revenue Reserve Fund from fluctuations on the Revenue Account.

TABLE 3B – The Operating Account – Five Year Financial Plan

MOVEMENT ON THE OPERATING ACCOUNT								
£'000	Actual	Budget	Probable	Provisional	Indicative financial plan			
	2021-22	2022-23	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28
Operating Account Brought Forward	(7,084)	137,933	(112,423)	(153,234)	432	3,760	6,953	8,184
Transfer (to)/from External Reserve Fund	(197,508)	52,500	42,000	233,565	20,000	20,000	20,000	20,000
Transfer from Consolidated Loans Fund	216,755	-	-	-	-	-	-	-
Transfer from Media Development Fund	-	-	112	-	-	-	-	-
Transfers (to)/from Reserves								
Agricultural & Forestry Fund	(2,000)	(3,000)	(3,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)
Brexit Fund	-	1,307	2,387	-	-	-	-	-
Contingency Fund	(30,000)	(37,500)	(37,500)	-	(1,500)	(1,500)	(1,500)	(1,500)
Climate Change Fund	-	(25,000)	(25,000)	(10,446)	-	-	-	-
Digital Strategy Fund	(500)	(500)	(500)	-	-	-	-	-
Economic Development Fund	-	(2,000)	(2,000)	6,733	-	-	-	-
Economic Strategy Fund (formerly Economic Fund)	(30,000)	(10,000)	(10,000)	(74,296)	-	-	-	-
Environmental Protection Fund	(5,000)	(3,000)	(3,000)	10,446	-	-	-	-
Healthcare Transformation Fund	(3,000)	(7,000)	(7,000)	(3,500)	(3,500)	(3,500)	(5,000)	(5,000)
Housing & Community Fund	-	(2,000)	(2,000)	(1,000)	(1,000)	(1,000)	(1,000)	(1,000)
Invest to Save Fund	-	(500)	(500)	762	-	-	-	-
Legal Costs Reserves	(750)	(750)	(750)	(750)	(750)	(750)	(750)	(750)
Marketing Initiatives Fund	(1,000)	-	-	3,536	-	-	-	-
Media Development Fund	16,576	-	-	-	-	-	-	-
Medical Indemnity Fund	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Town & Village Regeneration Fund	-	-	-	1,461	-	-	-	-
Transformation Fund (formally Digital Strategy Fund)	-	-	-	(762)	(1,500)	(1,500)	(1,500)	(1,500)
Project Development Fund	-	(2,000)	(2,000)	(8,000)	(5,000)	(5,000)	(5,000)	(5,000)
Capital Financing Reserve	(72,730)	-	-	-	-	-	-	-
Sub-Total Transfers to Reserves	(131,404)	(94,943)	(93,863)	(80,816)	(18,250)	(18,250)	(19,750)	(19,750)
<i>Surplus on the General Revenue Account</i>	6,818	499	10,940	917	1,578	1,443	981	840
Transfer in from External Fund Drawdowns								
Reserve Fund Economic Recovery element	-	10,000	-	-	-	-	-	-
Operating Account Carried Forward	(112,423)	105,939	(153,234)	432	3,760	6,953	8,184	9,274



5.5 Structural Deficit and Reserves Position

In Table 4 the operating deficit shows the excess of expenditure over income for activities excluding the National Insurance Fund and Capital Expenditure before the use of reserves. This analysis is to provide information on the resourcing of Government's ongoing activities that are funded through the revenue account.

The transfers from General Revenue to the Capital Financing Reserve are shown within operating items.

The net funding within the Consolidated Loans Fund that relates to funding bodies outside of Central Government (Manx Utilities Authority, Manx National Heritage, Manx Radio and Isle of Man Steam Packet Group) has been excluded from the structural deficit calculations. These are considered to be external loans and do not represent funding and spending associated with the general revenue funded Capital Programme.

The overall deficit is projected to decline from the budgeted level in 2023-24 over the coming years. It was previously anticipated that this would turn to a surplus in 2026-27. This is not now expected to be achieved until 2027-28. Again, it should be noted that this position is calculated on the assumption that the identified Health and Care funding gap can be filled.

The Island continued to recover from the effects of the Covid pandemic during 2021-22, generating a structural deficit of £97.4m compared to £217.4m for 2020-21. The actual result was an improved position from the deficit of £128.5m that was forecast in the 2021-22 budget.

The structural deficit is expected to reduce from the forecast level in 2023-24 over the coming years however, an annual structural deficit is expected to continue through to 2027-28. This means that there will be continued reliance on the use of reserves in order to support Government activities and the economy during the period.

The previous financial forecasts assumed that the Island would continue its recovery and return to pre-pandemic levels of income by 2023-24 and that there would be no further economic impacts. We are now seeing high levels of inflation in all areas with costs outpacing current income growth. This is creating significant pressure on Government finances.

There is still a focus on reducing the reliance on reserves and the overall aim is that the Capital Programme financed from the Capital Finance Reserve will be fully funded from revenue in the medium term. It is forecast that this will be achievable by 2027-28 however, this is based on the assumption that the capital programme and delivery of capital schemes remain consistent with current trends and assumes that current levels of inflation will return to lower levels in the near future. Increased capital spending activity and cost inflation may impact on ability to achieve this financial plan.

Overall reserves are forecast to continue to decline in 2023-24 due to a reliance on the reserves to fund Government spending. It is then expected that reserve levels will recover slowly. This recovery will depend on mandated investment returns being achieved. The expected real terms value will continue to be subject to inflationary pressure over the period of the indicative financial plan.



TABLE 4 – Summary Position

Based on the estimated delivery of the Capital Programme

SUMMARY POSITION (ESTIMATED CAPITAL DELIVERY)								
£'000	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Gross Income	1,132,216	1,137,311	1,155,830	1,204,880	1,266,780	1,318,275	1,370,507	1,428,499
Less NI	(306,482)	(285,030)	(288,581)	(299,415)	(305,417)	(320,687)	(336,722)	(353,558)
Less Reserve Fund Interest	(6,978)	(15,896)	(9,318)	(10,109)	(10,615)	(11,146)	(11,368)	(11,596)
Operating Income	818,756	836,385	857,931	895,356	950,748	986,442	1,022,417	1,063,345
Expenditure	1,174,451	1,172,456	1,221,801	1,281,470	1,299,907	1,332,805	1,376,081	1,424,167
Less NI	(274,842)	(275,126)	(282,493)	(296,422)	(300,374)	(306,911)	(313,527)	(320,316)
Operating Expenditure	899,609	897,330	939,308	985,048	999,533	1,025,894	1,062,554	1,103,851
Operating Deficit	(80,853)	(60,945)	(81,377)	(89,692)	(48,785)	(39,452)	(40,137)	(40,506)
NI Surplus	31,640	9,904	6,088	2,993	5,043	13,776	23,195	33,242
Net Capital Financing	(61,689)	(61,379)	(81,751)	(80,337)	(54,818)	(39,306)	(26,789)	(8,768)
Net External CLF Lending	15,351	15,000	12,681	14,166	13,666	13,166	12,666	12,666
Structural Deficit	(95,551)	(97,420)	(144,359)	(152,870)	(84,894)	(51,816)	(31,065)	(3,366)
Estimated returns held in the reserves	52,888	50,460	22,232	15,213	14,250	13,639	13,371	13,612
Reserve Fund Interest	6,978	15,896	9,318	10,109	10,615	11,146	11,368	11,596
Overall Net Surplus/(Deficit) after interest	(35,685)	(31,064)	(112,809)	(127,548)	(60,029)	(27,031)	(6,326)	21,842



5.6 Capital Programme

The successful delivery of the Capital Programme continues to rely on its affordability and sustainability. The trend for Government's actual capital expenditure outturn to be lower than budgeted levels continues. The typical level of capital delivery continues to be around £60 million to £80 million per year.

The anticipated capital expenditure for 2023-24 is approximately £85 million, consistent with the prior year. This is the combined position between the Consolidated Loans Fund (CLF) and the Capital Financing Reserve (CFR), which is explained in more detail below. This is compared to a Capital Programme of approximately £114.5 million for 2023-24 on a full delivery basis.

Table 5 presents the combined capital account on an estimated delivery basis. This shows the illustrative position based on actual expected delivery of the Capital Programme based on prior experience rather than delivery of the full Capital Programme presented within Appendix 5. It has been assumed that £70 million of capital spending will be delivered per year for CFR funded projects and £15 million of spending from projects funded through the CLF.

The transfers to the CFR and CLF from reserves are based on the estimated Capital Programme amounts, rather than full delivery. This is felt to be the prudent approach to the capital budgeting process.

The work to form Phase 1 of the Strategic Infrastructure Needs Analysis (SINA) was completed during the year. This tool is now being employed to prioritise and target Government's capital spending in respect of infrastructure assets to ensure that funding available is targeted in a cost effective manner.

5.6.1 Review of the Capital Programme

Government finances are facing ongoing pressures and several schemes within the Capital Programme have been subject to either scope changes or cost increases. The figures within the previous Capital Programme may now not be reflective of current costs. These schemes lead to funding being allocated and restricted. To address this issue a full review of the Capital Programme has been undertaken.

The review has identified several projects that will be referred through the design and feasibility process for full review. This will enable fully scoped and accurately costed plans to be brought forward that reflect current market conditions. The design and feasibility activities will be funded through Departments making bids to the Project Development Fund. The projects that have been referred through the design and feasibility process are listed at Appendix 6.

5.6.2 Capital Approval Process

A change to the capital approval process will be introduced for the 2023-24 financial year and subsequent years.

Currently Departments submit bids for capital funding in August or September for consideration and inclusion within the budget applicable for the following financial year. This provides Departments with a single opportunity in the year to receive approval for capital schemes. Changes in project requirements and costs have led to business cases not reflecting the final project requirements.

To address this issue there will be a quarterly approval process for capital schemes during February (as part of the annual budget), June, September and November each year. Schemes that have successfully proceeded through the design and feasibility process would be eligible to request approval, subject to concurrence from Treasury's Strategic Assets and Capital



Investment Committee, Treasury Board, the Council of Ministers and by Tynwald as appropriate, subject to agreed limits of approval.



TABLE 5 – Projected Combined Capital Account – Estimated Delivery Basis

CONSOLIDATED LOANS FUND OPERATING ACCOUNT (ESTIMATED DELIVERY)								
£'000	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budgets 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Income								
Loan Charges	982	1,221	1,324	1,429	1,448	1,460	1,477	1,498
MUA	584	-	-	834	1,334	1,834	2,334	2,334
Capital Receipts	203	50	50	50	50	50	50	50
Total Income	1,769	1,271	1,374	2,313	2,832	3,344	3,861	3,882
Expenditure								
Capital Programme	15,935	15,000	12,681	15,000	15,000	15,000	15,000	15,000
Total Expenditure	15,935	15,000	12,681	15,000	15,000	15,000	15,000	15,000
Capital Fund Brought Forward	53,458	65,295	17,685	6,378	3,691	1,523	1,867	2,728
Deficit	(14,166)	(13,729)	(11,307)	(12,687)	(12,168)	(11,656)	(11,139)	(11,118)
Bond Proceeds (net)	392,534	-	-	-	-	-	-	-
Transfer (to)/from External Reserves	(132,492)	-	-	10,000	10,000	12,000	12,000	12,000
Transfer to Capital Finance Reserve	(72,730)	-	-	-	-	-	-	-
Transfer to Operating Account	(208,919)	-	-	-	-	-	-	-
Capital Fund Carried Forward	17,685	51,566	6,378	3,691	1,523	1,867	2,728	3,610



TABLE 5 – Projected Combined Capital Account – Estimated Delivery Basis (continued)

CAPITAL FINANCING RESERVE (ESTIMATED DELIVERY)								
£'000	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budgets 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Income								
Capital Financing transfer	25,000	20,000	20,000	-	25,000	40,000	52,000	70,000
Capital Receipts	-	450	450	450	450	450	450	450
Housing Reserve Fund	1,900	1,900	1,658	1,900	1,900	1,900	1,900	1,900
Total Income	26,900	22,350	22,108	2,350	27,350	42,350	54,350	72,350
Expenditure								
Capital Programme	74,423	70,000	92,552	70,000	70,000	70,000	70,000	70,000
Total Expenditure	74,423	70,000	92,552	70,000	70,000	70,000	70,000	70,000
Capital Financing Reserve B/F	-	24,534	57,480	19,657	507	1,857	2,207	3,057
Surplus/(deficit)	(47,523)	(47,650)	(70,444)	(67,650)	(42,650)	(27,650)	(15,650)	2,350
Transfer from General Reserve		95,000	32,621	48,500	44,000	28,000	16,500	-
Transfer from CLF	72,730	-	-	-	-	-	-	-
Transfer from HEDF	32,273	-	-	-	-	-	-	-
Capital Financing Reserve C/F	57,480	71,884	19,657	507	1,857	2,207	3,057	5,407

TOTAL CAPITAL PROGRAMME (ESTIMATED DELIVERY)								
£'000 (Projections)	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budgets 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Consolidated Loans Fund Operating Account	17,685	51,566	6,378	3,691	1,523	1,867	2,728	3,610
Capital Financing Reserve	57,480	71,884	19,657	507	1,857	2,207	3,057	5,407
Total Capital Programme	75,165	123,450	26,035	4,198	3,380	4,074	5,785	9,017

Note

1. Assumed capital spending of £15 million per year from CLF projects and £70 million from CFR projects going forward rather than full delivery of the entire capital programme detailed in Appendix 5.



5.7 Use of Reserves

Taking account of the combined revenue and capital position (including the operating account balance), together with projections for cash and investment returns generated by external fund managers, the estimated value of the overall reserves position over the periods presented is shown within Table 6.

TABLE 6 – Reserve Valuations

RESERVES ESTIMATED VALUE WITH INVESTMENT RETURNS & STABLE MARKET								
£ million	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
National Insurance Fund	995.2	1,039.6	954.8	1,014.4	1,077.8	1,145.2	1,216.8	1,292.8
Public Service Employees Pension Reserve	9.8	-	-	-	-	-	-	-
Reserve Fund	639.5	423.9	551.8	304.2	257.7	223.2	198.4	188.8
Reserve Fund (Bond Issue)	147.1	169.0	91.1	86.8	81.8	74.1	66.0	57.4
Other Reserves	203.6	373.5	195.2	226.8	259.7	294.7	331.9	371.5
Estimated Value	1,995.2	2,006.0	1,792.9	1,632.2	1,677.0	1,737.2	1,813.1	1,910.5

Notes

- External fund balances are presented here at projected market value rather than book value and it should be noted that market values may fluctuate against market and economic conditions.
- More detail on the Pension Reserve and the National Insurance Fund is given in Section 7 (Table 15 and 16).
- Movements relating to the Bond Issue funds are included within Tables 22 and 23.
- An explanation of reserves is provided in Appendix 8.
- Returns on investments have been calculated based on the assumption that mandated returns will be achieved by the end of the period of the indicative financial plan.



6. REVENUE - INCOME

6.1 2022-23 Performance – Treasury Income

TABLE 7 – 2022-23 Year End Forecast (Treasury Income)

2022-23 Budget Against Probable					
£ '000	Budget 2022-23	Transfers	Revised Budget	Probable 2022-23	Variance
INCOME					
Customs & Excise	430,726	-	430,726	430,461	(265)
Income & Other Taxes	250,429	-	250,429	272,353	21,924
NI Operating Account	285,030	-	285,030	288,581	3,551
Other Treasury Income	7,937	-	7,937	9,410	1,473
Total Treasury Income	974,122	-	974,122	1,000,805	26,683

There remains a level of uncertainty for Treasury income for the full 2022-23 year and for the following years in light of the current levels of inflation and general economic conditions.

The Treasury remains confident in the Island's ability to continue to grow its income but the pace of growth may be slower than is being forecast.

In support of the Economic Strategy for the Isle of Man, the Treasury has allocated £100 million to an Economic Strategy Fund to help deliver the aims of the strategy. This fund was previously named the Economic Fund and this change recognises the change of focus for the Island's economy.

Section 6.3 explains the detailed position regarding Customs and Excise shared VAT income.

Direct taxation receipts are forecast to be ahead of budget this year. This indicates that the direct taxation income is returning to pre-pandemic levels in line with expectations within the 2022-23 budget.

6.2 2023-24 Budget Overview

The budget figures included within this Pink Book present income figures on a gross basis, before netting off expenditure items. This budget presents income projections broken out into each of the relevant revenue lines to provide transparency and a greater understanding of where the Island is dependent on specific income streams.



TABLE 8 – Budget Income Projections

Budget Income Projections							
£ '000	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Customs & Excise	430,726	430,461	440,673	454,359	468,168	481,236	495,808
Income & Other Taxes	250,429	272,353	278,765	287,717	296,100	304,778	315,705
NI Operating Account	285,030	288,581	299,415	305,417	320,687	336,722	353,558
Other Treasury Income	7,937	9,410	10,406	10,926	11,473	12,046	12,769
Total Treasury Income	974,122	1,000,805	1,029,259	1,058,419	1,096,428	1,134,782	1,177,840

A further breakdown of income due to be raised by the Treasury in the coming year is included at Appendix 1. Appendix 9 presents details of departmental fees and charges, including details of planned increases for the coming year.

6.3 2023-24 Budget Proposals

The following sections present the proposals for the various areas of Government income in respect of the 2023-24 financial year.

6.3.1 Customs & Excise

The revenues raised by Customs & Excise include “shared” duties under the 1979 Customs and Excise Agreement; and “non-shared” duties.

“Shared” Duties

The “shared” duties are VAT, Soft Drinks Industry Levy (SDIL), Excise (alcohol, tobacco and hydrocarbon oil - HCO), Plastic Packaging Tax and Customs (import) duties. All of the “shared” duties except for HCO are shared using the arrangements described below to calculate the Island’s share of the joint revenue pools with the United Kingdom. HCO is calculated on the basis of actual consumption during the focal year. The Island is committed by the 1979 Customs & Excise Agreement to keep the rates and rules surrounding the “shared” Duties in line with UK policy.

Calculation of VAT and shared duties

The Final Expenditure Revenue and Sharing Arrangement (FERSA) outlines the method of calculation of the Island’s share of VAT and shared duties under the 1979 Customs & Excise Agreement. In accordance with this agreement the Isle of Man Government must undertake surveys every 5 years to determine as accurately as possible the amount of VAT that is incurred by Island residents and businesses. The most recent year used for indexation was 2018-19. Under the FERSA it was agreed that a provisional indexation of 4.35% for VAT and 1.58% for other duties and Soft Drinks Industry Levey (SDIL) would be used to account for inflation and growth in the economy for five years up to and including 2023-24. This indexation will be reviewed and adjusted after the next survey is carried out in 2023-24, the year of this budget.



Should the survey results evidence the growth in the economy has deviated from that predicted, the Island’s share of VAT for previous years 2019-20 to 2022-23 will need to be adjusted which could result in an adjusting payment to or from the UK Government.

Whilst there is confidence in the Island’s ability to generate the required levels of growth, in the interests of prudence and good financial management the VAT budget for the years to 2023-24 has been based on a growth level of 3.35% once again. In the absence of other information, the 3.35% annual growth level has continued to be applied to the financial years from 2024-25 to 2027-28.

The impact of the Covid pandemic on the FERSA was reviewed in 2021 and a one-off adjustment was made to the Island’s 2020-21 share of the FERSA. It was felt that the current growth factor applying to the remaining years to 2023-24, being the full FERSA growth factor of 4.35% less 1% prudence measure, remains appropriate.

“Non-shared” duties

The “non-shared” duties are Air Passenger Duty, Gambling Duty (including both online and machine games duty), Lottery Duty and non-revenue receipts (fines, penalties and interest). The Island is free to choose where and how it applies these duties; however, no changes from existing policy are proposed within this Budget.

6.3.2 Income Tax

TABLE 9 – Tax Rates and Allowances

TAXATION RATES AND ALLOWANCES			
INDIVIDUAL TAX	2023/24	2022/23	2021/22
Lower rate	10%	10%	10%
Higher rate	20%	20%	20%
Higher rate threshold:			
Single Person	£6,500	£6,500	£6,500
Jointly Assessed Couples	£13,000	£13,000	£13,000
Personal Allowances:			
Single Person	£14,500*	£14,500	£14,250
Jointly Assessed Couples	£29,000*	£29,000	£28,500
Single Parent	£6,400	£6,400	£6,400
Blind Person	£2,900	£2,900	£2,900
Disabled Person	£2,900	£2,900	£2,900
*The Personal Allowance is reduced by £1 for every £2 that your income is in excess of £100,000 or £200,000 for a jointly assessed couple			
COMPANY TAX	2023/24	2022/23	2021/22
Standard Rate	0%	0%	0%
Banking Business	10%	10%	10%
Land & Property in the Island (Incl. Property Dev)	20%	20%	20%
Retail Trade (Small companies limit of £500,000)	10%	10%	10%

Individual Tax

For the 2023-24 tax year, the lower rate of income tax remains at 10% and the higher rate at 20%. The threshold up to which the lower rate of income tax applies remains at £6,500 for a single person and £13,000 for a jointly assessed couple. The Personal Allowance will remain at £14,500 for a resident individual or £29,000 for a jointly assessed couple.

Allowances are fully transferrable between spouses or civil partners whilst the couple are living together and provided they elect for joint treatment. Special arrangements apply in the years of marriage/partnership, separation, death or where independent taxation applies.



From April 2023 the personal allowance will be reduced by £1 for every £2 that a person's total income is above £100,000 or a jointly assessed couple's total income is above £200,000.

This means if a person's total income is £129,000 or above, or a jointly assessed couple's total income is £258,000 or above, their personal allowance will be reduced to zero.

The single parent allowance will remain at £6,400 and the blind or disabled person's allowance at £2,900.

The rate of income tax on taxable income for non-resident individuals remains at 20%.

Individuals will continue to have the option to make a Tax Cap election for a five or ten year period. The maximum income tax liability for an individual will remain at £200,000 and £400,000 for a jointly assessed couple.

For any existing five year Tax Cap elections made prior to the 2021/22 tax year, the amount charged for each year is the value of the Tax Cap applicable in the first tax year covered by the election.

Company Tax

The standard rate of tax applying to the income of companies remains at 0% with the exceptions of income from:

- Banking business – 10%
- Income from Retail Trade (subject to a small companies limit of £500,000) – 10%
- Income from Land & Property situated in the Isle of Man (development & rental income) – 20%

Deductions granted during the financial year 2020-21

During the financial year 2020-21, the latest full year for which figures are available, other deductions that were granted are outlined for information in the table below:

TABLE 10 – Cost of Income Tax Deductions 2020-21

Deduction Type	Number of Claims	Total Amount Claimed (£ million)	Average Relief per Claim (£)	Cost of Tax Relief (£ million)
Mortgage Interest	11,420	25.57	206	2.35
Loan Interest	10,333	9.73	86	0.89
Charitable deed of covenant	244	0.42	165	0.04
Charitable giving	2,257	3.06	120	0.27
Private medical insurance	729	1.45	169	0.12
Nursing Expenses	414	4.02	261	0.11



National Insurance Contributions

Net National Insurance Contributions (NIC) in respect of workers and employers, after the allocation of a prescribed percentage to the Health Service, cover the cost of contributory benefits for bereavement, incapacity, unemployment, maternity and the state retirement pension. In the Isle of Man, they also cover the cost of the Manx pension supplement, retirement pension premium, paternity allowance, adoption allowance and the higher rate of Christmas bonus as well as rebates to small employers in relation to statutory redundancy payments to former employees of firms which have become insolvent.

Employed Contributors

The rates of Class 1 NIC in the Isle of Man for the 2023-24 tax year will remain at the current rates of 11% for employees and 12.8% for employers, and the employees' additional rate will continue to be 1% for earnings over the Upper Earnings Limit.

The Lower Earnings Limit (LEL) will remain at £123 per week from April 2023 to reflect the equivalent figure announced in the UK Autumn Statement.

The Primary and Secondary Thresholds at which both employees and employers start to pay Class 1 NIC will increase from £138 per week to £145 per week and the Upper Earnings Limit will increase from £823 to £864 per week from April 2023.

Self-Employed Contributors

For the 2023-24 tax year, the Isle of Man will retain the rates of Class 4 NIC at 8% up to the Upper Profits Limit and 1% for profits above that limit.

The profits level at which Class 4 NIC becomes payable will increase to £145 per week (Lower Profits Limit). The Upper Profits Limit for Class 4 NIC will increase to £864 per week and any profits over this amount will continue to be charged at 1%.

From April 2023 Class 2 NIC will increase to £5.70 per week for self-employed and £7.00 per week for share-fishermen. Class 2 NIC are not profit-related, but self-employed people can apply for exemption if their net earnings from self-employment are below a certain level. From April 2023, this level will increase to £7,540 for the year (Small Earnings Exception Limit).

The Class 2 contribution payable by a volunteer development worker while employed as such will remain at £6.15 per week for the 2023-24 tax year.



The table below summarises the contribution rates for 2023-24 for workers and employers:

TABLE 11 – Contribution Rates

Employed Contributors		
Total Weekly Earnings	Class 1 Employee NIC	Class 1 Employer NIC
Up to £145.00	Nil	Nil
£145.01 - £864.00	11%	12.8%
£864.01 and over	1%	12.8%

Self-Employed Contributors	
Total Weekly Profits	Self-Employed Class 2 and 4 NIC
Below £145.00	Nil
£145.00	£5.70
£145.01 - £864.00	As above + 8%
£864.01 and over	As above + 1%

Other Contributors

From April 2023, the voluntary Class 3 NIC rate will increase from £15.85 per week to £17.45 per week.

Manx National Insurance Fund

The Manx National Insurance Fund is used to supplement the amount of NIC collected in a tax year where the income from these contributions does not cover the expenditure on National Insurance funded benefits. Further details of this can be seen in Appendix 2.

6.3.3 Departmental Fees and Charges

Departments have been able to apply uplifts to their income targets (including fees and charges) for the 2023-24 financial year at their discretion. There was however an expectation that a general increase of 5% would be applied to recognise some growth but also the high level of cost inflation being experienced.

Departments have adjusted their targets as they have seen fit and are included within Appendix 9 along with a detailed breakdown of Departmental Fees & Charges.

6.3.4 Investment Income

Treasury investment income is derived from the externally managed investment funds and interest earned from cash managed directly within the Treasury.

The current panel of five investment managers were appointed for a period of 5 years from 1 April 2016. Due to the Covid pandemic and the change in administration, the tender exercise was not able to be completed by 1 April 2021 and so the existing investment managers remain in place at present. It is intended that the tender exercise to appoint a new panel of investment managers will be completed by 30 June 2023.



The appointment of a panel of investment managers provides a diversification of investment management and style. Detailed information regarding the parameters of the investment mandates in place are included within the Isle of Man Government Accounts (Dark Blue Book) to 2020-21 and the Annual Report from 2021-22 onwards, that are available on the Treasury website.

The performance and delivery mandates require the investment managers to achieve certain levels of growth within the reserves under their management to meet set benchmarks but within acceptable levels of risk over a rolling three year period. Income is generated from profits gained through the sale of equities, funds and bonds; dividends and coupon interest earned from equities and bonds and interest on cash based instruments.

A small element of this income relates to miscellaneous Treasury income, for example, late tax return filing penalty fees.

The investment income forecasts also include an expectation of dividend receipts from the Isle of Man Post Office and the Isle of Man Steam Packet Group.

6.3.5 National Insurance Investment Income

As with the prior financial year, the budget for 2023-24 proposes to allocate a proportion of the investment income generated by the Manx National Insurance Fund, subject to necessary legislative approval, to assist with funding the cost of the mandate to Manx Care, via additional revenue budget being allocated to the Department of Health and Social Care.

It is intended that this will be a single year measure once again and no expectation of on-going income to general revenue has been included beyond 2023-24. Future funding requirements continue to be considered as part of the review process.



7. REVENUE - EXPENDITURE

TABLE 12 – Revenue Net Expenditure Targets by Department

2023-24 NET REVENUE BUDGETS BY DEPARTMENT			
Department	Gross Income	Gross Expenditure	Net Expenditure/(Income)
Enterprise	27,144	27,109	(35)
Education, Sport & Culture	10,468	133,803	123,335
Environment, Food & Agriculture	4,364	22,333	17,969
Health & Social Care	53,724	313,781	260,057
Home Affairs	1,272	39,875	38,603
Infrastructure	60,982	108,870	47,888
Treasury	10,407	134,301	123,894
Cabinet Office	2,124	38,540	36,416
Executive Government	2,793	59,323	56,530
Statutory Boards	30,570	31,915	1,345
Legislature	10	5,029	5,019
Departmental Targets	203,858	914,879	711,021
Customs and Excise	440,673	-	(440,673)
Income and Other Taxes	278,765	-	(278,765)
NI Operating Account	299,415	299,415	-
Employees' Pension Contributions	35,776	35,776	-
Transfer to Internal Funds	-	7,500	7,500
Transfer to Capital Financing Reserve	-	-	-
TOTAL	1,258,487	1,257,570	(917)

Notes

- Gross income and expenditure figures for 2023-24 include National Insurance Contributions NHS allocation of £45.1 million.
- Manx Museum & National Heritage is contained within Treasury grants
- Employee pension contributions and the subsequent use of them to offset pension costs are shown within the analysis at Table 15 in order to reconcile gross income and gross expenditure.
- The transfer to the Capital Financing Reserve replaces loan charges as the core means to fund capital, although there is no contribution from general revenue for 2023-24.
- The Statutory Boards figures above include the gross income and gross expenditure of Manx Care.



7.1 2022-23 Performance – Departmental Income

Table 13 provides a summary of the 2022-23 probable results compared to the Pink Book for that year.

The main adverse variances are within Treasury, due to lower than forecast VAT collections, and the Department of Health and Social Care, £10 million of which relates to potential Covid related contingency claims and £6m relating to the Manx Care mandate.

Although Treasury is showing the adverse variance in VAT income noted above, this is being countered by higher than anticipated income tax income. The net position is an overall positive expected variance for the full 2022-23 financial year for Treasury.

During the 2022-23 financial year Tynwald agreed to provide the following additional allocations of revenue budget to departments through supplementary votes:

- Department of Health and Social Care - £18.3 million agreed in October 2022, being the additional amount required to commission Manx Care to undertake a programme of elective restoration and recovery.
- Department of Education, Sport and Culture - £325,940 agreed in July 2022, being the additional amount required in respect of forecast expenditure incurred in the provision of Pre-School Credit in excess of the Tynwald approved budget.

The table below shows the probable results for departments after taking account of forecast claims from contingency in respect of excess costs and lost income arising generally as a result of the pandemic. Any claims are subject to Treasury approval.

TABLE 13 – 2022-23 Expenditure – Budget vs Probable

EXPENDITURE - 2022-23 BUDGET VERSUS PROBABLE					
£000	Budget 2022-23	Transfers	Revised Budget	Probable 2022-23	Variance
Government Departments					
Cabinet Office	35,451	(790)	34,661	34,661	-
Enterprise	1,618	-	1,618	4,734	(3,116)
Education, Sport & Culture	111,818	-	111,818	113,717	(1,899)
Environment, Food & Agriculture	15,941	790	16,731	16,730	1
Health & Social Care	239,514	384	239,898	246,133	(6,235)
Home Affairs	36,439	-	36,439	37,342	(903)
Infrastructure	43,228	-	43,228	51,015	(7,787)
Treasury	130,802	(384)	130,418	128,266	2,152
Sub-Total	614,811	-	614,811	632,598	(17,787)
Other Bodies					
Executive Government	41,747	-	41,747	43,831	(2,084)
Statutory Boards	(603)	-	(603)	(818)	215
Sub-Total	41,144	-	41,144	43,013	(1,869)
Legislature	4,752	-	4,752	4,752	0
TOTAL VOTED SERVICES	660,707	-	660,707	680,363	(19,656)
SURPLUS (Income over expenditure)	449	-	449	10,940	10,491



7.2 2023-24 Budget - Overview

Government's total expenditure after the use of reserves for 2023-24 is budgeted to be £1.204 billion and is analysed in detail by each Department at Appendix 4. Overall the net surplus for Government is budgeted to be £0.9 million. A transfer of £8.5 million of investment interest income from the National Insurance Fund is required in order to meet the health and care funding gap in the 2023-24 budget as a single year measure. This is on top of the utilisation of £10.4 million of interest from the Reserve Fund that is included within other Treasury income.

The previous revenue bid process has now been discontinued. Instead, Departments and Statutory Boards have been allocated a net funding amount from general revenue, which they can then allocate and phase to meet Department priorities as they determine, rather than simply uplifting the previous year's budget and adding additional bid amounts.

Departments and Statutory Boards were required to submit financial plans to Treasury to set out any funding pressures, areas of saving and possible new services and projects that they would like to undertake.

Treasury then allocated general revenue funds that were available after base budgets were uplifted for the relevant year.

Consistent with prior years, all Departments were requested to provide detailed submissions to the Treasury, which have been used as the basis for the following four years of the indicative financial plan. The submissions were required to detail proposed movements between income, employee and non-employee costs, transfers between Departments and any potential savings identified.

The Independent Review of the Isle of Man Health and Social Care System produced by Sir Jonathan Michael in 2019 recommended an increased level of funding to be provided to Manx Care via the mandate arrangement with the Department of Health and Social Care. This remains the case for the 2023-24 financial year.

The Sir Jonathan Michael Report recommends that the Manx Care mandate funding should be increased to maintain the level in real terms plus an additional growth amount to reflect the annual increase in health care costs. As inflation is currently running at a very high level, the full funding increase is not affordable within the current Government income levels. Increasing the Manx Care mandate to the full level of current inflation would increase the base funding level to a potentially artificially high level when inflation begins to fall back to more normal levels.

Instead, an uplift has been applied to the Manx Care funding for the 2023-24 financial year in line with the assumptions used for other Departments plus the health care specific growth factor.

As a result, the 2023-24 budget includes an uplift in funding of £8.5 million to DHSC, directly attributable to the cost of the mandate to Manx Care.

Further increases have been applied to the cost of the mandate for the years 2024-25 to 2027-28 in accordance with the growth funding calculation recommendations within the Sir Jonathan Michael Report. The increases applied in relation to the Sir Jonathan Michael Report are in addition to the general pay and non-pay cost uplifts applied to all departments.



7.3 Pay Costs

As a base position, before Departments allocated their net funding amounts, an increase of 6% has been applied to pay budgets for the 2023-24 financial year and 2% per year across the remaining period of the indicative financial plan presented. The 6% uplift recognises the 2022-23 public sector pay award level where budgeted uplifts had only been included at 2% for the year. This increase is effectively providing a total uplift of 8% in pay costs for the two years, 2022-23 and 2023-24. Funding for any pay awards above this level will be expected to come from within overall departmental budgets.

TABLE 14A – Pay Reconciliation

PAY RECONCILIATION								
£ '000	Note	Basic	Overtime	National Insurance	Other Payroll Costs	Sub-Total Employee Costs	Pension	Total Including Pension
2022-23 Agreed Budget		321,697	10,171	35,693	23,166	390,727	48,324	439,051
Approved Adjustments	1	23,878	378	2,568	8,719	35,543	4,052	39,595
Budget 2023-24		345,575	10,549	38,261	31,885	426,270	52,376	478,646

Notes

1. Approved adjustments include movements within different pay codes and between pay and non-pay codes, including for example reductions in income streams which have resulted in reductions in expenditure. This includes the uplift of 6% in line with Treasury's current pay budget increase policy.



TABLE 14B – Total Employee Costs

£ '000	TOTAL EMPLOYEE COSTS									
	Basic	Overtime	National Insurance	Pension	Other	2023-24	2024-25	2025-26	2026-27	2027-28
Department										
Enterprise	9,179	156	1,109	1,104	290	11,838	12,075	12,316	12,562	12,814
Education, Sport & Culture	76,806	916	7,850	12,954	775	99,301	101,287	103,313	105,379	107,486
Environment, Food & Agriculture	9,067	74	977	1,338	219	11,675	11,909	12,147	12,390	12,638
Health & Social Care	2,656	15	231	315	92	3,309	3,375	3,443	3,512	3,582
Manx Care	135,474	4,953	15,381	20,064	21,767	197,639	204,394	211,394	220,242	229,466
Home Affairs	23,035	1,018	2,963	3,596	3,549	34,161	34,844	35,541	36,252	36,977
Infrastructure	33,107	3,152	3,421	4,907	2,120	46,707	47,641	48,594	49,566	50,557
Treasury	16,443	109	1,640	2,292	360	20,844	21,261	21,687	22,120	22,563
Cabinet Office	17,363	130	2,084	2,605	1,546	23,728	24,202	24,686	25,180	25,684
Executive Government										
Industrial Relations	255	-	32	38	2	327	333	340	347	353
Veterans' Welfare Society	73	2	7	11	8	101	104	106	108	110
Information Commissioner	271	-	30	40	-	341	348	354	362	369
General Registry	3,423	11	377	469	130	4,410	4,497	4,587	4,677	4,772
Attorney General's Chambers	4,861	-	564	708	49	6,182	6,305	6,431	6,560	6,691
Tynwald Auditor General	216	-	32	32	117	397	406	414	422	430
Other Boards										
Communications & Utilities Regulatory Authority	678	-	43	59	10	790	805	821	837	854
Financial Services Authority	5,499	-	613	756	274	7,142	7,284	7,430	7,580	7,731
Gambling Supervision Commission	2,357	-	314	368	86	3,125	3,188	3,252	3,317	3,383
Financial Intelligence Unit	774	-	68	78	67	987	1,007	1,027	1,047	1,068
Public Sector Pension Authority	848	5	98	146	16	1,113	1,136	1,158	1,181	1,205
Legislature	3,190	8	427	496	408	4,529	4,618	4,708	4,800	4,894
TOTAL	345,575	10,549	38,261	52,376	31,885	478,646	491,019	503,749	518,441	533,627



7.4 Public Sector Pensions

The latest expenditure forecasts are based on the actuarial work undertaken by Hymans Robertson and have been updated to reflect actual experience. As previously noted, the Public Service Employees' Pension Reserve (PSEPR) has been fully expended during the 2022-23 year as previously forecast.

The level of revenue expenditure that will be required during 2023-24 is expected to be around £43 million with further revenue expenditure being required each year into the future. This expenditure is included within the 2023-24 budget and the indicative financial plan as presented and does not represent an additional funding gap.

TABLE 15 – Pension Account

Pension Account							
£ million	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
Pension Costs	113	118	131	139	141	143	145
Less Employee Contributions	(33)	(34)	(36)	(36)	(37)	(38)	(39)
Less Department Contributions	(42)	(46)	(52)	(54)	(55)	(57)	(58)
PSPA Administration Costs	1	2	-	-	-	-	-
PSEPR Budgeted Drawdown	(38)	(10)	-	-	-	-	-
Revenue liability	1	30	43	49	49	48	48
PSEPR Balance (Est Value) B/F	43	10	-	-	-	-	-
Investment Income	6	-	-	-	-	-	-
PSEPR Budgeted Drawdown	(39)	(10)	-	-	-	-	-
PSEPR Balance (Est Value) C/F	10	-	-	-	-	-	-



7.5 National Insurance and Welfare Benefits

A summary of the estimate for the use of the Manx National Insurance Fund (MNIF) is shown within the table below.

TABLE 16 – National Insurance Account

NATIONAL INSURANCE ACCOUNT								
£ million	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Income								
NI Contributions	228.8	234.1	237.7	252.9	267.8	283.4	299.9	317.1
Agency Income	47.7	42.7	42.7	38.0	37.6	37.2	36.9	36.5
Transfer from Fund to cover COVID Schemes	30.0	-	-	-	-	-	-	-
Transfer of Investment Income	-	8.2	8.2	8.5	-	-	-	-
	306.5	285.0	288.6	299.4	305.4	320.6	336.8	353.6
Expenditure								
NI Funded Welfare Payments	229.7	223.6	231.0	240.5	252.5	258.4	264.5	270.7
Administration Costs	3.7	2.2	2.2	2.3	2.3	2.4	2.5	2.6
NHS Allocation (DHSC)	41.4	41.1	41.1	45.1	45.6	46.1	46.6	47.1
Health and Care Funding Gap (DHSC)	-	8.2	8.2	8.5	-	-	-	-
	274.8	275.1	282.5	296.4	300.4	306.9	313.6	320.4
NI Operating Account Surplus/(Deficit)	31.7	9.9	6.1	3.0	5.0	13.7	23.2	33.2
NI Fund (est Value) B/F	839.8	858.2	883.4	908.7	931.4	965.3	1,008.9	1,063.4
Investment Income	42.4	26.6	27.4	28.2	28.9	29.9	31.3	33.0
Health and Care Funding Gap (DHSC)	-	(8.2)	(8.2)	(8.5)	-	-	-	-
Withdrawal from Fund to cover COVID Schemes	(30.5)	-	-	-	-	-	-	-
NI Operating Account Movement	31.7	9.9	6.1	3.0	5.0	13.7	23.2	33.2
NI Fund (est Value) C/F	883.4	886.5	908.7	931.4	965.3	1,008.9	1,063.4	1,129.6

The current year expenditure from the MNIF is higher than the level that was budgeted. This is mainly due to the cost of living support payments that have been made during the year that were not anticipated as part of the 2022-23 budget. The current year income is also higher than the budgeted level as a result of higher than expected National Insurance contributions.

Revenue funded benefits for 2022-23 are currently forecast to be approximately £6.4 million higher than budget, again due to the cost of living support payments that have been made during the year that were not anticipated as part of the 2022-23 budget.

The annual uprating of benefits is expected to increase the spending in this area by £26.4 million or 8.8% on an overall basis. The largest increase is, as with the prior year, attributable to the increase in the Retirement Pension of £13.3 million.

Maternity allowance and carer's allowance will be increased by 16.8% and 10.7% respectively for the 2023-24 financial year. This is at an expected cost of approximately £0.6 million and £0.5 million, respectively.

The increase of 10.1% to the Manx State Pension and Long Term Incapacity Benefit are the other main contributors to the overall increase.

As in previous years, this budget continues to follow the UK Government's decision regarding the uprating of state pensions. The UK Government recently confirmed that the pensions triple lock arrangement would be reinstated following a one year suspension in respect of average



salary increases for the 2022-23 financial year. The state pension has therefore been uplifted by UK September CPI of 10.1%.

The forecast National Insurance investment income on the external fund for 2023-24 remains consistent with the prior year and is predicted to continue to grow slightly going forward. This is dependent on the future investment market conditions and is an estimate based on current information and investment mandates that are in place.

Subject to necessary legislative approval, £8.5 million of the National Insurance investment interest income will be utilised during 2023-24 to fund the growth in funding for health and social care. The intention is that this is a further single year measure and the withdrawal of National Insurance investment interest income will not continue going forward. Alternative means of funding the health and social care gap will need to be established.

7.6 Non-Pay Costs

As a base position and as with pay costs, before Departments allocated their net funding amounts non-pay budgets have been uplifted by 5% across all departments generally for the current year and for the period of indicative financial plan presented. However, departments are now able to allocate their budget between pay and non-pay costs more flexibly to better reflect their actual expected cost profiles.

This general uplift has been granted to account for the effects of inflation however, departments have also been required to find efficiencies of 1.5% of non-pay costs across their operations.

7.7 Contingency Funding

As with prior periods, the Treasury will hold a revenue contingency budget which can be accessed upon presentation of a robust business case should Departments or Boards encounter unanticipated costs that cannot be absorbed within the planned budget. The level of contingency has been reduced by £11.6 million for 2023-24 to allow increased funding to be allocated to departmental budgets. Treasury will scrutinise any applications to access contingency funding in close detail.

In addition to the contingency funding held within the revenue budget there was £9.2 million held within the Contingency Fund at the beginning of the 2022-23 financial year. This fund is maintained to cover revenue requirements in excess of the amounts held within the general revenue account.

The current forecasts show that approximately £35.7 million of the Contingency Fund will be utilised during 2022-23 following an additional £37.5 million being added to this fund during the year.

The balance to be carried forward at 1 April 2023 is estimated to be £14.6 million. This budget includes an additional £7.5 million of funding for the Contingency Fund during 2023-24.

The Capital Programme also has a contingency amount included to provide funding to capital projects that face emergency or unforeseen costs and pressures as well to provide assistance with minor timing variances. It is proposed to include a Capital Contingency Budget of £5 million for 2023-24. A Capital Inflation Budget of £5 million is also included within the Capital Programme.

The two budget amounts recognise the continuing issues being faced around costs within the construction sector. Again, any claims by departments to access either the Capital Projects Contingency Budget or the Capital Inflation Budget must be supported by a robust and current business case that will be subject to detailed scrutiny by Treasury.



7.8 Grants Payable

The following grants will be made by Government in 2023-24:

TABLE 17 – Grants Payable 2023-24

GRANTS PAYABLE					
£000	2022-23	2023-24			
	Total Budget	Treasury Grants	Other Grants	Lottery Duty	Total Budget
Financial Services Authority	3,585	2,673	-	-	2,673
Manx Radio (Subvention)	1,090	1,128	-	-	1,128
Laxey Glen Mills	41	42	-	-	42
Culture Vannin	430	104	-	330	434
International Development	2,500	-	2,500	-	2,500
Manx Lottery Trust (Big Lottery)	750	-	600	150	750
Sports Council (DESC)	501	-	21	480	501
Arts Council (DESC)	539	-	99	440	539
Manx National Heritage	4,638	4,800	-	-	4,800
	14,074	8,747	3,220	1,400	13,367

The subvention to Manx Radio has had an increase of 3.5% applied.

The amount paid to the Financial Services Authority is budgeted to decrease which recognises the fact that the Authority is moving towards a model of industry funding.

Laxey Glen Mills, Manx National Heritage and Culture Vannin have had an increase of 3.5% to their grant amounts.

There are no other changes planned to the levels of grants provided by Treasury to the other bodies.



8. THE CAPITAL PROGRAMME

8.1 Overview

The Capital Programme of the Government covers construction and maintenance of the Island's strategic assets. The projects within the programme are wide and varied. The projects can include the construction of new assets, such as critical infrastructure, reconstruction of replacement assets that have come to the end of their useful life and also the provision of necessary equipment and vehicles for the delivery of vital services, including the emergency services.

The maintenance and improvement of existing assets is financed through the Capital Programme to ensure that they remain fit for purpose and that they are preserved for future generations.

The Capital Programme also funds large scale information and communications technology projects to ensure that Government systems and equipment is up to date to allow the effective delivery of public services.

As with prior years, the Capital Programme is shown in detail in Appendix 5 and is analysed to show those projects that are directly funded by a relevant Authority (e.g. Isle of Man Post Office), projects that are funded through the remaining Consolidated Loans Fund (CLF) (e.g. Manx Utilities Authority), and the projects that are funded from the Capital Financing Reserve (CFR).

The CFR is now directly funded from general revenue however, it will not be possible to make any contribution from general revenue for the 2023-24 financial year. This will therefore require some additional injections of funds from general reserves over the coming years. This is highlighted within the receipts noted within Table 2 being low for the 2023-24 year and then increasing over the period of the indicative financial plan.

The intention is that the schemes funded from the Capital Financing Reserves should be fully funded from general revenue by 2027-28.

The CLF remains in place but is now only utilised to fund borrowing or fund entities that are outside of Central Government. Repayments are made to the CLF by means of loan charges and these receipts support the future funding payments and loans. The loan charges include an element of interest linked to the borrowing outstanding. The rate of interest applicable for the 2023-24 financial year is proposed to increase to 5%, which reflects the increase in the Bank of England base rate. Where refinancing has occurred using the proceeds of the Government debt issue then a rate of 1.7% has been applied to reflect the reduced cost of borrowing associated with the external debt.

The CFR and the CLF will also receive funds from the sale of capital assets, known as capital receipts, which have been financed from the relevant source.

Capital budgets for 2023-24 and for the period of the indicative financial plan have been reviewed and revised to reflect the current expectations of the phasing of spending going forward. The amendments and new bids have been reviewed by the Strategic Assets and Capital Investment Committee (SACIC), which is a sub-committee of the Treasury, before onward endorsement has been granted by the Treasury Board and the Council of Ministers.

Business cases are submitted by Departments, which are then considered in the context of the priorities of Government as they stand at the relevant time, criticality, affordability and deliverability within the overall Capital Programme and funding resources available. This follows dialogue with the relevant Department that has submitted the business case. As with the prior year, Departments were requested to only submit critical bids for consideration. This was due to the continuance of affordability and delivery constraints.



Consistent with the prior year, Tynwald is being asked to approve the value needed to complete schemes within the Capital Programme. This recognises that it is very unlikely that a capital project will be halted once it has been started and this also allows Departments some certainty to engage with contractors and suppliers in the knowledge that the project cost has been approved across multiple financial years.

Departments have been required to provide the indicative spend phasing of their new capital projects and active ongoing capital schemes to show the expected cash flow requirements across the life of the project. This has also allowed Treasury to plan for the overall funding requirement for the Capital Programme each year.

The overall spending for a project is split across financial years by the relevant Department but the single project approval process allows flexibility to be built into the process where necessary. Spending can be adjusted to an extent across a project to deal with potential delays and timing differences that are often experienced between one financial year and the next.

Following the initial approval for a capital project by Tynwald, there will be no requirement for a Department to obtain further Tynwald approval in relation to the project unless there is an expected overspend. In these cases, the Departments will still be required to return to Tynwald to obtain a further approval for any additional spending in excess of a de-minimus level of the lesser of £100,000 or 10% of the cost of the scheme.

The process above only applies to discrete, identifiable capital projects. Rolling schemes, such as ongoing capital maintenance schemes and minor capital works schemes, will be subject to annual approval by Tynwald due to their periodic nature.

The Project Development Fund continues to be available and will be increased by a further £8 million for the 2023-24 financial year.

It is recognised that initial business case proposals are sometimes found to be unfeasible in terms of either cost, deliverability, ability to secure consents or timescales. This can have a significant impact on budget delivery. Departments are able to make bids to this Project Development Fund with the bids being considered against the Terms of Reference of the fund and a development budget will be allocated as appropriate.

This will allow Departments to fully develop a scheme through investigation, design, planning consents and procurement. Ultimately, this should allow accurate costs and timeline data to be presented within a fully developed business case for consideration by SACIC, Treasury Board, Council of Ministers and ultimately Tynwald, as appropriate, in line with the new capital approval process outlined within Section 5.5.2.

8.2 2022-23 Performance

There remain challenges within the Capital Programme around labour availability, supply chain delays and significant material cost increases.

Again, the actual expected annual capital spend (excluding borrowing authorities and property purchases) has been lower overall than budgeted for 2022-23. The projected overall spend for the current year is £105.2 million compared to the overall budget of £172.6 million (excluding projects that are funded outside of the CFR and CLF). The budget utilisation for 2022-23 is therefore expected to be around 61%.



8.3 2023-24 Budget

The total proposed Central Government funded Capital Programme for 2023-24 is £114.5 million (£82.6 million from the CFR and £31.9 million from the CLF).

Across the period of the indicative financial plan, the Central Government funded Capital Programme totals £441.6 million (£233.5 million from the CFR and £208.1 million from the CLF).

The CFR financed programme includes £10.1 million of new bids that are proposed for approval, phased across the five years of the indicative financial plan, and £223.4 million of existing schemes. Of the new bid amounts, £6.5 million relates to 2023-24.

The 2023-24 CLF financed programme consists of £7.5 million of approvals relating to new bids and £12.8 million of existing schemes.

Historical trends look likely to continue and it remains unlikely that the full Capital Programme will be delivered during 2023-24 however the full potential costs have been incorporated into the capital funding plans as this represents the full cost exposure to Government and is considered to be the most fiscally responsible approach.

TABLE 18 – Total Capital Programme Funding Forecast – Estimated Delivery Basis

TOTAL CAPITAL PROGRAMME (ESTIMATED DELIVERY)								
£'000 (Projections)	Actual	Budget	Probable	Provisional	Indicative financial plan			
	2021-22	2022-23	2022-23	Budgets 2023-24	2024-25	2025-26	2026-27	2027-28
Consolidated Loans Fund Operating Account	17,685	51,566	6,378	3,691	1,523	1,867	2,728	3,610
Capital Financing Reserve	57,480	71,884	19,657	507	1,857	2,207	3,057	5,407
Total Capital Programme	75,165	123,450	26,035	4,198	3,380	4,074	5,785	9,017

Some capital projects for Manx Utilities are funded through the CLF and this will continue into the future.

As with previous years, the majority of the Capital Programme for 2023-24 will continue to be delivered by the Department of Infrastructure, as they are responsible for the management and maintenance of most of the Government's infrastructure assets and its own share of the public housing stock.

During 2022-23 the capital projects being undertaken were subject to additional scrutiny from SACIC and this will continue.

Table 19A presents a summary of the Capital Programme split by Department. The detailed Capital Programme showing the budgeted expenditure for 2023-24, in accordance with Section 3 of the Budget Order Paper, is shown in Appendix 5.

The amounts for Tynwald approval are shown within Table 19A. Appendix 5 shows the detailed capital programme on a scheme by scheme basis, which supports Table 19A.

The schemes that remain to be financed from the CLF are presented within Table 19B and relate to Manx Utilities Authority, Manx National Heritage and Manx Radio.



TABLE 19A – CFR Capital Programme

Discrete Schemes £000 Department	Total cost	Total Tynwald Approval to 31 March 2023	Total spend to 31 March 2023	2023/24	2024/25	2025/26	2026/27	2027/28	Underspent from approvals to 31 March 2023	New Tynwald Approval
Cabinet Office	2,862	2,862	722	848	1,292	-	-	-	-	-
Department of Education, Sport & Culture	755	260	101	524	130	-	-	-	-	495
Department of Environment, Food & Agriculture	605	-	-	225	240	80	30	30	-	605
Department of Health & Social Care	36,654	35,874	31,681	4,973	-	-	-	-	-	780
Department of Home Affairs	3,383	1,080	80	2,477	826	-	-	-	-	2,303
Department of Infrastructure	120,753	115,673	99,173	16,968	4,323	289	-	-	(196)	5,276
Executive Government	840	-	321	392	16	111	-	-	-	840
Gambling Supervision Commission	500	500	397	103	-	-	-	-	-	-
Financial Services Authority	550	550	447	103	-	-	-	-	-	-
Department for Enterprise	12,272	12,350	7,516	3,443	1,313	-	-	-	(228)	150
Treasury	36,847	43,630	10,117	14,068	10,270	2,392	-	-	(7,692)	909
TOTAL DISCRETE	216,021	212,779	150,555	44,124	18,410	2,872	30	30	(8,116)	11,358
Rolling Schemes £000 Department	Total cost			2023/24	2024/25	2025/26	2026/27	2027/28		New Tynwald Approval
Cabinet Office	1,300			250	250	250	250	250		250
Department of Education, Sport & Culture	1,128			525	525	525	525	525		525
Department of Environment, Food & Agriculture	2,516			700	570	495	520	-		700
Department of Health & Social Care	14,252			1,250	1,250	1,250	1,250	1,250		1,250
Department of Home Affairs	10,207			1,553	1,029	529	529	529		1,553
Department of Infrastructure	237,002			29,182	27,618	23,230	23,230	23,230		29,182
Treasury	5,000			5,000	5,000	5,000	5,000	5,000		5,000
TOTAL ROLLING	271,405			38,460	36,242	31,279	31,304	30,784		38,460
TOTAL CAPITAL PROGRAMME	487,426	212,779	150,555	82,584	54,652	34,151	31,334	30,814	(8,116)	49,818



TABLE 19B – CLF 2023-24 Capital Approvals

CONSOLIDATED LOAN FUND APPROVALS (PROJECTED)							
£'000		Total Expenditure 2023-24	Tynwald Approved C1	To be Approved C2	Future Approvals C3	Loan Sanction C4	Years C5
Manx Utilities Authority							
Advanced Metering Conversion		2,954	1,070	1,884	-	-	10
Combined Cycle Gas Turbine		3,742	1,570	2,172	-	-	5
Electricity Network Refurbishment		1,046	900	146	-	-	20
Refurbishment of Local Sewage Treatment Works		2,636	1,950	686	-	-	30
Regional Sewage Treatment Works for Peel, Laxey and Baldrine		4,000	2,075	1,925	-	-	30
Sewer Network Improvements		1,783	-	1,783	-	-	20
Minor Capital Works (CLF funded)		3,070	3,070	-	-	-	10
Interconnector Feasibility Consultancy and Climate Change Planning		1,126	200	926	-	-	5
Renewable Generation		310	100	210	-	-	20
Raw Water Maintenance Schemes	New	1,201	-	1,201	-	-	30
Treated Water Schemes	New	4,729	-	4,729	-	-	30
Total Manx Utilities Authority		26,597	10,935	15,662	-	-	
Manx National Heritage							
MCW - Gallery Redisplay		110	-	110	-	-	10
MCW - MNH		200	-	200	-	-	10
MCW- Properties		200	-	200	-	-	10
Laxey Wheel Repairs - Phase 2	New	1,033	-	1,033	-	-	10
Accountancy System & Consultancy	New	125	-	125	-	-	7
Nautical Museum – Project Development Fund	New	90	-	90	-	-	10
Total Manx National Heritage		1,758	-	1,758	-	-	
Manx Radio							
MCW - Broadcasting House Maintenance	New	150	-	150	-	150	10
Total Manx Radio		150	-	150	-	150	
Total		28,505	10,935	17,570	-	150	



8.4 The Five Year Capital Programme

The change to the capital approval process is aimed at dealing with the identified issue of legacy projects and historic under-delivery. Capital projects that are expected to commence in 2023-24 or are already underway are the only new bids that have been considered in order to prevent the Pink Book from being used as a placeholder for future projects, which has been the practice previously and which has distorted the capital financing process.

TABLE 20 – Capital Account Summary

CAPITAL ACCOUNT SUMMARY						
£'000	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
			2024-25	2025-26	2026-27	2027-28
RECEIPTS						
Repayment of Capital and Interest	1,324	1,429	1,448	1,460	1,477	1,498
Capital Financing Transfer	20,000	-	25,000	40,000	52,000	70,000
Capital Receipts	500	500	500	500	500	500
Drawdown from Housing Reserve	1,658	1,900	1,900	1,900	1,900	1,900
MUA Repayment	-	834	1,334	1,834	2,334	2,334
TOTAL INCOME	23,482	4,663	30,182	45,694	58,211	76,232
PAYMENTS						
CAPITAL FINANCING RESERVE						
Departments						
Cabinet Office	517	1,098	1,542	250	250	250
Department for Enterprise	4,201	3,443	1,314	-	-	-
Department of Education, Sports and Culture	1,808	1,049	655	525	525	525
Department of Environment, Food and Agriculture	1,775	925	810	575	550	30
Department of Health and Social Care	12,658	6,223	1,250	1,250	1,250	1,250
Department of Home Affairs	951	4,030	1,855	529	529	529
Department of Infrastructure	64,554	44,250	30,042	21,619	21,330	21,330
Housing Reserve Funded Schemes	1,658	1,900	1,900	1,900	1,900	1,900
Treasury	3,912	19,068	15,270	7,392	5,000	5,000
Executive Government	321	392	16	111	-	-
Other Bodies						
Financial Intelligence Unit	-	-	-	-	-	-
Financial Services Authority	96	103	-	-	-	-
Gambling Supervision Commission	101	103	-	-	-	-
TOTAL CAPITAL FINANCING RESERVE	92,552	82,584	54,652	34,151	31,334	30,814
CONSOLIDATED LOANS FUND						
Other Bodies						
Manx National Heritage	1,351	1,758	400	400	400	400
Manx Radio	-	150	150	150	150	150
Manx Utilities Authority	11,330	26,597	69,142	44,377	35,683	28,993
TOTAL CONSOLIDATED LOANS FUND	12,681	28,505	69,692	44,927	36,233	29,543
TOTAL BUDGETED EXPENDITURE	105,233	111,089	124,344	79,078	67,567	60,357



Historically after the end of each financial year, the Treasury has brought to Tynwald a list of Capital Supplementary Authorities for amounts of capital expenditure which form part of the overall approved budget for various capital programme items. Due to the nature and timing of those items over a number of financial years, the actual level of expenditure in any one year may exceed the specific budget approval for that year.

The delegated authority from Tynwald to the Treasury remains in place. This allows the Treasury to approve, where appropriate, the funding of scheme overspends up to £500,000 where they relate to timing differences or up to £100,000 or 10% of the total cost of the project, whichever is lower, where overspends do not relate to timing difference.

Departments will still be required to explain any project overspends where necessary.

8.5 Manx Development Corporation

Manx Development Corporation Limited (MDC), an Isle of Man company, was incorporated on 31 March 2021 as a wholly owned subsidiary of the Treasury.

MDC was established to operate on an arm's length basis from Treasury to make a long term contribution to urban and brownfield regeneration in the Isle of Man.

The MDC board have identified several potential sites for which they would like to conduct feasibility studies in order to bring full business cases forward for consideration. It is anticipated that the feasibility studies will be funded through the injection of further equity capital by Treasury into the MDC.

Where projects are to be taken into development, the MDC will be expected to seek loan funding on commercial terms, either from Treasury or from external sources, to finance any construction costs.

Any further equity or loan funding to the MDC will be considered as and when specific projects are identified and this has not been included within the 2023-24 budget. This funding will be made directly from general reserves.



9. THE RESERVES

9.1 Overview

Government's reserves are made up of internal and external funds. Summaries of each of the reserve uses is included at Appendix 8.

The internal funds assist with funding costs that are difficult to predict due to their unforeseen nature or due to their high levels of cost volatility year on year. Including these items within the revenue budget would distort the annual forecasts and would create a risk of setting inappropriate budget levels for Departments.

The 2023-24 budget relies on the utilisation of £152.9 million of reserves, compared to an estimated fund use of £97.4 million in the 2022-23 Pink Book. This can be used as a proxy for Government's underlying operating deficit. The increase is due largely to funding the Capital Programme on a maximum exposure basis. Planning for the full possible exposure for the Capital Programme is considered to be the most responsible approach to budgetary forecasting.

The level of revenue funding available to contribute towards capital expenditure is lower than the planned Capital Programme which leads to the requirement to draw from reserves. In 2023-24 it has not been possible to budget any transfer from General Revenue to the Capital Financing Reserve, leading to increased reliance on reserves.

The effects of inflation have been felt by departments during 2022-23, leading to a higher than forecast level of internal fund use. This is expected to continue into the 2023-24 financial year but then reduce back to a level more in line with long term averages. The provisional budget also includes an increased level of spending from the Economic Strategy Fund in support of the delivery of the economic strategy.

Investment returns on externally invested reserves are forecast at around £50 million, which is consistent with the prior year. Future years have forecasts at a lower level but then assume modest growth in medium term market conditions, compensating for reduced investment balances due to reserve drawdowns. Actual returns may be in excess or below the planned levels within the indicative financial plan.

A summary of the projected reserves usage is shown within Table 21.

Previously a large proportion of the drawdown from reserves related to the Public Service Employee Pension Reserve (PSEPR). The PSEPR has been fully depleted during the 2022-23 financial year and therefore no further funding will be available from this source going forward. All pensions expenditure going forward will be funded from General Revenue, as was highlighted in the Pink Book for the prior year.



TABLE 21- Use of Reserves

USE OF RESERVES								
£ million	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Internal Funds	42.3	38.1	71.6	78.6	37.8	27.8	27.9	27.9
Housing Reserve Fund	0.6	1.9	1.7	1.9	1.9	1.9	1.9	1.9
NI Operating Account	(31.6)	(9.9)	(6.1)	(3.0)	(5.0)	(13.8)	(23.2)	(33.2)
PSEPR	37.8	5.5	9.8	-	-	-	-	-
NI Investment Account	-	8.2	-	-	-	-	-	-
Sub-Total Transfer To Revenue	49.1	43.8	77.0	77.5	34.7	15.9	6.6	(3.4)
Reserve Fund Interest	7.0	7.6	9.3	10.1	10.6	11.1	11.4	11.6
Capital Account (CLF and CFR)	46.3	46.4	69.1	66.2	41.2	26.1	14.1	(3.9)
Revenue Account Surplus	(6.8)	(0.4)	(10.9)	(0.9)	(1.6)	(1.4)	(1.0)	(0.8)
Use of Reserves	95.6	97.4	144.5	152.9	84.9	51.7	31.1	3.5

9.2 External Reserves

The purpose of each external fund is set out within the investment mandates and forms part of the formal contract with each of the investment managers. All investment mandates and benchmarks remain on an absolute return basis. Details of the investment mandates are published within the Government Accounts, which can be viewed on the Treasury website.

9.3 Internal Reserves

The Treasury was granted devolved authority to transfer funding between the internal reserves without further recourse to Tynwald as part of the 2018-19 budget process. Through this devolved authority, the Treasury has flexibility to transfer funding to areas where it is needed at short notice.

For the 2023-24 budget, the Treasury has recommended the following transfers to the internal funds:

- **Agriculture and Forestry Fund** - £2 million in order to support the Isle of Man meat plant and the agri-environment scheme.
- **Contingency Fund** - £7.5 million, funded from general revenue, to provide funding for unanticipated and unforeseen costs that may arise within Departments.
- **Transformation Fund (formerly the Digital Strategy Fund)** - £1.3 million as a transfer to this fund from the Invest to Save Fund, which is proposed to be closed. The combined fund will be available to finance initiatives aimed at digitising and automating processes in order to achieve efficiencies and cost savings.
- **Economic Strategy Fund (formerly the Economic Fund)** - £74.3 million to be added to this fund in order to support the plan to create a £100 million fund to support delivery of the Economic Strategy through the re-purposing of some existing funds and a transfer of £62.6 million from the Reserve Fund.
- **Healthcare Transformation Fund** – £3.5 million to be added to this fund in order to continue to support work in this area.



- **Legal Costs Reserve** – A further £0.75 million to be transferred to this fund in order to maintain the balance going forward. There is a continued demand for access to this funding from a number areas of Government. The unpredictable nature of these costs mean that it is difficult to establish accurate budgets in this area.
- **Medical Indemnity Fund** – A £3 million top up to this fund in order to maintain the balance going forward in order to meet future liability demands.
- **Project Development Fund** – £8 million added to this fund in order to support the revised capital funding process, with more projects going through the design and feasibility pathway in order to more accurately scope and cost capital projects.
- **Housing and Communities Fund** – £1 million is to be transferred to this fund to support of work of the Housing and Communities Board going forward.
- **Climate Change Fund** – £11 million to be added to this fund by way of a transfer of the balance from the Environmental Protection Fund, combining the two revenue funds relating to climate change into a single fund.

It is proposed to close and re-purpose the following funds during 2023-24:

- Digital Strategy Fund - re-purposed to the Transformation Fund
- Economic Development Fund – re-purposed to the Economic Strategy Fund
- Environmental Protection Fund – re-purposed to the Climate Change Fund
- Invest to Save Fund - re-purposed to the Transformation Fund
- Marketing Initiatives Fund - re-purposed to the Economic Strategy Fund
- Town & Village Regeneration Fund - re-purposed to the Economic Strategy Fund

9.4 2022-23 Reserves Performance

The projected probable income and expenditure for 2022-23 in respect of each of the internally and externally managed funds is presented in Table 22.



TABLE 22 – Probable Income and Expenditure 2022-23

THE RESERVES - PROBABLE INCOME & EXPENDITURE 2022-23							
£000	Balances brought forward at 01/04/22	Projected Income & Expenditure 2022-23					Balances carried forward at 31/03/23
		Transfers (to)/from the Operating Account	Contributions Seizures & Other	Realised Investment Income	Transfer to Revenue & Capital Accounts	Other Expenses	
Managed External Invested Funds:							
Enterprise Development Scheme	1,437	-	1,000	-	-	(4)	2,433
Hospital Estate Development Fund	-	-	-	-	-	-	-
Manx Currency Account - Notes	33,655	-	-	168	-	(84)	33,739
Media Development Fund (Reserve Fund)	704	-	-	10	(714)	-	-
MUA Bond Repayment Fund	70,200	-	1,500	753	(20,000)	(175)	52,278
National Insurance Investment Account	846,813	-	-	12,402	(20,000)	(2,117)	837,098
Public Service Employees' Pension	16	(16)	-	-	-	-	-
Reserve Fund	529,227	(74,621)	714	7,758	(8,410)	(1,479)	453,189
Reserve Fund (Economic Fund)	62,565	-	-	-	-	-	62,565
Reserve Fund Bond Issue	135,948	-	-	1,244	(53,000)	66	84,258
Total - External Funds	1,680,565	(74,637)	3,214	22,335	(102,124)	(3,793)	1,525,560
Invested Funds:							
Academic Business Planning Fund	1,043	-	1,000	1	-	-	2,044
Agriculture & Forestry Fund	2,579	3,000	-	1	(3,600)	-	1,980
BREXIT Fund	2,494	(2,387)	-	-	(107)	-	-
Contingency Fund	9,230	37,500	-	10	(35,724)	-	11,016
Digital Strategy Fund	5,399	500	-	4	(54)	-	5,849
Economic Development Fund	4,728	2,000	-	5	-	-	6,733
Economic Fund	30,595	10,000	-	28	(8,608)	-	32,015
Environmental Protection Fund	9,461	3,000	-	8	(2,023)	-	10,446
Healthcare Transformation Fund	9,388	7,000	-	6	(6,818)	-	9,576
Invest to Save Fund	1,885	500	-	1	(1,624)	-	762
Legal Costs Reserve	2,720	750	-	2	(960)	-	2,512
Marketing Initiatives Fund	3,534	-	-	2	-	-	3,536
Medical Indemnity Fund	4,899	3,000	-	4	(1,950)	-	5,953
Seized Assets Fund	10,558	-	1,000	8	(1,062)	-	10,504
Town & Village Centre Regeneration Fund	1,460	-	-	1	-	-	1,461
Project Development Fund	-	2,000	-	1	-	-	2,001
Housing & Communities Fund	-	2,000	-	1	-	-	2,001
Climate Change Fund	-	25,000	-	17	(9,021)	-	15,996
Funds for Revenue reimbursement	99,973	93,863	2,000	100	(71,551)	-	124,385
Internal element of external Funds:							
Manx Currency Account - Other	72,070	-	-	360	-	-	72,430
Media Development Fund	112	(112)	-	-	-	-	-
Public Service Employees' Pension	9,774	16	-	-	(9,790)	-	-
Enterprise Development Fund	6,701	-	-	-	(313)	-	6,388
Bond Repayment Sinking Fund	5,913	-	13,883	1,700	(6,500)	-	14,996
Internal element of external Funds	94,570	(96)	13,883	2,060	(16,603)	-	93,814
Funds used for capital reimbursement:							
Housing Reserve Fund	7,153	-	1,732	-	(1,658)	-	7,227
Land & Property Acquisition Reserve	6,928	-	-	119	(300)	-	6,747
Capital Financing Reserve	57,480	34,279	20,000	450	(92,552)	-	19,657
Sub-total: Funds for capital reimbursement	71,561	34,279	21,732	569	(94,510)	-	33,631
Total - Internal Funds	266,104	128,046	37,615	2,729	(182,664)	-	251,830
TOTAL	1,946,669	53,409	40,829	25,064	(284,788)	(3,793)	1,777,390



9.5 2023-24 Reserves Projected Income and Expenditure

The projected income and expenditure for 2023-24 is presented in the table below.

TABLE 23 – Projected Income and Expenditure 2023-24

THE RESERVES - PROJECTED INCOME & EXPENDITURE 2023-24							
£000	Balances brought forward at 01/04/23	Projected Income & Expenditure					Balances carried forward at 31/03/24
		Transfers (to)/from the Operating Account	Contributions Seizures & Other	Realised Investment Income	Transfer to Revenue & Capital Accounts	Other Expenses	
Managed External Invested Funds:							
Enterprise Development Scheme	2,433	-	1,000	-	-	(6)	3,427
Manx Currency Account - Notes	33,739	-	-	337	-	(84)	33,992
MUA Bond Repayment Fund	52,278	-	12,500	1,943	-	(131)	66,590
National Insurance Investment Account	837,098	-	-	25,113	(8,542)	(2,093)	851,576
Reserve Fund	453,189	(171,000)	-	7,011	(57,906)	(1,131)	230,163
Reserve Fund (Economic Fund)	62,565	(62,565)	-	-	-	-	-
Reserve Fund Bond Issue	84,258	-	-	2,228	(10,000)	(211)	76,275
Total - External Funds	1,525,560	(233,565)	13,500	36,632	(76,448)	(3,656)	1,262,023
Invested Funds:							
Academic Business Planning Fund	2,044	-	500	4	(500)	-	2,048
Agriculture & Forestry Fund	1,980	2,000	-	4	(3,600)	-	384
Contingency Fund	11,016	-	7,500	22	(10,000)	-	8,538
Transformation Fund (former Digital Strategy Fund)	5,849	762	-	12	(2,500)	-	4,123
Economic Development Fund	6,733	(6,733)	-	-	-	-	-
Economic Strategy Fund (former Economic Fund)	32,015	74,296	-	64	(36,000)	-	70,375
Environmental Protection Fund	10,446	(10,446)	-	-	-	-	-
Healthcare Transformation Fund	9,576	3,500	-	19	(7,500)	-	5,595
Invest to Save Fund	762	(762)	-	-	-	-	-
Legal Costs Reserve	2,512	750	-	5	(500)	-	2,767
Marketing Initiatives Fund	3,536	(3,536)	-	-	-	-	-
Medical Indemnity Fund	5,953	3,000	-	12	(1,500)	-	7,465
Seized Assets Fund	10,504	-	1,000	21	(500)	-	11,025
Town & Village Centre Regeneration Fund	1,461	(1,461)	-	-	-	-	-
Project Development Fund	2,001	8,000	-	4	(5,000)	-	5,005
Housing & Communities Fund	2,001	1,000	-	4	(1,000)	-	2,005
Climate Change Fund	15,996	10,446	-	32	(10,000)	-	16,474
Funds for Revenue reimbursement	124,385	80,816	9,000	203	(78,600)	-	135,804
Internal element of external Funds:							
Manx Currency Account - Other	72,430	-	-	(1,449)	-	-	70,981
Enterprise Development Fund	6,388	-	-	-	-	-	6,388
Bond Repayment Sinking Fund	14,996	-	15,604	1,518	(6,500)	-	25,618
Internal element of external Funds	93,814	-	15,604	69	(6,500)	-	102,987
Funds used for capital reimbursement:							
Housing Reserve Fund	7,227	-	-	-	(1,900)	-	5,327
Land & Property Acquisition Reserve	6,747	-	-	123	(500)	-	6,370
Capital Financing Reserve	19,657	-	50,400	450	(70,000)	-	507
Funds for capital reimbursement	33,631	-	50,400	573	(72,400)	-	12,204
Total - Internal Funds	251,830	80,816	75,004	845	(157,500)	-	250,995
TOTAL	1,777,390	(152,749)	88,504	37,477	(233,948)	(3,656)	1,513,018

Note: The balances of the externally managed investment funds are shown at book rather than market value.



9.6 Reserves Projected Future Expenditure

The projected future expenditure of each fund for the duration of the five year indicative financial plan is presented in the table below:

TABLE 24 – Probable Future Years Expenditure

PROJECTED FUTURE EXPENDITURE FROM RESERVES					
£000	Provisional Budget 2023-24	Indicative Financial Plan			
		2024-25	2025-26	2026-27	2027-28
Managed External Invested Funds:					
Enterprise Development Scheme	6	1,500	1,500	1,500	1,500
Manx Currency Account - Notes	84	550	550	550	550
MUA Bond Repayment Fund	131	150	150	150	150
Bond Repayment Sinking Fund	6,500	6,500	6,500	6,500	6,500
National Insurance Investment Account	10,635	10,635	10,635	10,635	10,635
Reserve Fund	20,745	4,100	2,100	100	100
Total - External Funds	38,101	23,435	21,435	19,435	19,435
Invested Funds:					
Academic Business Planning Fund	500	500	500	500	500
Agriculture & Forestry Fund	3,600	3,600	3,600	3,600	3,600
Contingency Fund	10,000	1,500	1,500	1,500	1,500
Transformation Fund (formally Digital Strategy Fund)	2,500	2,500	2,500	2,500	2,500
Economic Strategy Fund	36,000	20,000	10,000	10,000	10,000
Healthcare Transformation Fund	7,500	5,000	5,000	5,000	5,000
Legal Costs Reserve	500	500	500	500	500
Medical Indemnity Fund	1,500	750	750	750	750
Seized Assets Fund	500	500	500	500	500
Project Development Fund	5,000	2,000	2,000	2,000	2,000
Housing & Communities Fund	1,000	1,000	1,000	1,000	1,000
Climate Change Fund	10,000	5,000	5,000	5,000	5,000
Funds for Revenue reimbursement	78,600	42,850	32,850	32,850	32,850
Internal element of external Funds:					
Manx Currency Account - Other	-	750	750	750	750
Internal element of external Funds	-	750	750	750	750
Funds used for capital reimbursement:					
Housing Reserve Fund	1,900	1,900	1,900	1,900	1,900
Land & Property Acquisition Reserve	500	500	500	500	500
Capital Financing Reserve	70,000	70,000	70,000	70,000	70,000
Funds for capital reimbursement	72,400	72,400	72,400	72,400	72,400
Total - Internal Funds	151,000	116,000	106,000	106,000	106,000
TOTAL	189,101	139,435	127,435	125,435	125,435



Appendix 1 – Analysis of Treasury Income

APPENDIX 1 – ANALYSIS OF TREASURY INCOME

This table shows the estimated revenue of the Treasury as provided by Customs & Excise, Income Tax and the Treasury investment team.

TABLE 25 – Analysis of Treasury Income

ANALYSIS OF TREASURY INCOME							
Budget 2022-23	Probable 2022-23	£000	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
		CUSTOMS & EXCISE					
		<u>Shared Revenue</u>					
347,850	347,985	Value Added Tax	356,047	368,171	380,406	393,187	407,361
29,900	28,500	Excise Duty – Hydrocarbon Oil	29,900	29,700	29,400	29,000	28,600
23,100	23,100	Excise Duty - Alcohol	23,440	23,739	24,115	24,496	24,883
17,346	17,346	Excise Duty - Tobacco	17,646	18,000	18,284	18,573	18,865
6,400	6,400	Customs Duty	6,500	6,600	6,704	6,810	6,918
630	630	Soft Drinks Industry Levy	640	649	659	670	681
(3,500)	(2,300)	Cost of Collection Adjustment	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)
		<u>Non-Shared Revenue</u>					
4,500	3,700	Gambling Duty	4,500	4,500	4,600	4,600	4,600
2,700	3,000	Air Passenger Duty	3,600	4,600	5,500	5,500	5,500
1,300	1,600	Lottery Duty	1,300	1,300	1,400	1,400	1,400
500	500	Non-Revenue Receipts	600	600	600	500	500
430,726	430,461	TOTAL CUSTOMS & EXCISE	440,673	454,359	468,168	481,236	495,808
		INCOME TAX					
222,219	236,693	Resident Income Tax	245,555	254,177	262,220	270,548	281,115
11,070	14,085	Company Tax	13,070	13,310	13,560	13,810	14,070
17,140	21,575	Non-Resident Tax	20,140	20,230	20,320	20,420	20,520
250,429	272,353	TOTAL INCOME TAX	278,765	287,717	296,100	304,778	315,705
285,030	288,581	NI OPERATING ACCOUNT	299,415	305,417	320,687	336,722	353,558
		OTHER TREASURY INCOME					
250	250	Fines	250	250	250	250	250
7,643	9,318	Investment income (including dividends)	10,109	10,615	11,146	11,368	11,596
44	(158)	Miscellaneous	47	61	77	428	923
7,937	9,410	TOTAL OTHER TREASURY INCOME	10,406	10,926	11,473	12,046	12,769
974,122	1,000,805	TOTAL	1,029,259	1,058,419	1,096,428	1,134,782	1,177,840



Appendix 2 – National Insurance Account

APPENDIX 2 – NATIONAL INSURANCE ACCOUNT

TABLE 26 – National Insurance Fund Account

NATIONAL INSURANCE ACCOUNT								
£ million	Actual 2021-22	Budget 2022-23	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
					2024-25	2025-26	2026-27	2027-28
Income								
NI Contributions	228.8	234.1	237.7	252.9	267.8	283.4	299.9	317.1
Agency Income	47.7	42.7	42.7	38.0	37.6	37.2	36.9	36.5
Transfer from Fund to cover COVID Schemes	30.0	-	-	-	-	-	-	-
Transfer of Investment Income	-	8.2	8.2	8.5	-	-	-	-
	306.5	285.0	288.6	299.4	305.4	320.6	336.8	353.6
Expenditure								
NI Funded Welfare Payments	229.7	223.6	231.0	240.5	252.5	258.4	264.5	270.7
Administration Costs	3.7	2.2	2.2	2.3	2.3	2.4	2.5	2.6
NHS Allocation (DHSC)	41.4	41.1	41.1	45.1	45.6	46.1	46.6	47.1
Health and Care Funding Gap (DHSC)	-	8.2	8.2	8.5	-	-	-	-
	274.8	275.1	282.5	296.4	300.4	306.9	313.6	320.4
NI Operating Account Surplus/(Deficit)	31.7	9.9	6.1	3.0	5.0	13.7	23.2	33.2
NI Fund (est Value) B/F	839.8	858.2	883.4	908.7	931.4	965.3	1,008.9	1,063.4
Investment Income	42.4	26.6	27.4	28.2	28.9	29.9	31.3	33.0
Health and Care Funding Gap (DHSC)	-	(8.2)	(8.2)	(8.5)	-	-	-	-
Withdrawal from Fund to cover COVID Schemes	(30.5)	-	-	-	-	-	-	-
NI Operating Account Movement	31.7	9.9	6.1	3.0	5.0	13.7	23.2	33.2
NI Fund (est Value) C/F	883.4	886.5	908.7	931.4	965.3	1,008.9	1,063.4	1,129.6

See Appendix 8 for more information on the National Insurance Account.



Appendix 3 – Welfare Benefit Payments 2023-24

APPENDIX 3 – WELFARE BENEFIT PAYMENTS

TABLE 27 – Welfare Benefit Payments

Benefit/Payment	Base cost (1) £	Up-rating %	Cost of up-rating £	Up-rated cost £
National Insurance (NI) Benefits				
Retirement Pension (2)	132,000,000	10.1%	13,332,000	145,332,000
Age Addition	300,000	0.0%	-	300,000
Pension Supplement (RP)	29,000,000	0.0%	-	29,000,000
Retirement Pension Premium	865,000	10.1%	87,000	952,000
Old Person's Pension	85,000	10.1%	9,000	94,000
Manx State Pension (3)	24,000,000	10.1%	2,424,000	26,424,000
Pension Supplement (MSP)	5,800,000	0.0%	-	5,800,000
Nursing Care Contribution Scheme	3,700,000	10.1%	374,000	4,074,000
Long Term Incapacity Benefit	11,000,000	10.1%	1,111,000	12,111,000
Short Term Incapacity Benefit	2,600,000	10.1%	263,000	2,863,000
Incapacity Benefit Youth	40,000	10.1%	4,000	44,000
Pension Supplement (Incap)	250,000	0.0%	-	250,000
Bereavement Support Payment	1,000,000	10.1%	101,000	1,101,000
Bereavement Allowances (legacy)	150,000	10.1%	15,000	165,000
Pension Supplement (Bereavement)	18,000	0.0%	-	18,000
Widows Pension	80,000	10.1%	8,000	88,000
Pension Supplement (Widows Pension)	12,000	0.0%	-	12,000
Guardian's Allowance	10,000	10.1%	1,000	11,000
Funeral Payments	100,000	0.0%	-	100,000
Maternity Allowance	3,500,000	16.8%	588,000	4,088,000
Adoption Allowance	10,000	16.8%	2,000	12,000
Paternity Allowance	100,000	16.8%	17,000	117,000
Carer's Allowance	4,200,000	10.7%	449,000	4,649,000
Industrial Disablement Benefit	800,000	10.1%	81,000	881,000
Contribution Based Jobseeker's Allowance	300,000	10.1%	30,000	330,000
Redundancy Payments/Rebates	185,000	0.0%	-	185,000
Insolvency Payments	500,000	0.0%	-	500,000
Christmas Bonus	1,000,000	0.0%	-	1,000,000
N.I. Benefits - Total	221,605,000		18,896,000	240,501,000
General Revenue Benefits				
Disability Living Allowance (4)	14,000,000	9.9%	1,386,000	15,386,000
Attendance Allowance	5,000,000	9.8%	490,000	5,490,000
Severe Disablement Allowance	400,000	10.1%	40,000	440,000
Child Benefit	11,000,000	9.8%	1,078,000	12,078,000
Income Support	35,000,000	9.8%	3,430,000	38,430,000
Winter Bonus (5)	-	0.0%	-	-
Exceptional Needs Grants	100,000	0.0%	-	100,000
Maternity Payments	50,000	16.7%	8,000	58,000
Employed Person's Allowance	9,000,000	9.8%	882,000	9,882,000
Income Based Jobseeker's Allowance	2,000,000	9.8%	196,000	2,196,000
T.V. Licences/Payments	1,000,000	0.0%	-	1,000,000
General Revenue Benefits - Total	77,550,000		7,510,000	85,060,000
Grand Total	299,155,000		26,406,000	325,561,000

Notes:

1. Anticipated spend in 2023-24 before uprating.
2. Basic pension and additional pension both increased by 10.1% (per triple lock).
3. Amount up to full rate increased by 10.1%. Protected amount also increased by 10.1% (per triple lock).
4. Higher rate mobility component to be uprated by 10.1%, which is the same as the UK. All other components to be uprated by 9.8% per Isle of Man CPI.
5. Discontinued temporarily - £800,000 for 2022-23
6. All amounts are rounded to the nearest £000.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

APPENDIX 4 – REVENUE EXPENDITURE IN DETAIL BY DEPARTMENT, OFFICE OR BOARD

Please note that each Department of Executive Government and Statutory Board has been responsible for providing the narrative that follows.

A4.1 Department for Enterprise (DfE)

The DfE's mission is to create an environment, through innovation and collaboration, where the economy thrives.

This mission is directly aligned to the Government's vision of creating a secure, vibrant and sustainable future for our Island nation. As part of the Island Plan, the DfE is delivering key initiatives to help build a strong and diverse economy, underpinned by a robust economic strategy and clear achievable outcomes.

As part of the creation of the Economic Strategy, DfE had a central role in developing the research, proposals, measurement and delivery required to ensure the Strategy meets its ambitious targets. The Economic Strategy will play a key role in the activity of the Department over the next 10-15 years.

The DfE has a wide remit and encompasses a number of distinct functions and agencies. The Department is responsible for four Executive Agencies made up of private/public sector members, who work in partnership to promote and develop the Island's sectors and deliver long term, sustainable economic growth for the Isle of Man. These are:

- Finance Isle of Man
- Digital Isle of Man
- Business Isle of Man
- Visit Isle of Man

The Executive Agencies sit alongside the Department's central functions which are responsible for cross agency initiatives – encompassing Strategy and Policy Development, Marketing and Business Intelligence, Enterprise Support, Legislation, and the Locate Isle of Man team.

Alongside the Executive Agencies and support functions, the Department also leads the promotion, organisation and delivery of the Isle of Man TT and provides assistance to other motorsport events.

The Department is also responsible for supporting two distinct registry functions, which are also Safety Regulators. Both are highly regarded in their own right and are not only crucial to supporting day-to-day life in the Island, but also underpin a wide range of sectors of the economy:

- Isle of Man Civil Aviation Administration and Aircraft Registry
- Isle of Man Ship Registry

The Department is also the stationed employer of the Registrar General, who is responsible for the management of the Central Registry. The Registrar General holds statutory obligations under several Acts of Tynwald including those relating to Civil, Companies, Deeds & Probate, and Land registration as well as the Public Record Office, the National Archive of the Isle of Man Government and other public bodies such as Tynwald, the courts and local authorities.

Collectively, the Department's functions work hand in hand with the Executive Agencies and the broader private sector in growing real businesses, generating real jobs, and providing real opportunities for growth in the Island.

Consequently all areas of the Department contribute toward "creating an environment, through innovation and collaboration, where the economy thrives", and the Department predominantly raises revenue which is then invested in pursuit of this mission.

For more information on the DfE and the four Executive Agencies, please visit www.iomdfenterprise.im

The Department's Annual Plan is available here: www.gov.im/dfc



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Department Key Successes in 2022-2023

The Executive Agencies produced detailed programmes outlining their successes as well as priorities.

Enterprise Support

- Conducted a review of schemes in line with Economic Strategy
- Micro Business Grant Scheme invested £740,083 supporting small businesses, trained 270 individuals and helped create and support 91 new businesses
- £5.3 million committed and paid to Isle of Man businesses through Financial Assistance Scheme, with 116 new jobs forecast to be created, resulting in 45% return on investment over 5 years
- 98 jobs through Employee Relocation Incentive with exchequer benefit of over £1,453,348 within one year
- 17 jobs through Graduate Role Incentive with exchequer benefit of over £86,601 within one year
- Administration of Green Living Grant Scheme which supported over 2,000 Manx Home Energy Audits and approved over £285,000 of funding to improve energy efficiency of residential properties

Finance Isle of Man

- Insurtech Accelerator Programme – supported a cohort of seven international businesses who are now examining opportunities with Insurance sector
- Delivered comprehensive event programme to raise profile of IOM and supporting industry - with events in UK, Dubai, Singapore, South Africa, Switzerland and Bahrain. Detailed Feedback from businesses post event to ensure delivery of new business connections and enquiries
- Celebrated two award wins – “International Campaign of the Year” and “Excellence in Innovation within International Finance Centre”
- Support environment where three international banking groups have committed multi pound investment in their Isle of Man operations

Manx Development Corporation

- Secured planning permission for the redevelopment of former Nurses Home
- Developed a detailed large-scale Westmoreland Road Masterplan
- Delivered a detailed feasibility for a major redevelopment of the Parade Street site

TT & Motorsports

- Delivery of 2022 Isle of Man TT Races following COVID-enforced break, using a new strategic approach following implementation of the TT's first ever overarching strategy
- New systematic approach to risk management built around rebooted safety culture
- Significant infrastructure upgrades around TT Course and Grandstand/Paddock area
- Introduction of new Digital Broadcast Strategy, built around first-ever live coverage of Isle of Man TT Races and introduction of TT's own dedicated streaming service

Visit Isle of Man

- Launched ten year Visitor Economy Strategy with ambitious target of achieving 500,000 visitors pa by 2032
- Created online Travel Trade Hub to provide dedicated resources for Travel Trade professionals
- Formed Travel Trade Partnership and Distribution Forum
- Visitor first committee played key role in redesign of Welcome Centre
- Began process of extending season with key partners to immediately address seasonality issues
- Expanded Island's wellness and adventure and supported growth of new adventure businesses
- Development of Island's walking product - creation of eight Summits Routes and input into maintenance and development of national trails

Locate Isle of Man

- 54 Business Migrant applications approved, with estimated economic benefit of £2.62m
- 59 secondary teacher vacancies were advertised and 64 were filled due to cross Government campaign (32 relocating, five returning and 27 on-Island)
- Successful multi-sector skills campaign created over 2,000 leads in Talent Portal for businesses across five sectors - over 220 companies, plus recruitment agencies registered on Portal
- Conducted 32 pop up events, engaged in over 2,200 conversations and 630 online chats during TT resulting in 1,000 leads
- Successfully piloted a series of relocation events to support retention, community and sector integration, and engagement
- HNWI events attended across UK and South Africa - 21 Individuals interested, support provided for five relocations
- Graduate Fair facilitated with over 65 exhibitors and 200 attendees

Digital Isle of Man

- 250 jobs created in 2022
- 74 GSC licences live
- FinTech Innovation Challenge launched
- National Broadband Plan exceeded 75% completed premises past for fibre, ahead of planned timelines
- Delivered programme to upskill on-island businesses in esports and documented the sector's regulatory needs
- Delivered 8 new IOT projects by end of 2022

Business Isle of Man

- First provisional Medicinal Cannabis for export licence issued
- Provided financial stability to Engineering and Manufacturing post Covid and developed range of initiatives, leading to 50 new jobs
- Continued to monitor cost of living impact on sectors and provided feedback into Government's cost of living response
- Launched targeted support for hospitality and event organisers under Economic Strategy Board programme
- Re-introduced Small Business Workshops with aim of upskilling local businesses

Ship and Aircraft Registries

- Extensive programme of Aviation Primary and Secondary Legislation completed
- Successful launch and roll out of 'green fees' initiative, offering discounts on registration for companies that invest in green technologies for ships – first flag state to offer such a scheme
- Successful launch of new survey scheme for yachts – 'Pleasure Yacht Charter Ready' designed to fit operating profile of modern yachts.
- Revised 'General Inspection' regime for cargo ships to make optimal use of remote inspection technology which enables annual views
- Incorporated 4 UN Sustainable Development Goals into operating model

Central Registries

- Implementation of Digital Archive solution to preserve records which are 'digitally born'
- Business readiness for public register of beneficial ownership
- Key role in identification of records for Independent Covid Review
- Further improvements to conveyancing process with Deeds as far back as 1979 now available online



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Department Key Priorities for 2023-2024

Enterprise Support

- Recommend and implement changes to Support Schemes in line with Economic Strategy by Summer 2023 following consultation with business community
- Continue project to digitise Grant schemes to improve customer journey for applicants, starting with Financial Assistance Scheme in line with Department Plan
- Seek to facilitate the accelerated development of two brownfield sites through the newly created Island Infrastructure Scheme
- 159 new jobs forecast to be created as a result of Financial Assistance Scheme
- 120 new jobs through Department employment incentives
- 200 entrepreneurs trained through Micro Business Grant Scheme

Finance Isle of Man

- 12 months digital marketing campaign promoting finance sector
- Deliver comprehensive international event programme supporting industry - with events in UK, Middle East, South Africa, and Europe. Obtain quantitative and qualitative feedback from IoM businesses post event to ensure delivery in terms of new business connections and enquiries
- Together with partners Digital Isle of Man and FSA deliver Fintech Innovation Challenge

Ship and Aircraft Registries

- Explore growth opportunities in new markets
- Capitalise on appointment of new global Business Development Managers by attracting new tonnage to register from new markets
- Prioritise programme of secondary aviation legislation, continue to evolve safety practices and digital transformation projects, and introduce new services, such as fleet approvals that make jurisdiction appealing for registration and operational purposes

Island Plan/Economic Strategy

- Deliver new initiatives as proposed by the Economic Strategy
- Consultation for further reforms for Work Permits
- Delivery of annual Department Plan
- Complete and publish proposed approach to Workforce and Skills challenges

Central Registries

- Updates and modernisation to civil registration legislation and the Public Records Act
- Further enhancements to digital archive to enable online access
- Explore options for development of new IT for civil registrations
- Progress actions arising from Constitutional and Legal Affairs report on adverse possession

Visit Isle of Man

- Building Travel Trade Hub registrations, developing relationships, and creating content and material to meet needs of Travel Trade
- Build on season extension initiative throughout 2023 and into spring 2024
- Encourage more adventure and wellness tours and short breaks, drive number of walking visitors to IOM
- Look to drive visitor growth through events with priority to develop five new signature events in 2023
- Launch new 3-5 year promotional campaign in 2023 to replace current 'Extraordinary Island Campaign' which has been running since 2018

Locate Isle of Man

- Deliver Locate Isle of Man plan in concurrence with new Workforce and Skills programme and Economic Strategy
- Deliver revised approach to improving Graduate Ecosystem
- Support public and private sectors to fill identified skills gaps, with a target of supporting 300 roles across all sectors
- Continue to grow robust and attractive Business Migrant offering, targeting 20 approvals and £1m of exchequer benefit.
- Continue to support increase of economically active population and population rebalance

Digital Isle of Man

- Creation of at least 300 new jobs by end of 2023
- 80 live GSC licences by end of 2023
- Run the FinTech Innovation Challenge
- Develop plan to provide digital academy which benefits IOM
- 90% of homes passed for fibre by end of 2023 and improved connections to the network from 30% to 50%
- 12 new IOT projects in the public domain by end of 2023

Business Isle of Man

- Unlock potential of Medicinal Cannabis sector leading to creation of new jobs
- Work with new Board to commit to Strategic Plan for next 12 months, primarily focused on delivering additional jobs in enabling sectors which will help diversify Island's economy in line with Economic Strategy
- Re-focus on potential of export based industries: Food and Drink Production and Engineering, Cleantech and Manufacturing

Manx Development Corporation

- Progress into construction phase of Nurses Home to provide 37 new dwellings in Douglas
- Continue with large scale Westmoreland Masterplan culminating in planning submission and start on site
- Progress planning submission for Phase 1 of Parade St masterplan
- Deliver planning submission for Park Road site and commence on site

TT & Motorsports

- Successful delivery of 2023 Isle of Man TT Races and introduction of new, customer-led racing schedule designed to grow attendance by c10k over next three years delivering additional £6m of inward spend
- Successful delivery of new merchandise and ecommerce model delivering an income uplift of 65% in the first year.
- Successful implementation of reformed and revised structure for Race Organisation driving a more professional and sustainable race organisation model
- Continued audience growth of 50% for the calendar year



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DfE – Financial Summary

TABLE 28 – DfE – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Chief Executive's Office	828	632	761	-	761
Strategy & Policy	1,286	2,150	1,835	158	1,677
Digital Agency	923	865	1,390	-	1,390
Visit Agency	1,400	2,065	2,582	27	2,555
Finance Agency	605	733	1,149	-	1,149
Motorsport	3,470	6,587	9,354	2,913	6,441
Ship Registry	(241)	266	3,461	3,350	111
Aircraft Registry	(890)	(366)	2,983	3,600	(617)
Central Registry	(15,693)	(15,070)	1,999	17,096	(15,097)
Enterprise Support	4,160	6,338	653	-	653
Business Agency	402	534	942	-	942
Fund Reclaims	2,974	-	-	-	-
NET EXPENDITURE	(776)	4,734	27,109	27,144	(35)

TABLE 29 – DfE – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	27	-	-	-	-	-	-
Third Party Contributions	-	-	-	-	-	-	-
Operating Income	25,060	26,439	27,144	27,687	28,240	28,805	29,525
Other Non-Trading Income	35	-	-	-	-	-	-
TOTAL INCOME	25,122	26,439	27,144	27,687	28,240	28,805	29,525
EXPENDITURE							
Employee Costs	10,204	11,025	11,838	12,075	12,316	12,562	12,814
Infrastructure Costs	1,032	780	791	807	823	840	856
Transport Costs	1	-	-	-	-	-	-
Supplies & Services	9,240	13,508	14,503	14,793	15,089	15,390	15,698
Other	3,869	5,860	(23)	(23)	(23)	(23)	(23)
TOTAL EXPENDITURE	24,346	31,173	27,109	27,652	28,205	28,769	29,345
NET EXPENDITURE	(776)	4,734	(35)	(35)	(35)	(36)	(180)

TABLE 30 – DfE – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	10,585	18,176	(27,144)	1,617
Transfer from Cabinet Office	-	25	-	25
Budget Uplifts	635	484	-	1,119
Removal of FAS funding	-	(2,796)	-	(2,796)
Departmental Rebase	618	(618)	-	-
2023-24 BUDGET	11,838	15,271	(27,144)	(35)



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.2 Department of Education, Sport and Culture (DESC)



Thie Sieu Whallian – Department of Education, Sport and Culture

In the Island Plan there is a commitment to “Continue to recognise the importance of investing in our residents’ education from an early age, increase school performance levels and providing high-quality education and training opportunities to allow anyone to reach their full potential at any time in their life”. Actions associated with this include:

- Review education funding and delivery so resourcing is focussed into the right areas with the most positive impact.
- Ensure attainment and quality benchmarking of education services.
- Deliver improved and ongoing support for higher education.
- Implement a Childcare Strategy so that parents can access childcare at various stages and balance home and work commitments.

The Island Plan also includes objectives to:

- support sport, active leisure and recreational facilities
- Encourage arts, culture and heritage enrichment

Economic Strategy

The Economic Strategy has recently been developed and in December 2021 an initial report was published, which stated that the quality of education on the Island is important for both attracting people to live and work on the Island and in ensuring that the current and future economically active population have the skills that the economy needs.

The Isle of Man has a pupil-to-teacher ratio of around 1:20 across primary and secondary schools whereas the UK is 1:17 and both Jersey and Guernsey are 1:13.

Isle of Man school students achieved an overall pass rate of more than 98% for their qualifications with a pass rate for GCSE’s, IGCSEs and other level 1 and 2 qualifications at 98.1%. A fifth earned the highest A* or A grades and around 60% gained five or more qualifications including English and maths, which every student sat.

Following secondary school, many young people from the Island do continue into higher education, with the majority continuing their studies off-island: 61% in 2020 versus 10% taking up a place on the Island at UCM.

The Economic Strategy published in July 2022 sets out a 10 year ambition for the Island including growing the population to 100,000 by 2037 driven by the inward migration of economically active people. This will clearly have implications for the Department as the younger, more diverse population will need education facilities for their children, and new skills for themselves in order to address skill gaps in the current market.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Progress on the Island Plan Objectives

Although the objectives within the Island Plan cover the 5 year life of the Plan, the Department has already made excellent progress in supporting the Government's vision of building a secure, vibrant and sustainable future for our Island.

In November 2022, an update was presented to Tynwald on the number of actions, which support the Department's vision to inspire, empower and provide learning, sporting and cultural opportunities that support all children, young people and adults.

The plan's scope is wide due to the diversity of the Department's divisions which make the goals ambitious and therefore objectives set to achieve them must be creative to ensure value for money given the constraints of the Department's budget.

Progress on the five focus areas of the Department Delivery Plan are as follows:

1. Early Intervention.

Tynwald approved the Childcare Strategy in July 2022, which aims to put the child first and deliver better outcomes through improved access to early years' education. The approval of the Pre-School Credit Scheme 2022 has seen credit increase, which reflects the rise in the average cost of childcare.

2. Curriculum, Learning and Achievement.

Work has started on the core curriculum within schools, commencing with Literacy, to ensure it is modernised and standardised throughout the organisation.

A new Quality Assurance Framework has been developed, which retains the uniqueness of the Island's education system of being fully inclusive, and is currently being implemented by a phased approach across all Island schools.

The new Framework is designed to be rigorous enough to lead to continual improvements in the quality of education, set goals, measure progress and support the ongoing improvement and development of schools, teaching and learning.

The Additional Educational Needs Code is being progressed, this Code will then be used by schools and parents to ensure equality of educational provision for all children and young people.

The Manx Language Strategy was launched in June 2022 which aims to ensure the growth and sustainability of the Manx language over the next ten years and beyond.

3. Corporate Responsibility

Island wide participation of schools supported the UNESCO Biosphere weeklong event honouring the Department's commitment to environmental awareness, promoting conservation, learning and sustainable development.

4. Employability

Plans are being actioned to develop strong links between employers and other Departments to support the understanding of young people of all entry points into local sectors and into employment.

5. Health and Wellbeing

In order to support the Department's hard working, committed teachers and lecturers a review of the terms and conditions has been initiated, this has seen an increase in teacher support staff and an easing of the policy surrounding supply cover together with an increase in remuneration and a review of benefits.

The Department is also focusing on staff wellbeing, with all teaching staff being offered training that will place wellbeing at the heart of learning, teaching and leadership within all our Island's schools.



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The Department continues to consider initiatives which focus on attracting and retaining new and returning teachers with the hope of providing significant incentives for teaching on the Island.

The implementation plan, which was generated in response to the Beamans Independent Review into the Department which went to Tynwald in January 2021, continues to be delivered and an update on progress was provided to Tynwald in early 2022.

Department News

Notable celebrations for the Department during last year were the 50th anniversary of the Manx Youth Orchestra and the annual Manx Youth Games, which has been running for over 20 years.



Manx Youth Orchestra – Musical Extravaganza at the Villa Marina

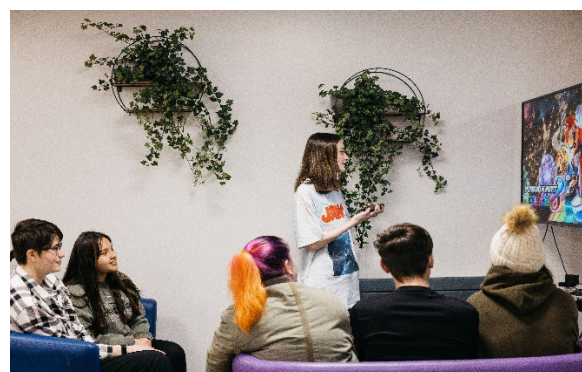


NSC - Annual Youth Games

The Department played a pivotal role in the launch of the pilot summer holiday activity and food programme which was part of Government’s commitment to protect low income families against rising living costs. The pilot summer holiday activity and food

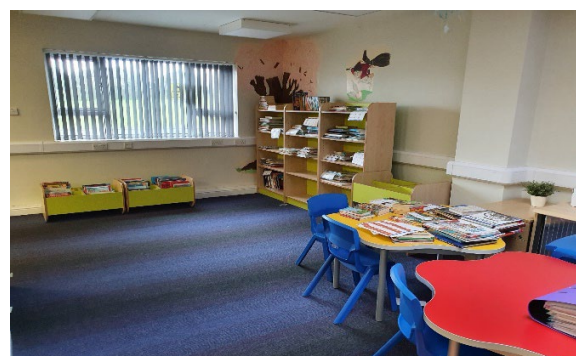
programme funded from the Soft Drinks Industry Levy, provided food, drink and recreational activities for children during the summer holiday period.

Continuity of the Department’s dedicated teaching staff is of utmost importance, in September it welcomed two new secondary school heads, for both Ballakermeen and Queen Elizabeth II High Schools. Primary schools also welcomed a new Headteacher to Sulby Primary School.



UCM #2 – student and staff ‘meet, greet & eat area’

The Department has completed a number of Academic Business Planning Fund (ABPF) projects during the year (pictured above and below), this enables funds to be utilised at times, which are more convenient thus minimising the disruption to students.



Peel Clothworkers School – library refurbishment



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Financial Performance 2022-23

The Department sought assistance from Treasury last year due to budgetary restraints in relation to the following operational pressures:

- Complex Needs have increased significantly
- Costs and services, especially energy costs, have risen substantially, inflation being a major factor of this
- Income within the Department's facilities has dropped dramatically since COVID and are experiencing challenging times
- Resolution of a pay award for the Island teachers

Financial Performance 2023-24

Cost pressures from inflation and other factors, including those above, will likely continue into 2023-24. Therefore continued delivery of all of the Department's services for the allocated budget will be a challenge.

The Department is grateful that the budget has been increased since last year, it is however, less than what was requested, although it is accepted that in the current economic climate some difficult financial decisions have had to be made.

On top of the 2% pay award allocated in 2022-23, Treasury has provided for an additional 6% in 2023-24, giving a total of 8% across the two years. There has been a great deal of pressure on the pay budget as it has been utilised to support both the 2022-23 and 2023-24 pay awards to enable a satisfactory realignment of pay and conditions for Island teachers. Pay costs currently make up 80% of the Department's net budget.

Treasury awarded an inflationary increase of 5% in non-pay costs which was netted off by a 1.5% Cost Improvement Plan (CIP) target applied to all Departments, therefore

an overall net of 3.5% increase was awarded. This amounts to £1.1m.

Non-pay costs include £5m of infrastructure costs and £18.5m of subsidies and grants comprising of £13.3m for student awards, £3.4m for pre-school credits and £1.8m for regional pools. If energy inflation remains at the levels seen in 2022-23 then inflationary pressures could utilise all of the additional budget awarded.

Outside of the inflationary increases, the Department was awarded an additional £5m. Given the current status of the pay awards and general inflation, £3m of the additional amount will be used in supporting those cost pressures, although on its own will not likely be enough to mitigate these risks. The remaining £2m will be allocated to schools in support of Additional Educational Needs (AEN), which enables a part of the AEN code to be implemented.

The Department had hoped to allocate appropriate additional budget to AEN, and had indicated an expected cost of £11.8m in its Financial Plan submission as this has been identified as a high-risk area if not delivered. Clearly, with the prescribed pressures having impacted that budget, the full delivery of the AEN code will not be possible without the appropriate funding.

The Additional Educational Needs Code subject to the allocation of appropriate funding will be progressed following a commitment to Tynwald by the Minister in February 2021. As of April 2020, there were a total of 2,313 students on the Isle of Man who were identified as having AEN, which equates to 22.1% of the school aged population. The Department has undertaken a gap analysis on AEN provision and identified an £8.9m shortfall made up of staffing, external agency support and bespoke provision. This is on top of a £2.9m funding gap for children with Complex Needs, which is driven by a combination of increased numbers of



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

children along with additional provision required for the existing cohort.

The Department is forecasting an increase of 35% in the number of children requiring Complex Needs provision for the 22/23 academic year, which is up from 297 to 402. In addition to the total increase in the number of Children, the team has identified that 80 children require additional provision to ensure that the level of support remains appropriate to the child's increasing needs. Both the increase in the number of children, and the shift to a more complex level of need on average will drive an additional funding demand of £2.9m for the full 2022-23 academic year.

During the next few months the Department will consider to what extent any additional funding can be allocated to AEN and Complex Needs, and will risk-assess prioritising allocating funding to AEN and Complex Needs over other service areas.

In September 2022 in support of the Childcare Strategy's aim of childcare provision, which is affordable for all, new rates for pre-school credits were introduced having not been updated since 2018. The new hourly rate was set at £5.34, based on the current average cost of childcare, up from the previous rate of £4.50. The amount now available to parents should enable them to obtain 15-20 hours of childcare per week. However, the new rate comes at a cost of around £559k per year and without this additional cost being provided for in the budget.

In response to the Island Plan objective "Review education funding and delivery so resourcing is focussed into the right areas with the most positive impact", an outsourced review of educational funding will be completed in 2023. The outcome should ensure the available funding is allocated to meet the educational services

required by the Island. If the review identifies that further funding is required, the Department will work with Treasury and the Council of Ministers to determine whether this is possible.

Measurement and Reporting

The Department produces an annual Department Plan which lays out the strategic priorities, actions and specific measures of performance for the next 12 months, and within that process the Department also outlines what has been achieved against those strategic priorities and actions during the previous 12 months.

The Department Plan is owned by the Minister, with the Department's Senior Leadership Team (SLT) tasked with the delivery of the priorities in the plan. The priorities are allocated to Divisional owners, whose role is to implement the priority objective. The Department's Head of Service Delivery is responsible for ensuring that the priorities in the plan are recorded and monitored, with progress against the priorities reported against and reviewed on a quarterly basis by the Department.

The Department Plan for 2022-23 can be found on our website³.

³ <https://www.gov.im/media/1377963/20221124-desc-dept-plan-for-publication.pdf>



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The plan contains a suite of measures for delivery in 2023 and beyond, including:

Action	Target
Develop a new advisory digital/ICT curriculum for Keys Stages (KS) 1 to 3	31/08/23
Ensure learning is available that prepares students for employment in the low carbon economy of the future	31/08/23
Implementation plan developed for the interim AEN Code, any required secondary legislation drafted, training needs identified and allocation of funding complete.	01/09/23
Expand School Holiday Activity Programmes led by Manx Sport & Recreation, and Youth.	31/07/23
Audience Development plan agreed to diversify audiences and broaden access at Villa Gaiety	30/09/23
Undertake a catchment area review	30/07/23
Review the Governing Bodies structure	30/09/23

The Department also receives monthly management accounts and other ad-hoc financial reports which are used to monitor progress on achieving the budget including financial risks to ensure the Department provides value-for-money to the taxpayer.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DESC – Financial Summary

TABLE 31 – DESC – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Primary Education	29,935	32,150	31,253	-	31,253
Secondary Education	33,750	35,480	38,457	2,235	36,222
University College IOM	12,037	11,940	13,362	1,584	11,778
Culture Division	-	1,789	3,578	2,450	1,128
Sport, Recreation & Youth Services	-	6,563	7,334	1,738	5,596
Policy, Strategy & Governance	-	17,113	19,260	2,358	16,902
Education Advice & Support	-	13,317	20,396	103	20,293
Quality Assurance & Inspection	-	171	163	-	163
Fund Claims	-	(4,806)	-	-	-
Student Grants	1,014	-	-	-	-
Education Works	5,097	-	-	-	-
Education Meals	15,065	-	-	-	-
Youth & Community	11,613	-	-	-	-
Education Improvement	26	-	-	-	-
NET EXPENDITURE	108,537	113,717	133,803	10,468	123,335

TABLE 32 – DESC – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Third Party Contributions	69	152	145	147	150	153	157
Operating Income	8,967	7,724	9,413	9,601	9,793	9,989	10,239
Grant Income	99	174	174	177	181	185	189
Other Non-Trading Income	488	718	736	753	767	782	802
TOTAL INCOME	9,623	8,768	10,468	10,678	10,891	11,109	11,387
EXPENDITURE							
Employee Costs	90,200	95,406	99,301	101,287	103,313	105,379	107,486
Infrastructure Costs	4,876	6,286	5,161	5,264	5,369	5,477	5,586
Transport Costs	291	380	393	401	409	417	426
Supplies & Services	9,466	9,560	10,423	10,631	10,844	11,061	11,282
Other	13,327	10,853	18,525	18,896	19,274	19,659	20,053
TOTAL EXPENDITURE	118,160	122,485	133,803	136,479	139,209	141,993	144,833
NET EXPENDITURE	108,537	113,717	123,335	125,801	128,318	130,884	133,446



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DESC – Financial Summary (continued)

TABLE 33 – DESC – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	89,490	32,796	(10,468)	111,818
Budget Uplifts	10,369	1,148	-	11,517
Departmental Rebase	(558)	558	-	-
2023-24 BUDGET	99,301	34,502	(10,468)	123,335



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.3 Department of Environment, Food and Agriculture (DEFA)

The remit of the Department of Environment, Food and Agriculture (DEFA) is wide ranging and varied. During the 2022-23 financial year, the Department welcomed back the Climate Change team to the Department.

The Departments vision is for a clean, safe, healthy, attractive and vibrant natural and built environment which will be enjoyed by present and future generations alike. This is the essence of our UNESCO Biosphere status.

The Department works to protect and enhance our natural and built environment, guided by the core principles of environmental, economic and social sustainability whilst optimising quality of life, international reputation, food security, energy security and outdoor amenity, and enhancing the health and safety of the public and those at work.

The Department plays a key role in the delivery of the Island Plan, delivering actions against the outcomes; 'building great communities', 'a strong and diverse economy' and 'an environment we can be proud of'.

Our technical and professional officers provide a wide and extensive number of statutory services as well as developing policy and updating legislation in key areas.

In addition the Department is actively delivering on the following corporate programmes:

- Climate Change Transformation Programme
- Cost of Living Programme
- Built Environment Reform Programme
- Economic Strategy

The Department also supplies staff and resources through service level

agreements to operate the legally separate bodies of the Office of Fair Trading (OFT) and the Road Transport Licensing Committee (RTLCL) which also operate from the Thie Slieau Whallian site in St Johns. DEFA is the political sponsor for the OFT and RTLCL.

Financial Performance 2022-23

The Department has felt the effects of inflation upon its budget lines. Whilst this has impacted upon some areas of the Department more than others, through careful cost control the Department anticipates being able to remain within its budget envelope for the 2022-23 financial year.

The Department has progressed a number of initiatives set out with the Department Plan including:

- Introducing an Energy Bill as a priority containing measures to provide additional powers to guarantee continued energy supply;
- Delivering the single use plastic regulations;
- Delivering the Animal Welfare Bill;
- Undertaking a review of IOM Meats and taking subsequent improvement action;
- Leading on the delivery of the Built Environment Reform Programme.

In addition to actions set out within the Island Plan and Department Plan, DEFA introduced the revised Energy Efficiency Scheme in December 2022 in order to help respond to the cost of living crisis.

The employee budget continues to provide a significant challenge and the Department has taken active steps to control the issue with work underway to realign budgets for 2023-24.

Many of the industries the Department works with and supports have been



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

impacted upon by the economic crisis and consequently a number of these have come forward to request additional funding, which has provided additional pressure to the Departments finances.

Separately the level of Government subvention required for the meat plant continues to pose a significant challenge and the Department are working to identify a long-term, sustainable solution.

Looking Forward to 2023-24

All areas of the Department have been undertaking a full review of their budgets in order to deliver the operational and political pressures of the Department within budget. These reviews have included the consideration of some services being reduced or ceased, based on the priorities of the Island and Departmental Plans.

The Department is also exploring opportunities to increase its income generation and work has been undertaken to ensure that the Department is charging appropriately for its services. Additionally consideration has been made to the services being funded by the Department and ensuring that services undertaken within the Department, or by external contractors, are in line with the Department priorities.

For 2023-24 the Department has been awarded additional budget in order to begin to respond to the significant challenge of managing tree disease on our island and to address other emerging priorities. It has prioritised its payroll budgets to enable a small number of controlled vacancies to be filled, bringing in the required skills, qualifications and experience to deliver the Department statutory services and Department priorities.

These priorities will include the development of an agricultural strategy, and food security plan, an update to

environmental policies and legislation and the progression of an Energy Bill, which will be delivered alongside an energy strategy. These actions will provide clarity on the long term approach to ensure a sustainable agricultural sector, ensure that as an Island we protect our environment appropriately and we have a clear plan to provide for the future energy needs of our Island. Delivery will be managed by the Department in line with performance measures, to be set out within the Department's Plan along with the anticipated dates for delivery contained within the Island Plan⁴. For 2023-24, budgets again include the Office of Fair Trading and the Road Transport Licensing Committee.

Cost Improvement

The 1.5% Cost Improvement Target contained within this year's budget is expected to be met through a variety of measures which are currently being developed within the Department.

⁴ <https://www.gov.im/media/1375404/our-island-plan-2022.pdf>



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DEFA – Financial Summary

TABLE 34 – DEFA – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Corporate Services	782	282	795	156	639
Planning & Building Control	82	(215)	1,770	1,564	206
Agriculture & Lands	10,744	10,026	11,761	1,685	10,076
Environment Policy	1,868	2,291	2,911	510	2,401
Regulation	3,487	3,851	4,267	449	3,818
Climate Change	-	495	829	-	829
NET EXPENDITURE	16,963	16,730	22,333	4,364	17,969

TABLE 35 – DEFA – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	111	76	107	109	111	114	116
Third Party Contributions	339	338	340	347	354	361	370
Operating Income	3,480	3,983	3,839	3,915	3,994	4,074	4,175
Other Non-Trading Income	38	61	78	80	81	83	85
TOTAL INCOME	3,968	4,458	4,364	4,451	4,540	4,632	4,746
EXPENDITURE							
Employee Costs	9,745	10,829	11,675	11,909	12,147	12,390	12,638
Infrastructure Costs	1,041	1,045	861	879	896	914	932
Transport Costs	79	121	51	52	53	54	55
Supplies & Services	4,896	6,724	2,433	2,482	2,532	2,582	2,634
Agency & Contracted Services	-	-	1	1	1	1	1
Other	5,170	2,469	7,312	7,311	7,311	7,311	7,311
TOTAL EXPENDITURE	20,931	21,188	22,333	22,634	22,940	23,252	23,571
NET EXPENDITURE	16,963	16,730	17,969	18,183	18,400	18,620	18,825

TABLE 36 – DEFA – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	9,547	10,550	(4,156)	15,941
Transfer from Cabinet Office	497	332	-	829
Budget Uplifts	573	451	175	1,199
Departmental Rebase	1,058	(675)	(383)	-
2023-24 BUDGET	11,675	10,658	(4,364)	17,969



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.4 Department of Health and Social Care (DHSC)

Links to Our Island Plan and the Economic Strategy

One of the visions within Our Island Plan is 'An Island of health and wellbeing' where residents have high levels of physical and mental wellbeing, access to a comprehensive, high quality, and fully integrated health and social care system, and are able to live long, healthy and fulfilling lives.

In year two of operating as the redesigned DHSC, we welcome this vision which will be successfully realised by:

- An accessible, accountable, and compassionate 'Right Care, Right Time, Right Place' health and care system which is there for people throughout their lives.
- Policies and services which mean that people can make healthy choices, in communities that are safe, and with infrastructure and design in towns and villages which promotes and supports health and wellbeing.
- Promoting healthy lifestyles and acknowledging the role of quality of life in a healthy and well society.
- Successful delivery of the Health and Care Transformation Programme including regional integrated healthcare developing a sustainable funding model for future viability.
- Early-intervention and multi-agency approach to support and protect children and all victims of abuse.

The core purpose of the DHSC is to develop long-term strategies for making sure that health and social care services on the Isle of Man are available for residents whenever care or support is required. This core purpose supports the vision of 'Right care, right time, right place'.

The Department is responsible for setting health and social care priorities and developing strategy, policy and legislation as well as acting as the Island's Health and Care regulator. It then commissions Manx Care to deliver a comprehensive range of health and social care services. This is a new model for Government that separates policy making and assurance from operational service delivery.

Manx Care is the Isle of Man's provider of health and social care services, and it is responsible for the delivery of services in accordance with the Mandate. The Mandate is issued by the Department and details the services required to meet our population needs and the funding available for Manx Care to deliver them.

The development of the Manx Care Mandate and annual Department Plan is predicated on supporting the achievement of aims and objectives within the Island Plan. In October 2022, Tynwald approved £18.3m in additional funding for phase 2 of the Restoration and Recovery project which continues to address how waiting times and access to health and social care can be improved. The development of a Carer and Young Carer Strategy acknowledges the Island Plan's commitment to supporting those in a caring role and we are committed to reviewing respite provision on-Island. An Annual Report to assess the Department's achievements against its Department plan will be submitted annually.

The performance of Manx Care's delivery of health and social care services is captured within the Department's assurance framework, referred to as the 'System Oversight Framework' (SOF)⁵. The framework stipulates metrics and targets that Manx Care is expected to achieve across elective care, urgent and emergency care, cancer services, social care, integrated community care, mental health services and primary care.

⁵ <https://www.gov.im/about-the-government/departments/health-and-social-care/oversight-framework/>



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Our long term strategy features three key priorities:

Priority 1 – Supporting care at home and in our community which aims to secure as much care as practically possible that can be delivered at home and in the community.

Priority 2 – Sustained development of integrated and co-ordinated primary, secondary and community care services which continues the development of the Integrated Care model that is now in situ across the West, South and North of the Island.

Priority 3 – Self-Care and Self-Management which supports early intervention and prevention from requiring more intensive service provision.

The Economic Strategy published in July 2022 sets out a 10-15 year ambition for the Island including further developing the infrastructure and services for our community to plan for an estimated population of 100,000 by 2037 by actively investing in key services & infrastructure that attract and retain economically active people. This will clearly have implications for the Department as this larger, younger, more diverse population will need access to health and care services in the future. It also presents an opportunity to capitalise on an increased economically active population to resource the delivery of comprehensive health and social care services. Ensuring the Island's health and care services can support this increased population will be key to delivering on the ambitions of the Economic Strategy.

Financial Pressures 2022-23

The Department is responsible for its own small budget of around £3.5m plus the budget it provides to Manx Care for delivery of the Mandate. In 2022-23 the Mandate budget was £283m. Additionally, the Department holds a 'Reserve Fund' of £6.5m, along with a ring-fenced budget for the 111 service which was £1.4m.

Cost pressures remain a constant challenge in the health and social care system but in the past year these have been heightened by the high level of inflation which was not aligned with budgetary uplifts.

In line with the recommendations by Sir Jonathan Michael in his Final Report, within its 2022-23 budget, Manx Care had a 1% cost improvement programme and offered up an additional £1.5m in efficiencies, which brought the (CIP) target to £4.3m (1.5%).

As at October 2022, the Department was forecasting to be over budget at year-end, primarily driven by inflationary pressures adding to the already embedded cost pressures. The Department therefore requested additional funding from Treasury to provide support to Manx Care to increase the CIP target to £10million in an attempt to offset some cost pressures and bring the Department to within its allocated budget for the 2022-23 financial year.

As at November 2022 the increased CIP was being further developed, although it is hoped that savings can still be achieved within the year.

Costs associated with Covid-19 are ongoing within Manx Care and Treasury agreed a process whereby such costs may be claimed from the Contingency Fund, subject to up-front approval and evidence of the costs once they have been incurred.

Key achievements 2022-2023

The Department's Plan for 2022-23 was received by Tynwald in October 2022. In that, the Department set out a broad number of outputs to deliver against the Island Plan Objectives. Initial successes include:

- The progression of major legislative programmes such as:
 - Capacity Bill
 - Adoption Act Implementation Plan
- Implementation of the Modernised Complaints Process and



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establishment of the Health and Care Ombudsman Body

- Completion of an external inspection programme across health and social care services, delivered by the Care Quality Commission (CQC) on behalf of the Department
- Key strategy and policy development, for example: the Department's Engagement Strategy, Over the Counter Medicines and the Non-Emergency Patient Transfer Service policy.
- A dedicated consultation and engagement hub providing the public with the opportunity to participate in consultation process and engagement activities and workshops.
- Development of proposed three-year Manx Care Mandate (2023/2026)
- Secured £18.3m in funding to commence the delivery of Restoration and Recovery Part 2 to enable Manx Care to address waiting list times across three speciality areas
- Re-establishment of the Appropriate Adult Scheme
- Establishment of a Cannabis Based Products for Medicinal Use service
- Working with Manx Care to develop and launch the Long Covid, ME and CFS service

Capital Programme

The Department has a budget for the development of capital schemes that will improve on-Island facilities for a wide range of patients and service users. The capital programme is managed by Manx Care and 2022-23 has seen continued progress on the Summerhill View and Grianagh Court schemes; both of which are planned to be completed in 2023-2024.

The next capital priorities for the Department are the replacement of the Learning Disability Respite service at Radcliffe Villas and the development of a new facility to replace the Cummal Mooar residential home.

The capital budget has also committed significant funding in the past 12 months to invest in the replacement of equipment across vast areas of Manx Care's estate.

Key Priorities for 2023-2024

Department

The number of vacancies held within the Department to date has clearly had a detrimental effect on the Department and its work streams. Consequently for 2023-24 we intend to ensure we have the right number or staff in the right roles in order to ensure the responsibilities and objectives of the Department around strategy, policy and expedited legislation programme can be properly established.

Financial sustainability remains a key objective for the Department. Excluding the Mandate, the Department has a relatively modest budget. The structure of the Department's budget has not fundamentally changed from the 2022-23 financial year, and the Department will continue to maintain a £6.5m reserve to fund items of an exceptional nature (incurred either by the Department or Manx Care – subject to a governance process) or to pump prime initiatives being allocated to Manx Care's Mandate.

The Department will continue to work with the Health and Care Transformation programme to deliver the remaining recommendations of Sir Jonathan Michael's review. This includes:

- Primary Care at Scale
- New Funding arrangements
- Nursing and Residential Care
- Manx Care Records

Mandate

The majority of the funding awarded to the DHSC is used to commission services from Manx Care. This is via the Mandate, which for 2023-24 is due to be approved in Tynwald in March 2023. Whilst the Department continues to develop ambitious mandates for Manx Care to accelerate system and service improvement, there is recognition that funding is finite and given current levels of



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inflation the level of funding provided may not be adequate to meet inflationary pressures which may impact upon the ability of Manx Care to develop new services.

For 2023-24 our Mandate will focus heavily on stability, sustainability and the continued implementation of improved systems, process and frameworks which rely less on additional funding and more about using what we have more effectively.

The following key priorities have been identified:

- Following the completion of the external inspection programme, emphasis will shift to the development of an aggregated action plan to address the recommendations made by the CQC reports. These reports are all published on the Department's website.
- Implementation of policies developed during 2022-2023, as outlined in the Department Plan, such as:
 - Over the Counter Medicines
 - On-Island Non-Emergency Patient Transport Services
 - Procedures of Limited Clinical Effectiveness
 - Prescription Charges
 - Concessionary Fares
 - Off-Island Patient Transfer Services
- Development of key strategies, as outlined in the Department Plan, for carers and young carers, mental health and children's mental health, integrated care and estates
- Continued development of major pieces of legislation, including Capacity Bill (part 2), Health and Social Care Services Bill and the Health and Social Care Regulation Bill to replace the current Regulation of Care Act 2013.

Performance

The Department Plan contains the outputs we will use to assess our own performance along with that of Manx Care. Examples include:

- Oversee the reinstatement of elective private patient treatment
- Support the completion of the Joint Strategic Needs Assessment (JSNA) for 'Ageing Well'
- Undertake a review of Respite Care
- Develop an Integrated Health and Social Care Strategy that promotes integration of systems and services
- Implement the NHS Summary Care Record

Health and Social Care service performance will be monitored monthly via the System Oversight Framework. In instances where performance is not meeting the anticipated service levels it will prompt the Department to investigate those areas via Mandate Assurance Meetings. Some examples of metrics we will monitor:

- Waiting times
- Patients length of stay
- Number of discharges
- Number of referrals

In addition to monitoring performance data, the Department reviews the management accounts for itself and for Manx Care on a monthly basis. Monthly meetings with Manx Care to review and assess financial governance and assurance takes place. Where Manx Care reports cost pressures, the Department works closely with Manx Care to understand the issues and develop potential mitigations, acknowledging Manx Care have operational independence to make any necessary changes to service delivery in order to meet their budget target, as long as they deliver the Mandate objectives.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DHSC – Financial Summary

TABLE 37 – DHSC – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
DHSC Corporate Services	3,412	3,324	10,806	117	10,689
NI Contributions	(40,300)	(49,349)	-	53,607	(53,607)
Manx Care Mandate	279,063	292,158	302,975	-	302,975
NET EXPENDITURE	242,175	246,133	313,781	53,724	260,057

TABLE 38 – DHSC – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	40,480	49,451	53,709	45,669	46,178	46,695	47,217
Third Party Contributions	-	-	-	-	-	-	-
Operating Income	38	41	15	16	16	16	17
Other Non-Trading Income	-	-	-	-	-	-	-
TOTAL INCOME	40,518	49,492	53,724	45,685	46,194	46,711	47,234
EXPENDITURE							
Employee Costs	2,553	2,547	3,309	3,375	3,443	3,512	3,582
Infrastructure Costs	7	12	3	3	3	3	3
Transport Costs	-	-	-	-	-	-	-
Supplies & Services	1,356	1,017	359	367	374	381	389
Agency & Contracted Service	213	224	223	228	232	237	242
Other	278,564	291,825	309,887	318,996	328,381	341,236	354,610
TOTAL EXPENDITURE	282,693	295,625	313,781	322,969	332,433	345,369	358,826
NET EXPENDITURE	242,175	246,133	260,057	277,284	286,239	298,658	311,592

TABLE 39 – DHSC – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	3,034	285,947	(49,467)	239,514
Transfer from Treasury	94	-	-	94
Increase in NI Contributions	-	-	(4,257)	(4,257)
Budget Uplifts	782	23,924	-	24,706
Departmental Rebase	(601)	601	-	-
2023-24 BUDGET	3,309	310,472	(53,724)	260,057



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.5 Manx Care

The 2022-23 financial year – Manx Care's second year in existence – saw the organisation continue to prioritise its three strategic objectives:

- Improving patient safety,
- Creating a positive working culture
- Improving financial health

It continues to build on the strong foundations achieved in Year One and provides an important level of consistency for colleagues. Alongside this, a fourth objective was agreed:

- Promote and achieve greater integration across health and care services

This aims to further accelerate the work undertaken during the 2021-22 financial year to begin designing and integrating the delivery of health and care services, in pursuit of Manx Care's vision 'to become the best small-Island health and care system in the world'.

Manx Care's strategic objectives will remain unchanged in 2023-24 in order to continue the progress that has been achieved against these to date, as well as providing a level of consistency for colleagues. Whilst Manx Care has yet to receive its Mandate from the Department of Health and Social Care (DHSC), it does not anticipate any substantial changes to this. It will continue to support DHSC's long term priorities:

- Supporting care at home and in our community
- Sustained development of integrated and co-ordinated primary, secondary and community care services.
- Self-Care and Self-Management

It will also publish its three-year strategy, underpinned by a series of service-specific strategies, and be in a position to articulate a clear, long-term financial model to support achievement of this.

With regard to quality and safety, much of the delivery against this objective will focus on responding to recommendations outlined following completion of the Care Quality Commission (CQC) inspection regime, further development of Manx Care's ten-point governance plan and compliance framework, and further development of a service user engagement framework.

There will continue to be a focus on the journey to achieving Information Governance compliance too, with Manx Care having a clear ambition to become a data and digitally-led organisation, helping to model comprehensive capacity and demand profiles and driving more effective data-informed service delivery. Significant progress should also be seen with regard to development of the Manx Care Record.

Reduction of waiting lists will continue, as will the delivery of Primary Care at Scale and the concurrent development of services in a community-based setting, closer to people's homes.

From a workforce perspective, Manx Care will repeat its cultural surveys, progress its Equality, Diversity and Inclusion agenda, and continue its work to address the significant vacancy rate, resulting in improved resilience and a reduction in costly Agency staff spend.

Financial Pressures

Cost pressures remain a constant challenge – in particular unexpected inflationary pressures, as well as continued spend on costly Agency staff to secure service delivery in the face of 20% average vacancy rates.

Manx Care has developed a robust Cost Improvement Programme (CIP) which will deliver the budgeted savings of £4.3m (1.5%) in 2022-23. Additional savings have also been identified in order to address some of these pressures and Manx Care remains committed to delivering financial balance, although this is particularly challenging given the current difficult and unpredictable economic and market conditions it faces.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

It expects to deliver further savings amounting to 1.5% of its budget in 2023-24. It has plans in place to achieve this and has already begun the work to ensure full delivery against this target.

Mandate, Island Plan and Economic Strategy

Manx Care is commissioned by the DHSC to provide health and social care services on the Isle of Man. Funding for this is via the annual Mandate which is yet to be approved by Tynwald for 2023-24.

The Mandate sets out the funding and key delivery priorities for Manx Care and whilst the Mandate for 2023-24 has not been formally agreed, it will focus primarily on maintaining consistency and stability of existing services and delivery.

Manx Care also holds at least half of its Board Meetings in public in order to provide visibility, transparency and accountability to the public about its activities, performance and challenges

Performance against Mandate Objectives is monitored formally and regularly by the DHSC as part of the 'Systems Oversight Framework' and is a key function of the DHSC. It describes the delivery targets that Manx Care are expected to achieve across all areas of the system. This information feeds into not only Manx Care's Annual Report but also the DHSC's Annual Report which assess achievements and performance against the agreed targets and priorities.

In September 2022, Manx Care's first Annual Report was published which reviewed Manx Care's performance during 2021-22. This document represents a way for Manx Care to share its performance, successes and challenges to all of its stakeholders across Government and Manx society.

The Mandate Objectives support the Department Plan for DHSC, which in turn supports the Island Plan and Economic Strategy.

Key Achievements 2022-23

Manx Care continued to make progress against its objectives during the first two quarters of 2022-23, with a number of notable achievements.

The delivery of the Covid-19 vaccination programme continued, with the successful administration of the Spring Booster campaign alongside preparation for the Autumn Booster programme. Alongside this, a significant amount of work was invested in the development of a Long Covid, ME and CFS service ahead of its launch in November 2022.

The organisation completed Phase One of its 'Restoration and Recovery of Elective Activity' programme – a programme of work designed to address lengthy waiting lists further exacerbated by Covid-19 by supplementing the existing capacity of the team at Noble's Hospital. This saw more than 465 patients receive cataract and orthopaedic joint replacement procedures, reduction of the endoscopy waiting list by 458 people, and a reduction in the mental health waiting time for children and young adults awaiting psychological therapy intervention. Additionally, average length of stay in hospital for planned orthopaedic patients reduced from an average of four days to one and a half days.

A business case to fund Phase Two activity was approved during the October 2022 sitting of Tynwald, with a further £18.3 million granted to deliver around 3,800 surgical procedures up to the end of Q1 in the 2023-24 financial year subject to winter pressures, staff capacity and supply of consumables. Delivery of this activity will reduce the total waiting time for orthopaedics, ophthalmology and general surgery to an average of 52 weeks or less.

In September, Manx Care achieved successful accreditation of its theatres at Noble's Hospital by the Association of Perioperative Practice, with its Breast Unit achieving the Macmillan Quality Environment Mark (MQEM) accreditation with an overall score of five (excellent). The MQEM assesses whether cancer facilities meet the holistic needs of people living with



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

cancer, aiming to set the highest possible standards for cancer care environments.

The organisation continued to established stronger links with Tertiary Care providers in the North West to support the clinical sustainability of services delivered on-Island, with Manx Care formally recognised as part of the Cheshire and Merseyside Cancer Alliance from April 2022.

The Women's, Children's and Families Care Group made significant progress with the implementation of recommendations outlined in the Ockenden Report, an independent review into the provision of midwifery services across the UK⁶.

An important development within the provision of integrated Mental Health Services was the launch of the Island's first Recovery College. A pilot was quietly progressed during the summer 2022 academic term ahead of a full rollout in September 2022. Alongside this, and in line with increased demand for children's and young people's mental health services, Manx Care demonstrated its intent to establish a multi-agency approach to this, organising the first 'Thrive Framework for System Change' conference in June 2022, bringing together representatives from multiple agencies across Government, the private sector and the third sector. The Thrive Framework is needs-led, and aims to establish an integrated, multi-agency network that will support the mental health and wellbeing needs of children, young people up to the age of 25, and the adults who look after them.

It also made clear progress in its objective to develop a Multi-Agency Safeguarding Hub (MASH) by June 2023 with partner agency work progressing well, launched the Northern Wellbeing Hub in Ramsey, and established the Manx Care Advice and Liaison Service (MCALS) as a permanent service.

Work has continued at pace with regard to improving the culture within Manx Care. The organisation refreshed and re-

launched its Care Values in July 2022, with a comprehensive programme in place to embed these across all teams and departments during the remainder of the year. These will also be used as part of values-based recruitment moving forward and as an integral part of the Manx Care Appraisal Framework. Alongside this, an Executive visibility programme is now in place, with Executive listening events diarised to enhance relationships between senior leaders, front-line colleagues and support teams, and an Equality, Diversity and Inclusion (EDI) programme has been established.

Finally, the Manx Care Board signed off an Action Plan addressing feedback provided by colleagues in various cultural surveys, listening events and investigations that have taken place. Good progress is being made against the agreed actions and this is closely monitored by the Manx Care Board.

Manx Care continued to face a number of significant challenges during the first two quarters of 2022-23, with one of the most visible being around Information Governance issues resulting in a potential fine of £170,500 from the Information Commissioner. Challenges date back to 2020 when an Enforcement Notice was issued to what was then the DHSC. This transferred to Manx Care when the organisation launched on 1 April 2021, with two subsequent Enforcement Notices received in August 2021 and February 2022 for further, repeat compliance failures. During this period, the organisation had limited dedicated Information Governance or Data Protection resource in place to manage and mitigate its risks and ensure that the patient data it held was managed in a safe, secure and compliant way due to colleagues having been transferred into other roles as part of the Island's response to the Covid-19 pandemic.

An Information Governance review commissioned from KPMG found that

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<https://www.gov.uk/government/publications/financial-report-of-the-ockenden-review>



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Manx Care had insufficient resource to meet its statutory compliance responsibilities, and highlighted both the size and scale of work required to achieve compliance. Since then, the organisation has invested in additional staffing to support a permanent Information Governance function, and secured temporary resource and funding to support a continuous compliance and improvement programme that addresses the findings and recommendations outlined within the external review.

Furthermore, Manx Care made slower progress on its data and digital agenda, and continued to feel the impact of a 20% vacancy rate which put significant pressure on the capacity of its existing workforce. Comprehensive plans are in place to accelerate recruitment and stabilise this position for 2023-24. A notable amount of additional planning went into preparation for both the Isle of Man TT and the Manx Grand Prix events, as well as for the first ever inspection of health and care services by the CQC – a programme requiring extensive planning and preparation by multiple colleagues across the organisation.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Manx Care – Financial Summary

TABLE 40 – Manx Care – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2024-25	Net 2025-26
DIVISION					
Adult Services	25,837	25,016	45,696	9,372	36,324
Child & Families	14,689	16,137	17,175	250	16,925
Mental Health Service	23,279	23,822	26,454	19	26,435
CEO Office	15,618	4,994	6,646	-	6,646
Nobles Hospital	135,089	132,126	138,827	3,601	135,226
UK Referrals & Patient Transport	23,105	21,867	19,521	-	19,521
Primary Healthcare Services	67,998	67,955	64,024	2,126	61,898
DHSC Mandate	(305,615)	(291,917)	(302,975)	-	(302,975)
NET EXPENDITURE	-	-	15,368	15,368	-

TABLE 41 – Manx Care – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	(15)	-	-	-	-	-	-
Third Party Contributions	1,211	1,483	1,572	1,603	1,635	1,668	1,701
Operating Income	10,787	11,583	13,796	14,573	15,390	16,250	17,155
Other Non-Trading Income	114	-	-	-	-	-	-
TOTAL INCOME	12,097	13,066	15,368	16,176	17,025	17,918	18,856
EXPENDITURE							
Employee Costs	177,996	188,406	197,639	204,394	211,394	220,242	229,466
Infrastructure Costs	1,805	1,609	1,667	1,700	1,734	1,769	1,804
Transport Costs	4,580	4,435	4,904	5,002	5,102	5,203	5,308
Supplies & Services	41,994	24,947	22,984	23,444	23,913	24,391	24,879
Agency & Contracted Service	87,599	95,841	89,144	91,716	94,348	98,634	103,094
Other	(301,877)	(302,172)	(300,970)	(310,080)	(319,466)	(332,321)	(345,695)
TOTAL EXPENDITURE	12,097	13,066	15,368	16,176	17,025	17,918	18,856
NET EXPENDITURE	-	-	-	-	-	-	-



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Manx Care – Financial Summary (continued)

TABLE 42 – Manx Care – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	178,908	(163,616)	(15,292)	-
Transfer from DHA	221	90	-	311
Transfer from Treasury	291	-	-	291
Budget Uplifts	10,734	(10,571)	(765)	(602)
Departmental Rebase	7,485	(8,174)	689	-
2023-24 BUDGET	197,639	(182,271)	(15,368)	-



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.6 Department of Home Affairs (DHA)

The primary purpose of the DHA is keeping people safe. Our vision is for the Isle of Man to be the safest small Island jurisdiction.

We are responsible for the Fire & Rescue Service, the Prison and Probation Service, the Government Communications network and the Emergency Services Joint Control Room (ESJCR). We're also responsible for Emergency planning and the volunteer Civil Defence force. We provide funding and resources and appropriate oversight to the Isle of Man Constabulary. The Department also has a small central team responsible for policy and legislation support, good governance and general administration. The Department's front-line services operate 24 hours a day throughout the year and are primarily demand-led.

The Department's main area of cost is people. Over 85% of our budget is spent on employee costs which mean we have very little discretion in varying or reallocating our resources. The past ten years have seen front line services protected wherever possible, but this has had an effect on administrative and support services. The Department has an ongoing cost improvement programme and has undertaken zero based budgeting in all Divisions and will be running a spending review in the Fire and Rescue service in 2023-24.

Financial Performance 2022-23

2022-23 has been a challenging year financially with significant inflationary pressures across every area of our budget. It is likely that either a bid to the Contingency Fund or a supplementary vote will be required to enable the Department to meet these increasing demands, particularly those around escalating energy costs and the continuing difficulty of meeting income targets that are no longer relevant or realistic.

This year has also left us with a number of legacy issues from previous years where officers were unable to attend or leave the Island for their required training schedules. The return of the TT which coincided with an additional bank holiday and a spike in Covid cases lead to an additional cost pressure of approximately £200k over a "normal year" and despite efforts to contain this within existing resources, options for where the Department can release cost efficiencies quickly are extremely limited.

In the spring of 2022, the Department published its Delivery Plan⁷ which set out the key objectives that each of our services intended to deliver over a 12 month period to support the Island Plan. The second quarterly update (linked below) demonstrates the progress made since publication in detail but the highlights include;

- Complete building and service design for the Sexual Assault Referral Centre working in conjunction with Manx Care and the Department of Health and Social Care
- Publication of the Justice Reform Implementation Plan⁸
- Commencing an inspection of the Isle of Man Prison by HM Inspectorate of Prisons
- The commissioning of a number of independent reviews as instructed by Tynwald including the role of the HM Attorney General, Manx Legal Services, Drugs and the co-ordination of the Covid Review
- The implementation of the Justice Reform Act, the Domestic Abuse Act and Liquor Licensing and Public Entertainment Act
- The delivery of independent reviews of IOM Constabulary and IOM Fire and Rescue Service (ongoing)

⁷ <https://www.gov.im/media/1377628/2022-09-05-q2-update-dha-department-plan.pdf>

⁸ <https://www.gov.im/media/1376009/justice-reform-act-2021-implementation-plan-24032022.pdf>



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

- The expansion of the Economic Crime Unit with a ring-fenced team to target international money laundering
- Co-location of the Police Early Action team with Social Services to enable more effective early intervention work

Looking forward to 2023-24

The budgets for each division may look different from previous years and this is because the Department has taken the opportunity to zero-base each area to establish targets that reflect the true working nature of the many roles and responsibilities the Department oversees.

An additional £599k was awarded to the Department by Treasury and the majority of these funds have been used to invest in budgets that have been underfunded for a number of years and to address legacy issues that made maintaining and managing realistic resource targets very difficult. In summary, this additional funding has been used to:

- Invest in increased staffing levels in the Emergency Services Joint Control Room
- Stabilise a permanent budget for the Everbridge Emergency Notification system
- Adjust income targets in line with service operating models
- Meet increased forensic costs primarily incurred from the introduction of drug drive offences to the Road Traffic Act
- Address the Fire and Rescue Service's continuing operating deficit

The Department Plan is reviewed and updated quarterly. Each Division has specific key deliverables that they are required to report to the Department on a regular basis and further details on these are included in the Plan linked below.

⁹ <https://www.gov.im/media/1376594/road-safety-strategy-2019-2029.pdf>

Risks and Challenges

The Department has worked with Treasury to establish a cost improvement programme that underpins our financial risk register. Risk management is undertaken as part of our governance processes and this captures the consideration and mitigation of these risks wherever possible. Our delivery focus will be:

- Our contribution towards the delivery of the Island Plan including delivery of the Road safety strategy⁹, implementation of legal and justice reforms and greater collaboration across the emergency services
- Delivery of the domestic abuse strategy and rollout of the new licensing regime
- Responding to the external inspections for the Police and the Prison and Probation Service and undertaking a Community Risk mapping exercise in the Fire and Rescue service
- Supporting the divisions in digital transformation of their services to improve quality and efficiency
- Driving the Department towards the aims set out in the Council of Minister's Climate Change Action Plan and ensuring the Department's property portfolio supports the achievement of the Government's net zero target
- Establish a community safety partnership with agencies from across Government to deliver a cohesive approach to public safety.

Capital Budget 2023-24

The delivery of the Sexual Assault Referral Centre has continued in the past year and we have successfully obtained planning permission for the required building design and the service specification is now also complete. The cost envelope that was previously approved by Tynwald has been reviewed in light of the publication of the finalised version of UK forensic standards,



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

the increased inflation on material costs and a limited labour market. As a result, approval of a further £2.3 million is being sought as part of the 2023-24 Budget.

Substantial increases in the cost of equipment and technology for the Fire & Rescue Service was recognised with an uplift in this budget to reflect the importance the Department places on the health and safety of firefighters in the nature of their working environment.

A key focus of the 2023-24 financial year will be the continuing development and delivery of the Blue Light Strategy in conjunction with the Department of Health and Social Care. The Department will be bringing a proposal through the Feasibility and Design phase of the new Capital Gateway process to obtain funding to help support the co-ordination and analysis of the Emergency Service operating models including management structure, physical location and shared functions. Business Change Services have been engaged and are now leading on this important and greatly needed piece of work. The Department also relies on capital funding for the continued maintenance and development of its Communications network.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DHA – Financial Summary

TABLE 43 – DHA – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Chief Executive's Office	922	1,262	1,383	16	1,367
Civil Defence	160	202	178	64	114
Fire & Rescue Service	5,480	5,749	6,042	45	5,997
Communications Division	1,542	2,002	2,509	600	1,909
IOM Constabulary	18,204	19,801	20,133	297	19,836
Prison & Probation Service	8,772	8,326	9,630	250	9,380
NET EXPENDITURE	35,080	37,342	39,875	1,272	38,603

TABLE 44 – DHA – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	2	-	-	-	-	-	-
Third Party Contributions	103	-	103	105	107	110	112
Operating Income	907	819	878	895	913	932	955
Other Non-Trading Income	334	388	291	297	303	309	316
TOTAL INCOME	1,346	1,207	1,272	1,297	1,323	1,351	1,383
EXPENDITURE							
Employee Costs	30,902	33,516	34,161	34,844	35,541	36,252	36,977
Infrastructure Costs	1,199	1,484	1,272	1,298	1,324	1,350	1,377
Transport Costs	-	-	-	-	-	-	-
Supplies & Services	4,841	4,844	4,442	4,531	4,622	4,714	4,809
Other	(516)	(1,295)	-	-	-	-	-
TOTAL EXPENDITURE	36,426	38,549	39,875	40,673	41,487	42,316	43,163
NET EXPENDITURE	35,080	37,342	38,603	39,376	40,164	40,965	41,780

TABLE 45 – DHA – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	32,746	5,063	(1,370)	36,439
Transfer to Treasury	(268)	(30)	-	(298)
Transfer to Manx Care	(221)	(90)	-	(311)
Transfer to Cabinet Office	-	(79)	111	32
Budget Uplifts	1,966	775	-	2,741
Departmental Rebase	(62)	75	(13)	-
2023-24 BUDGET	34,161	5,714	(1,272)	38,603



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.7 Department of Infrastructure (DOI)



The Department strives to deliver a high standard of service and quality for the infrastructure that is needed for our island community. The Department in particular supports the delivery of the Economic Strategy, Climate Change Plan and Our Island Plan.

2022-23 has been a particularly challenging financial year, more so than previous financial years. Despite this, the team has continued to deliver vital services in a timely and professional manner.

DOI colleagues continue to:

- secure off-Island transport links that meet the Island's social and economic needs;
- provide robust response to storm events;
- manage and maintain the Government's property portfolio;
- provide a safe modern and effective highway network, vehicle testing and licensing;
- providing on-Island transport that meets the needs and requirements of our customers;
- ensuring that affordable and accessible housing is provided for our people by undertaking works and working with local authority providers;
- operate heritage rail services for our residents and visitors;
- operate a range of waste facilities for local authorities, residents and businesses;
- maintain key infrastructure assets such as roads, buildings, bridges,

quarries, flood defences, ports and vehicles, ensuring they are reliable and available.

- oversee flood risk; provide advice and information for the others to manage their weather, coastal and flooding risks.

Examples of achievements in 2022-23



- Our Airport Division secured route connectivity to London Heathrow and London City for the year.
- Work was announced to look at operating the airport at arms' length.
- The Harbours Division facilitated an upgrade to the Marine Operations Centre communications system and a new Command and Control system using modern digital technology. This upgrade has been needed for a number of years and it provides valuable support for both the Coastguard and Harbours. Work is also progressing on ensuring that Harbours Legislation is updated and fit for purpose.
- Our Highways Division has undertaken research to identify world's best practice on how we can reduce the number of young people being killed and seriously injured on our roads and the Division continues to take a leading role in the Road Safety Partnership. The Division work in close liaison with the Department of Home Affairs and the emergency services at all levels, prioritising evidence lead road safety improvements through creating safer drivers, safer vehicles, safer roads and safer speeds. This challenging work is often focused on influencing the psychological behaviours of all road users, which is sometimes counter intuitive. However, this approach is key to improving safety whilst creating a place where people enjoy living.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

- As part of its work to adapt the Island's infrastructure to cope with the effects of climate change, the Pulrose River Bridge was replaced in a successful project which was delivered on time and under budget. This complex scheme was able to maintain the extensive power, gas, water, drainage and telecommunications services that operate over and around the bridge, whilst the services were diverted on to new infrastructure. The project has already demonstrated that it has reduced the flood risk in the River Douglas corridor and secured the structural integrity of the crossing and services in severe weather events. The Division has continued to lead design and construction of extensive surface water drainage and river flood defence works in the Laxey area improving flood resilience for the community.
- Public Estates and Housing Division led a review of the first phase of the first time buyers access policy. In addition the development of the Jurby Development Initiative and Section 13 Agreements are providing more affordable housing for the Island's residents.
- Construction and opening of the Island's new vehicle testing centre and continued work on the new Isle of Man Ferry Terminal in Liverpool.
- Continued work for a variety of Energy Reduction Schemes including the installation of more energy efficient boilers and lighting at several Government sites; creation of the Division's Energy Management Plan and relaunch of the IOM Government Energy Champions.
- Sea Terminal Departures Secure Area alterations were completed to improve security and queuing arrangements within the departure lounge. The works consisted of the creation of a new secure room for x-ray and screening facilities along with improved arrangements for ferry foot passengers.
- Construction of Laxey River flood defences and surface water drainage

continued in the period. Notable achievements include: Substantial drainage improvements on Minorca Hill; completion of a new river flood wall and earth bank to defend the Shore Hotel area; construction of a river flood wall behind the tennis courts on Glen Road.

- The return to service of the Douglas Bay Horse Tramway in July 2022 which has been well received by residents and visitors. The completion of all the planned rail renewal projects for the year, including work at Snaefell, Groudle, Queens Valley and Santon. The return to service of the Locomotive No 11 "Maitland" and installation of the new tram crossing signalling system at the Bungalow.
- The restoration of the Waterloo Road retaining wall using novel grout injection techniques to reduce cost and customer impact. The installation and successful commissioning of a new high voltage substation control system for the electric railways.

Financial performance

2022/23 has been an unprecedented year for the Department of Infrastructure. Key cost pressures have included;

Income post pandemic - The Department's income levels have continued at significantly lower level than pre-pandemic levels, particularly in relation to air services. This creates significant pressure on the Department's revenue budget.

Securing services - Our Transport Division and Bus Vannin have navigated a challenging period where elevated cover has been required to maintain the servicing of bus routes, this has in turn created cost pressures for the wider Department.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Energy crisis – the conflict in Ukraine is the single most significant impact on the Department's expense budget arises from the subsequent energy crisis, given fuel, electricity and gas pricing impacts almost all areas of the Department's budget, ranging from Bus Services, Rail services, Public Estates, Airport, Highway maintenance, Quarry Services and many more.

Global supply chains and pricing on construction materials and engineering componentry continues to see significant inflationary cost pressure.

To meet this currently challenging economic environment, funding constraints will continue to be felt in the 2023-24 financial year and beyond. The Department remains responsible for a wide range of essential infrastructure assets. It is anticipated that the Department's focus will remain on maintenance and overall asset management where possible as opposed to replacement or new developments. The Department will work extensively with Treasury on the Strategic Infrastructure Needs Assessment process to prioritise asset maintenance, infrastructure and property investment.

Our aims for 2023-24

Key maintenance focus areas for the 2023-24 period include;

- Operations and maintenance for the stock of 1,200 public housing assets across the Island.
- Maintenance of the Island's 1,015km highways, 413m of public footpaths and 127km of green lanes.
- Asset management of the highway network and associated structures.
- Oversight of flood risk, carrying out flood risk surveys and investigations, managing 87km of designated watercourses for flooding purposes.
- Operation and maintenance of the Isle of Man Airport.
- Operation and maintenance of the Island's 8 Statutory Harbours.
- Following successful completion of Pulrose Bridge replacement and weir removal at the power station increasing Douglas River flood capacity, the Douglas River flood alleviation is planned to continue in 2023 with construction of a flood defence on the River Glass to significantly increase protection for Tromode Industrial estate.
- Continue flood alleviation works in Laxey.
- An in-depth review of the 2016 National Strategy for Coastal Erosion, Flooding and Sea Defences is planned, with the revised strategy anticipated in 2024.
- Publication of updated river and coastal flood maps, showing flood extent and hazard based on computational modelling using the latest climate projections.
- Operations and maintenance for the Government Property Portfolio.
- Weather forecasting and meteorological advice for severe weather incident management and weather dependent activities.
- Completion of the final upgrade to the Department's High Voltage distribution substations to install a modern switchgear for enhanced safety and performance.
- Management of the Island's network of river and rainfall gauges.

The Department is also leading on a number of key initiatives in the wider Government's Island Plan, including;

- Maintenance Charter for road, pathway and leisure routes



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

- Preparation of the Transport Strategy
- Strategic Air Services review
- Commence strategic waste needs assessment
- Continue to progress priority flood alleviation solutions



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

DOI – Financial Summary

TABLE 46 – DOI – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Corporate Support & Compliance	6,921	6,029	16,635	10,484	6,151
Ports Division	5,927	8,286	10,741	4,365	6,376
Highway Services Division	(2,744)	(1,426)	13,742	17,372	(3,630)
Public Estates & Housing	21,045	22,021	38,354	13,714	24,640
Transport Services Division	15,659	16,639	23,380	8,241	15,139
Harbours	219	(2,041)	4,498	6,796	(2,298)
Flood and Coastal Protection	1,627	1,507	1,520	10	1,510
NET EXPENDITURE	48,654	51,015	108,870	60,982	47,888

TABLE 47 – DOI – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	13,448	13,668	14,704	14,998	15,298	15,604	15,994
Third Party Contributions	2,403	2,347	3,501	3,571	3,642	3,715	3,808
Operating Income	31,340	37,693	38,916	39,694	40,488	41,298	42,331
Other Non-Trading Income	3,608	3,500	3,861	3,938	4,017	4,098	4,200
TOTAL INCOME	50,799	57,208	60,982	62,201	63,445	64,715	66,333
EXPENDITURE							
Employee Costs	44,364	47,621	46,707	47,641	48,594	49,566	50,557
Infrastructure Costs	35,582	42,087	35,117	35,819	36,535	37,266	38,011
Transport Costs	5,372	8,706	5,442	5,551	5,662	5,775	5,891
Supplies & Services	15,303	13,137	14,633	14,926	15,225	15,529	15,840
Agency & Contracted Services	1,505	4,551	4,548	4,639	4,731	4,826	4,923
Other	(2,673)	(7,879)	2,423	2,423	2,423	2,423	2,423
TOTAL EXPENDITURE	99,453	108,223	108,870	110,999	113,170	115,385	117,645
NET EXPENDITURE	48,654	51,015	47,888	48,798	49,725	50,670	51,312

TABLE 48 – DOI – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	44,063	60,147	(60,982)	43,228
Budget Uplifts	2,644	2,016	-	4,660
2023-24 BUDGET	46,707	62,163	(60,982)	47,888



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.8 The Treasury

Treasury's vision is to support the economy, local businesses and residents of the Island by being the best possible custodian of our financial resources. We lead on four of the 'Our Island Plan' objectives related to Government's priority of a **Strong and Diverse Economy**:

1. Produce a 5-10 year Economic Strategy which takes account of and seeks to address demographic issues as they are pertinent to the economy
2. Ensure our Island is a place where people have opportunities to fulfil their potential
3. Take account of and address demographic changes
4. Ensure supporting infrastructure is world-class and provides a resilient and business friendly environment.

The **Economic Strategy** was published in July 2022 and sets out a 10-15 year ambition for the Island including generating over £200m of additional annual income to reinvest in services and quality of life. The report states that Government revenue is largely 'people-based' and therefore reliant on on-Island employment and consumption. This means that Government finances are vulnerable to changes in population, incomes, and consumer confidence. Strong GDP growth in recent years has been driven by corporate profits. This has meant Government incomes have not grown by the same amount as these profits are not taxed (with a few exceptions). Society as a whole is therefore not benefiting to the full extent from the economic activity taking place in the Island which also puts pressure on supporting investment in public services and developing the economy. Further shifts are therefore required in the area of Government finances to diversify and develop income streams and provide the necessary security for the future.

The success of the Economic Strategy will involve an extensive and challenging programme of work, requiring close

collaboration and coordination both across Government and with external stakeholders. The Economic Strategy Board will continually review and develop the Economic Strategy, reporting into Treasury and the Council of Ministers on progress. Central to the prioritisation of the Economic Strategy across Government will be the comprehensive measurement of progress against objectives. The measurement used to assess the progress of the strategy will be considered in Phase Four of KPMG's delivery plan which will be delivered with correspondent draft measures by the end of 2022-23.

Treasury is comprised of 6 key Divisions:

Income Tax Division (ITD) – ITD's purpose is to collect income tax and national insurance contributions and generally ensure the Island's tax and national insurance legislation are complied with along with any international obligations. In 2022-23 income tax was budgeted at £250 million and National Insurance Contributions were at £234 million, so clearly ITD have a vital role to play in bringing in a significant portion of the Island's annual income. ITD has the largest staffing compliment in Treasury with around 129 staff and an operating budget of £7 million which is 97% employee costs.

Customs & Excise's purpose is to collect all indirect taxes applicable in the Isle of Man through compliance and enforcement activities to ensure sustainable public finances; and to apply appropriate border controls and sanction measures to provide a safe and secure Island. In 2022-23 the budget for Customs income was £431 million which is more than a third of Government's overall income target. Customs' operating budget is £2.9 million, of which 91% is employee costs for 47 staff.

Social Security Division (SSD) – SSD's purpose is to help people through life events, providing financial support and work-related advice and guidance in an accessible and timely way. This includes providing benefits and support for families and children, bereavement, unemployment, illness and disability, people in work, people on low incomes,



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

and retirement. The 2022-23 budget for benefits payments was £303 million, which is 45% of the income brought in by both ITD and Customs. SSD includes the Legal Aid Section and administration of the Criminal Injuries Compensation Scheme (CICS). Together these have a budget of £3.8 million which consists of around £2 million for criminal legal aid payments, £1 million for family legal aid payments, £380,000 for non-family legal aid and a budget of £257,000 for CICS compensation payments. The administration of SSD including Legal Aid costs around £4m which includes postage and commission paid to the Post Office for administering the MiCard system. There are around 59 staff mainly based at Markwell House in Douglas along with an office in Ramsey Town Hall.

Financial Governance Division (FGD) – FGD’s purpose is to provide high quality professional financial advice, oversight and governance services to the Treasury and Isle of Man Government. FGD sets Government’s annual budget and prepares Government’s audited accounts. The Division also manages Government’s banking arrangements along with the relationships with the Investment managers who manage the external investments. The Assets & Valuations team provide strategic oversight of Government’s capital programme and provide property valuations for the purposes of Local Authority rates.

There are around 32 staff and an operating budget of £6.9 million. The budget includes around £3 million for Government’s insurance costs and an amount paid to the UK Government, mainly for defence purposes.

Financial Advisory Service (FAS) – FAS is a shared financial service for Government Departments who we support to deliver their strategic objectives through an expert financial management and advisory service that Departments can trust. Our model is to be based in the

customer department, providing visible, face-to-face advice and support, acting as a critical friend. In 2022-23 Finance Shared Services (FSS) transferred to FAS from FGD. FSS processes both customer and supplier invoices as well as chasing customer debt. FSS also includes the rates collection team who collect rates payments on behalf of the MUA and local authorities. In the latter half of the year, Procurement Services transferred across from the AGC’s in order to develop a business partnering model similar to that of FAS. FAS now has around 70 staff and a budget of £4.2 million which is 99% staffing costs.

Audit Advisory Division (AAD) - AAD’s purpose is to enhance and protect organisational value across the Isle of Man Government by providing risk-based and objective assurance, advice, and insight. The Division has just 9 staff and a budget of £789,000 which is 88% staffing costs. As AAD does internal audit work for both the MUA and the Post Office it charges for those services and generates an income of approximately £86,000.

Our last Department Plan was published early in 2022-23 and is published on our web page¹⁰.

The Plan is due to be updated for 2023-24 in the spring of 2023 but our strategic objectives and goals are likely to remain the same:

1. A stable economic environment
2. A balanced economy with growth providing support and opportunity
3. Sustainable public finances
4. Treasury is a high performing professional organisation

Along with more details on the Department generally, the Plan includes the key performance measures which will be used to monitor Treasury’s performance such as:

¹⁰

<https://www.gov.im/media/1376727/gd20220038-treasury-department-plan-2022-23.pdf>



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Division	Strategic Objective	Divisional Objective	Measure
Income Tax	Sustainable Public Finances	Collect income tax and National Insurance contributions that pay for the Isle of Man's public services, state retirement pension and contributory benefits and ensuring the Island's direct tax and National Insurance legislation is complied with	Ensure that Tax and NI revenue due is collected by 31 March 2023 and that expected receipts are monitored against 2022/23 Pink Book figures of £250.4 million and £234.1 million respectively
			Tax filing and assessment statistics
			Debt collection and compliance activity statistics
Income Tax	A stable economic environment	Ensure the Isle of Man complies with all existing international tax standards	Ensure the IOM is not on EU's Non-Compliant Jurisdictions grey/blacklist
			Outcome of all EOIR and AEOI reviews especially CRS reviews due in 2022-23
			Outcome of reviews of BEPS minimum standards and EU/OECD monitoring of substance in 2022-23
Income Tax	A balanced economy with growth providing support and opportunity	Ensure the IOM tax and NI systems meet future international tax standards, meet future domestic revenue needs and are in line with IOM economic policy	A new Tax Strategy is delivered following on from the Island's Economic Strategy
			Deliver a National Insurance Review in conjunction with the long term Economic Plan for the Island by Budget 2023
			The Isle of Man has any legislation, agreements and domestic tax systems necessary to respond to changes in international standards in line with international requirements and IOM economic policy
			A full project to replace the NI IT system



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Division	Strategic Objective	Divisional Objective	Measure
Customs & Excise	Sustainable Public Finances	To complete the project to replace the Customs and Excise IT system on time and within budget	System fully operational by 30 April 2023
Customs & Excise	A stable economic environment	Increase of Customs and Excise law enforcement activity at the borders to enforce compliance and act as a deterrent	120 attendances at port/airport to increase once plan developed & implemented
Social Security	A balanced economy with growth providing support and opportunity	Make the right payments to the right people at the right time	Undertake customer survey and report on results and actions to address areas of concern
Social Security	A balanced economy with growth providing support and opportunity	Ensure the Social Security System protects people from poverty, and provides incentives to work and save	By June 2023, implement recommendations from Second Report of Select Committee on Poverty (income and benefits) as approved by CoMin
FGD	A balanced economy with growth providing support & opportunity	Manage Government's investments & borrowings	Achieve a return at least at the benchmarks set by the mandate, 3% above base rate
FGD	Sustainable Public Finances	Provide oversight and coordination of government's Capital Programme through the Strategic Asset and Capital Investment Committee (SACIC)	Completed Capital Projects delivered on time and on budget
FAS	Sustainable Public Finances	Provide timely & professional management accounts with value-added, high quality insight	Management Accounts are prepared and issued each month – latest 14 working days after month-end
FAS	Sustainable Public Finances	Manage and administer Government's Finance Shared Service (FSS)	Aged debt over 30 days: achieve a 5% reduction in aged debt as a % of total debt
AAD	Sustainable Public Finances	Deliver the AAD assurance programme	90% of the agreed AAD assurance programme reviews are delivered to required standards



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Division	Strategic Objective	Divisional Objective	Measure
AAD	Sustainable Public Finances	Financial Irregularities, Whistleblowing complaints, Tender appeals and ECU requests are appropriately investigated	100% of Financial Irregularities, Whistleblowing complaints, Tender appeals and ECU requests are completed in accordance with the relevant framework

Financial Performance 2022-23

In 2022-23 our budget was a net £551 million, comprising £966 million of income and £415 million of expense (mainly benefits payments). At the time of preparing the Pink Book we were anticipating that income would be better than budget, mainly due to income tax receipts which were forecasted to be £22 million better than budget. This is likely a combination of lower unemployment rates and higher pay awards to offset increased inflation.

In terms of expenditure Treasury put in place several cost of living support schemes which were expected to cost almost £17 million. Additionally there was £1.7 million of legacy Covid support schemes which were ongoing at the start of the financial year. It was agreed that these costs could be sought from internal funds if they were unaffordable within Treasury, but with the additional income it is likely that they will be absorbed within the revenue budget.

Due to a high level of vacancies, our employee costs were forecast to be below budget, even taking into account a 6% pay award which was agreed in November.

Overall, the forecast position is to be better than budget, mainly driven by favourable income tax receipts.

Looking forward to 2023-24

Income tax is expected to grow by £28 million, between the 2022-23 and 2023-24 budgeted amounts, based on the forecast growth in the economy and the effect of the tapering of personal income tax allowances.

Under the Customs arrangement with the UK, our VAT share is expected to achieve £356 million which is 2.4% growth compared to the 2022-23 budget.

Benefits which are funded from National Insurance income are, in the main, linked to UK inflation as at September each year so are to be increased by 10.1% from April 2023. Revenue-funded benefits are linked to Isle of Man inflation in September and will therefore be increased by 9.8%.

Risks and Challenges

One of our key risks is in relation to the VAT rate which is set by the UK Government. The VAT we collect is based on a sharing arrangement with the UK, and not determined by local policy. Therefore if the UK decides to reduce the VAT rate it could have a significant impact on our income. Each 1% drop in the VAT rate could result in a £20 million drop in income for us.

Across the Department, but particularly within ITD there are issues around recruitment and retention of staff which means Divisions are often operating with a number of vacant posts. This makes service delivery such as the collection of taxation income more difficult.

Treasury has provided a budgetary increase on employee costs of 8% across 2022-23 and 2023/24 for all Departments. This presents a risk as a 6% award was agreed in November 2022, therefore leaving only 2% to be allocated for 2023-24. As inflation is in excess of 10% (November 2022) it remains to be seen as to whether it will reduce before the new financial year and therefore what pay award will be agreed for that year. Anything



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

in excess of the 2% balance will be a risk, even with the number of vacant posts.

If the cost of living pressures continue into next year it will present a risk to Treasury and to Government more widely. In 2022-23 Government provided support to low income families and individuals at a cost of around £17 million. Across Government various Departments suffered increased costs from inflation such as pay, energy, fuel and contractual rises. Treasury supported this with a number of agreed fund claims which were effectively drawing from the external reserves. If this level of support continues to be required in 2023-24 it could present a risk to the reserves which are being utilised to fund operational activity.

Capital Budget 2023-24

Treasury has a number of key capital programmes in progress which are mainly IT and digitisation projects. On top of these Treasury holds the budget for the Capital Project Contingency (£17 million), Capital Inflation (£13 million) and Climate Change Mitigation Initiatives (£5 million).

The project to replace the Customs & Excise IT system went live in November 2022 and is so far a success.

The Enterprise Financial Systems Programme will replace Government's main financial system along with reporting tools. At the time of writing the programme was at the procurement stage which was expected to be completed by the end of March 2023.

There are significant changes also taking place within Social Security Division with a significant transformation programme to digitise and automate benefits claims and communications.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

The Treasury – Financial Summary

TABLE 49 – The Treasury – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£'000	Actual Spend 2021-22	Probable Spend 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Financial Governance Division	15,634	14,694	13,817	10,110	3,707
Financial Advisory Service	2,241	3,220	4,156	-	4,156
Customs & Excise Division	2,616	2,745	3,175	440,673	(437,498)
Income Tax Division	6,176	5,789	6,369	278,765	(272,396)
Assurance Advisory Division	563	734	835	87	748
Manx Radio Subvention	1,079	1,090	1,128	-	1,128
Treasury Grants	24,091	10,084	7,620	-	7,620
Government Contingency	4,306	-	5,138	-	5,138
Lottery Duty Distribution	1,625	1,400	1,400	-	1,400
Non-Contributory Benefits	79,149	94,225	85,060	-	85,060
National Insurance Operating Account	318,645	230,989	299,415	299,415	-
Social Security Administration	3,736	3,695	5,603	210	5,393
NET EXPENDITURE	459,861	368,665	433,716	1,029,260	(595,544)

Note

The Contingency Budget includes £5.1 million of general contingency which will be reallocated on the provision and scrutiny of any viable business case from Departments.

Treasury Grants include £4.8 million for Manx Museum & National Trust and £2.6 million for the Isle of Man Financial Services Authority.

TABLE 50 – The Treasury – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Customs & Excise	423,417	430,461	440,673	454,359	468,168	481,236	495,808
Income Tax	241,372	272,353	278,765	287,717	296,100	304,778	315,705
Other Treasury Income	8,762	9,410	10,406	39,654	49,567	59,792	70,555
NI Operating Account	306,482	239,478	299,416	305,417	320,687	336,722	353,558
TOTAL INCOME	980,033	951,702	1,029,260	1,087,147	1,134,522	1,182,528	1,235,626
EXPENDITURE							
Employee Costs	17,366	18,561	20,844	21,261	21,687	22,120	22,563
Infrastructure Costs	2	9	10	11	11	12	12
Supplies & Services	18,883	5,662	8,676	8,969	9,095	11,812	9,614
Agency & Contracted Services	3,835	3,643	3,677	3,861	4,054	4,257	4,470
Bond Repayment							
Sinking Fund	-	3,500	3,500	3,500	3,500	3,500	3,500
Loan Charges	(73)	-	-	-	-	-	-
Social Security Clients	394,975	324,758	381,482	389,638	397,940	406,357	414,983
Other	24,873	12,532	15,527	17,842	26,851	33,715	43,998
TOTAL EXPENDITURE	459,861	368,665	433,716	445,082	463,138	481,773	499,140
NET INCOME	(520,172)	(583,037)	(595,544)	(642,065)	(671,384)	(700,755)	(736,486)



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

The Treasury – Financial Summary (continued)

TABLE 51 – The Treasury – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	21,976	394,133	(966,462)	(550,353)
Transfer to DHSC/Manx Care	(384)	-	-	(384)
Transfer from DHA	268	30	-	298
Transfer to FIU	(156)	-	-	(156)
Transfer from AGC	247	-	-	247
Budget Uplifts	1,153	16,449	(62,798)	(45,196)
Departmental Rebase	(2,260)	2,260	-	-
2023-24 BUDGET	20,844	412,872	(1,029,260)	(595,544)



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.9 Cabinet Office



Purpose and Functions

The Cabinet Office plays a central role at the heart of the Isle of Man Government developing national and cross-Government Policy, supporting the Chief Minister and Council of Ministers and delivering central operational services.

At the highest level, the Department is responsible for:

- Supporting Council of Ministers, His Excellency the Lieutenant Governor and the Chief Secretary in undertaking their day-to-day duties for parliament and the public and ensuring proper governance is maintained.
- Planning, development and oversight of *Our Island Plan* and its deliverables.
- Supporting regular and targeted engagement with the UK Government, UK Parliament and other influential and relevant international partners to defend and protect the interests of the Island.
- Delivering centralised support functions to Government, including: Human Resources, Technology Services, Business Change Services and Communications Services.
- Providing IOM Borders Services, including: Immigration, Passport and Nationality functions.
- Providing a Statutory home for the Public Health Directorate and Safeguarding Board.

Management of the Healthcare Transformation Programme following the Independent Review of the Island's health and care system.

- Central co-ordinated Policy development including Planning Policy and supporting the Housing & Communities Board.

Financial Performance 2022-23

2022-23 has been a challenging year financially with significant inflationary pressures particularly within Government Technology Services (GTS); as all Government IT contracts are held within this division. It is likely that a bid for Contingency Fund will be required to enable the Department to meet these increased demands.

Key Achievements 2022-23

During 2022-23, the Department:

- Led the development and co-ordination of the Island Plan.
- De-escalated the response to Covid-19 to enable return to business as usual under the endemic framework.
- Led negotiations with IOM Energy to provide a rebate of £1.4 million into bills this spring for domestic gas customers.
- Continued through the Business Change Services function, to prioritise and deliver change throughout Government for both digital and non-digital programmes and projects.
- Launched the Isle of Man Public Service Fast Track Scheme.
- Led work relating to the welcoming of refugees from the war in Ukraine.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Also provided significant support to other Departments in Ukraine related work, especially when it involved UK/IOM relations and sanctions.

- Published the Digital Strategy 2022-27 to enable delivery of modern digital services to the citizens of the Isle of Man.
- Implemented a sustainable long term borders team underpinned by new legislation to maximise intelligence and data sharing with other participants.
- Progressed delivery against all outstanding recommendations from Sir Jonathan Michael's Final Report of the Island's Health and Care System.
- Worked with DfE to support community events with funding for celebrations of the Platinum Jubilee.
- Delivered Corporate Governance Projects such as the establishment of guidance for Departmental Non-Executive Directors (NEDs); the implementation of the Integrity Line /Concerns at Work initiative and updated the Whistle Blowing Policy.
- Supported the development and publication of the two-year Built Environment Reform Programme, to help ensure that the built environment is sustainable and is capable of delivering economic and social value.
- Launched Tynwald approved Anti-Bribery and Corruption Strategy 2022-2027 and dedicated website.
- Delivered the inaugural Government Conference in September 2022 providing an opportunity for the Manx public to engage with political

representatives on the big issues important to our Island.

- Delivered actions targeted to help residents with the cost of living including:
 - Published Winter Help advice line and set up a Warm Spaces Fund.
 - Delivered the pilot Summer Holiday Activity and Food Programme for family recipients of free school meals.

Budget 2023-24

Over the coming year, the Cabinet Office will focus on several important strategic areas, across all five interrelated themes of the Island Plan, as well as meeting the objectives outlined in the Economic Strategy; ensuring Government is focussed on the most important issues facing the Island and its Citizens.

To this end, the Department will prioritise the allocated 2023-24 Budget to deliver its Business as Usual activities and the key priorities as listed below. Appropriate Performance Measures will be developed and reported on as appropriate; ensuring Value for Money is considered as required.

The 2023-24 Budget is subject to considerable challenge. Uncertainty around inflation may impact on the IT Contracts Register held within GTS.

The recent review into the Office of Human Resources (OHR) may recommend additional resource and funding.

The Programme Management and Performance Management surrounding the Island Plan and Economic Strategy delivery is co-ordinated by Business Change Services (BCS); this will require significant resource.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Key Priorities 2023-24

1. Achieving **excellence** in **strategic policy** making.

To support excellent **strategic policy making**, the Policy Development team is developing cross-Government policy as required to support the Island Plan. The Cabinet Office is taking the lead role in updating the Island Plan over the course of the administration, ensuring it continues to evolve to meet the priorities of the Island and its people. Additionally, oversight of delivery, performance management and reporting on Island Plan and other related projects and matters of strategic national importance are provided by the Department.

Ensuring appropriate policy is developed and reporting on delivery of Island Plan actions will form part of the performance measures for this Department priority.

2. Supporting the delivery of an **effective** and **efficient** Government.

As set out within the Island Plan, to achieve the most important outcomes for the Island, **Government must operate effectively and efficiently**. During 2023-24, the Cabinet Office will continue to lead on initial phases of work to support improvements, including reviews into the role of the Chief Secretary and Office of Human Resources. The Civil Service Code of Conduct is also to be updated and a project looking at Government's culture, engagement and performance is planned. The completion of these reviews and projects and the improvements implemented as a result will form part of the performance measures for this Department priority.

In addition, the Department continues to look at Departmental structures and considering options for a smaller, smarter Government; utilising digital approaches to provide high quality services to our customers.

Alongside this work, the Department is supporting the Independent Review into Government's handling of Covid-19; ensuring lessons can be learned and required improvements made.

3. Ensuring the Island is positioned to **face challenges** as they arise.

The international landscape continues to change at pace and the External Relations team continues to work to ensure that the Island is **positioned to face challenges** as they arise. This ongoing function is vital in our work to ensure international requirements and standards are met. Ensuring we meet all international requirements and standards will form part of the performance measures for this Department priority.

The global situation driving increased cost of energy is an increasingly urgent issue and the Cabinet Office is working with other Departments and agencies to develop appropriate mitigations.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Cabinet Office – Financial Summary

TABLE 52 – Cabinet Office – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Office of Human Resources	5,945	6,220	6,505	236	6,269
Crown & External Relations	2,769	2,444	2,499	2	2,497
Policy Development	-	2,260	2,331	63	2,268
Government Technology Services	19,674	20,233	20,656	110	20,546
Public Health Directorate	1,426	2,026	1,790	-	1,790
Business Change Service	1,489	1,482	1,335	-	1,335
IOM Border Service	121	(520)	1,279	1,713	(434)
Climate Change	869	-	-	-	-
Senior Executive Office	(47)	516	2,145	-	2,145
Health and Care Transformation	-	-	-	-	-
Government Reform Team	2,603	-	-	-	-
NET EXPENDITURE	34,849	34,661	38,540	2,124	36,416

TABLE 53 – Cabinet Office – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	-	-	-	-	-	-	-
Third Party Contributions	88	106	110	112	114	117	119
Operating Income	2,564	1,856	2,014	2,054	2,095	2,137	2,180
Other Non-Trading Income	26	-	-	-	-	-	-
TOTAL INCOME	2,678	1,962	2,124	2,166	2,209	2,254	2,299
EXPENDITURE							
Employee Costs	25,549	26,155	23,728	24,202	24,686	25,180	25,684
Infrastructure Costs	211	147	54	55	57	58	59
Transport Costs	225	277	9	9	9	9	9
Supplies & Services	19,449	19,834	14,660	14,953	15,252	15,558	15,869
Agency & Contracted Services	3	51	89	91	93	94	96
Other	(7,910)	(9,841)	-	-	-	-	-
TOTAL EXPENDITURE	37,527	36,623	38,540	39,310	40,097	40,899	41,717
NET EXPENDITURE	34,849	34,661	36,416	37,144	37,888	38,645	39,418



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Cabinet Office – Financial Summary (continued)

TABLE 54 – Cabinet Office – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	21,708	15,145	(1,402)	35,451
Transfer to DHA	-	79	(111)	(32)
Transfer to DEFA	(497)	(332)	-	(829)
Transfer to DfE	-	(25)	-	(25)
Budget Uplifts	1,304	547	-	1,851
Departmental Rebase	1,213	(602)	(611)	-
2023-24 BUDGET	23,728	14,812	(2,124)	36,416



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.10 Executive Government

Manx Industrial Relations Service

The Manx Industrial Relations Service (MIRS) provides a free and impartial industrial relations service, which although funded by Government is an independent organisation. The service helps employers, employees and trade unions to work together for the prosperity of Isle of Man business and the benefit of employers and employees.

Veterans Welfare Service

The Veterans Welfare Service provides one to one assistance, support and advice to ex-service personnel and their dependants in association with Veterans UK, part of the UK's Ministry of Defence.

The Veterans Welfare Service is committed to enhancing the quality of life for veterans and beneficiaries of Veterans UK pensions and compensation schemes, and their dependants.

It provides support for bereaved families, responds to life events that present welfare needs, and facilitates access to all appropriate services, pensions and benefits.

The Veterans Welfare Service also works closely with local authorities, voluntary organisations service charities and Government agencies to access appropriate services and benefits.

Information Commissioner

The Information Commissioner is the independent supervisory body for the Data Protection Act 2018 and associated Orders and regulations, the Freedom of Information Act 2015, the Unsolicited Communications Regulations 2005 and the Code of Practice on Access to Government Information.

The new data protection legislation has placed considerable resource pressures on the Office.

An initial request for additional resources together with medium term resource requirement with funding model has been made.

Additional resources have been agreed, but the funding model remains to be determined.

General Registry

Overview

The General Registry provides strategic and administrative support for the Isle of Man's Courts and Tribunals service and is proud of the central role that it plays in ensuring a fair and independent justice system.

Over the past year the General Registry has continued to tackle the challenges presented as a result of the disruptions experienced during the height of the pandemic. The technology embraced at that time to enable key courts functions to continue has now become part of business as usual where in the interests of access to and the administration of justice.

Alongside the considerable efforts to maintain services and tackle the legacy impact of certain unavoidable delays to court and tribunal business, the ambitious phased digital modernisation programme has continued apace. The Probate and Tribunal services have now completed major change projects, which offer users of both these services the ability to apply for and manage most applications digitally. The benefits and efficiencies from this, both externally and internally, will be measured in the coming years, but initial feedback from all stakeholders has been very positive.

The first phase to replace our existing court case management and finance systems has also now begun following the completion of procurement and contracting processes. This not only builds upon the benefits offered from new technology and



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

replaces end of life and outdated software currently utilised in the criminal courts, but also offers the opportunity to modernise and digitise systems across all courts.

The phased approach to this significant investment will be detailed further in coming annual reports / plans and demonstrates an ongoing commitment to continuous improvement and clear future focus for the General Registry over the coming years.

Alongside digital modernisation, the General Registry continues to play a full part in supporting an extensive government legislative programme of justice reform through the introduction of new Rules of Court where necessary and the consequential introduction of new court processes, guidance and application processes and forms. Ensuring that the day to day administration of Courts and Tribunals continues to run smoothly and efficiently, whilst meeting all such demands, presents significant challenges given the limited staffing resources available. Working closely and collaboratively with court users, partner organisations and other stakeholders, remains a vital part of delivering these important service improvements.

2023-24 budget

The General Registry's working assumption is that 2023-24 will see ongoing pressure on expenditure and increasing workloads within the Court and Tribunal services. Income is always difficult to estimate given the demand driven services supplied and fees must be carefully balanced to ensure continued equal access to justice for all. In summary, we will continue to act with prudence when spending public money, but unforeseen exceptional expenditure to enable the justice system to function properly will continue to be reliant, in part, on drawdowns from the Legal Cost Reserve.

Attorney General's Chambers (AGC)

In October 2022 Walter Wannenburg was appointed to the role of His Majesty's Attorney General (HMAG) leaving his substantive position as His Majesty's Solicitor General (HMSG) free for open recruitment.

AGC aims to be a centre of excellence for legal services provided to Government for the benefit of the Isle of Man community through seven distinctive divisions:

- Advisory & Legislative Support
- Civil Commercial
- Civil Litigation
- Crown
- Legislative Drafting
- International Co-operation and Asset Recovery
- Prosecution

AGC is committed to delivering the statutory functions of the Crown Officers through an ongoing programme of change as detailed in its Business Plan.

HMAG continues to seek to apply the requirement within Government's Financial Regulations that no external legal advice is commissioned without his express approval, thereby controlling the need for legal expenditure within Departments, Boards and Offices.

AGC has progressed the bringing together of Legislation Officers from across Government. AGC now has a centralised team that supports Departments of the Isle of Man Government by providing a professional central resource for the drafting of secondary legislation, on instructions from the Departments; and undertaking legal research and providing advice to Departments who are involved in the preparation of drafting instructions for Bills.

HMAG published the sixth Annual Operating Report of AGC in October 2022, in order to demonstrate in a transparent manner how its shared legal resources



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

were utilised by Government and explain his statutory responsibilities. His report also included a progress update against the AGC Business Plan 2020-2022. The Business Plan and Operating Report supports a culture of continuous improvement in AGC and is hopefully of value to the public and other stakeholders.

In July 2021 Tynwald received the report of the Constitutional, Legal Affairs and Justice Committee as to the role of the Attorney General and approved an independent review targeted at addressing the issues identified by the Committee: Mr Stephen Wooler was subsequently appointed to carry out the review and his report, and the recommendations, arising from such will inform the direction of travel for Chambers going forward.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Executive Government – Financial Summary

TABLE 55 – Executive Government – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Industrial Relations	351	316	335	-	335
Veterans Welfare Society	97	108	115	-	115
Information Commissioner	150	104	385	139	246
General Registry	2,302	2,615	5,527	2,585	2,942
Attorney General	6,066	6,540	6,954	69	6,885
International Development	2,500	2,500	2,500	-	2,500
Public Service Employees Pension Reserve	-	31,495	42,864	-	42,864
Tynwald Auditor General	2	153	643	-	643
NET EXPENDITURE	11,468	43,831	59,323	2,793	56,530

TABLE 56 – Executive Government – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	135	286	138	141	144	147	150
Third Party Contributions	45	69	69	70	72	73	75
Operating Income	2,453	2,617	2,578	2,630	2,682	2,736	2,790
Other Non-Trading Income	-	-	8	8	8	8	9
TOTAL INCOME	2,633	2,972	2,793	2,849	2,906	2,964	3,024
EXPENDITURE							
Employee Costs	10,038	47,931	54,622	60,550	60,745	60,744	60,718
Infrastructure Costs	8	80	11	11	11	12	12
Supplies & Services	1,534	1,842	2,190	2,235	2,279	2,325	2,371
Other	2,521	(3,050)	2,500	2,500	2,500	2,500	2,500
TOTAL EXPENDITURE	14,101	46,803	59,323	65,296	65,535	65,581	65,601
NET EXPENDITURE	11,468	43,831	56,530	62,447	62,629	62,617	62,577

TABLE 57 – Executive Government – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	45,630	(943)	(2,940)	41,747
Transfer to Treasury from AGC	(247)	-	-	(247)
Public Service Employees Pension Reserve	8,605	5,548	-	14,153
Budget Uplifts	634	96	147	877
2023-24 BUDGET	54,622	4,701	(2,793)	56,530



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.11 Legislature (Parliament)

Expenses of the Legislature are split between Members' Emoluments, Employee Costs and Supplies and Services.

During 2021-22 the office was restructured with the parliamentary services being organised into new functional groups; the changes made were made within existing provisions and the overall employee costs were within budget for the year.

Within Supplies and Services the annual expenditure for 2021-22 appears to be £5k over budget but income is over target; this is due to the way in which Hansard services supplied to other jurisdictions are accounted for.

In 2021-22 we fully funded the Commonwealth Parliamentary Association (CPA) Election Observer Mission, which Treasury had agreed to underwrite, along with much of the expenditure associated with our hosting of the CPA British Islands and Mediterranean Region Annual Conference. Some additional costs associated with having a royal attending Tynwald were also met. These one-off additional costs were able to be met because of the continued reduction in travel for parliamentary conferences and events.

March 2022. The cost of the conference was predominantly funded from the 21-22 budget so much of the £36,750 received was not used. However, the proclamation ceremony for the new Monarch was an unexpected cost in this financial year. The unused conference funding will be used towards the cost of the proclamation ceremony which should prevent an overspend.

We have noted that the additional £36,750 is included in the 2023-24 budget provision and this will assist greatly with the rising costs of providing and developing parliamentary services and undertaking engagement work.

The Tynwald Commissioner for Administration's budget continues to be reported on as part of the Expenses of the Legislature, despite the Commissioner having a separate personality in law.

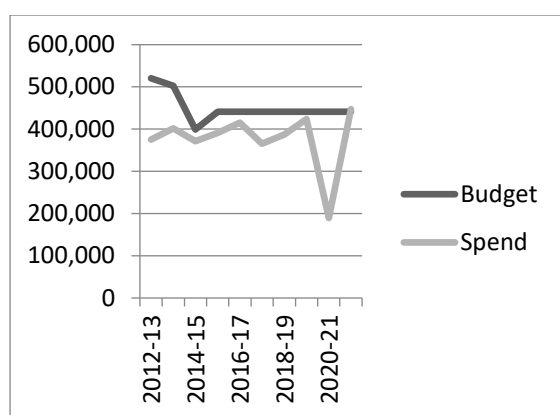


Figure 1- Supplies and Services: Budget v Spending 2012-22

In 2022-23 additional funding for the CPA BIMR conference was provided; the event was hosted in the Isle of Man at the end of



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Legislature (Parliament) – Financial Summary

TABLE 58 – Legislature – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Legislature	4,527	4,752	4,995	10	4,985
Tynwald Commissioner for Administration	-	-	34	-	34
NET EXPENDITURE	4,527	4,752	5,029	10	5,019

TABLE 59 – Legislature – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Third Party Contributions	1	-	-	-	-	-	-
Fees & Charges	50	10	10	10	10	10	11
Other Non-Trading Income	-	-	-	-	-	-	-
TOTAL INCOME	51	10	10	10	10	10	11
EXPENDITURE							
Employee Costs	4,131	4,414	4,529	4,618	4,708	4,800	4,894
Infrastructure Costs	-	-	-	-	-	-	-
Transport Costs	-	-	-	-	-	-	-
Supplies & Services	447	348	500	510	520	531	541
Other	-	-	-	-	-	-	-
TOTAL EXPENDITURE	4,578	4,762	5,029	5,128	5,228	5,331	5,435
NET EXPENDITURE	4,527	4,752	5,019	5,118	5,218	5,321	5,424

TABLE 60 – Legislature – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	4,279	483	(10)	4,752
Budget Uplift	250	17	-	267
2023-24 BUDGET	4,529	500	(10)	5,019

TABLE 61 – Legislature – Breakdown of Employee Costs

BREAKDOWN OF EMPLOYEE COSTS					
	Actual 2021-22	Probable 2022-23	Budget		
			2023-24	2024-25	2025-26
Staff	1,149	1,373	1,430	1,458	1,486
Member's Emoluments	2,982	3,041	3,065	3,125	3,186
Tynwald Commissioner for Administration	-	-	34	35	36
NET EXPENDITURE	4,131	4,414	4,529	4,618	4,708



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.12 Statutory Boards and Bodies (Revenue Funded)

Communications and Utilities Regulatory Authority (CURA)

The Communications and Utilities Regulatory Authority (CURA) was originally established as the Communications Commission in 1989 but was re-established as CURA in December 2020 in order to recognise newly acquired responsibilities in relation to gas regulation. CURA is responsible for the economic regulation of the telecoms and gas sectors on the Island, it also has competition powers in respect of the telecoms sector. CURA is also responsible for licensing broadcasters in the Isle of Man. CURA typically returns a surplus to Government and as such is a self-funded organisation.

Its roles are unique on the Island and require a range of very specific skills, knowledge and experience, which CURA constantly works to maintain and develop. CURA works to support the Government in its policy aims related to achieving a sustainable and diverse economy; a predictable and well-established regulatory framework is one of the key factors investors look to when making decisions and an independent, well-resourced regulatory authority is central to achieving this.

The telecommunications markets continue to mature as more operators seek licences and new and established operators broaden the range of offerings for Island consumers. CURA is continuing to implement the remedies under the Markets Reviews carried out in 2019 and is actively monitoring compliance in this space to encourage sustainable competition in the Island's telecommunications markets. To ensure that the regulatory environment is functioning for the betterment of consumers and competition the Authority will be undertaking further assessments and reviews of markets, as required.

The Authority has also successfully completed auctions of 3.6 GHz and 700 MHz spectrum which will allow the

successful bidders to offer a range of services to improve the offerings to consumers on the Island.

In March 2022 CURA established a regulatory framework for the gas sector on the Island, this was the culmination of a significant public consultation process and represented the first step in bringing regulation to this important sector. The framework sets out the parameters that the public gas supplier must adhere to when setting tariffs for Regulated Tariff Customers (typically domestic and small business users). It has been a challenging period within which to implement statutory regulation for the first time as it has coincided with the worst energy crisis in living memory; this has resulted in markedly higher tariffs and has presented many challenges, not least the social impact of the increased tariffs. CURA has worked to maintain predictability and stability in the gas sector as much as possible, and mitigate risks to the gas supply as much as possible, and will continue to do so.

CURA is working on introducing further legislation to allow for more nuanced regulation of the gas sector that is in line with best practices, it is hoped that this will begin its journey through the legislative branches during the 2023-24 operating year.

Taking on the economic regulation of the gas sector has led to additional demands on CURA's resources and CURA has welcomed the ongoing commitment from Government to support independent regulation in the Isle of Man.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Financial Services Authority (the Authority)

The Authority continues to play a key role in maintaining the Island's reputation as a well-regulated and innovative finance centre.

The work of the Authority is driven by three main regulatory objectives:

- Protecting consumers
- Reducing financial crime
- Maintaining confidence in the financial services sector through effective regulation

As a risk-based regulator, the Authority focuses its efforts on activities that are perceived as posing the greatest threat to its objectives. Its approach to oversight, supervision and enforcement is consistent with international standards and enables firms to develop their businesses, while safeguarding the best interests of consumers.

The Authority strives to achieve the highest level of regulatory transparency and engagement, and works closely with industry stakeholders, the Government, and global bodies within a dynamic industry. It maintains an extensive outreach programme, as part of a commitment to openness and collaboration.

A team of approximately 90 members of staff carries out a wide-ranging remit, which is overseen by a Board comprising suitably qualified members appointed by the Treasury and approved by Tynwald.

The Authority's Strategic Plan sets out its roadmap for the future and provides further context around its priority projects.

Further progress is being achieved in respect of the introduction of a new funding model and fees structure for firms regulated or supervised by the Authority. The intention is to put in place a more sustainable approach that aligns with international best practice, while being mindful of the Island's competitive position.

The move represents a step change for the regulatory environment in the Island and follows the announcement made by

Treasury to reduce the level of financial support provided by the Government. This subvention is currently passed on to firms in the form of reduced fees.

The transition to a predominantly industry-funded model will be felt differently by each fee payer depending on factors such as their business model, size, and client base. With this in mind, the Authority is planning to phase in the new fees between 1 April 2023 and 1 April 2025 to allow businesses time to plan. The changes to the funding structure also mean that the fees and charges for 2023-24 are not comparable with the figures highlighted in the Pink Book in previous years.

The Authority operates within an increasingly dynamic industry and remains open to fresh thinking in order to keep pace with changing markets, services and products. Consequently, it is sharpening its focus on innovation to provide pathways to the marketplace for more creative and technology-based solutions.

More digital ways of transacting, with firms and within its own systems, are being adopted to support the future-proofing of the sector and expansion of the Island's economic activities in line with Our Island Plan. Progress has included the approval of the Island's first digital banking licence, the development of new technology platforms, the introduction of crowdfunding as a regulated activity, and the use of the Authority's regulatory sandbox.

The Authority continues to monitor fintech developments around the world as a member of the Global Financial Innovation Network. This work is a key part of efforts to maintain the Isle of Man's reputation as an agile and forward-looking jurisdiction.

The Authority is also placing a strong emphasis on data management and analytics and is improving its means of gathering, triaging and utilising data to strengthen its ability to make informed, evidence-based decisions.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

This will support the Authority's shift towards a more targeted supervisory approach based on risk and impact, with the goal of working more proactively and using its time and resources more efficiently and effectively.

Better use of technology and greater automation will also enable the Authority to explore ways to streamline authorisation processes and improve the speed to market for lower risk entities.

In a wider context, the Authority continues to play its part in helping the Isle of Man to navigate a further period of significant challenge.

After emerging from the COVID-19 pandemic, the Island is dealing with the repercussions of the war in Ukraine, including the imposition of financial sanctions, and a sharp rise in the cost of living.

Looking further ahead, the Authority will be at the forefront of preparations for the Island's next MONEYVAL review. While the date of this evaluation has not yet been confirmed, work is already under way as the outcome will have major implications for the Island's reputation and future economic success.

Striking the right balance will continue to be the golden thread that runs through the Authority's entire approach as a risk-based regulator.

Work in 2023 and beyond will be focused on supporting opportunities for sustainable growth outlined in the Government's Economic Strategy, while ensuring the appropriate level of compliance and consumer protection.

Public Sector Pensions Authority (PSPA)

The PSPA is responsible for the management and administration of the Public Sector Pension Schemes in the Isle of Man, in accordance with its statutory responsibilities as set out in the Public Sector Pensions Act 2011.

During the last year, the Isle of Man Government Unified Scheme

(Amendment) Scheme 2022 was made (on 25 July 2022), and was laid before Tynwald in October 2022. The amendments to the scheme are predominately administrative in nature.

The PSPA also implemented the Public Sector Pensions (Cost Sharing) Scheme 2020 for the Government Unified Scheme (GUS) and Teachers' Pension Schemes in June 2020. Subsequently, the same has been implemented for the Police Pension Regulations 1991 and 2010. Discussions to apply a cost sharing method to the Judicial Scheme are still currently being progressed. Cost Sharing is the process by which future cost increases or decreases will be shared between Government and scheme members.

The headline results from PSPA's latest three-yearly actuarial valuation of Schemes to 31 March 2019 are set out below:

- Long term cost of benefits for all schemes has fallen from 27.8% of pay to 27.5% of pay, in particular for the Unified Scheme (the largest scheme), the long term cost of benefits has fallen from 27.1% of pay to 26.7% of pay.
- Past service liabilities have broadly stayed the same from £2.34bn in 2016 to £2.31bn in 2019.
- The projected cash flow position of schemes has improved over the next 25 years due to higher overall contributions and lower projected benefits due to the reforms implemented by the PSPA.

A further formal valuation of schemes as at 31 March 2022 is due and results will be available in mid-2023 at which point the above figures will be updated. The baseline valuation from which future changes will be measured for the first Cost Sharing assessment, also due as at 31 March 2022, has been set and the results of the valuation are expected later in 2023.

A Voluntary Defined Contribution (DC) arrangement for new public servants will be introduced in early 2023, following approval of the Defined Contribution Policy by the



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Council of Ministers. This is seen as an alternative to the current and more expensive Defined Benefit schemes.

In relation to Public Sector Pension Scheme expenditure, in 2021-2022 total income from all Schemes was around £75m whilst expenditure across all schemes was around £113 million. Based on the position to date, the forecast outturn for 2022-2023 is income of around £80m and expenditure of around £118 million but this is very much dependent upon the movements of the pension scheme membership: i.e. number of joiners, leavers and benefit claimants.

The PSPA is also currently undertaking a Capital project to replace its pensions administration system which in its current version will no longer be supported by the provider post April 2024. The system will have been in place for over 12 years. Pensions administration software and member support capabilities have changed considerably over the period and therefore the system must keep pace with such changes in order to be cost effective. The procurement process is underway to find a system that will meet the needs of the service provided by the PSPA both now and in the future.

The PSPA is also undertaking projects to review its secondary legislation and management of data.

Identified as a key risk to the delivery of the PSPA's key objectives, is the quality of the data upon which many of the functions of the PSPA rely, including annual audits, valuations and cash flow estimates. The PSPA will therefore continue to work closely with colleagues across all Employing Authorities and the Office of Human Resources to improve the data upon which it relies.

Financial Intelligence Unit (FIU)

The FIU is a statutory body established in April 2016. The FIU plays a key role in the global fight against money laundering, terrorism financing, proliferation financing, bribery and corruption, financial crime and sanction breaches, with the FIU's functions being –

- Receiving, gathering, analysing, storing and sharing information about financial crime (whether in the Island or elsewhere);
- Assisting with the prevention and detection of crime, and in particular, financial crime (whether in the Island or elsewhere);
- Cooperating with law enforcement agencies;
- Contributing to the reduction of crime, and in particular, financial crime and to the mitigation of its consequences.

For the forthcoming financial year, the FIU has identified its key initiatives as:

1. Consolidate digital transformation for the FIU adoption of digital tools and methods, keeping up with the pace of change in digital technologies. With a view to changing organisational culture and relationships to users, as well as business processes. Enhance a FIU risk-based approach to operations.
2. Focus on new and emerging threats through the development of FIU knowledge; understand the risks to the Isle of Man from money laundering, the financing of terrorism and proliferation financing. Raise awareness through outreach to the financial sector and government agencies.
3. Support the Isle of Man's proactive international money laundering investigation function, enhancing Isle of Man law enforcement agencies' capability and capacity with the objective of achieving substantial levels of effectiveness when measured against the Financial Action Task Force (FATF) standards, Immediate Outcomes 6, 7 and 8.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

4. Review and develop the role of the FIU in the IOM's approach to asset recovery, by:

- i) reviewing the FIU's current role and interaction with other relevant law enforcement agencies (LEAs), both domestic and international; and
- ii) identify ways to expand and improve the FIU's role, with reference to updated international standards and best practice (including the Egmont white paper 'Asset Recovery – Role of FIUs').

To date the FIU is progressing well with all four initiatives.

The overall objective of the FIU is to deliver its key general functions, thereby ensuring the Island meets a substantial level of effectiveness against FATF standards. This will be achieved through the gathering, analysis and dissemination of intelligence in order to assist in the global fight against money laundering and the financing of terrorism and through the prevention, detection and reduction of financial crime. The FIU performs a central and coordinating role with the Isle of Man Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) architecture disseminating and receiving financial intelligence with LEAs and other government department's particularly the Isle of Man's Regulators. The FIU is also a key partner in the Attorney General's Chambers Asset Recovery Team's work in restraining and ultimately confiscating the proceeds of crime.

The FIU is also the national agency responsible for the dissemination and receipt of financial intelligence packages with international partners.

The FIU's budget is funded from the general revenue. As a stand-alone entity, measured against the international standards set by but not limited to the Egmont Group of FIUs and FATF, the resources of the FIU (both in terms of staff and technology) must be enhanced to

continue to improve the effectiveness of the FIU and also to act as a deterrent against money laundering, terrorist financing and financial crime and thereby maintaining and enhancing the Island's international reputation. As in previous years, the FIU are on target to remain within the financial budgets provided, but it has been necessary to seek additional funding to pursue the new initiatives in order to meet agreed goals. These initiatives are recorded with the FIU's Annual Financial Plan (2023 to 2024) and are as follows;

- a) Digital initiatives to enable the FIU to keep pace with the rise of global financial technology;
- b) Establishing an IOM 'Public Private Partnership', an internationally recognised mechanism for maximising the use of all intelligence available from the regulated sector; and
- c) Further emphasis upon analysis and development of intelligence received to ensure further multi-agency action in all necessary cases of suspicious activity.

In addition to this a senior member of the FIU has been successful in securing a Government backed attachment to the Council of Europe for a 12 month period. This attachment will be crucial in gaining experience to assist the Isle of Man's bid to be successfully evaluated in the Moneyval Mutual Evaluation Review, nominally scheduled to happen in 2025. Finance has been provided to backfill the FIU post for this duration.

There are currently no Capital Projects.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Statutory Boards and Bodies (Revenue Funded) – Financial Summary

TABLE 62 – Statutory Boards and Bodies – Net Expenditure by Division

NET EXPENDITURE - BY DIVISION					
£000	Net Actual 2021-22	Net Probable 2022-23	Gross Spend 2023-24	Gross Income 2023-24	Net 2023-24
DIVISION					
Communications and Utilities Regulatory Authority	(567)	(534)	1,018	1,374	(356)
Financial Services Authority	-	-	8,462	8,462	-
Gambling Supervision Commission	(1,248)	(1,144)	3,986	5,366	(1,380)
Public Sector Pension Authority	-	-	1,978	-	1,978
Financial Intelligence Unit	851	860	1,103	-	1,103
NET EXPENDITURE	(964)	(818)	16,547	15,202	1,345

TABLE 63 – Statutory Boards and Bodies – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY							
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan			
				2024-25	2025-26	2026-27	2027-28
INCOME							
Taxation Income	6,410	7,972	10,708	10,922	11,140	11,363	11,590
Operating Income	1,485	1,655	1,821	1,857	1,894	1,932	1,971
Other Non-Trading Income	3	3	1	1	1	1	1
Grant Income	3,498	3,329	2,673	2,727	2,781	2,837	2,894
TOTAL INCOME	11,396	12,959	15,203	15,507	15,816	16,133	16,456
EXPENDITURE							
Employee Costs	9,494	10,336	13,157	13,420	13,688	13,962	14,241
Infrastructure Costs	297	364	477	487	496	506	516
Supplies & Services Agency & Contracted Services	2,028	2,813	2,900	2,958	3,017	3,078	3,139
Other	-	-	6	6	6	6	6
	(1,387)	(1,372)	8	8	8	8	8
TOTAL EXPENDITURE	10,432	12,141	16,548	16,879	17,215	17,560	17,910
NET EXPENDITURE	(964)	(818)	1,345	1,372	1,399	1,427	1,454

TABLE 64 – Statutory Boards and Bodies – Reconciliation from 2022-23

Budget Movement from 2022-23 to 2023-24				
£000	Gross Pay	Gross Non-Pay	Gross Income	Net Budget
2022-23 BUDGET	11,342	1,271	(13,216)	(603)
Transfer from Treasury	156	-	-	156
Budget Uplift	633	102	(449)	286
Elimination of PSEPR reimbursement to PSPA	-	1,887	-	1,887
Statutory Board Rebase	1,026	131	(1,538)	(381)
2023-24 BUDGET	13,157	3,391	(15,203)	1,345



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.13 Inter-Departmental Transfers

To enable greater clarity of departmental transfers, the table below consolidates and provides a description of the nature of the transfers.

Table 65 – Inter-Departmental Transfers

Inter-Departmental Transfers								
£'000	CO	DHA	DFE	DEFA	DHSC	FIU	AGC	TSY
Additional Posts	-	-	-	-	384	-	-	(384)
Climate Change Team	(829)	-	-	829	-	-	-	-
Procurement Services	-	-	-	-	-	-	(247)	247
Passenger Survey	(25)	-	25	-	-	-	-	-
DBS Bureau	(33)	33	-	-	-	-	-	-
Sexual Assault Referral Centre	-	(311)	-	-	311	-	-	-
Border Team	-	(298)	-	-	-	-	-	298
FIU Officers	-	-	-	-	-	156	-	(156)
	(887)	(576)	25	829	695	156	(247)	5



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

A4.14 Statutory Boards (Non-Revenue Funded)

Manx Utilities Authority (MUA)

MUA's vision is 'sustainably delivering life's essential services for our Island' including a commitment to delivering quality utility services for the benefit of the Isle of Man in a financially sustainable manner.

The key challenge for Manx Utilities over the last 12 months has been the extraordinary wholesale energy prices across Europe with energy prices peaking at previously unseen levels in August 2022.

This increase in wholesale energy costs has put significant pressure on Manx Utilities as we have sought to limit the impact on these wholesale costs increases on customers leading to a focus on cash management and cost control.

As we move forward in 2023-24 Manx Utilities will focus on delivery of its longer term financial objectives, reducing operating losses and delivering on operating profitability targets. As natural gas prices are forecast to remain high for the foreseeable future electricity unit tariffs will need to reflect the underlying natural gas cost to ensure Manx Utilities is able to continue in a financially sustainable manner.

This will be the fifth and final year of the pricing strategy agreed by Tynwald in 2018 and therefore, work will be undertaken during the financial year to agree a strategy for the next 5 years with the aim of providing as much certainty for customers about electricity, water and sewerage pricing whilst also enabling Manx Utilities to meet agreed financial objectives.

Other challenges for Manx Utilities include declining electricity demand, the adoption and integration of low emission and renewable energy generation, management of water resources and the cost of maintaining key infrastructure assets and managing strategic risks.

As with many utility providers, Manx Utilities has a high fixed-cost base and this means many costs do not rise and fall as demand changes. The majority of costs for water provision and sewage treatment relate to the provision of the infrastructure and are not affected by the volumes supplied or processed. The declining electricity volumes also mean a smaller amount of sales needs to cover the fixed costs of generation and distribution. The electricity business is also exposed to significant natural gas price changes and foreign currency exchange volatility. Appropriate strategies are in place to mitigate these risks in the short-term, although medium-term exposures remain. As both Manx Utilities and the Isle of Man work to meet net zero targets the reliance on natural gas will decrease in the medium to longer term.

The budget forecasts that water and sewerage charges increase by 9.8% consistent with September 2022 CPI, alongside the further planned reduction to the non-domestic discount for water and sewerage rates. Electricity charges forecast in the budget increase above September 2022 CPI reflecting the continuing high cost of natural gas in order to provide sufficient increased revenues to meet the increased energy supply costs.

An asset management approach is used to determine repair and maintenance programmes and, therefore, costs to ensure best value is achieved from Manx Utilities' significant asset base. In addition, fuel and other operating costs are incurred to provide utility services for customers.

Manx Utilities' capital programme comprises a combination of the ongoing regional sewage treatment strategy together with a number of long term infrastructure upgrade and essential replacement schemes, such as the water main replacement programme and the Smart Meter programme, which will continue rollout across the Island in 2023-24.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Statutory Boards and Bodies (Revenue Funded) – Financial Summary

Table 66 – Manx Utilities Authority – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY					
£000	Actual	Probable	Provisional Budget	Indicative financial plan	
	2021-22	2022-23	2023-24	2024-25	2025-26
INCOME					
Operating Income	122,726	173,692	238,995	241,114	243,266
TOTAL INCOME	122,726	173,692	238,995	241,114	243,266
EXPENDITURE					
Employee Costs	22,396	23,042	24,213	24,697	25,191
Infrastructure Costs	12,973	11,536	15,656	16,322	16,622
Transport Costs	1,182	975	1,145	1,204	1,262
Supplies & Services	99,418	120,118	156,504	155,718	155,718
Loan Charges	(49,253)	53,427	21,728	21,662	21,594
Other	17,908	17,187	18,382	18,630	18,881
TOTAL EXPENDITURE	104,624	226,285	237,628	238,233	239,268
NET (INCOME)/EXPENDITURE	(18,102)	52,593	(1,367)	(2,881)	(3,998)



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Isle of Man Post Office (IOMPO)

For 2021-22, Isle of Man Post Office ('IOMPO') reported a profit of £1.53m, broadly comparable with the prior period profit of £1.61m, and £0.25m ahead of that projected in the prior year Pink Book.

Projected results for 2022-23 are materially lower than those achieved in 2021-22. This reflects the reduction and significant volatility in post pandemic parcel volumes, exacerbated by the impact on discretionary spend from the cost of living crisis, and the effect of sustained industrial action within our main trading partner that is affecting retailer confidence and diverting volume to alternate carriers. The 7% reduction in projected operating income is partially mitigated by bringing forward planned strategic cost reduction activity. Further mitigation comes from the lifting of Covid restrictions on travel, which should see a 200% increase in foreign exchange margin by the period end, together with improved investment returns.

Last year's Pink Book anticipated a continuation of profits, albeit at more modest levels, through to 2024-25. This reflected the trend of incremental parcel growth, mitigating the expected continued decline in letter mail volumes, together with the reducing cost of subsidising the sub-Post Offices network ('the retail network') through delivery of the 2019 'Retail Network Modernisation Strategy'. The 'Provisional Budgets' now presented through to 2025-26 anticipate a return to losses. This change in expectations is substantially attributable to:

Macroeconomic factors

It is now assumed that the cost of living crisis and economic downturn will see a continued but slowing rate of decline in inbound parcel volumes and revenue until at least mid 2024-25. Subsequently a return to growth is anticipated, but this will not be at a sufficient pace to outweigh decline in revenue from letters. Market share for parcel traffic is difficult to predict

as it falls outside the 'Postal Monopoly', and is subject to competition with the unfettered gig economy; however, these revenues are critical to underpinning a sustainable universal letter service. Whilst our high fixed cost base can't readily be flexed in direct proportion to variations in sales demand, the 'Provisional Budgets' reflect a reduction in resource capacity based on effective utilisation of investment in automation and anticipated future sales trends, in addition to material savings from potential changes to Isle of Man/UK logistics arrangements.

Changing needs of stakeholders

The Board acknowledge the political preference that the existing network of sub-Post Offices be sustained, insofar as reasonably practicable, aligned to the social objective of continuing to support government and other commercial partners on their digital transformation journeys. Consequently, the savings anticipated from delivery of the 'Retail Network Modernisation Strategy' to the extent and timetable originally envisaged when Tynwald approved the strategy in 2019 will be delayed beyond that anticipated in the prior year Pink Book. The 2022-2023 Pink Book budgets assumed that the two key agency services provided through the retail network for the Department of Infrastructure (vehicle registration and licensing) and the Social Security Division of Treasury (Pension and benefit payments via MiCard) would cease early in 2023, as both departments transitioned to alternate methods of delivery. The cessation of these services was expected to have been a material precursor to a necessary and fundamental reorganisation of the retail network infrastructure. The reorganisation would have facilitated a material reduction in cost, whilst sustaining and widening the provision of postal services in our Island communities. Whilst commercial terms and contract extensions are not confirmed, the Board now expect both Departments to require their services to be provided through the retail network for the next two



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

to three years, thus delaying the network transformation and anticipated cost savings. Whilst the continuation of these agency services will maintain a revenue source for IOMPO, this is insufficient to mitigate the cost of subsidising the retail network in its current form. Consequently, and in the absence of additional departmental funding to facilitate these services for the extended period, an aggregate net provision for additional costs of £1.8m is now provisioned over the three years to March 2026.

The funding position of our defined benefit pension scheme has been adversely impacted and highly volatile throughout 2022-23. The scheme remains a material risk to IOMPO's financial position, however no changes to assumptions have been made in the 'Provisional Budgets' pending the next triennial valuation due in 2023-24.

Under section 5(1) of the Post Office Act 1993 ('the Act'), IOMPO is obliged to perform its functions so as to secure that "its revenue is not less than sufficient to meet charges properly chargeable to revenue account, taking one year with another..." Therefore, the published forecasts of losses is indicative of a potential future breach of this obligation should there not be a realistic strategy to return IOMPO to a sustainable profit, or alternatively a subvention mechanism or Direction under the Act agreed with Council.

Accordingly, the Board are in the process of agreeing fresh strategic actions which will target a returning to sustainable profitability in the medium term, with the ultimate objective of ensuring IOMPO remains self-funding whilst meeting the reasonable needs of its stakeholders. Subject to the outcome of this review, in order to secure this objective it may be necessary to utilise reserves to make capital investment not currently provisioned in the Capital Programme in order to reduce revenue concentration risk and supply chain vulnerabilities.

Capital programme

Critical to maintaining IOMPO's self-funding status is being able to implement strategic plans to transform the business, and IOMPO's cash reserves will be critical in terms of funding forecast losses; in meeting exceptional strategic restructuring costs; and for reinvesting in the business to leverage future growth. Included in the capital budget for the period to 2025-26 is approximately £3.2m of planned and potential capital expenditure, covering both operational capital requirements such as fleet, ICT and infrastructure renewals, as well as strategic capital investment in technology to enhance customer experience, solutions to transform delivery of community postal services, and funding initiatives to tackle the climate emergency.



Appendix 4 – Net Revenue Expenditure by Department, Office or Board

Statutory Boards and Bodies (Revenue Funded) – Financial Summary

Table 67 – Isle of Man Post Office – Income & Expenditure by Category

INCOME & EXPENDITURE - BY CATEGORY					
£000	Actual 2021-22	Probable 2022-23	Provisional Budget 2023-24	Indicative financial plan	
				2024-25	2025-26
INCOME					
Operating Income	22,251	20,801	19,497	18,362	17,424
Non-Trading Income	24	135	140	145	150
TOTAL INCOME	22,275	20,936	19,637	18,507	17,574
EXPENDITURE					
Employee Costs	12,392	11,573	11,284	10,970	10,819
Infrastructure Costs	621	778	817	863	880
Transport Costs	1,488	1,578	1,615	1,408	1,197
Supplies & Services	5,715	5,999	6,263	5,797	5,649
TOTAL EXPENDITURE	20,216	19,928	19,979	19,038	18,545
Exceptional Items	528	515	340	200	192
NET (INCOME)/EXPENDITURE	(1,531)	(493)	682	731	1,163



APPENDIX 5 – FULL CAPITAL PROGRAMME

Table 68 – Full Capital Programme - detail

Amounts shown in italics are for future cash flow projections only. Approval is not being sought for these amounts. “Committed” expenditure only is shown within this table. Future schemes are included within Appendix 6.

Capital Financing Reserve

£000 Department Discrete Schemes	Total cost	Total Tynwald Approval to 31 March 2023	Total spend to 31 March 2023	2023/24	2024/25	2025/26	2026/27	2027/28	Underspent from approvals to 31 March 2023	New Tynwald Approval
Cabinet Office	2,862	2,862	722	848	1,292	-	-	-	-	-
Department of Education, Sport & Culture	755	260	101	524	130	-	-	-	-	495
Department of Environment, Food & Agriculture	605	-	-	225	240	80	30	30	-	605
Department of Health and Social Care	36,654	35,874	31,681	4,973	-	-	-	-	-	780
Department of Home Affairs	3,383	1,080	80	2,477	826	-	-	-	-	2,303
Department of Infrastructure	120,753	115,673	99,173	16,968	4,323	289	-	-	(196)	5,276
Executive Government	840	-	321	392	16	111	-	-	-	840
Gambling Supervision Commission	500	500	397	103	-	-	-	-	-	-
Financial Services Authority	550	550	447	103	-	-	-	-	-	-
Department for Enterprise	12,272	12,350	7,516	3,443	1,313	-	-	-	(228)	150
Treasury	36,847	43,630	10,117	14,068	10,270	2,392	-	-	(7,692)	909
TOTAL	216,021	212,779	150,555	44,124	18,410	2,872	30	30	(8,116)	11,358
Rolling Schemes										
Cabinet Office	1,300			250	250	250	250	250		250
Department of Education, Sport & Culture	1,128			525	525	525	525	525		525
Department of Environment, Food & Agriculture	2,516			700	570	495	520	-		700
Department of Health and Social Care	14,252			1,250	1,250	1,250	1,250	1,250		1,250
Department of Home Affairs	10,207			1,553	1,029	529	529	529		1,553
Department of Infrastructure	237,002			29,182	27,618	23,230	23,230	23,230		29,182
Treasury	5,000			5,000	5,000	5,000	5,000	5,000		5,000
TOTAL	271,405			38,460	36,242	31,279	31,304	30,784		38,460
TOTAL CAPITAL PROGRAMME	487,426	212,779	150,555	82,584	54,652	34,151	31,334	30,814	(8,116)	49,818



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Underspent from approvals to 31 March 2023 £'000	New Tynwald Approval £'000
Discrete Schemes										
Cabinet Office										
DOI Network Migration	895	895	572	323	-	-	-	-	-	-
IOM Borders System	185	185	-	185	-	-	-	-	-	-
Passports & Immigration System	1,101	1,101	150	-	951	-	-	-	-	-
Smart Services	681	681	-	340	341	-	-	-	-	-
Cabinet Office Total	2,862	2,862	722	848	1,292	-	-	-	-	-
Department of Education, Sport & Culture										
Covered Play and Teaching Areas - Construction	260	260	101	29	130	-	-	-	-	-
Mobiles for CRHS and Willaston	495	-	-	495	-	-	-	-	-	495
Department of Education, Sport & Culture Total	755	260	101	524	130	-	-	-	-	495
Department of Environment, Food & Agriculture										
Peel Marina - River Neb Catchment	605	-	-	225	240	80	30	30	-	605
Department of Environment, Food & Agriculture Total	605	-	-	225	240	80	30	30	-	605
Department of Health and Social Care										
Accommodation for Day Care Services Eastcliffe	5,750	5,750	5,514	236	-	-	-	-	-	-
Acute Adult Psychiatric In-Patient Facility	10,365	10,365	8,750	1,615	-	-	-	-	-	-
Older Persons Residential & Resource Unit East	12,557	12,557	11,875	682	-	-	-	-	-	-
Radiology Equipment Replacement	4,502	3,722	2,652	1,850	-	-	-	-	-	780
Redevelopment of Grianagh Court	1,650	1,650	1,350	300	-	-	-	-	-	-
Replacement LIM system, Noble's Hospital	1,830	1,830	1,540	290	-	-	-	-	-	-
Department of Health and Social Care Total	36,654	35,874	31,681	4,973	-	-	-	-	-	780
Department of Home Affairs										
Sexual Assault Referral Centre	3,383	1,080	80	2,477	826	-	-	-	-	2,303
Department of Home Affairs Total	3,383	1,080	80	2,477	826	-	-	-	-	2,303
Department of Infrastructure										
Ballasalla Bypass Junction	1,929	1,929	600	1,329	-	-	-	-	-	-
Central Government Offices	771	-	-	248	284	239	-	-	-	771
Douglas Harbour - King Edward Pier Upgrade*	6,610	3,250	325	5,985	300	-	-	-	-	3,360
Douglas Promenade	25,730	25,730	25,730	-	-	-	-	-	-	-
East Quay Peel	2,526	2,526	1,334	1,192	-	-	-	-	-	-
Ramsey Shipyard	455	455	300	155	-	-	-	-	-	-
Ash Dieback Mitigation	220	416	70	50	50	50	-	-	(196)	-
Transport Model	385	385	-	385	-	-	-	-	-	-
IOM Ferry Terminal – Liverpool*	70,676	70,676	65,297	2,690	2,689	-	-	-	-	-
Jurby Development Initiative	1,837	1,837	833	1,004	-	-	-	-	-	-
MCW - Waste Unit	145	-	-	145	-	-	-	-	-	145

*Final costs subject to confirmation



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Underspent from approvals to 31 March 2023 £'000	New Tynwald Approval £'000
Discrete Schemes										
Dalmeny Structural Refurbishment	118	118	-	118	-	-	-	-	-	-
Ellerslie Workshop Recladding	123	123	70	53	-	-	-	-	-	-
Modernisation works to Visitor Facilities, Sea Terminal	1,000	1,000	150	850	-	-	-	-	-	-
Rationalisation of Units in Jurby Ind Estate	198	198	-	198	-	-	-	-	-	-
Quarry Plant Replacement	5,030	5,030	4,464	566	-	-	-	-	-	-
Secondary Waste Incinerator	3,000	2,000	-	2,000	1,000	-	-	-	-	1,000
Department of Infrastructure Total	120,753	115,673	99,173	16,968	4,323	289	-	-	(196)	5,276
Executive Government										
Courts Case management System	840	-	321	392	16	111	-	-	-	840
Executive Government Total	840	-	321	392	16	111	-	-	-	840
Gambling Supervision Commission										
Technology - GSC New System	500	500	397	103	-	-	-	-	-	-
Gambling Supervision Commission Total	500	500	397	103	-	-	-	-	-	-
Financial Services Authority										
FSA Infrastructure Costs	50	50	50	-	-	-	-	-	-	-
Technology - FSA New System	500	500	397	103	-	-	-	-	-	-
Financial Services Authority Total	550	550	447	103	-	-	-	-	-	-
The Department for Enterprise										
Company Registry System 5AML	500	500	344	156	-	-	-	-	-	-
Fibre Optic Network	11,100	11,100	6,722	3,065	1,313	-	-	-	-	-
Public Records Office - Climate Control System	150	-	-	150	-	-	-	-	-	150
Public Records Office - Digital Archive	522	750	450	72	-	-	-	-	(228)	-
The Department for Enterprise Total	12,272	12,350	7,516	3,443	1,313	-	-	-	(228)	150
The Treasury										
Benefit Payment System Upgrade (BPS)	1,559	1,559	1,477	82	-	-	-	-	-	-
Capital Inflation	13,000	13,000	608	5,000	5,000	2,392	-	-	-	-
Capital Projects Contingency Fund	9,600	16,826	600	5,000	4,000	-	-	-	(7,226)	-
Employment Theme	487	487	300	187	-	-	-	-	-	-
Scanning (replacement of Scanfile)	100	100	100	-	-	-	-	-	-	-
Social Security Transformation	793	1,259	162	377	254	-	-	-	(466)	-
The Enterprise Financial Systems Programme	2,620	2,620	1,437	1,183	-	-	-	-	-	-
Treasury Operational Change Programme	1,666	1,666	50	600	1,016	-	-	-	-	-
VIPS - Customs & Excise System Replacement	7,022	6,113	5,383	1,639	-	-	-	-	-	909
The Treasury Total	36,847	43,630	10,117	14,068	10,270	2,392	-	-	(7,692)	909
Discrete Total	216,021	212,779	150,555	44,124	18,410	2,872	30	30	(8,116)	11,358



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Underspent from approvals to 31 March 2023 £'000	New Tynwald Approval £'000
Rolling Schemes										
Cabinet Office										
Minor Capital Works (Annual)	1,300			250	250	250	250	250		250
Cabinet Office Total	1,300			250	250	250	250	250		250
Department of Education, Sport & Culture										
DDA Works to Department Sites- Construction	576			225	225	225	225	225		225
MCW - National Sports Centre	-			150	150	150	150	150		150
MCW - Regional Pools- Ongoing Scheme	552			150	150	150	150	150		150
Department of Education, Sport & Culture Total	1,128			525	525	525	525	525		525
Department of Environment, Food & Agriculture										
MCW - Rural Infrastructure	1,778			450	450	450	450	-		450
Public Analyst Lab	738			250	120	45	70	-		250
Department of Environment, Food & Agriculture Total	2,516			700	570	495	520	-		700
Department of Health and Social Care										
Asset Replacement Scheme	13,109			1,000	1,000	1,000	1,000	1,000		1,000
Strategic Development Fund	1,143			250	250	250	250	250		250
Department of Health and Social Care Total	14,252			1,250	1,250	1,250	1,250	1,250		1,250
Department of Home Affairs										
Communications Development Programme	6,532			733	500	-	-	-		733
Equipment Replacement Programme - Fire	1,334			280	140	140	140	140		280
Equipment Replacement Programme - Police	1,210			140	189	189	189	189		140
Prison Minor Capital Works	1,131			400	200	200	200	200		400
Department of Home Affairs Total	10,207			1,553	1,029	529	529	529		1,553
Department of Infrastructure										
Ambulance Fleet Replacement	2,103			370	370	-	-	-		370
Climate Change Adaption	12,056			5,452	5,000	5,000	5,000	5,000		5,452
DHA Vehicle Acquisition	7,650			1,887	1,300	1,300	1,300	1,300		1,887
Heritage Rail Budget	19,377			2,250	2,250	-	-	-		2,250
House Purchase Assistance Scheme	2,870			500	331	-	-	-		500
MCW - DfE.	610			120	120	120	120	120		120
MCW - DHA.	1,166			180	180	180	180	180		180
MCW - DHSC	5,769			400	400	400	400	400		400
MCW - Education and Children	31,415			2,000	2,000	2,000	2,000	2,000		2,000
MCW - Government Estate	8,005			400	300	300	300	300		400
MCW - Improvements	3,160			250	250	250	250	250		250
MCW - Nobles Hospital (Compliance)	956			571	-	-	-	-		571
MCW - Nobles Hospital (Plant & Machinery)	3,326			188	-	-	-	-		188



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Underspent from approvals to 31 March 2023 £'000	New Tynwald Approval £'000
Rolling Schemes										
Department of Infrastructure (continued)										
MCW - Public Transport	19,813			1,000	1,000	1,000	1,000	1,000		1,000
MCW - Villa/Gaiety	984			200	200	200	200	200		200
MCW - Wildlife Park	669			100	100	100	100	100		100
MCW - Housing Planned Works	5,746			1,900	1,900	1,900	1,900	1,900		1,900
Plant & Vehicle Replacement	31,602			3,200	3,200	3,200	3,200	3,200		3,200
Public Transport - Bus Fleet Replacement	19,059			934	1,437	-	-	-		934
Strategic Highway Refurbishment	45,713			6,125	6,125	6,125	6,125	6,125		6,125
Strategic Structural Maintenance	14,953			1,155	1,155	1,155	1,155	1,155		1,155
Department of Infrastructure Total	237,002			29,182	27,618	23,230	23,230	23,230		29,182
Treasury										
Climate Change Mitigation Initiatives	5,000			5,000	5,000	5,000	5,000	5,000		5,000
Treasury Total	5,000			5,000	5,000	5,000	5,000	5,000		5,000
Rolling Total	271,405			38,460	36,242	31,279	31,304	30,784		38,460
Total – Capital Financing Reserve	487,426	212,779	150,555	82,584	54,652	34,151	31,334	30,814	(8,116)	49,818



Consolidated Loans Fund

CONSOLIDATED LOAN FUND APPROVALS (PROJECTED)											
£'000		Total Cost	Amount Approved by Tynwald to 31 March 2023	Actual 2021-22	Forecast 2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	Further
Manx Utilities Authority											
		9,976	9,225	972	1,565	2,954	2,407	1,550	-	-	-
		38,967	19,616	1,326	580	3,742	9,335	600	-	10,110	-
		8,080	9,731	947	1,100	1,046	1,584	1,450	1,450	1,450	-
		20,341	8,743	750	1,700	2,636	5,364	4,200	2,300	2,000	-
		49,513	40,450	739	2,075	4,000	27,305	7,670	-	-	-
		29,934	39,984	-	-	-	-	-	-	-	-
		17,657	29,646	1,216	2,500	1,783	3,017	2,500	2,500	2,500	-
		23,489	12,754	373	1,710	3,070	7,543	2,107	5,433	3,933	-
		2,803	200	-	-	1,126	1,377	300	-	-	-
		32,900	100	-	100	310	490	16,000	16,000	-	-
	New	3,550	-	-	-	1,201	1,349	-	-	1,000	-
	New	38,100	-	-	-	4,729	9,371	8,000	8,000	8,000	-
		275,310	170,449	6,323	11,330	26,597	69,142	44,377	35,683	28,993	-
Manx National Heritage											
		2,155	2,024	341	567	110	-	-	-	-	-
		4,233	3,054	179	584	200	200	200	200	200	-
		1,200	200	-	200	200	200	200	200	200	-
	New	1,033	-	-	-	1,033	-	-	-	-	-
	New	125	-	-	-	125	-	-	-	-	-
	New	90	-	-	-	90	-	-	-	-	-
		8,836	5,278	520	1,351	1,758	400	400	400	400	-
Manx Radio											
	New	750	-	-	-	150	150	150	150	150	-
		750	-	-	-	150	150	150	150	150	-
Total – Consolidated Loans Fund		284,896	175,727	6,843	12,681	28,505	69,692	44,927	36,233	29,543	-



Non-Central Government Funded

	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Further £'000
Manx Utilities Authority (Self-Funded)									
Jurby Water Infrastructure (funded from the Economic Development Fund)	2,900	-	-	2,900	-	-	-	-	-
Minor Capital Schemes (non CLF-funded)	21,547	-	12,522	2,249	1,855	2,145	2,104	672	-
Total Manx Utilities Authority	24,447	-	12,522	5,149	1,855	2,145	2,104	672	-
Isle of Man Post Office (Self-Funded)									
Website	80	-	30	50	-	-	-	-	-
Retail Development/Strategy	236	-	86	150	-	-	-	-	-
Navision Replacement	500	-	-	250	250	-	-	-	-
Sorting Machine Enhancements	1,214	-	1,214	-	-	-	-	-	-
POHQ Buildings Infrastructure	817	-	167	250	400	-	-	-	-
Provision for Statutory Obligations	300	-	-	150	150	-	-	-	-
Letter Facing Machine	150	-	-	150	-	-	-	-	-
X-ray Machine	100	-	-	-	100	-	-	-	-
Letter Sort Mechanical Upgrade	100	-	-	-	100	-	-	-	-
Ongoing Schemes									
Other Machinery/Equipment	393	-	133	65	65	65	65	-	-
Vehicle Replacement Programme	2,285	-	885	450	300	250	400	-	-
Total Isle of Man Post Office	6,175	-	2,515	1,515	1,365	315	465	-	-



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Further £'000
Local Authority Housing									
Braddan Parish Commissioners									
Snugborough Farm New Housing	4,976	-	4,976	-	-	-	-	-	-
Planned Maintenance Programme	3,553	-	-	975	-	-	-	-	2,578
Castletown Commissioners									
School Hill/West Hill Redevelopment	28,586	-	7,559	3,626	3,626	2,249	2,249	3,459	5,818
Planned Maintenance Programme	5,531	-	-	-	-	-	-	-	5,531
Cooil Roi EPHC (Garff)									
Planned Maintenance Programme	755	-	-	140	140	-	-	-	475
Douglas Borough Council									
Willaston External Refurbishment	38,456	-	20,759	4,982	4,982	4,128	3,605	-	-
Willaston Garden Boundary improvements	3,850	-	841	500	500	500	500	500	509
Willaston New Apartments	11,047	-	4,619	4,000	2,428	-	-	-	-
Spring Valley External Refurbishment / Rebuild	33,761	-	266	50	50	50	6,000	6,000	21,345
Spring Valley External - Enabling Project	4,500	-	-	200	500	2,000	1,800	-	-
Peel Road Apartments	12,760	-	12,760	-	-	-	-	-	-
Bathroom Framework	14,200	-	-	750	1,000	1,300	2,000	2,000	7,150
Marathon Drive redevelopment	5,150	-	100	150	2,500	2,400	-	-	-
Planned Maintenance Programme	16,892	-	7,378	3,133	1,416	465	450	150	3,900
Onchan District Commissioners									
Springfield Court Refurbishment	3,000	-	2,257	692	51	-	-	-	-
Barrule Drive External Refurbishment	3,500	-	300	1,500	1,500	200	-	-	-
Scheme 15 Heywood Drive & Grove External Refurbishment	2,680	-	-	1,043	1,587	50	-	-	-
Planned Maintenance Programme	13,967	-	3,194	910	1,100	-	-	-	8,763
Peel Town Commissioners									
Planned Maintenance Programme	12,550	-	65	450	1,078	255	100	-	10,602



	Total Estimated Cost £'000	Total Tynwald Approval to 31 March 2023 £'000	Total Spend to 31 March 2023 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/27 £'000	2027/28 £'000	Further £'000
Peel & Western District Housing Committee									
Westlands Phase B	5,023	-	5,023	-	-	-	-	-	-
Westlands Phase C	5,337	-	5,324	13	-	-	-	-	-
Planned Maintenance Programme	2,436	-	425	-	-	-	-	-	2,011
Port Erin Village Commissioners									
Planned Maintenance Programme	6,574	-	-	150	400	450	750	800	4,024
Port St Mary Village Commissioners									
Planned Maintenance Programme	3,735	-	-	220	-	-	-	-	3,515
Ramsey Town Commissioners									
Close Woirrey Apartments	1,695	-	120	1,300	200	75	-	-	-
Close Woirrey Demolition	100	-	100	-	-	-	-	-	-
Ramsey New Units (Provisional Allowance)	1,050	-	416	400	234	-	-	-	-
Planned Maintenance Programme	13,860	-	1,447	914	63	-	-	-	11,436
Ramsey & Northern Districts Housing Committee									
Mayfield Sheltered Housing	5,556	-	5,556	-	-	-	-	-	-
Cooil ny Marrey Redevelopment	4,456	-	150	2,000	2,000	306	-	-	-
Kerroe Glass Apartment refurbishments and conversions	2,243	-	-	60	60	50	650	1,200	223
Planned Maintenance Programme	2,057	-	-	544	55	-	-	-	1,458
Southern Sheltered Housing Joint Board									
Planned Maintenance Programme – Former Castletown & Malew EPHC	3,190	-	209	195	-	-	-	-	2,786
Planned Maintenance Programme – Former Marashen Crescent EPHC	2,255	-	71	65	15	50	50	-	2,004
Adaptation									
Planned Maintenance Programme	800	-	100	100	100	100	100	100	200
LA Schemes									
New Units - to be allocated.	8,000	-	-	1,000	1,000	1,000	1,000	1,000	3,000
Total - Local Authority Housing	288,081	-	84,015	30,062	26,585	15,628	19,254	15,209	97,328

APPENDIX 6 – CAPITAL PROGRAMME – DESIGN AND FEASIBILITY

Table 69 – Design and Feasibility

The following schemes are expected to be presented for consideration within the revised design and feasibility process. This will enable the Departments to formulate fully scoped and costed business cases that can then be considered for full project budget allocation within the new quarterly approval process. The design and feasibility studies and activities will be financed through bids to the Project Development Fund.

Design and Feasibility
Discrete Schemes
<p>Department of Education, Sport & Culture Ballakermeen High School - access works Castle Rushen High School Henry Bloom Noble – enlargement QEII Science & Technology & Sixth Form School Security - Construction Villa Marina Gaiety Theatre – Light and Sound</p> <p>Department of Environment, Food & Agriculture Kionslieu Discontinuance Mill Road Yard Development</p> <p>Department of Health and Social Care Extension to CAT3 Laboratory, Pathology, Noble's Hospital New Ambulance Hub, Braddan Older Persons Residential & Resource Unit North Reconfiguration of Learning Disabilities (Radcliffe Villas) Redevelopment of Emergency Dept, Noble's Hospital</p> <p>Department of Home Affairs Combined Emergency Services Headquarters</p> <p>Department of Infrastructure Airfield Drainage Airport Fire Station Airport Programme Airport Training Rig Douglas Harbour Strategy Douglas Promenade Walkway Harbours Rockmount, Poortown Road Peel Marina Works International Arrivals facilities Port St Mary High Street Raggatt Landfill Ramsey District Cottage Hospital (RDCH) Special Waste Landfill Facility Wrights Pit</p> <p>The Department for Enterprise Civil Registry - System Modernisation</p>
Rolling Schemes
<p>Department of Infrastructure Peel Marina & River Neb Catchment Long Term Works Strategic Bus Replacement</p>



APPENDIX 7 – CAPITAL APPROVALS

Table 70 – Capital Approvals by Scheme

Department	Scheme	Tynwald Approval Request £000	Description of Scheme
DESC	Mobiles for CRHS and Willaston	495	Funding to purchase two new double mobile classroom units to provide further short-term accommodation at Castle Rushen High School and replace the mobile unit at Willaston Primary School that is at the end of its useful life
DEFA	Peel Marina – River Neb Catchment	605	Catchment management works targeted at reducing the levels of heavy metals entering the River Neb through management at source and reducing the level of sediment entering the river
DHSC	Radiology Equipment Replacement	780	Further funding to support the programme of replacement of radiology equipment
DHA	Sexual Assault Referral Centre	2,303	Increased cost due to changes in specification as a result of updated compliance requirements around standards of forensic evidence
DOI	Central Government Offices	771	Phased scheme of works to modernise Central Government Offices that will address works required to the roof, structural repairs and refurbishment of the staff and public internal spaces
DOI	King Edward VIII Pier Upgrade	3,360	Additional funding above the amount approved during the 2022/23 budget setting process to reflect increased construction costs
DOI	MCW – Waste Unit	145	Funding in order to procure the required parts for the Animal Waste Processing Plant and continue ongoing maintenance
DOI	Secondary Waste Incinerator	1,000	Additional funding to be added to the already approved budget to allow the replacement of the secondary waste incinerator



Department	Scheme	Tynwald Approval Request £000	Description of Scheme
Executive Government	Courts Case Management System	840	A previously approved capital scheme that was omitted from the 2022/23 Pink Book in error – this approval is reinstatement of the previous approval
DfE	PRO – Climate Control System	150	Installation of a new climate control system at the Public Records Office storage unit and repairs to make the facility air tight in order to protect the integrity of stored material
Treasury	VIPS – Customs & Excise System Replacement	909	Additional funding to complete the project due to increased costs through changes to the original specification
CO	MCW	250	Minor capital works and small projects budget
DESC	DDA Works to Department Sites-Construction	225	Works linked to Disability Discrimination Act
DESC	MCW – National Sports Centre	150	Minor capital works budget linked to the NSC
DESC	MCW – Regional Pools	150	Minor capital works budget linked to the regional swimming pools
DEFA	MCW – Rural Infrastructure	450	Minor capital works budget linked to assets under the management of DEFA
DEFA	Public Analyst Lab	250	Rolling scheme to support the equipment replacement programme
DHSC	Asset Replacement Scheme	1,000	Budget to support the equipment replacement programme of smaller department assets
DHSC	Strategic Development Fund	250	Budget to support the implement small scale change projects
DHA	Communications Development Programme	733	Rolling scheme to support the department's communications equipment and systems
DHA	Equipment Replacement Programme – Fire	280	Ongoing scheme for the replacement of equipment for the Fire and Rescue Service
DHA	Equipment Replacement Programme – Police	140	Ongoing scheme for the replacement of equipment for the Police
DHA	Prison Minor Capital Works	400	Ongoing scheme for minor works required at the Isle of Man Prison
DOI	Ambulance Fleet Replacement	370	Ongoing scheme for replacement vehicles



Department	Scheme	Tynwald Approval Request £000	Description of Scheme
DOI	Climate Change Adaptation	5,452	A 25 year programme of a number of schemes to deliver climate change adaptations across the Island. Significant business cases are presented and approved by Treasury once they are ready to be delivered
DOI	DHA Vehicle Acquisition	1,887	Ongoing scheme for the replacement of vehicles on behalf of the Department of Home Affairs (including Fire and Police)
DOI	Heritage Rail Budget	2,250	Projects to maintain and improve the heritage railways assets
DOI	House Purchase Assistance Scheme	500	Ongoing scheme to provide assistance to first time buyers to purchase both publicly developed and privately developed properties subject to certain scheme conditions
DOI	MCW - DfE	120	A minor capital works budget for properties owned by the Department for Enterprise. DOI maintain and uphold the properties on behalf of the DfE under a Service Level Agreement
DOI	MCW – DHA	180	A minor capital works budget for properties owned by the Department for Home Affairs. DOI maintain and uphold the properties on behalf of the DHA under a Service Level Agreement
DOI	MCW – DHSC	400	This rolling scheme includes expenditure for maintenance and replacement of building and property service related items ranging from £5,000 to £250,000
DOI	MCW – Education and Children	2,000	This rolling scheme includes expenditure for maintenance and replacement of building and property service related items ranging from £5,000 to £250,000
DOI	MCW – Government Estate	400	This rolling scheme includes expenditure for maintenance and replacement of building and property service related items ranging from £5,000 to £250,000
DOI	MCW – Improvements	250	A 10 year scheme starting in 2017-18, to refurbish residential roads. Tackling small-scale neglect to prevent



Department	Scheme	Tynwald Approval Request £000	Description of Scheme
			longer term problems for the network but, more importantly, encourage some pride in the roads outside our homes and directly result in a better place to live.
DOI	Nobles Hospital (Compliance)	571	This rolling scheme ensures the hospital's services comply with relevant standards.
DOI	Nobles Hospital (Plant & Machinery)	188	This rolling scheme is related to expenditure for replacement of hospital plant and machinery.
DOI	MCW – Heritage Rail & Public Transport	1,000	This rolling scheme includes expenditure for maintenance and replacement of building, equipment and property service related items for the Transport Services Division. Title changed to now include Heritage Rail to now reflect a significant amount of this budget is utilised for this purpose
DOI	MCW – Villa/Gaiety	200	Minor capital works for the upkeep and maintenance of the Villa Marina and Gaiety Theatre complex
DOI	MCW – Wildlife Park	100	Minor capital works for the upkeep and maintenance of the Curragh's Wildlife Park
DOI	MCW – Housing Planned Works	1,900	This capital budget is used to undertake essential works such as re-roofing, kitchen refurbishments, electrical upgrades, central heating, window/door replacements and estate improvements to the DOI's public sector housing stock of over 1,200 dwellings
DOI	Plant & Vehicle Replacement	3,200	Ongoing programme for the planned replacement of Government's plant and vehicles
DOI	Public Transport – Bus Fleet Replacement	934	Ongoing programme for the replacement of public transport bus vehicles
DOI	Strategic Highway Refurbishment	6,125	This year on year scheme includes work on highways resurfacing and reconstruction. The scope of the work ranges in value from £10,000 to £800,000, and includes major maintenance of minor or major roads, up to a complete replacement. From 2018-19 the scheme included



Department	Scheme	Tynwald Approval Request £000	Description of Scheme
			£100k p.a. for traffic lights renewal and £500k p.a. for micro asphalt
DOI	Strategic Structural Maintenance	1,155	This year on year scheme includes work on both highways and harbours structures. The scope of the work ranges in value from £30,000 to £300,000, and includes major maintenance of a structure, up to complete replacement of a structure
Treasury	Climate Change Mitigation Initiatives	5,000	Treasury budget to support climate change mitigation schemes
	Total	49,818	



APPENDIX 8 – EXPLANATION OF RESERVES

External Reserves

Enterprise Development Scheme (EDS)

As part of the 2016 budget the Enterprise Development Fund was created with an initial £10m, supporting the £50 million EDS. The scheme has not worked as expected with only £3m invested in the first two years and in 2018 the Department for Enterprise (DfE) and the scheme managers agreed to part company. The DfE has revised the scheme to open it up to a wider range of applicants, to focus on job creation and to strengthen the requirement for co-investment. Investment decisions will be taken by the DfE, the Treasury and an external chair going forward requiring unanimous approval.

DfE will also use the revised EDS to invest in media productions where these create sustainable jobs.

It is difficult to predict what impact these changes will have on overall levels of investment in future years, but the DfE and the Treasury are both committed to supporting businesses that will create jobs in the local economy through a range of financial support options.

Manx Currency Account

The balance on the currency account is maintained to ensure that it more than matches the value of the total Manx currency in circulation (both notes and coins).

MUA Bond Repayment Fund

Responsibility for the management of the Manx Utilities Authority (MUA) bond issues transferred from the MUA to the Treasury on 1 April 2015. The MUA makes annual payments through its Long-Term Financial Plan into a sinking fund in order that the £260 million bond issues can be repaid upon their maturity in 2030 (£75 million) and 2034 (£185 million).

Bond Repayment Sinking Fund

This has been established to provide a fund into which repayments from General Revenue, the Isle of Man Steam Packet and Manx Utilities Authority can be made. These funds will be used to meet the redemption of the Sustainable Bond issued by the Treasury in September 2021. Interest payments to bondholders will be made from this fund. Balances held within the fund will be invested to earn income in accordance with relevant investment mandates.

National Insurance Fund (MNIF)

The MNIF is comprised of both the National Insurance Investment Account (NIIA), which is invested by external investment managers on behalf of the Treasury, and the National Insurance Operating Account (NIOA), which represents the operating balance managed by the Treasury's Social Security Division. The NIOA is used to fund National Insurance funded welfare payments and also makes a significant contribution towards the cost of the Island's health service via the NHS allocation. It is expected that there will be a surplus over the period of the indicative financial plan, therefore the fund will increase in value.

Reserve Fund

The Reserve Fund represents the externally invested central funds of the Isle of Man Government, designed to provide long term stability and protection to Government's finances. The objective of the current financial plan is to grow the balances held within the Reserve Fund through external investment management.



Reserve Fund Bond Issue

This element of the Reserve Fund specifically relates to the issue of new Government bonds during 2021. An amount equivalent to the proceeds of the bond issue is available to invest in Government priorities during the specified assessment period in line with the Sustainable Financing Framework.

The Sustainable Financing Framework can be found on the Treasury website.



Internal Reserves

Academic Business Planning Fund (ABPF)

The ABPF was established as part of the 2017-18 budget on a one year trial basis. The reserve allows the Department of Education, Sport and Culture (DESC) to transfer year end underspends into the new financial year, as agreed with the Treasury. This provides DESC with flexibility in its business planning for operations where the financial year does not fit with the academic year. This initiative has proven very successful and therefore was extended on a permanent basis.

Agriculture and Forestry Fund (AFF)

The AFF was originally established in 2007 to assist the Department of Environment, Food and Agriculture (DEFA) in providing funding for additional financial support to the agriculture sector. The fund is utilised to support initiatives that are designed to provide sustainable benefits for the sector in the longer term and to provide support for the sector in the event of unexpected circumstances. The Treasury has agreed to add £2 million in 2023-24 to support the Isle of Man meat plant and the agri-environment scheme.

Contingency Fund

Established in 2016-17 with a £5 million injection from the Revenue Account's Operating Balance, this fund arose from a need to ensure that funding is provided to meet any unexpected, unavoidable or unplanned occurrences that are not included in the departmental revenue targets. Items granted funding from here must be of a temporary nature or self-sustainable from ongoing savings generated. Recurring expenditure is not eligible. It is proposed to add a further £7.5 million to this fund for the 2023-24 financial year.

Transformation Fund (formerly the Digital Strategy Fund)

The Digital Strategy Fund (DSF) and the Invest to Save Fund (ITSF) have been repurposed as part of the 2023-24 budget to form a single Transformation Fund. The purpose of this fund will be to enable departments to implement schemes that are aimed at achieving efficiencies through cost savings and streamlining of processes. The combined residual balances of the DSF and the ITSF are forecast to create a fund with an initial balance of £7 million.

Economic Development Fund (EDF)

The EDF was created in 1999 to provide financial assistance to organisations undertaking projects which are deemed to have a positive contribution to the local economy but are not eligible for support under any other Government scheme. It is proposed to close this fund as part of the 2023-24 budget and redirect the remaining funds to support the delivery of the economic strategy through a transfer to the Economic Strategy Fund.

Economic Strategy Fund (ESF) (formerly the Economic Fund)

The Economic Fund has been renamed to be the Economic Strategy Fund.

In support of the Island's Economic Strategy, the Treasury has allocated £100 million to the ESF to help deliver this strategy.

In addition to the remaining balance of the Economic Fund, a further £11.7 million will be added through the redirection of balances from the following internal reserves:

- Economic Development Fund
- Marketing Initiatives Fund
- Town and Village Regeneration Fund



£62.6 million will also be transferred from the Reserve Fund to create an internal fund with a total balance of £100 million.

Environmental Protection Fund (EPF)

The EPF was established from 1 April 2020 with £5 million to enable departments to implement initiatives that support the actions and objectives identified with the Government's Action Plan for Achieving Net Zero Emissions by 2050 – Phase 1 until such time as the financing strategy has been agreed.

As part of the 2022-23 budget a new Climate Change Fund was established, see below. In order to make the internal reserves clearer and simpler, the EPF is being closed and the balance transferred to the Climate Change Fund in order to provide a single revenue fund.

Healthcare Transformation Fund (HCTF)

The HCTF is designed to provide financing for the implementation of healthcare project initiatives that are of a transformational nature. It is intended that any surplus National Insurance receipts due for allocation into the NHS are redirected into this fund to support future projects. Following completion of Sir Jonathan Michael's Independent Review of the Isle of Man Health and Social Care System, delivered to Tynwald in 2019, this fund is being utilised to provide support to the Health and Care Transformation Team with the ongoing process of establishing Manx Care and other healthcare transformation projects. The Treasury has approved a further transfer into the fund in 2023-24 of £3.5 million to ensure that there are adequate resources available.

Invest to Save Fund (ITSF)

It is proposed to close this fund as part of the 2023-24 budget and redirect the remaining funds to support the delivery of the economic strategy through a transfer to the Economic Strategy Fund.

Legal Costs Reserve

The Isle of Man Government has previously been subject to several large and complex legal cases which have placed a strain on the resources of the departments involved. Given the ad-hoc nature of these cases, this reserve provides funding to meet the costs of agreed and exceptional legal cases. Due to the significant level of these costs the Treasury has approved a transfer of £0.75 million to the fund in 2023-24 in order to maintain the balance.

Marketing Initiatives Fund (MIF)

It is proposed to close this fund as part of the 2023-24 budget and redirect the remaining funds to support the delivery of the economic strategy through a transfer to the Economic Strategy Fund.

Medical Indemnity Fund

Established in 1994, this reserve acts as a cash-limited self-insurance fund to meet valid claims for damages on behalf of patients against health and care staff working in the Island's hospitals. A transfer of £3 million is recommended into the fund in 2023-24 in order to be able to meet future demands.



Seized Assets Fund (SAF)

The purpose of this fund has been to enable the proceeds of drug seizures and other crimes to be applied to counter criminal activities as well as to promote and implement community safety initiatives including grant assistance to counter the undesirable effects of drugs and alcohol.

On 1 November 2017, the Fund became a statutory Fund by virtue of The Statute Law Revision Act 2017, which inserted Section 222 ZA to the Proceeds of Crime Act 2008. Statutory responsibility for approvals is held by the board of the Financial Intelligence Unit Board subject to Treasury concurrence.

Town and Village Regeneration Fund (TVRF)

It is proposed to close this fund as part of the 2023-24 budget and redirect the remaining funds to support the delivery of the economic strategy through a transfer to the Economic Strategy Fund.

Project Development Fund (PDF)

This fund was established as part of the 2022-23 budget. Departments are able to make bids for funding to complete initial feasibility and development work in relation to capital projects before detailed business cases are submitted. This allows departments to present accurate costing and timeline information to Treasury to assist with the consideration of capital project business cases. A further £8 million is being transferred to this fund for 2023-24. The increased level of transfer is in recognition of the expected increase in bids following the review of the capital programme.

Housing and Communities Fund (HCF)

The HCF was established in the prior year to support the work of the Housing and Communities Board. A further £1 million of funding is being allocated to the fund for 2023-24.

Climate Change Fund (CCF)

This fund was established in 2022-23 with an initial balance of £25 million being transferred from general reserves to support climate change initiatives on the Island. A further £11 million has been added to this fund through the transfer of the balance from the Environmental Protection Fund, to create a single climate change fund.

Housing Reserve Fund (HRF)

Established in 2002, the Housing Reserve Fund was designed to provide finance for housing related projects, in particular the delivery of the Government's social housing policy. Amounts from this fund are transferred into the Capital Fund to meet the cost of any housing projects that are approved by Tynwald.

Land and Property Acquisition Reserve

This reserve was established in 2000 to provide additional funding to meet the costs of acquiring land for land bank and other purposes. The reserve enables Government to react swiftly when land and buildings required for public services become available. Land bank transactions, both planned and unplanned, are made through the Capital Account. The expenditure on unplanned land and building transactions are met by transfers from the Land and Property Acquisition Reserve.



APPENDIX 9 – FEES & CHARGES

Please note that some of the fees and charges detailed within the tables below are subject to Tynwald approval and may therefore be laid before Tynwald at a later date.

Department for Enterprise

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
SHIP REGISTRY			
CARGO SHIPS			
Annual registration fee			
Up to 3,000gt	4,030	4,240	5.21%
3,001 to 10,000gt	4,605	4,840	5.10%
10,001 to 50,000gt	5,180	5,440	5.02%
50,001 to 100,000gt	5,760	6,050	5.03%
100,001gt and over	6,335	6,660	5.13%
Demise out Annual Registration fee (for a ship technically managed from Island)	1,068	1,130	5.81%
Demise out Annual Registration fee (for a ship not technically managed from Island)	2,135	2,250	5.39%
Regulatory Compliance Assistance (per day) (new fee proposed subject to Tynwald approval with effect 1 April 2023)	-	500	-
Travel and Subsistence related to Regulatory Compliance Assistance (at cost) (new fee proposed subject to Tynwald approval with effect 1 April 2023)	-	Cost	-
Pre-registration survey, initial general inspection and additional inspection fee			
Waiting day fee (per day)	555	585	5.41%
Surveyor travel - at cost	Cost	Cost	-
Work undertaken in a port or shipyard in the Island (per hour)	105	111	5.71%
Work undertaken anywhere other than a port or shipyard in the Island	3,560	3,740	5.06%
Remote pre-registration, initial general inspection or additional inspection	3,560	3,740	5.06%
COMMERCIAL YACHTS			
Annual registration fee (for a yacht technically managed from Island)	1,068	1,130	5.81%
Annual registration fee (for a yacht not technically managed from Island)	2,135	2,250	5.39%
Waiting day fee (per day)	555	585	5.41%
Commercial yacht fee scheme (per month)	235	247	5.11%
Fixed fee for commercial yacht under 500gt			
Work undertaken in a port or shipyard in the United Kingdom, Channel Islands or Republic of Ireland	7,695	8,080	5.00%
Work undertaken in the European zone	10,775	11,320	5.06%
Work undertaken in the Middle Eastern and Africa zone	12,080	12,690	5.05%
Work undertaken in the Americas zone	13,940	14,640	5.02%
Work undertaken in the Asian zone	17,430	18,310	5.05%
Work undertaken in the Australasian zone	20,920	21,970	5.02%
Fixed fee for a commercial yacht 500gt or over			
Work undertaken in a port or shipyard in the United Kingdom, Channel Islands or Republic of Ireland	9,975	10,480	5.06%
Work undertaken in the European zone	13,075	13,730	5.01%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Work undertaken in the Middle Eastern and Africa zone	14,410	15,140	5.07%
Work undertaken in the Americas zone	16,280	17,100	5.04%
Work undertaken in the Asian zone	19,745	20,740	5.04%
Work undertaken in the Australasian zone	23,270	24,440	5.03%
Commercial yacht other inspections, verifications and surveys			
Surveyor travel - at cost	Cost	Cost	-
Work undertaken in a port or shipyard in the Island (per hour)	105	111	5.71%
Work undertaken anywhere other than a port or shipyard in the Island	3,560	3,740	5.06%
Remote yacht other inspection, verification or survey	3,560	3,740	5.06%
Commercial yacht interim ISPS, interim ISM or interim MLC verification			
Surveyor travel - at cost	Cost	Cost	-
Interim ISPS, interim ISM or interim MLC verification	3,560	3,740	5.06%
Remote interim ISPS, interim ISM or interim MLC verification	105	111	5.71%
Certificates, manuals, plans and other documents			
5 year safety management certificate	625	660	5.60%
5 year ship security certificate	625	660	5.60%
5 year safe manning certificate	625	660	5.60%
5 year MLC certificate (including DMLC)	625	660	5.60%
Certificate of compliance for a large charter yacht	625	660	5.60%
High speed craft safety certificate	625	660	5.60%
Any other 5 year statutory certificate	625	660	5.60%
Certificate with less than 5 years validity (fee per year of validity)	130	137	5.38%
DMLC, amendment of DMLC and/or re-issue of DMLC	315	331	5.08%
Assessment and issue of a temporary dispensation	250	263	5.20%
Assessment and extension of any certificate	250	263	5.20%
Assessment and issue of any waiver or letter of comfort	250	263	5.20%
Amendment and/or re-issue of certificate (except DMLC)	107	113	5.61%
Assessment and issue of an exemption, equivalent or alternative arrangement	625	660	5.60%
Assessment and approval of any ship security plan	450	473	5.11%
Assessment and approval of any manual or plan (except ship security plan)	250	263	5.20%
Re-approval of any manual or plan	113	119	5.31%
Regulatory Compliance Assistance (per day) (new fee proposed - subject to Tynwald approval with effect 1 April 2023)	-	500	-
Travel and Subsistence related to Regulatory Compliance Assistance (new fee proposed - subject to Tynwald approval with effect 1 April 2023)	-	Cost	-
PASSENGER SHIPS			
Annual registration fee (for a ship technically managed from Island)	1,068	1,130	5.81%
Annual registration fee (for a ship not technically managed from Island)	2,135	2,250	5.39%
Verifications, surveys, audits, inspections, new build yard visits or pre-registration survey			
Travel day or waiting day (per day)	555	585	5.41%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Surveyor travel and subsistence (including cost of visas) and the transfer of the surveyor from the port to the ship or the ship to port - charged at cost	Cost	Cost	-
Work undertaken in a port or shipyard in the Island (per day)	770	810	5.19%
Work undertaken anywhere other than a port or shipyard in the Island (per day)	1,450	1,530	5.52%
Fixed fee for new build passenger ships (50% payable upfront, 50% on completion)	10,200	10,710	5.00%
Certificates, manuals, plans and other documents			
5 year safety management certificate	625	660	5.60%
5 year ship security certificate	625	660	5.60%
5 year safe manning certificate	625	660	5.60%
5 year MLC certificate (including DMLC)	625	660	5.60%
High speed craft safety certificate	625	660	5.60%
Any other 5 year statutory certificate	625	660	5.60%
Certificate with less than 5 years validity (fee per year of validity)	130	137	5.38%
Passenger Ship Safety Certificate	375	394	5.07%
DMLC, amendment of DMLC and/or re-issue of DMLC	315	331	5.08%
Assessment and issue of a temporary dispensation	250	263	5.20%
Assessment and extension of any certificate	250	263	5.20%
Assessment and issue of any waiver or letter of comfort	250	263	5.20%
Assessment and issue of an exemption, equivalent or alternative arrangement in exercise of any power to grant an exemption, equivalent or alternative arrangement from any statutory provision	625	660	5.60%
Amendment and/or re-issue of certificate (except DMLC)	107	113	5.61%
Assessment and approval of any ship security plan	450	473	5.11%
Assessment and approval of any manual or plan (except ship security plan)	250	263	5.20%
Re-approval of any manual or plan	113	119	5.31%
Regulatory Compliance Assistance (per day) (new fee proposed - subject to Tynwald approval with effect 1 April 2023)	-	500	-
Travel and Subsistence related to Regulatory Compliance Assistance (new fee proposed - subject to Tynwald approval with effect 1 April 2023)	-	Cost	-
FISHING VESSELS			
Fishing vessel surveys and inspections			
Work undertaken in a port or shipyard in the Island (per hour)	48	51	6.25%
Work undertaken in the United Kingdom, Channel Islands, Republic of Ireland or the European zone (per hour)	96	101	5.21%
Work undertaken anywhere other than – (a) a port or shipyard in the Island; or (b) the United Kingdom, Channel Islands, Republic of Ireland or the European zone (per hour)	133	140	5.26%
Surveyor travel and subsistence outside of the Island - Charged at cost	Cost	Cost	-
Travel day or waiting day outside of the Island (per day)	555	585	5.41%
PLEASURE VESSELS			
Annual Registration fee			
12 metres and under	260	273	5.00%
Over 12 metres to under 24 metres	525	555	5.71%
24 metres and over	1,045	1,100	5.26%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Pleasure vessel in large yacht code compliance (per month)	235	247	5.11%
Company audit, certificate fees and recruitment and placement service inspections			
All surveyor travel (including cost of visas) - charged at cost	Cost	Cost	-
Work undertaken in the Island	750	790	5.33%
Remote audit of company based in Island	750	790	5.33%
Work undertaken in the United Kingdom, Channel Islands or Republic of Ireland	2,050	2,160	5.37%
Work undertaken anywhere other than the Island, UK, Channels Islands or Republic of Ireland	2,990	3,140	5.02%
Remote audit of company based anywhere other than the Island	2,050	2,160	5.37%
MLC Title 1.4 private seafarer recruitment and placement services inspection (per hour)	105	111	5.71%
5 year MLC Title 1.4 certificate of compliance for private seafarer recruitment and placement services	315	331	5.08%
5 year Company ISM document of compliance	625	660	5.60%
Liability certificates			
Certificate of financial insurance or other financial security (CLC, Bunkers etc) for civil liability for oil pollution damage for a Manx ship	128	135	5.47%
Wreck removal insurance certificate for a Manx ship	128	135	5.47%
Certificate of financial insurance or other financial security (CLC, Bunkers etc) for civil liability for oil pollution damage for a ship not registered in the Island	260	273	5.00%
Wreck removal insurance certificate for a ship not registered in the Island	260	273	5.00%
Seafarers' certificates and documents			
Endorsement recognising a non-UK certificate of competency (including issue of a CRA)	210	221	5.24%
Express processing of an endorsement recognising a non-UK certificate of competency (including express issue of a CRA)	33	35	6.06%
Replacement or amendment to an endorsement recognising a non-UK certificate of competency (due to application error)	65	69	6.15%
British seaman's card	53	56	5.66%
Record of sea service book	52	55	5.77%
REGISTRY FEES			
Cargo ship, commercial yacht, passenger ship			
Granting permission for a Manx ship to register in a compatible registry other than in the Island (demise out registration)	615	650	5.69%
Transfer of ownership by bill of sale or transmission	250	263	5.20%
Register of mortgage	250	263	5.20%
Transfer of mortgage	250	263	5.20%
Discharge of mortgage	250	263	5.20%
Recording/noting mortgage of intent	43	46	6.98%
Vessel leaving the Register including closure documentation	370	389	5.14%
Change to the registered particulars	38	40	5.26%
Transfer of Registry	780	820	5.13%
Issue of updated CSR and new certificate of registry, including change of particulars in Register	250	263	5.20%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Change to the registered particulars and new certificate of registry including renewal of demise in registration on Part IV of the Register	96	101	5.21%
Replacement or duplicate certificate of registry or a certified copy of the certificate of registry	96	101	5.21%
Issue of a transcript of the particulars recorded in the Register	43	46	6.98%
Certified copy of a document	43	46	6.98%
Letter from the Department (upon request)	43	46	6.98%
Inspection of the particulars recorded on the Register	23	25	8.70%
Pleasure vessel			
Transfer of ownership by bill of sale or transmission	225	237	5.33%
Register of mortgage	225	237	5.33%
Transfer of mortgage	225	237	5.33%
Discharge of mortgage	225	237	5.33%
Recording/noting mortgage of intent	43	46	6.98%
Vessel leaving the Register including closure documentation	65	69	6.15%
Change to the registered particulars	38	40	5.26%
Issue of first full certificate of registry (including CSR if applicable)	173	182	5.20%
Transfer of Registry	173	182	5.20%
Change to the registered particulars and new certificate of registry including renewal of demise in registration on Part IV of the Register	96	101	5.21%
Replacement or duplicate certificate of registry or a certified copy of the certificate of registry	96	101	5.21%
Issue of a transcript of the particulars recorded in the Register	43	46	6.98%
Certified copy of a document	43	46	6.98%
Letter from the Department (upon request)	43	46	6.98%
Inspection of the particulars recorded on the Register	23	25	8.70%
Small Ship			
Transfer of ownership by bill of sale or transmission	38	40	5.26%
Vessel leaving the Register including closure documentation	43	46	6.98%
Change to the registered particulars	38	40	5.26%
Issue of first full certificate of registry (including CSR if applicable)	38	40	5.26%
Change to the registered particulars and new certificate of registry including renewal of demise in registration on Part IV of the Register	38	40	5.26%
Replacement or duplicate certificate of registry or a certified copy of the certificate of registry	38	40	5.26%
Issue of a transcript of the particulars recorded in the Register	43	46	6.98%
Certified copy of a document	43	46	6.98%
Letter from the Department (upon request)	43	46	6.98%
Inspection of the particulars recorded on the Register	23	25	8.70%
Fishing vessel			
First simple registration including a certificate of registry or re-registration from simple to full registry	59	62	5.08%
Transfer of ownership by bill of sale or transmission	59	62	5.08%
Register of mortgage	59	62	5.08%
Transfer of mortgage	59	62	5.08%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Discharge of mortgage	59	62	5.08%
Recording/noting mortgage of intent	43	46	6.98%
Vessel leaving the Register including closure documentation	43	46	6.98%
Change to the registered particulars	38	40	5.26%
Issue of first full certificate of registry (including CSR if applicable)	96	101	5.21%
Change to the registered particulars and new certificate of registry including renewal of demise in registration on Part IV of the Register	38	40	5.26%
Replacement or duplicate certificate of registry or a certified copy of the certificate of registry	38	40	5.26%
Issue of a transcript of the particulars recorded in the Register	43	46	6.98%
Certified copy of a document	43	46	6.98%
Letter from the Department (upon request)	43	46	6.98%
Inspection of the particulars recorded on the Register	23	25	8.70%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
AIRCRAFT REGISTRY			
Civil Aviation (Charges) Scheme			
Part 1: Licensing			
Certificate of validation of flight crew licence: initial issue or renewal (for 3 years)	400	200	-50.00%
Certificate of validation of flight crew licence: variation during period of validity	60	60	0.00%
Certificate of validation of aircraft maintenance engineer's licence: initial issue (for 3 years)	164	164	0.00%
Certificate of validation of aircraft maintenance engineer's licence: renewal (for 3 years)	164	164	0.00%
Certificate of validation of aircraft maintenance engineer's licence: variation during period of validity	60	60	0.00%
Part 2: Aircraft Registration			
Registration of aircraft and issue of registration certificate	450	450	0.00%
Reservation of out-of-sequence registration mark (for up to 1 year)	150	150	0.00%
Change of registered owner - removal of the outgoing owner	300	300	0.00%
Change of registered owner - addition of the incoming owner	-	300	-
Change of registration mark	300	300	0.00%
Certified copy of an entry in aircraft register	75	75	0.00%
Cancellation of aircraft registration (deregistration)	300	300	0.00%
Review of a non-EASA, non-FAA or non-Transport Canada Type Certificate Data Sheet	164	180	9.76%
Withdrawal post-commencement of registration process	450	450	0.00%
Part 3: Aircraft Mortgages & IDERA			
Registration of priority notice in register of aircraft mortgages	150	150	0.00%
Registration of mortgage in register of aircraft mortgages	425	425	0.00%
Amendment of entry in register of aircraft mortgages	100	100	0.00%
Inspection of entry in register of aircraft mortgages	100	100	0.00%
Supply of certified copy of entry in register of aircraft mortgages	100	100	0.00%
Notification of whether there are entries relating to an aircraft in register of aircraft mortgages	100	100	0.00%
Discharge of a mortgage from the register of aircraft mortgages	300	300	0.00%
Recording an IDERA	200	200	0.00%
Recording a Certified Designee for an IDERA	60	60	0.00%
Removing a Certified Designee for an IDERA	60	60	0.00%
Revoking an IDERA	100	100	0.00%
IDERA De-registration Request (in addition to the de-registration of aircraft charge)	100	100	0.00%
Part 4: Airworthiness			
Certificate of airworthiness (per year of validity) for an aircraft with a MTOM not exceeding 2,730kg initial issue, for each 500kg or part thereof of the maximum total mass authorised	100	100	0.00%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Certificate of airworthiness (per year of validity) for an aircraft with a MTOM not exceeding 2,730kg renewal	100	100	0.00%
Certificate of airworthiness (per year of validity) for an aircraft with a MTOM exceeding 2,730kg up to 200,000kg (for aircraft greater than 200,000kg the fee is limited to that payable for an aircraft of 200,000kg): initial issue, for each 500kg or part thereof of the maximum total mass authorised	100	100	0.00%
Certificate of airworthiness (per year of validity) for an aircraft with a MTOM exceeding 2,730kg up to 200,000kg (for aircraft greater than 200,000kg the fee is limited to that payable for an aircraft of 200,000kg): renewal, for each 500kg or part thereof of the maximum total mass authorised	60	60	0.00%
Issue of national permit to fly	250	250	0.00%
Approval of repair or modification of aircraft or its equipment	164	180	9.76%
Certificate of airworthiness for the purpose of export	500	500	0.00%
Cancelled or postponed airworthiness survey by the client with less than 48 hours' notice provided to the Department prior to the date of the survey or survey terminated by the IOMAR	1,148	1,239	7.93%
Cancelled or postponed airworthiness survey by the client with less than 168 hours' notice provided to the Department prior to the date of the survey	574	620	8.01%
Approval of Aircraft Maintenance Programme	164	180	9.76%
Part 5: Operation of Aircraft			
Grant or renewal (for 3 years) of All Weather Operations Approach and Landing approval, per aircraft	950	950	0.00%
Grant or renewal (for 3 years) of All Weather Operations Approach and Landing approval, per fleet	2,375	2,375	0.00%
Grant or renewal (for 3 years) of All Weather Operations Take-off approval, per aircraft	250	250	0.00%
Grant or renewal (for 3 years) of All Weather Operations Take-off approval, per fleet	625	625	0.00%
Grant or renewal (for 3 years) of approval of equipment to fly in North Atlantic High Level Airspace (Minimum Navigation Performance Specification), per aircraft	600	600	0.00%
Grant or renewal (for 3 years) of approval of equipment to fly in North Atlantic High Level Airspace (Minimum Navigation Performance Specification), per fleet	1,500	1,500	0.00%
Grant or renewal (for 3 years) of approval of equipment to fly in notified Reduced Vertical Separation Minimum airspace, per aircraft	600	600	0.00%
Grant or renewal (for 3 years) of approval of equipment to fly in notified Reduced Vertical Separation Minimum airspace, per fleet	1,500	1,500	0.00%
Grant or renewal (for 3 years) of each Performance Based Navigation approval, excluding RNP AR APCH, per aircraft	600	600	0.00%
Grant or renewal (for 3 years) of each Performance Based Navigation approval, excluding RNP AR APCH, per fleet	1,500	1,500	0.00%
Grant or renewal (for 3 years) of RNP AR APCH approval per aircraft	2,000	1,000	-50.00%
Grant or renewal (for 3 years) of RNP AR APCH approval per fleet	5,000	2,500	-50.00%
Grant of Airport Specific approval, per aircraft	200	200	0.00%
Grant of Airport Specific Approval, per fleet	500	500	0.00%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Grant or renewal (for 3 years) for Carriage of Dangerous Goods by Air approval, per aircraft	600	600	0.00%
Grant or renewal (for 3 years) for Carriage of Dangerous Goods by Air approval, per fleet	1,500	1,500	0.00%
Grant of Minimum Equipment List Approval, per aircraft	200	200	0.00%
Grant of Minimum Equipment List approval, per fleet	500	500	0.00%
Grant of Rectification Interval Extension (RIE) for a specific aircraft registration	-	200	-
Grant of Rectification Interval Extension (RIE) for a fleet of aircraft	-	500	-
Grant of Electronic Flight Bag Operational Approval, per aircraft	200	200	0.00%
Grant of Electronic Flight Bag Operational Approval, per fleet	500	500	0.00%
Grant or renewal (for 3 years) of Aerial Work approval, per aircraft	600	600	0.00%
Grant or renewal (for 3 years) of Aerial Work approval, per fleet	1,500	1,500	0.00%
Grant of FANS 1A+ (PBCS) approval, per aircraft	200	200	0.00%
Grant of FANS 1A+ (PBCS) approval, per fleet	500	500	0.00%
Change of operator	300	300	0.00%
Issue or technical change of an aircraft noise certificate for single MTOM/MLM	164	200	21.95%
Issue or technical change of an aircraft noise certificate for multiple MTOM/MLMs	300	300	0.00%
Part 6: Miscellaneous			
Grant, issue or renewal of any other certificate, letter, permission, approval, validation, authorisation, variation or exemption	164	180	9.76%
Issue of a copy of any certificate or other document	60	60	0.00%
Amendment of any certificate or other document	60	60	0.00%
Costs incurred of sending documents by courier	Actual Cost	Actual Cost	-
Part 7: Preparatory Work, Review, Investigations and Inspections			
Carrying out any preparatory work, review, investigation or inspection reasonably necessary for any matter marked in Parts 1 to 6: for each working hour or part thereof	164	177	7.93%
Carrying out any preparatory work, review, investigation or inspection reasonably necessary for any matter marked in Parts 1 to 6: for each hour or part thereof spent travelling	99	99	0.00%
Expenses reasonably incurred while travelling including, but not limited to, transport, accommodation and subsistence	Actual Cost	Actual Cost	-
Part 8: Unmanned Aircraft, Aerodromes, Air Traffic Services and Meteorology			
Grant of a permission to operate a small unmanned aircraft without the remote pilot or a directly adjacent observer maintaining unaided visual contact with the aircraft	200	200	0.00%
Grant of an exemption for the operation of an unmanned aircraft other than a small unmanned aircraft, balloon or a kite	200	200	0.00%
Standard certified aerodrome audit	-	22,000	-
Standard air traffic control unit audit	-	20,000	-



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Standard meteorological services audit	-	9,000	-
Standard directed aerodrome aviation security assessment	-	7,000	-
Grant or renewal of a designated postal operator dangerous goods training programme approval	-	200	-
Ongoing surveillance and approval of changes proposed by: certified aerodromes; air traffic control units; meteorological service units; or designated postal operators (per hour)	-	210	-
For any matter marked * in Part 8, expenses reasonably incurred while travelling including, but not limited to, transport accommodation and subsistence.	-	Actual cost	-



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
CENTRAL REGISTRY			
Civil Registry			
Any certified copy from a register	12	12	0%
Registration or alteration of name on baptism	8	8	0%
Certificate of name given or altered on baptism	8	8	0%
Certificate that a death is not required to be registered	6	6	0%
Duplicate of certificate issued under section 26	6	6	0%
Search of any indices by applicant	-	-	0%
By registry staff from 1980 to date	6	6	0%
By registry staff before 1980, for every 5 year period	29	29	0%
Application to see indices of still-births or adoptions for purpose of research	29	29	0%
To search any register per register searched	6	6	0%
Application to access the registers of still-births or adoptions for purpose of research	29	29	0%
Short birth certificate	9	9	0%
Civil Partnership in registry office Monday - Friday	47	47	0%
Civil Partnership in registry office Saturday	94	94	0%
At a place where person is housebound	59	59	0%
In an approved place Monday – Friday	245	245	0%
In an approved place Saturday	294	294	0%
In an approved place any other time	413	413	0%
In an approved vessel etc Monday – Friday	245	245	0%
In an approved vessel etc Saturday	294	294	0%
In an approved vessel etc any other time	413	413	0%
Specified in a judge's licence Monday – Friday	94	94	0%
Specified in a judge's licence Saturday	190	190	0%
Specified in a judge's licence any other time	355	355	0%
Additional registrar time per hour Monday – Friday	47	47	0%
Additional registrar time per hour any other time	94	94	0%
Notice of Civil Partnership	35	35	0%
Application to shorten the waiting period	33	33	0%
Issue of schedule	12	12	0%
Issue of judge's licence	41	41	0%
3 year approved place application	1,740	1,740	0%
Application for one off approved place	245	245	0%
Approved place inspection fee	117	117	0%
Approved place administration change costs	17	17	0%
To book Registrar's office	117	117	0%
Rehearsal first hour	174	174	0%
Subsequent hours	117	117	0%
Application to change date within 5 working days	29	29	0%
Application to change date in excess of 5 working days	17	17	0%
Convert CP to marriage in Registrar's office Monday – Friday	47	47	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Convert CP to marriage in Registrar's office Saturday	94	94	0%
Convert CP to marriage for housebound	59	59	0%
Convert CP to marriage under special procedure Monday – Friday	94	94	0%
Convert CP to marriage under special procedure Saturday	190	190	0%
Convert CP to marriage under special procedure any other time	355	355	0%
Convert CP to marriage using 2 stage process	35	35	0%
Convert CP to marriage approved place Monday – Friday	245	245	0%
Convert CP to marriage approved place Saturday	294	294	0%
Convert CP to marriage approved place any other time	413	413	0%
Convert CP to marriage any other place Monday – Friday	245	245	0%
Convert CP to marriage any other place Saturday	294	294	0%
Convert CP to marriage any other place any other time	413	413	0%
Convert CP to marriage on religious premises	59	59	0%
For ceremony in Registrar's office	117	117	0%
Notice of marriage	35	35	0%
Certificate authorising marriage	12	12	0%
Application for religious place to be used for marriages	131	131	0%
Substitute building for one previously registered	131	131	0%
Marriage in Registrar's office Monday – Friday	47	47	0%
Marriage in Registrar's office Saturday	94	94	0%
Marriage for housebound	59	59	0%
Marriage approved place Monday – Friday	245	245	0%
Marriage approved place Saturday	294	294	0%
Marriage approved place any other time	413	413	0%
Marriage any other place Monday – Friday	245	245	0%
Marriage any other place Saturday	294	294	0%
Marriage any other place any other time	413	413	0%
Additional Registrar time per hour Monday – Friday	47	47	0%
Additional Registrar time per hour any other time	94	94	0%
Entry in marriage books under Deemster's licence	35	35	0%
Issue of Deemster's licence	41	41	0%
Marriage by licence of Deemster	59	59	0%
Fee to be paid for quarterly returns	10	10	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Companies Registry			
Incorporate - Standard (48 hours)	100	100	0%
Incorporate - Priority Service (2 Hours)	250	250	0%
Incorporate - Priority Service (15 mins)	500	500	0%
Incorporate – Charity	-	-	0%
Registration (Business Name)	50	50	0%
Annual Return	380	380	0%
Annual Return - Charity	-	-	0%
Annual Return Foreign - Charity	380	380	0%
Annual Return - Excepted Companies - Property Management & Qualifying Members Clubs	95	95	0%
Late Filing Penalty (if filed after 1 month and 1 day to 3 months)	100	100	0%
Late Filing Penalty (if filed more than 3 months late)	250	250	0%
Late filing Penalty of a Statement of Particulars of a Business Name	15	15	0%
Registration of a Charge	25	25	0%
Satisfaction of a Charge	10	10	0%
Consolidations - Memorandum & Articles of consolidated Companies 154(2) - 2006 Act	100	100	0%
Consolidations - Memorandum & Articles of consolidated Companies 159(3) - 2006 Act	100	100	0%
Continuation - Application to be continued as a Company	100	100	0%
Continuation - Application to be continued outside of the IOM	3,000	3,000	0%
Continuation - Application to be continued outside of the IOM additional Company	1,200	1,200	0%
Continuation - Certified copy of the Instrument of Continuance	56	56	0%
Filing of a Court Order to Restore a Company to the Register (1931 Act & 2006 Act Sections 188 and 191)	180	180	0%
Application under Section 273B of the 1931 Act to restore a Company	1,185	1,185	0%
Application for Declaration of Dissolution	95	95	0%
Filing of a Court Order to declare a dissolution to be void	180	180	0%
Inspection of a Company File	5	5	0%
Issue of Duplicate Certificates	9	9	0%
Photocopy, electrostatic copy of similar process	1	1	0%
Certification of a copy	2	2	0%
Extraction Fee for the supply of information for a company file	37	37	0%
Requisition of a Certificate of Fact/Good Standing (Standard Service 48 Hours)	50	50	0%
Requisition of a Certificate of Fact/Good Standing (Priority service 3 Hours)	100	100	0%
Swear Fee	8	8	0%
Witness Exhibit Fee	5	5	0%
Online search	2	2	0%
Online search - whole file	15	15	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Land & Deeds Registry			
Any deed of mortgage, bond and security or any deed creating any lien or charge (including Government Grant and top-up loan)	40	40	0%
When land is conveyed to a beneficiary from the estate of a deceased person, whether directly from the deceased's estate to the beneficiary or out of a trust established by the deceased's estate to the beneficiary	100	100	0%
Appointment of new trustee/copy of Will/letters of administration/memorial/affidavit/receipt for legacy or share of estate/power of attorney/any other similar document or registering any document in the Deeds Registry not otherwise specified	40	40	0%
Extra parish (per parish)	3	3	0%
Release or receipt to cancel for any mortgage, bond and security, charge, lien or other encumbrance	40	40	0%
Certificate of Cancellation	10	10	0%
Filing any document in the Probate Registry	3	3	0%
Certificate of filing any document in the Probate Registry	10	10	0%
Minute made on any document	3	3	0%
Duplicate certificate of registration	4	4	0%
Print-out of scanned deed or document	6	6	0%
Inspection of documents, per deed or document	3	3	0%
Retrieval of original document from storage after scanning (except where retrieval is required by the Registrar)	45	45	0%
Affixing the Seal Public of the Isle of Man, or a seal of office to a Commission, to any paper or proceeding (per document)	32	32	0%
An affidavit, affirmation, declaration or attestation taken before a public officer	8	8	0%
Witnessing each exhibit to an affidavit, affirmation, declaration or attestation taken before a public officer	5	5	0%
Certification of a copy	5	5	0%
Copy sent via email - per scanned deed or document	3	3	0%
B&W photocopy of document held in Deeds/Probate, per page A4	-	-	0%
B&W photocopy of document held in Deeds/Probate, per page A3	1	1	0%
B&W photocopy of document held in Deeds/Probate, per page over A3	4	4	0%
Colour photocopy of document held in Deeds/Probate, per page A4	1	1	0%
Colour photocopy of document held in Deeds/Probate, per page A3	7	7	0%
Colour photocopy of document held in Deeds/Probate, per page over A3	13	13	0%
Fee and duty - standard rate, per £1,000 of value up to and including £500,000	10	10	0%
Fee and duty - standard rate, per £1000 of value exceeding £500,000 and up to and including £3,000,000	20	20	0%
Fee and duty - standard rate, per £1,000 of value exceeding £3,000,000	25	25	0%
Re standard rate - fee as above or £250, whichever is the higher	-	-	0%
Fee and duty - owner/occupier, per £1,000 value of less than £1,000,000 - of value up to £190,000	-	-	0%
Fee and duty - owner/occupier, per £1,000 value of less than £1,000,000 - of value exceeding £190,000 and up to and including £500,000	10	10	0%
Fee and duty - owner/occupier, per £1,000 value exceeding £500,000 and up to £1,000,000	20	20	0%
Re owner/occupier - fee as above or £250, whichever is the higher	-	-	0%
Gift between spouses or civil partners of sole residential property worldwide	250	250	0%
Disposition effected by Order under Matrimonial Proceedings Act 2003 or Civil Partnership Act 2011 or intimate personal relationship who are separating - residential property	250	250	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Land Registry			
Form 7 Request for caution against first registration	20	20	0%
Form 8 Application to withdraw a caution	20	20	0%
Form 9 Consent by cautioner to a registration	-	-	0%
Form 10 Change of service address	-	-	0%
Form 11 Form of charge	40	40	0%
Application for Entry in the Register of Transactions	40	40	0%
Request for Caution against First Registration	20	20	0%
Application to Withdraw a Caution	20	20	0%
Consent by Cautioner to a Registration	-	-	0%
Change of Service Address	-	-	0%
Form of Charge	40	40	0%
Notice of entry of a caution against dealing with registered land	-	-	0%
Transfer of registered charges (per affected title)	40	40	0%
Alteration to the terms of a registered charge	100	100	0%
Discharge of registered charge	40	40	0%
Release of part of premises from a registered charge	40	40	0%
Assent relating to all of the land in a registered title	100	100	0%
Assent relating to a charge or charges over registered land	100	100	0%
Assent relating to part of the land in a registered title	100	100	0%
<i>Form 20 covers a range of change events.</i> Applications to change name, address or description of a registered owner or other person (other than a Chargee) referred to in the title register, including the name of a joint owner deceased, or any change in the description of registered land attract a nil fee.	-	-	0%
<i>Form 20 covers a range of change events.</i> Registration of a personal representative and a change in trustees attract a fee of £40; Section 33 Defeasance.	40	40	0%
<i>Form 20 covers a range of change events.</i> Registration of personal representatives, modification and discharge of covenants appurtenances and other registered burdens; Cessation of Schedule 5 burdens; cancellation of matrimonial charges attract a fee of £100	100	100	0%
Form 20-1 Application for Registration of Title to Whole of Registered Land Acquired by Possession	£250 + ad valorem fee	£250 + ad valorem fee	0%
Form 20-2 Application for Registration of Title to Part of Registered Land Acquired by Possession	£250 + ad valorem fee	£250 + ad valorem fee	0%
Form 20-3 Application to Withdraw the Name of a Deceased Joint Tenant from the Register	-	-	0%
Form 20-4 Application to remove an Inhibition	40	40	0%
Form 21 Application to register an entry affecting Registered Title	100	100	0%
Form 22 Application to Reclassify a Registered Title	100	100	0%
Form 23 Application to make a land boundary conclusive	£100 per title	£100 per title	0%
Form 24 Application to determine boundaries or extent of registered land	£100 per title	£100 per title	0%
Form 25 Application to the Land Commissioner for rectification of the Title Register	250	250	0%
Form 26 Application to Registrar for rectification of the Title Register	-	-	0%
Form 27 Application to be registered as owner on cessation of minority	250	250	0%
Form 28 Determination of limited ownership	75	75	0%
Form 29 Notice of presentation of a petition of bankruptcy	75	75	0%
Form 30 Application to register a Trustee appointed under a bankruptcy petition	75	75	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Form 31 Application for a caution against dealings affecting registered land	20	20	0%
Form 32 Application to discharge a caution against dealings affecting registered land	20	20	0%
Form 33(a) Application for an Office Copy - hard copy result	7	7	0%
Form 33(a) Application for an Office Copy - electronic result	3	3	0%
Form 33(b) Application to inspect the Title or a pending application	7	7	0%
Form 34 Application for a search	7	7	0%
Form 35 Application to search and register a priority pursuant to Section 73(3) Land Registration Act 1982	10	10	0%
Form 36 Creation of a rent charge out of registered land	100	100	0%
Form 37 Affidavit in support of an application for a caution against first registration or registration of a dealing	-	-	0%
Form 38 Application to merge a registered leasehold title pursuant to Section 26 Land Registration Act 1982	75	75	0%
Form 39a Official Search Result	7	7	0%
Form 39b Index Search Result	7	7	0%
Form 40 Priority Search Result	10	10	0%
Form 41 Declaration of Souvenir Land Scheme	-	-	0%
Form 42 Notice of Appeal to Land Commissioner	400	400	0%
Form 56 Application to Amalgamate Registered Freehold Titles	£75 per title	£75 per title	0%
Form 64(a) Release of Registered Land Subject to Restriction	40	40	0%
Form 64(b) Release of Registered Land Subject to Restriction	40	40	0%
Form 99 Application to extend time for compulsory first registration (first application)	100	100	0%
Form 99 Application to extend time for compulsory first registration (second or later application)	30	30	0%
Voluntary first registration	75	75	0%
Fee and duty - standard rate, per £1,000 of value up to and including £500,000	10	10	0%
Fee and duty - standard rate, per £1,000 of value exceeding £500,000 and up to and including £3,000,000	20	20	0%
Fee and duty - standard rate, per £1,000 of value exceeding £3,000,000	25	25	0%
Re standard rate - fee as above or £250, whichever is the higher	-	-	0%
Fee and duty - owner/occupier, per £1,000 value of less than £1,000,000 - of value up to £190,000	-	-	0%
Fee and duty - owner/occupier, per £1,000 value of less than £1,000,000 - of value exceeding £190,000 and up to and including £500,000	10	10	0%
Fee and duty - owner/occupier, per £1,000 value exceeding £500,000 and up to £1,000,000	20	20	0%
Re owner/occupier - fee as above or £250, whichever is the higher	-	-	0%
Gift between spouses or civil partners of sole residential property worldwide	250	250	0%
Disposition effected by Order under Matrimonial Proceedings Act 2003 or Civil Partnership Act 2011 or intimate personal relationship who are separating - residential property	250	250	0%

Central Registry are currently in the process of reviewing all fees and charges. Any proposals will be subject to Departmental approval before further approvals are sought from Treasury and Tynwald.



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
MOTORSPORT			
TT Tickets & Trade Sites			
TT Grandstand Qualifying	5	10	100%
TT Grandstand Race (Sat)	60	50	-17%
TT Grandstand Race (Sun)	-	35	-
TT Grandstand Race (Tues)	50	50	0%
TT Grandstand Race (Weds)	50	50	0%
TT Grandstand Race (Fri)	60	50	-17%
TT Grandstand Race (Sat)	-	35	-
Fan Park Grandstand Qualifying	15	5	-67%
Fan Park Grandstand Race (Sat)	25	20	-20%
Fan Park Grandstand Race (Sun)	25	10	-60%
Fan Park Grandstand Race (Tues)	-	20	-
Fan Park Grandstand Race (Weds)	25	20	-20%
Fan Park Grandstand Race (Fri)	-	20	-
Fan Park Grandstand Race (Sat)	25	10	-60%
Nobles Park Grandstand Qualifying	15	5	-67%
Nobles Park Grandstand Race (Sat)	25	25	0%
Nobles Park Grandstand Race (Sun)	25	15	-40%
Nobles Park Grandstand Race (Tues)	-	25	-
Nobles Park Grandstand Race (Weds)	25	25	0%
Nobles Park Grandstand Race (Fri)	-	25	-
Nobles Park Grandstand Race (Sat)	25	15	-40%
TT MERCURY CLUB (Race Day)	330	360	9%
TT LEGENDS (Race Day)	1,000	1,000	0%
Fastest Lap Hospitality Experience	100	60	-40%
Trade High volume hot & cold	9,500	9,500	0%
Trade Pizza	5,250	5,250	0%
Trade Low volume hot & cold	3,700	3,700	0%
Trade Ice Cream & Confectionary	3,150	3,150	0%
Trade Barista Hot Drinks and Pastries	2,615	2,615	0%
Trade Retail	5,250	5,250	0%
Trade Exhibition	3,150	3,150	0%

Fees and charges have been amended in line with the new TT schedule

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
STRATEGY AND POLICY			
Work Permits - 5 year permit	60	60	0.00%



Department of Education, Sport and Culture

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
School Meals			
Primary school meal - child	2.35	2.47	5%
Primary school meal - adult	3.80	4.00	5%
Secondary free school meal - child	2.95	3.10	5%
University College IOM			
Course Fees			
Further education - full time non-resident	8,491	8,920	5%
Further education - full time resident	4,245	4,460	5%
Part time - GCSE	656	690	5%
Part time - GCSE up to L2 (Maths and English)	-	-	-
Part time - functional skills	414	435	5%
Part time - functional skills up to L2	-	-	-
Part time - A levels	787	830	5%
Part time leisure courses (per hour)	6.64	7.00	5%
ESOL (English for speakers of other language)	-	-	-
Higher Education			
Annual undergraduate fee			
Non-resident fee	9,250	9,715	5%
Resident fee	4,625	4,856	5%
Per 20 credit module – non-resident	1,542	1,620	5%
Pro-rated (50%) - resident	2,313	2,430	5%
Per 20 credit module - resident	771	810	5%
Post Graduate Fee			
Non-resident fee	14,221	14,935	5%
Resident fee	7,110	7,465	5%
Per 20 credit module – non-resident	1,580	1,660	5%
Per 20 credit module - resident	790	830	5%
Music Service Fees Charged			
Tuition Fees			
Soundstart Plus	105	110	5%
Group	105	110	5%
Individual	156	164	5%
Instrument hire	60	63	5%
Manx Youth Orchestra	66	69	5%
MYO bus charge	63	66	5%
Guitar ensemble	57	60	5%

All proposed charges will be effective as of 1 September 2023



Department of Environment, Food and Agriculture

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Planning & Building Control			
Planning application fees	Various	Various	N/a
Building control fees	Various	Various	N/a
Planning & building control search fees	90.00	TBC	N/a
Demolition Notice	90.00	TBC	N/a
Relaxation under Section 7 of the Building Control Act 1991			
Sea fishing licence (SFL)	345.00	379.00	10%
Amendment to SFL	44.00	48.00	9%
Duplicate SFL	29.00	32.00	10%
Hobby pot licence	10.20	11.00	8%
Seismic survey works	510.00	550.00	8%
Mineral lease extension	500.00	500.00	0%
Mining licence extension	100.00	100.00	0%
Land search fees	100.00	100.00	0%
Mineral royalty payments	Lease/market review	Lease/market review	N/a
Reservoirs			
Reservoir Season Adult	223.00	245.50	10%
Young Person Season	85.00	93.50	10%
Child season	Free	Free	N/a
Week Adult	80.50	88.50	10%
Young Person Week	35.50	39.00	10%
Day License Adult	17.90	19.70	10%
Day License Young Person	10.30	11.30	10%
Reservoir Season Concession (65+/disabled)	157.50	173.50	10%
Other Waters			
Season Adult	74.50	82.00	10%
Season Young Person	30.00	33.00	10%
Child season	Free	Free	N/a
Weekly Adult	30.00	33.00	10%
Day Adult	12.30	13.50	10%
Day Young Person	8.20	9.00	10%
Course Fishing			
Season Adult	12.50	14.00	12%
Child season	Free	Free	N/a



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Agriculture and Lands			
Sulby Claddagh camping permits	16.00	20.00	25%
Licence to carry out work on trees (paper/online)	21.00	25 / 22	19% / 5%
Game licence	8.50	10.00	18%
Dealers licence (Game)	6.50	8.00	23%
Horse or Cyling Event (+£10 per additional venue)	52.00	55.00	6%
Motorcycle Trial (+£10 per additional venue)	73.00	80.00	10%
IOM Youth Trials Motorcycle Trial (Development Rate)	42.00	45.00	7%
M/c Enduro, 4WD or Navigational Rally event (+£10 per additional venue)	104.00	115.00	11%
Wedding or other function	816.00	1,000.00	23%
Licensed traders, catering vans, etc.	153.00	By negotiation	N/a
Filming	By negotiation	By negotiation	N/a
Wildlife Park Admissions			
Adult	11.00	12.00	9%
Child	8.00	9.00	13%
Concessions	9.00	10.00	11%
Adult - annual membership	38.00	40.00	5%
Child - annual membership	28.00	30.00	7%
Concessions	33.00	35.00	6%
Office of Fair Trading			
Petroleum Spirit:			
Licence to keep petroleum spirit in a quantity not exceeding 2,500 litres	45.00	TBC	N/a
Licence to keep petroleum spirit in a quantity exceeding 2,500 litres but not exceeding 50,000 litres	87.50	TBC	N/a
Licence to keep petroleum spirit in a quantity exceeding 50,000 litres	175.00	TBC	N/a
Fireworks (kept on retail premises):			
Licence to keep fireworks in a quantity not exceeding 10kg	30.00	TBC	N/a
Licence to keep fireworks in a quantity exceeding 10kg but not exceeding 2,500kg	45.00	TBC	N/a
Licence to keep fireworks in a quantity exceeding 2,500kg but not exceeding 50,000kg	87.50	TBC	N/a
Licence to keep fireworks in a quantity exceeding 50,000kg	175.00	TBC	N/a
Non-Resident Traders:			
Licence to carry on business in the Island -			
For the first 3 days for which the licence is valid	2,310.00	2,670.00	16%
For each succeeding consecutive day	350.00	400.00	14%
Where a non-resident trader is providing goods directly connected with an event certified by the Department for Enterprise as being an event calculated to assist the tourist industry	470.00	540.00	15%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Chapmen:			
Licence to act as a chapman	60.00	72.00	20%
Moneylenders:			
Registration/renewal of registration in the register of persons carrying on the business of lending money	500.00	580.00	16%
Suppliers of Video Recordings:			
Registration in the register in respect of premises at which video recordings are supplied, etc	25.00	25.00	0%
Architects:			
Registration/re-registration in the Isle of Man Register of Architects	40.00	48.00	20%
Retention of a name in the Isle of Man Register of Architects	30.00	36.00	20%
Estate Agents:			
Registration/re-registration in the estate agents register	125.00	150.00	20%
Retention of a name in the estate agents register	30.00	36.00	20%
Animal Health:			
Boarding Establishment fee	97.00	97.00	0%
Breeding	97.00	97.00	0%
Riding School	207.00	207.00	0%
Export Health Certs prep cattle and sheep (price dependant on number of animals, alterations and format)	35.00 - 80.00	35.00 - 80.00	0%
AI (Officers conducting the service)	15.00	15.00	0%
Bull semen sales from DEFA stock to DIY Farmers (cost plus handling charge, price is per dose)	1.00 - 2.00	1.00 - 2.00	0%
Liquid Nitrogen (per litre plus £20 delivery)	5.00	5.00	0%
Cattle Tags (price increase in October 2022)	2.42	2.42	0%
Replacement Cattle Passports	50.00	50.00	0%
Emergency Tags (8.33 charge by MWFD)	20.00	20.00	0%
Gamma > 30 animals (per animal)	35.00	35.00	0%
Meat grading - cattle (per carcass)	0.45	0.45	0%
Meat grading - sheep (per carcass)	0.12	0.12	0%
Non on-line users of BITS : herd size 1-50	100.00	100.00	0%
Non on-line users of BITS : herd size 50 - 149	299.00	299.00	0%
Non on-line users of BITS : herd size 150+	400.00	400.00	0%
Collection of silage sample (per sample)	22.06	22.06	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Public Analyst Laboratory:			
Water Chem:			
Full drinking water (Chemistry and Bacti)	99.41	107.86	8.50%
Water Seepage (Chemistry and Bacti)	90.47	98.16	8.50%
Standard drinking water (Chemistry and Bacti)	84.05	91.19	8.50%
Standard drinking water (Chemistry only)	55.94	60.70	8.50%
Full Borehole	102.56	111.28	8.50%
Full River	93.62	101.58	8.50%
Partial Borehole	70.56	76.56	8.50%
Interceptor-wash water	60.23	65.35	8.50%
Discharge Licence	86.57	93.93	8.50%
Sulphate / Sand	57.96	62.89	8.50%
Effluent Standard charge	49.52	53.73	8.50%
Effluent Ronaldsway Stream water	29.48	31.99	8.50%
Food Chem:			
Food Nutritional content (N.B. 50% surcharge if single not batch)	99.41	107.86	8.50%
Shellfish Humidity	49.27	53.46	8.50%
Shellfish ASP Whole in shell	147.55	160.09	8.50%
Shellfish ASP Processed	124.37	134.94	8.50%
Shellfish DSP Whole in shell	170.60	185.11	8.50%
Shellfish DSP Processed	147.60	160.15	8.50%
Shellfish ASP DSP Whole in shell	294.96	320.03	8.50%
Shellfish ASP DSP Processed	266.75	289.42	8.50%
Radioactivity from	148.18	160.77	8.50%
Soil & Building materials:			
Asbestos	57.71	62.61	8.50%
Soil - Agricultural	25.70	27.89	8.50%
Soil - Oil Hydrocarbon Content	51.29	55.65	8.50%
Soil - Oil Hydrocarbon identification (Add'l samples 80%)	76.99	83.54	8.50%
Soil - Metals pH Oil	128.27	139.17	8.50%
Building - Aggregate Analysis	66.66	72.33	8.50%
Building - Cement and render	153.97	167.06	8.50%
Building - Stone density	37.68	40.88	8.50%
Building - Chloride Sulphate	57.71	62.61	8.50%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Micro:			
Potable Water - Coliforms, E.coli and TVCs	55.94	60.70	8.50%
Seepage - Coliforms, E.coli, TVCs, Pseudomonas+Enterococci	55.94	60.70	8.50%
Seepage - Coliforms and E.coli	25.70	27.89	8.50%
Seepage - Coliforms and E.coli and Enterococci	32.14	34.87	8.50%
Legionella	55.94	60.70	8.50%
Pool - Coliforms, E.coli, TVCs and Pseudomonas	42.08	45.66	8.50%
Food - Enterobact, Staph	14.11	15.31	8.50%
Food - TVCs, Enterobact, Staph	15.37	16.68	8.50%
Food - TVCs, Enterobact, Staph + Listeria sp	23.32	25.30	8.50%
Food - TVCs, Enterobact, Staph + Listeria + L. mono confirm	41.33	44.84	8.50%
Food - TVCs, Enterobact, Staph + Salmonella	26.96	29.26	8.50%
Food - TVCs, Enterobact, Staph + Salmonella + Listeria sp	36.17	39.24	8.50%
Food - TVCs, Enterobact, Staph + Salmonella + Listeria + mono confirm	52.80	57.29	8.50%
Food - TVCs, E.coli, Enterobact, Staph	16.63	18.05	8.50%
Food - TVCs, E.coli, Enterobact, Staph + Listeria sp	24.58	26.66	8.50%
Food - TVCs, E.coli, Enterobact, Staph + Listeria + mono confirm	43.85	47.58	8.50%
Food - TVCs, E.coli, Enterobact, Staph + Salmonella	28.22	30.62	8.50%
Food - TVCs, E.coli, Enterobact, Staph + Salmonella + Listeria	36.17	39.24	8.50%
Food - TVCs, E.coli, Enterobact, Staph + Salmonella + Listeria + mono confirm	55.44	60.15	8.50%
Food - Salmonella	11.59	12.58	8.50%
Food - Listeria sp	7.94	8.62	8.50%
Food - Listeria monocytogenes confirmation	19.27	20.91	8.50%
Food - E.coli 0157	25.70	27.89	8.50%
Food - Shelf life 3 samples usually TVCs, Enterobact, Staph, e.coli price per sample	50.03	54.28	8.50%
Sponge Swab - TVCs + Enterobacteriaceae	10.46	11.35	8.50%
Sponge Swab - Salmonella	11.59	12.58	8.50%
Sponge Swab - E.coli 0157	25.70	27.89	8.50%
Swab - TVCs Coliforms and E.coli	10.72	11.63	8.50%
Swab - Pseudomonas Aeruginosa	12.73	13.81	8.50%
Misc & non-routine price guide:			
Fuel - Oil Tank Investigations + Fuel ID	52.30	56.74	8.50%
Fuel/solvent/oil/ etc - Flashpoint test	36.00	39.06	8.50%
Various - Electron microscopy where specifically requested (per hour)	132.17	143.40	8.50%
Investigations & Consultancy - Priced per hour for jobs up to £588 (then switch to daily rate)	141.12	153.12	8.50%
Investigations & Consultancy - Charge per half day or part thereof for larger jobs (minimum charge on this basis 2 days)	352.80	382.79	8.50%
Site visits, sampling only - Where special trip is necessary	46.12	50.04	8.50%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
General purpose banded pricing based on number of tests:			
Band 1 - Simple chemistry 1 or 2 tests	36.92	40.06	8.50%
Band II - 3-4 Routine chemistry tests	70.56	76.56	8.50%
Band II & one-off food - Single food sample not in batch = +50% surcharge	105.84	114.84	8.50%
Band III - 5-10 Routine chemistry tests	99.41	107.86	8.50%
Band III & one-off food - Single food sample not in batch = +50% surcharge	148.80	161.45	8.50%
Band IV - Over 10 tests, eg: Investigative Complaints from	107.74	116.89	8.50%



Department of Health and Social Care

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Non Residential Social Care Services			
Adult Day Centre - Day service including lunch (per day)	5.60	6.15	10%
Adult Day Centre - Day service not including lunch (per day)	2.24	2.46	10%
Service provided in a private dwelling (Monday - Friday per hour)	21.14	23.24	10%
Service provided in a private dwelling (Saturday per hour)	31.64	34.72	10%
Service provided in a private dwelling (Sunday & Bank Holidays per hour)	42.35	46.48	10%
Maximum	140.84	162.40	15%
Charges provided in a private dwelling are not applicable if the liable person is entitled to income support			
Residential Social Care Services			
Nursing Home (per week)	954.66	1,048.25	10%
Adult Care Home which is not a nursing home (per week)	505.12	554.61	10%
Residential Services (specific premises per week)	704.13	773.15	10%
Residential Services (Thie Meanagh Unit 1 per week)	814.52	894.32	10%
Residential Services (specific properties per week)	78.54	86.24	10%
Respite Social Care Services			
Overnight stay, daytime respite and all meals (per night)	16.59	18.20	10%
Overnight stay, including only breakfast	7.63	8.40	10%
Daytime respite and lunch (per day)	5.60	6.16	10%
Daytime respite (per day)	2.24	2.45	9%
Evening meal	3.36	3.71	10%
Dental Charges (by Band)			
Band 1 (Diagnosis, treatment planning & maintenance)	18.50	TBC	TBC
Band 2 (Treatment)	50.50	TBC	TBC
Band 3 (Provision of Appliances)	219.00	TBC	TBC
<i>There are specific patient groups which are exempt to the above fees</i>			
Prescription and Appliance Charges			
Per item on a prescription form	3.85	TBC	TBC
Per item of Elastic Hosiery	7.70	TBC	TBC
Certificate of Prepayment of Prescription Charges (4 Months)	19.00	TBC	TBC
Certificate of Prepayment of Prescription Charges (12 Months)	54.00	TBC	TBC
<i>There are specific patient groups which are exempt to the above fees</i>			

Manx Care collects all of the fees above on behalf of the Department of Health and Social Care



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Childminding*			
Registration fee	75	TBC	TBC
Annual fee	50	TBC	TBC
Establishments - Day Care*			
Child Day Care Centre - Registration fee (small/med/large)	300/350/400	TBC	TBC
Child Day Care Centre - Annual fee (small/med/large)	100/150/200	TBC	TBC
Child Day Care Centre - Manager application fee	400	TBC	TBC
Adult Day Care Centre - Registration fee (small/med/large)	300/350/400	TBC	TBC
Adult Day Care Centre - Annual fee (small/med/large)	100/150/200	TBC	TBC
Adult Day Care Centre - Manager application fee	400	TBC	TBC
Mental Health Day Care Centre - Registration fee (small/med/large)	300/350/400	TBC	TBC
Mental Health Day Care Centre - Annual fee (small/med/large)	100/150/200	TBC	TBC
Mental Health Day Care Centre - Manager application fee	400	TBC	TBC
Agencies & Independent Clinics*			
Adult Placement Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Adult Placement Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Adult Placement Agency - Manager application fee	400	TBC	TBC
Child Care Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Child Care Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Child Care Agency - Manager application fee	400	TBC	TBC
Domiciliary Care Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Domiciliary Care Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Domiciliary Care Agency - Manager application fee	400	TBC	TBC
Fostering Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Fostering Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Fostering Agency - Manager application fee	400	TBC	TBC
Independent Medical Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Independent Medical Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Independent Medical Agency - Manager application fee	400	TBC	TBC



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Nurses Medical Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Nurses Medical Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Nurses Medical Agency - Manager application fee	400	TBC	TBC
Voluntary Adoption Medical Agency - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Voluntary Adoption Medical Agency - Annual fee (small/med/large)	300/450/600	TBC	TBC
Voluntary Adoption Medical Agency - Manager application fee	400	TBC	TBC
Independent Clinics - Beauty Clinics - Registration fee (small/med/large)	1,000/1,100/1,200	TBC	TBC
Independent Clinics - Beauty Clinics - Annual fee (small/med/large)	300/450/600	TBC	TBC
Independent Clinics - Beauty Clinics - Manager application fee	400	TBC	TBC
Establishments - Boarding Schools*			
Boarding Schools - Registration fee (small/med/large)	300/350/400	TBC	TBC
Establishments - Care Homes*			
Adult Care Home - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Adult Care Home - Annual fee (small/med/large) value x number of places	55/60/65	TBC	TBC
Adult Care Home - Manager application fee	400	TBC	TBC
Child Home - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Child Home - Annual fee (small/med/large)	55/60/65	TBC	TBC
Child Home - Manager application fee	400	TBC	TBC
Child Secure Accommodation - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Child Secure Accommodation - Annual fee (small/med/large)	55/60/65	TBC	TBC
Child Secure Accommodation - Manager application fee	400	TBC	TBC
Independent Hospital - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Independent Hospital - Annual fee (small/med/large)	55/60/65	TBC	TBC
Independent Hospital - Manager application fee	400	TBC	TBC
Officer Accommodation Service - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Officer Accommodation Service - Annual fee (small/med/large)	55/60/65	TBC	TBC
Officer Accommodation Service - Manager application fee	400	TBC	TBC
Residential Family Centre - Registration fee (small/med/large)	1,400/1,600/1,800	TBC	TBC
Residential Family Centre - Annual fee (small/med/large)	55/60/65	TBC	TBC
Residential Family Centre - Manager application fee	400	TBC	TBC

***Registration & Inspections charges are currently under review in line with the Regulation of Care Act**



Department of Home Affairs

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Alarms Administration - Lone Workers	65.00	68.00	5%
Alarms Administration - Intruder	47.94	50.33	5%
Alarms Administration - HUA (Hold Up Alarms)	47.94	50.33	5%
Alarms Administration - Intruder/HUA (Hold Up) Combined	95.88	100.67	5%
Antenna Installation/Rigging Work - Full Working Day	1,044.17	1,096.37	5%
Antenna Installation/Rigging Work - Half Working Day	522.06	548.16	5%
Antenna Installation/Rigging Work O/S Normal Hours - Full Day	2,022.11	2,123.21	5%
Antenna Installation/Rigging Work O/S Normal Hours - Half Day	1,044.17	1,096.37	5%
Rigging Supervision -Full Working Day	522.06	548.16	5%
Rigging Supervision - Half Working Day	261.03	274.08	5%
Rigging Supervision O/S Normal Working Hours - Full Day	1,044.17	1,096.37	5%
Rigging Supervision O/S Normal Working Hours - Half Day	522.06	548.16	5%
Non Rigging and Installation Work - Per hour	56.97	59.81	5%
Non Rigging and Installation Work - Other Times, O/S Normal Hours	114.49	120.21	5%
Site Sharing - Band 1 (Panel, Yagi, antenna up to 1 metre in length)	2,126.63	2,232.96	5%
Site Sharing - Band 2 (0.3M Microwave Dish)	2,059.14	2,162.09	5%
Site Sharing - Band 3 (0.6M Microwave Dish)	2,480.74	2,604.77	5%
Site Sharing - Band 4 (1.2M Dish or Antenna 1 - 2 metre in length)	3,366.77	3,535.10	5%
Site Sharing - Band 5 (Cabin)	4,498.05	4,722.95	5%
Site Sharing - Band 6 (Rack over 1 metre tall)	1,860.82	1,953.97	5%
Site Sharing - Band 7 (Rack under 1 metre tall)	930.07	976.57	5%
Site Sharing - Band 8 (Landlord)	5,147.85	5,405.25	5%
Site Sharing - Band 9 (1.8m Dish, Antenna 2 - 3 metres in length)	5,316.21	5,582.02	5%
Site Sharing - Band 10 (Panel or GPS Type Antenna under 500mm)	451.49	474.06	5%
Counter Terrorism Check	55.00	58.00	5%
Security Clearance	99.00	104.00	5%
Developed Vetting	1,290.00	1355.00	5%
Firearms Licenses	75.00	75.00	0%
Firearms Renewals	65.00	65.00	0%
Firearms Replacement (where lost/destroyed)	65.00	65.00	0%
Regulated Weapon Certificate (where no FAC is held)	120.00	120.00	0%
Regulated Weapon Certificate (where FAC is held)	80.00	80.00	0%
Visitors Permit	12.00	12.00	0%
Immigration Check PNC	3.00	6.00	100%
Immigration Check Connect	3.00	6.00	100%
Black Powder Licences	30.00	30.00	0%
Door Staff Registration	90.00	90.00	0%
Forensic Collision Report	420.00	441.00	5%
Basic Collision Report	157.00	165.00	5%
File Retrieval	42.00	44.00	5%
Technical Collision Recording	84.00	88.00	5%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Copy reports (if requested separately)	84.00	88.00	5%
Copy photographs (colour)	26.25	27.50	5%
Copy photographs (colour-sheet)	15.75	16.50	5%
Booklet thumbnail prints	42.00	44.00	5%
Police Officer Constable	49.00	51.50	5%
Police Officer Sergeant	53.50	56.00	5%
Police Officer Inspector	65.00	68.00	5%
Police Officer PC filming	59.50	62.50	5%
Police Officer Sgt filming	64.00	67.00	5%
Police Officer Insp filming	76.00	80.00	5%
Use of Police property	1,568.25	1,646.75	5%
Use of Police vehicle	784.00	823.00	5%
Fingerprinting	52.25	55.00	5%
Certify documents	15.75	16.50	5%
Certify photographs	15.75	16.50	5%
Copy statement (10 pages)	52.50	75.00	43%
Additional pages (per page)	5.25	5.50	5%
Copy witness statement (disclosure)	52.50	75.00	43%
Copy witness statement (non-disclosure)	78.50	100.00	27%
Police statement	157.00	175.00	11%
Copy interview tape/CD	125.50	150.00	20%
Typed transcript of interview	157.00	175.00	11%
Copy video tape	84.00	200.00	138%
Copy of 999 call	31.50	50.00	59%
Copy of CCTV footage and dashcam	104.50	150.00	44%
Copy of photos on disc (per 10)	42.00	50.00	19%
Copy of crime report	52.50	55.00	5%
Copy of Registry file summary	52.50	55.00	5%
Copy of iNet system entries	52.50	55.00	5%
Copy of custody record	52.50	55.00	5%
Copy of search warrant (property only)	52.50	55.00	5%
File search cancellation	157.00	165.00	5%
Criminal Injury Compensation Tribunal (5 copies)	231.00	300.00	30%
Body worn camera footage	82.00	100.00	22%
Abnormal load escort (MIN)	140.00	147.00	5%
FRS Property Search Fees	67.00	70.00	4%
FRS Property Search Inspections	165.00	170.00	3%
Fire Certificate	220.00	240.00	9%
FRS Interview - Officer	£75.00 p/hr	£80.00 p/hr	7%
FRS Interview - Senior Officer	£140.00 p/hr	£150.00 p/hr	7%
FRS Interview - Travel	£7.00 p/mile	£7.50 p/mile	7%
FRS Interview - Image	22.00	25.00	14%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
FRS Interview - Contacts/Thumbnails	35.00	40.00	14%
FRS Interview - Administration Fee	65.00	70.00	8%
FRS Incident Reports - Form	120.00	130.00	8%
FRS Incident Reports - Report	370.00	400.00	8%
FRS Incident Reports - Copy Report	270.00	285.00	6%
FRS Incident Reports - Other Documents	40.00	45.00	13%
FRS Incident Reports - Copy Electronic Media	120.00	130.00	8%
FRS Incident Reports - Copy Statement	£60 for 10 pages + £4 per additional page	£60 for 10 pages + £5 per additional page	25%
FRS Incident Reports - Images	22.00	25.00	14%
FRS Incident Reports - Contacts/Thumbnails	35.00	40.00	14%
FRS Incident Reports - Administration Fee	65.00	70.00	8%
Pump Hire plus 6 crew	£360.00 p/hr	£380.00 p/hr	6%
Pump Hire plus 5 crew	£320.00 p/hr	£340.00 p/hr	6%
Pump Hire - Travel	£7.00 p/mile	£7.50 p/mile	7%
Pump Hire - Administration Fee	65.00	70.00	8%
Pit Lane Cover - Normal Day	£260.00 p/hr	£275.00 p/hr	6%
Pit Lane Cover - Bank Holiday	£455.00 p/hr	£480.00 p/hr	5%
Pit Lane Cover - Pumping Appliance	115.00	125.00	9%
Pit Lane Cover - Travel	£7.00 p/mile	£7.50 p/mile	7%
Pit Lane Cover - Administration Fee	65.00	70.00	8%
AFA Callouts	375.00	395.00	5%
AFA Callouts - Bank Holiday	750.00	790.00	5%
Live Fire Training Facility Hire per day	260.00	280.00	8%
Live Fire Training Facility Hire - Administration Fee	65.00	70.00	8%
Personnel Charge Out - Fire Fighter	£48.00 p/hr	£50.50 p/hr	5%
	£80.00 bank holiday	£101.00 p/hr	26%
Personnel Charge Out - Leading Fire Fighter	£48.00 p/hr	£50.50 p/hr	5%
	£80.00 bank holiday	£101.00 p/hr	26%
Personnel Charge Out - Sub Officer	£48.00 p/hr	£50.50 p/hr	5%
	£80.00 bank holiday	£101.00 p/hr	26%
Personnel Charge Out - Senior Officer	£60.00 p/hr	£65.00 p/hr	8%
	£120.00 bank holiday	£130.00 bank holiday	8%
Personnel Charge Out - Travel	£7.00 p/mile	£7.50 p/mile	7%
Personnel Charge Out - Small Equipment	32.00	35.00	9%
Personnel Charge Out - Portable Pump	55.00	60.00	9%
Personnel Charge Out - Light Pumping Appliance	115.00	125.00	9%
Personnel Charge Out - Major Pumping Appliance	115.00	125.00	9%
Personnel Charge Out - Aerial Ladder Platform	115.00	125.00	9%
Personnel Charge Out - Small Vehicle	60.00	65.00	8%
Personnel Charge Out - Administration Fee	65.00	70.00	8%



Department of Infrastructure

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Civic Amenity Site			
Under counter fridge	34.00	34.00	0.0%
Chest fridge	53.00	53.00	0.0%
American style fridge	87.00	87.00	0.0%
Television	27.00	27.00	0.0%
PC monitor	14.00	14.00	0.0%
Laptop	14.00	14.00	0.0%
Wrights Pit North			
Gate fee domestic	97.53	104.55	7.2%
Gate fee commercial	194.16	208.14	7.2%
Energy From Waste Plant			
Gate fee domestic	97.53	104.55	7.2%
Gate fee commercial	194.16	208.14	7.2%
Wood	35.00	102.41	192.6%
Tyres	100.00	105.00	5.0%
Animal Waste Processing Plant			
Chickens per bag	20.40	21.87	7.2%
Fish per tonne	81.60	87.48	7.2%
Bulls	51.00	54.67	7.2%
Cows	45.90	49.20	7.2%
Horses	45.90	49.20	7.2%
Pigs	6.12	6.56	7.2%
Sheep	5.10	5.47	7.3%
Calves	5.10	5.47	7.3%
Lambs per bag	2.04	2.19	7.4%
Vets/charities/butchers	20.40	21.87	7.2%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Airport			
Landing Fees *			
Aircraft up to MTOW 1000kg	11.50	12.08	5.0%
Aircraft up to MTOW 1001-2000kg	22.50	23.63	5.0%
Aircraft up to MTOW 2001-3000kg	33.70	35.39	5.0%
Aircraft up to MTOW 3001-4000kg	44.90	47.15	5.0%
Aircraft up to MTOW over 4001kg (per tonne)	22.50	23.63	5.0%
Executive Aircraft under MTOW 10mt			
Annual landing and parking card	6,815.00	7,155.75	5.0%
Quarterly landing and parking card	2,040.00	2,142.00	5.0%
Monthly landing and parking card	825.00	866.25	5.0%
Executive Aircraft over MTOW 10mt			
Annual landing and parking card	10,185.00	10,694.25	5.0%
Quarterly landing and parking card	3,057.00	3,209.85	5.0%
Monthly landing and parking card	1,236.00	1,297.80	5.0%
Harbour			
Manx registered fishing vessels, workboats and construction barges			
Harbour entry up to 3 days	48.45	50.87	5.0%
Annual payment	98.58	103.51	5.0%
Visiting fishing vessels, workboats and construction barges			
Harbour entry up to 3 days	58.80	61.74	5.0%
Annual payment	100.93	105.98	5.0%
Pleasure vessels			
Annual harbour dues (per metre)	20.40	21.42	5.0%
Slipway dues (per metre)	9.33	9.80	5.0%
Visiting Pleasure vessels			
Seasonal April - Sept max 40 days	17.03	17.88	5.0%
Long stay Oct - March per day	1.38	1.45	5.0%
Other Vessels			
Vessel Dues per ton	0.37	0.39	5.0%
min charge	41.62	43.70	5.0%
Goods dues			
Large Motor vehicles			
Per metre	5.41	5.68	5.0%
Passenger	1.99	2.09	5.0%
Small Motor Vehicles			
Motor Cycle	2.81	2.95	5.0%
Car Parking	8.36	8.78	5.0%
Passenger	1.99	2.09	5.0%

*Fees may be directly negotiated with airlines based on route and demand specific factors



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Trailer	6.17	6.48	5.0%
Bulk ship cargo - per tonne			
Liquid petroleum	3.98	4.18	5.0%
Dangerous explosive substances	22.75	23.89	5.0%
General cargo	2.19	2.30	5.0%
Passenger Dues			
Driver	1.99	2.09	5.0%
Motor cycle	2.81	2.95	5.0%
Car	8.36	8.78	5.0%
Car and trailer	13.82	14.51	5.0%
Heavy passenger vehicle	11.32	11.89	5.0%
Heavy passenger vehicle with trailer	16.78	17.62	5.0%
Foot passenger - adult	0.97	1.02	5.0%
Foot passenger - child	0.49	0.51	4.1%
Registration of Pleasure Craft **			
First registration	58.14	61.05	5.0%
Change of ownership	27.54	28.92	5.0%
Change of address	27.28	28.64	5.0%
Change of name	27.28	28.64	5.0%
Material change of craft details	27.28	28.64	5.0%
Duplicate Certificate	22.33	23.45	5.0%
Pleasure cruise vessels			
per GRT anchored in bay	0.12	0.13	8.3%
per GRT berthed in harbour	0.14	0.15	7.1%
per passenger on board	0.66	0.69	4.5%
Pontoon charges (per metre)			
Annual	163.20	171.36	5.0%
Monthly	17.34	18.21	5.0%
Daily	2.86	3.00	4.9%
Mooring Charges			
Deep Water Mooring lease	346.80	364.14	5.0%
Deep Water Mooring boat fee (per metre)	22.29	23.40	5.0%
Storage Charges (vessels over 6m)			
Douglas			
Annual	754.80	792.54	5.0%
Monthly	75.48	79.25	5.0%
up to 7 days	18.36	19.28	5.0%

** Caps apply and are detailed within the Harbour Fees Order



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Storage Charges (vessels under 6m)			
Annual	392.70	412.34	5.0%
Monthly	38.76	40.70	5.0%
up to 7 days	9.18	9.64	5.0%
Storage Charges (vessels over 6m)			
Derbyhaven			
Annual	255.00	267.75	5.0%
Monthly	25.50	26.78	5.0%
Storage Charges (vessels under 6m)			
Annual	137.19	144.05	5.0%
Monthly	13.72	14.41	5.0%
Storage Charges (vessels over 6m)			
All other storage areas			
Annual	423.30	444.47	5.0%
Monthly	42.33	44.45	5.0%
Storage Charges (vessels under 6m)			
Annual	224.40	235.62	5.0%
Monthly	22.44	23.56	5.0%
Miscellaneous Charges			
Electricity	0.17	Variable	-
Fresh Water per cubic metre	2.30	2.42	5.2%
Fresh Water Labour charge	39.78	41.77	5.0%
Grid Hire			
Pleasure Craft	19.99	20.99	5.0%
Commercial Vessels			
under 65 gross tons	28.61	30.04	5.0%
65 - 125 gross tons	47.94	50.34	5.0%
125 gross tons and over	66.61	69.94	5.0%
Weighbridge use			
Public Use	12.60	13.23	5.0%
Harbour related use	3.62	3.80	5.0%
Harbours Facilities Access fobs & security ID's			
Harbours Facilities Access fobs	11.68	12.26	5.0%
Harbours Security ID card – new issue and any replacement	30.60	32.13	5.0%
Administration charge	43.86	46.05	5.0%
Tanker charges			
up to 12 hours	346.80	364.14	5.0%
per hour over 12 hours	25.50	26.78	5.0%
Licence Charges			
Pleasure boat licence	16.93	17.78	5.0%
Boatman Licence	11.22	11.78	5.0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Other Harbour Fees			
Harbour work boat hire per hour	221.09	232.14	5.0%
Filming per hour	221.34	232.41	5.0%
General Harbour Services			
Vessel Bailing	20.40	21.42	5.0%
Checking pumps/vessel lines	10.20	10.71	5.0%
Rope Handling	20.40	21.42	5.0%
Oil Pollution response per hour	71.40	74.97	5.0%
Laundry	6.80	7.00	2.9%
Waste Disposal per skip	397.80	417.69	5.0%
Diving Services			
Team per hour (min 4 hours)	334.36	351.08	5.0%
Per man per hour after 4 hours	55.08	57.83	5.0%
Pilotage Services			
per vessel per ton per act of pilotage			
excludes 25/26 December	0.26	0.27	3.8%
per vessel per ton per act of pilotage			
25 & 26 December	0.51	0.54	5.9%
min/max charges apply	£1,275/£2,040	£1,338.75/£2,142	5.0%
Public Sector Rental			
each property is individually pointed; however average rentals by property type can be derived as follows:			
5 Bed House	158.10	166.01	5.0%
4 Bed House	135.66	142.44	5.0%
3 Bed House	110.16	115.67	5.0%
3 Bed Bungalow	109.14	114.60	5.0%
2 Bed House	96.90	101.75	5.0%
2 Bed Bungalow	85.68	89.96	5.0%
2 Bed Flat	85.68	89.96	5.0%
2 Bed Cottage	78.54	82.47	5.0%
1 Bed Flat	65.28	68.54	5.0%
1 Bed Bungalow	61.20	64.26	5.0%
Bedsit	62.22	65.33	5.0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Highway Services			
Highway Search	45.00	75.00	66.7%
Driving Licence Fees			
1st Provisional	22.00	14.00	-36.4%
Subsequent Provisional	18.00	14.00	-22.2%
Full Licence under age 66	36.00	45.00	25.0%
Age 66	33.00	14.00	-57.6%
Age 67	30.00	14.00	-53.3%
Age 68	27.00	14.00	-48.1%
Age 69	24.00	14.00	-41.7%
Age 70	21.00	14.00	-33.3%
Age 71	18.00	14.00	-22.2%
Age 72 and over	15.00	14.00	-6.7%
Medically restricted 1-2 years	10.00	14.00	40.0%
Medically restricted 3 years	15.00	14.00	-6.7%
Duplicate	18.00	23.00	27.8%
Add driving category	18.00	23.00	27.8%
Remove an endorsement	18.00	23.00	27.8%
Emergency fee	33.00	23.00	-30.3%
Driving test fees			
Car	57.00	72.00	26.3%
Car - extended test	120.00	150.00	25.0%
Motorcycle	57.00	72.00	26.3%
Motorcycle - extended test	98.00	150.00	53.1%
Goods	65.00	82.00	26.2%
Buses	65.00	82.00	26.2%
Car and Trailer	65.00	82.00	26.2%
Tractors	65.00	82.00	26.2%
Theory Test	35.00	44.00	25.7%
Additional for Saturday appointment	10.00	13.00	30.0%
Vehicle registration fees			
Registration	23.00	29.00	26.1%
Cherished number	Various	Various	N/a
Transfer or retention of cherished number	81.00	102.00	25.9%
Registration on a Q plate	34.00	29.00	-14.7%
Change of ownership	12.00	15.00	25.0%
Duplicate registration certificate	18.00	23.00	27.8%
Duplicate vehicle licence	12.00	15.00	25.0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Vehicle inspection fees			
Car	47.00	59.00	25.5%
Quadcycle	34.00	43.00	26.5%
Motor Cycle	29.00	37.00	27.6%
Minibus/motorhome	58.00	73.00	25.9%
Good vehicle 2 axle	58.00	73.00	25.9%
Good vehicle 3 axle	63.00	79.00	25.4%
Good vehicle 4 axle	69.00	87.00	26.1%
Buses	69.00	87.00	26.1%
SVA good under 3500kgs	92.00	189.00	105.4%
SVA car	150.00	189.00	26.0%
SVA motorcycle	69.00	87.00	26.1%
SVA quadricycle	104.00	87.00	-16.3%
Lane Rental (high impact location)	-	1,750/ day	-
Lane Rental (low impact location)	-	500/ day	-
Footpath/ Footway (high impact location)	-	175/day	-
Cycle Track or Lane	-	500/day	-
Traffic signal turn off/on/adjust	-	300.00	-
Skips	-	20/ day	-
Scaffold/ Hording (if not a lane rental)	Various	Various	-
Tradesmens Permits	1	5	500.0%
Weight Exception Permits	-	150	-
Exception Permit	-	30	-
Vehicle Removal	108	150	38.9%
Vehicle Storage	12	20	167.0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Transport Services			
Bus fares	Various	Various	-
Go Saver Cards			
1 Day	7.00	7.00	-
3 Day	16.00	17.00	6.3%
5 Day	19.00	23.00	21.1%
7 Day	23.00	28.00	21.7%
Go School	0.40	0.50	25.0%
Rail fares			
Go Explore Cards			
1 Day	17.00	17.00	-
3 Day	34.00	39.00	14.7%
5 Day	41.00	45.00	9.8%
7 Day	50.00	56.00	12.0%
Steam Railway Passenger			
Band			
1	3.10	5.00	61.3%
2	4.30	5.00	16.3%
3	5.90	7.00	18.6%
4	6.70	9.00	34.3%
Steam Railway Ultimate Driver Experience	500.00	550.00	10.0%
Manx Electric Railway Passenger			
Band			
1	2.70	3.00	11.1%
2	3.10	3.00	-3.2%
3	4.30	5.00	16.3%
4	5.90	6.00	1.7%
5	6.70	7.00	4.5%
Manx Electric Railway Ultimate Driver Experience	300.00	350.00	16.7%
Snaefell Mountain Railway Return			
Douglas/Ramsey to Summit	9.00	9.50	5.6%
Douglas/Ramsey to Bungalow	9.00	9.50	5.6%
Laxey to Summit	8.00	8.50	6.3%
Laxey to Bungalow	6.00	6.50	8.3%
Bungalow to Summit	6.00	6.50	8.3%
Private hire Bus	Various	Various	-
Private hire Minibus	Various	Various	-
Private hire Rail	Various	Various	-



Cabinet Office

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
COVID Test	50	50	0%
Application for naturalisation as a British citizen under the 1981 Act	1,349	1,349	0%
Adult registration as a British citizen except under S4(C) and 4(G) of BNA 1981	1,225	1,225	0%
Registration as a British citizen of a minor (under 18 years)	1,031	1,031	0%
Adult registration as a British citizen under S4(C) and 4(G) of British Nationality Act 1981	99	99	0%
Declaration of renunciation of British citizenship	321	321	0%
Application for the amendment or replacement of a certificate of registration or naturalisation as a British citizen	250	250	0%
Application for the review of an application for a certificate of registration or naturalisation which has been refused by the Governor.	372	372	0%
Application for a letter or document (not a passport) not provided for elsewhere in Table 3, confirming the applicant's identity and providing evidence of nationality status, or confirming that the person is not a British citizen. ILR	229	229	0%
Application for a letter or document (not a passport) not provided for elsewhere in Table 3, confirming the applicant's identity and providing evidence of nationality status, or confirming that the person is not a British citizen. LTR	161	161	0%
Application for a replacement, copy or amended version of a letter or document (or passport), not provided for elsewhere in Table 3 confirming the applicant's identity and providing evidence of nationality status, or confirming that the person is not a British citizen, and the applicant has limited leave to enter the Isle of Man	161	161	0%
Application for a replacement, copy or amended version of a letter or document (not a passport), not provided for elsewhere in Table 3 confirming the applicant's identity and providing evidence of nationality that a person is not a British citizen, and the applicant has indefinite leave to remain in the Isle of Man.	229	229	0%
Adult Passport (Standard)	85	93	9%
Adult Passport (Express)	142	155	9%
Adult Passport (Temporary)	177	193	9%
Child Passport (Standard)	59	64	8%
Child Passport (Express)	122	126	3%
Child Passport (Temporary)	151	165	9%
where an applicant was born before 2 September 1929 using the 5 day express service	43	43	0%
where an applicant was born before 2 September 1929 using the emergency service	78	78	0%
Return of documents by registered post, per passport application	5	5	0%
Additional fee payable for collection or production of any passport during a time when the passport office is closed to the public	230	230	0%
Tier 1 Entrepreneur - Application for an initial grant of Leave (Switching) or an extension of leave as a Tier 1 (Entrepreneur) Main Applicant	1,277	1,277	0%
Tier 1 Investor - Application for an initial grant of Leave (Switching) or an extension of leave as a Tier 1 (Investor) Main Applicant	1,623	1,623	0%
Start Up - Application to switch into or extend your leave in the Start-Up route on the Isle of Man	493	493	0%
Innovator - Application to switch into or extend your leave in the Innovator route on the Isle of Man	1,277	1,277	0%
Application to extend your leave as a Worker Migrant on the Isle of Man (LTR)	704/1,408	704/1,408	0%
Application to extend your leave as a Worker ICT Migrant on the Isle of Man (LTR)	704	704	0%
Application for Indefinite Leave to Remain in the Isle of Man as a Worker Migrant (ILR)	2,389	2,389	0%
Application for Leave to Remain as a Tier 4 Migrant	475	475	0%
Application for an extension of stay in the Isle of Man as the partner of a person present and settled in the Isle of Man	1,033	1,033	0%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Application for further leave to remain (other)	1,033	1,033	0%
Application for Indefinite Leave to Remain in the Isle of Man as a victim of domestic violence	2,389	2,389	0%
Application for Indefinite Leave to Remain as the family member of a person present and settled in the Isle of Man	2,389	2,389	0%
Application for Indefinite Leave to Remain as the partner of a person present and settled in the Isle of Man	2,389	2,389	0%
Application for Indefinite Leave to Remain in the Isle of Man as the dependant of a Worker Migrant, Worker (ICT) Migrant, Business Migrant (Innovator), Business Migrant (Start-up) or Migrant under the Points Based System	2,389	2,389	0%
Application for Indefinite Leave to Remain in the Isle of Man under any route other than those described above	2,389	2,389	0%
Application for a residence permit in the Isle of Man by a non EEA national family member of an EEA national residing in the Isle of Man	65	65	0%
Application for a document certifying Permanent Residence under the EEA Regulations	65	65	0%
Application for a No Time Limit Stamp or transfer of conditions to a new passport	168/237	168/237	0%
Application for Confirmation of the Non-Acquisition of British Citizenship	161/229	161/229	0%
Application for a Certificate of Sponsorship for a Tier 5 Worker	21	21	0%
Application for a replacement/copy/amended letter or document - limited leave to remain	161	161	0%
Application for a replacement/copy/amended letter or document - indefinite leave to remain	229	229	0%
Application for issuing of Confirmation of acceptance for studies for a Tier 4 Migrant	21	21	0%
Applications for registration as a British citizen in special circumstances	-	1,126	N/a
Application for registration as a British citizen under the 1997 Act, where the applicant is aged 18 or over at the time the application is made	-	1,126	N/a
Application for registration as a British citizen under the 1997 Act, where the person in respect of whom the application is made is a child at the time the application is made	-	1,012	N/a



Executive Government

General Registry

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
COURT SERVICES FEES ORDER (Subject to Approval)			
SMALL CLAIMS/SUMMARY/ORDINARY PROCEDURE			
Filing a claim or counterclaim as appropriate:			
(i) Up to £300	28.80	30.00	4%
(ii) £300.01 - £500	44.00	46.00	5%
(iii) £500.01 - £1,000	61.00	64.00	5%
(iv) £1,000.01 - £1,500	74.50	78.00	5%
(v) £1,500.01 - £3,000	82.50	86.50	5%
(vi) £3,000.01 - £5,000	103.50	108.50	5%
(vii) £5,000.01 - £10,000	155.50	163.50	5%
(viii) £10,000.01 - £15,000	213.00	223.50	5%
(ix) £15,000.01 - £50,000	345.50	363.00	5%
(x) £50,000.01 - £100,000	589.50	619.00	5%
(xi) £100,000.01 - £150,000	759.50	797.50	5%
(xii) £150,000.01 - £200,000	929.00	975.50	5%
(xiii) £200,000.01 - £300,000	1,268.50	1,332.00	5%
(xiv) £300,000.01 - £500,000	1,427.50	1,499.00	5%
(xv) £500,000.01 - £1,000,000	2,282.00	2,396.00	5%
(xvi) £1,000,000.01 - £5,000,000	2,855.00	2,998.00	5%
(xvii) £5,000,000.01 - £10,000,000	3,853.00	4,045.50	5%
(xviii) £10,000,000.01 - £50,000,000	4,706.50	4,942.00	5%
(xix) Greater than £50,000,000 or unspecified	8,559.50	8,987.50	5%
Filing a non-money claim (including any claim for possession that does not seek a monetary judgment). This fee will be the minimum fee payable in relation to all possession matters (a higher fee will instead be payable if the financial or arrears sums are equal to or greater than £15,000.01 in which case the fee payable will be charged in accordance with those prescribed at paragraph 1.1)	228.50	240.00	5%
For the scheduling of any matter which is set down for a hearing (see guidance note 3) of more than 2 days duration (see guidance note 2), or is scheduled for less than 2 days but lasts more than 2 days, per day or part thereof	860.00	903.00	5%
Filing/making any contested (see guidance note 1) application (including those made in court during the court hearing):			
(i) Small Claims or Summary Procedure	138.50	145.50	5%
(ii) Ordinary Procedure	228.50	240.00	5%
Filing/making any agreed (see guidance note 1) application (including those made in court during the court hearing):			
(i) Small Claims or Summary Procedure	48.00	50.50	5%
(ii) Ordinary Procedure	138.50	145.50	5%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
CHANCERY PROCEDURE			
Filing of any originating application	228.50	240.00	5%
For the scheduling of any matter which is set down for a hearing (see guidance note 3) of more than 2 days duration (see guidance note 2), or is scheduled for less than 2 days but lasts more than 2 days, per day or part thereof	860.00	903.00	5%
Filing/making any contested (see guidance note 1) application (including those made in court during the court hearing)	228.50	240.00	5%
Filing/making any agreed (see guidance note 1) application (including those made in court during the court hearing)	138.50	145.50	5%
BANKRUPTCY MATTERS, where no statutory fee is prescribed			
(i) Application to the court to approve the distribution of assets	151.00	158.50	5%
(ii) Any other application to the court in relation to assets or accounts	151.00	158.50	5%
NON CONTENTIOUS PROBATE BUSINESS			
(i) settling a draft testamentary application	59.00	62.00	5%
(ii) filing, extension or withdrawal of a caveat	59.00	62.00	5%
Filing an application for probate of a will or letters of administration where it is stated in the application that the gross estate in the Isle of Man (Note: The fees in this section include the cost of one sealed copy of the grant together with a plain copy of any will proved):			
(i) < £10,000	28.80	30.00	4%
(ii) £10,000.01 - £50,000	170.00	178.50	5%
(iii) £50,000.01 - £125,000	499.50	524.50	5%
(iv) £125,000.01 - £250,000	1,061.50	1,114.50	5%
(v) £250,000.01 - £500,000	2,123.00	2,229.00	5%
(vi) £500,000.01 - £1,000,000	4,245.50	4,458.00	5%
(vii) Exceeds £1,000,000	8,490.00	8,914.50	5%
(viii) Filing an application for a grant of probate of a will or letters of administration where it is stated and sworn that the only asset is a policy of life assurance which has been effected with any insurance company in the Isle of Man by a person who has died domiciled elsewhere than in the Isle of Man where the gross value of the policy exceeds £50,000	266.00	279.50	5%
(i) Amendment to grant or the relevant record as a result of an error or omission (see guidance note 5)	28.80	30.00	4%
(ii) Application for a cessate grant	28.80	30.00	4%
(iii) Application for revocation of a grant	28.80	30.00	4%
(iv) Application for a “de bonis non” grant – the fee payable will be based on the value of the un-administered portion of the estate as per paragraph 4.2			
(v) Application for an order pursuant to rule 40 of the Probate Rules 1988 (proving of a copy will)	28.80	30.00	4%
Additional copies (see note at paragraph 4.2):-			
(i) Certified copy grant (per document)	5.30	5.50	4%
(ii) Certified copy will (per document)	5.30	5.50	4%
(iii) Certified copy grant & will (requested at the same time) - per bundle	8.40	9.00	7%
Affixing court seal & providing additional certified copy of:			
(iv) Certified copy grant (per document)	34.00	35.50	4%
(v) Certified copy will (per document)	34.00	35.50	4%
(vi) A copy grant & will (requested at the same time) - per bundle	64.00	67.00	5%
(vii) Plain black and white copy/photocopy of any additional document (per page)	0.50	0.50	-



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
FAMILY, CHILDREN, MATRIMONIAL OR CIVIL PARTNERSHIP PROCEEDINGS			
Filing an initial application or cross-application for a divorce, annulment, separation or dissolution order	292.50	307.00	5%
Filing an application to make a provisional order final. Application of:			
(i) Applicant	28.80	30.00	4%
(ii) Respondent (rule 48(2) Rules of the High Courts of Justice (Matrimonial Proceedings) 2004 Procedure)	138.50	145.50	5%
Filing/making an application, etc.:			
(i) In any procedure for the variation of a maintenance agreement or like process	69.50	73.00	5%
(ii) Under Part 4, CYP Act 2001 (care, supervision orders) (save for stand-alone emergency applications)	228.50	240.00	5%
(iii) Which is agreed (see guidance note 1) (including those made in court during the court hearing)	69.50	73.00	5%
(iv) Non-molestation order / occupation order – payable separately except when filed with an initial application	117.00	123.00	5%
(v) under Schedule 6 to Civil Partnership Act 2011 or under Part 3 of the Matrimonial Proceedings Act 2003, or any like process for financial relief etc. (other than for amendment/variation - see paragraph 5.3(i))	138.50	145.50	5%
(vi) Or an order under the Hague Convention	138.50	145.50	5%
(vii) For an adoption order	138.50	145.50	5%
(viii) For a wardship order	138.50	145.50	5%
(ix) For hearing a contested (see guidance note 1) matter under the Matrimonial Proceedings Act 2003, the Civil Partnership Act 2011 or under the Children & Young Persons Act 2001	138.50	145.50	5%
(x) Which is contested (any other) (see guidance note 1) (including those made in court during the hearing)	138.50	145.50	5%
Appeals under section 7(6) of Civil Partnership Act 2011 or section 19 of the Marriage Act 1984 (approval of places of registration)	228.50	240.00	5%
Filing of a parental responsibility agreement	28.80	30.00	4%
APPEAL MATTERS (WHETHER TO THE STAFF OF GOVERNMENT DIVISION OR CIVIL DIVISION)			
Filing/making of any notice or application within the Appeals process	345.50	363.00	5%
For the scheduling of any appeal matter arising from proceedings pursuant to fees code 1 or 2 in this document which is set down for a hearing (see guidance note 3) of more than 2 days duration, (see guidance note 2) or is scheduled for less than 2 days but lasts more than 2 days, per day or part thereof	860.00	903.00	5%
ASSESSMENTS OF COSTS			
Application for, or to set aside, a default/interim costs certificate	69.50	73.00	5%
Application (request) for a detailed assessment hearing. Percentage of the total amount of the bill of costs (including VAT and disbursements). The sum is non-refundable	5%	5%	-
Following completion of the detailed assessment proceedings, percentage of the total allowed amount of the assessed bill of costs (including VAT and disbursements) from which will be deducted the relevant fee paid under paragraph 7.2 (note that the fee at 7.2 is non-refundable and is therefore the minimum total sum payable)	10%	10%	-
Filing of an appeal or review of a decision made in detailed assessment proceedings	345.50	363.00	5%
MISCELLANEOUS – FEES PAYABLE IN MISCELLANEOUS MATTERS			
Application to pay into Court, or a payment out of Court	28.80	30.00	4%
(i) Search of Court and other indices/records, lists etc. if undertaken by staff (per volume or other medium)	52.50	55.00	5%
(ii) Request for access to a court case file (see guidance note 6)	52.50	55.00	5%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Filing/making of an application (including applications for consent orders or any applications made in any way including any within other documents or processes):			
(i) Small Claims or Summary Procedure (including requests for judgment and execution, or for execution only where a sum has previously been ordered to be paid)	44.00	46.00	5%
(ii) Small Claims or Summary Procedure (instalment order or attachment of earnings order)	69.50	73.00	5%
(iii) In any other procedure or process (not prescribed elsewhere in this order):			
(a) Contested (see guidance note 1) application (including those made in court during the court hearing)	228.50	240.00	5%
(b) Filing any agreed (see guidance note 1) application (including those made in court during the court hearing)	138.50	145.50	5%
Producing a copy recording of any court or other proceedings (or part thereof) on CD-ROM per compact disc or via other media per item produced	35.50	37.50	6%
Application for a temporary advocates licence (which shall remain in force for no more than 12 months), pursuant to The Advocates Act 1995, s17 (such fee to be payable in addition to fees prescribed under the applicable Fees and Duties (Government Fees) Order in relation to the "drawing of a commission")	574.00	602.50	5%
Application for each/any additional year of a licence referred to at paragraph 8.5 (such fee to be payable in addition to fees prescribed under the applicable Fees and Duties (Government Fees) Order in relation to the "drawing of a commission")	228.50	240.00	5%
Application, pursuant to The Advocates Act 1995, s17 (3), for review of a decision made to grant or refuse an application for a temporary advocates licence	345.50	363.00	5%
GENERAL REGISTRY (MISCELLANEOUS FEES) ORDER (Subject to Approval)			
For making a photocopy of a document (per page)			
(a) Printed on A4 size paper:			
(i) black & white copy	0.50	0.50	-
(ii) colour copy	1.40	1.50	5%
(b) Printed on A3 size paper:			
black & white copy	1.30	1.50	7%
Electronic delivery of permitted documents. Document sent by e-mail attachment (per request)	5.80	6.00	3%
Certification of a copy	5.20	5.50	6%
Apostilles - attesting or legalising a signature and seal for Hague Convention countries and for the rest of the world			
(a) standard service - within 2 working days	28.00	29.50	5%
(b) premium service - within 90 minutes (additional cost to article 4(a) e.g. £29.50 + (£58.50 + VAT))	55.50	58.50	5%
Copy of the Isle of Man Electoral Register			
(a) unedited version - electronic data format copy (via CD-ROM or secure electronic transfer) to licensed credit reference agencies -			
(i) the full register	1,105.00	1,160.50	5%
(ii) per constituency (or part of)	110.50	116.00	5%
(b) edited version – provided in electronic data (via CD-ROM or secure electronic transfer) or paper format (optional) -			
(i) per full edited register	387.00	406.50	5%
(ii) per constituency (or part of)	38.40	40.50	5%
Enrolment of any Commission or Appointment (per application)	27.60	29.00	5%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
FEES AND DUTIES (GOVERNMENT FEES) ORDER (Subject to Approval)			
Drawing a Commission of a public authority	55.50	58.50	5%
Affixing the Seal Public of the Isle of Man, or a seal of office to a Commission, to any paper or proceeding, and providing a certificate if required (per document)	33.40	35.00	5%
An affidavit, affirmation, declaration or attestation taken before a public officer			
Not applicable to a declaration of secrecy under rule 29 of the Election Rules contained in Schedule 2, Part 3, to the Representation of the People Act 1995 or a similar declaration made for the purpose of the election of members of a local authority	8.30	8.50	2%
Witnessing each exhibit to an affidavit, affirmation, declaration or attestation taken before a public officer	5.20	5.50	6%
THE CINEMATOGRAPH (LICENCE FEES) ORDER (Subject to Approval)			
Grant or renewal for one year	35.00	37.00	6%
Grant or renewal for any less period £10.00 for every month for which it is granted or renewed - the aggregate of the fees payable in any year shall not exceed £35.00 or, in the case of a transfer, £10.00	10.00	10.50	5%
LIQUOR LICENSING AND PUBLIC ENTERTAINMENT (FEES) REGULATIONS			
Application of fees			
Application for -			
(a) charitable function licence	35.80	36.50	2%
(b) club licence	35.80	36.50	2%
(c) liquor producer sales licence	35.80	36.50	2%
(d) Manx transport licence	35.80	36.50	2%
(e) on-licence	35.80	36.50	2%
(d) off-licence	35.80	36.50	2%
Application for -			
(a) special event on-licence	35.80	36.50	2%
(b) special event off-licence	35.80	36.50	2%
Application for standard public entertainment licence	35.80	36.50	2%
Application for occasional public entertainment event licence	N/a	-	N/a
Application for temporary licence pending transfer	35.80	36.50	2%
Application for provisional licence	35.80	36.50	2%
Application for provisional event licence in respect of an occasional public entertainment event	N/a	-	N/a
Application for temporary licence	35.80	36.50	2%
Application for transfer of licence to different licensee	35.80	36.50	2%
Application for confirmation of provisional licence	35.80	36.50	2%
Application for provisional event licence	N/a	-	N/a
Application for confirmation of provisional event licence	N/a	-	N/a
Application for licence variation, including —			
(a) variation or removal of licence condition	35.80	36.50	2%
(b) approval or variation of site plan	35.80	36.50	2%
(c) alteration to licensed premises	35.80	36.50	2%
(d) inclusion or variation of condition relating to public entertainment	35.80	36.50	2%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Application for approval of amendment or variation of club rules	N/a	36.50	N/a
Application for special event liquor licence	N/a	36.50	N/a
Application for transitional licence	N/a	36.50	N/a
Application for extension of temporary licence	N/a	36.50	N/a
Application for extension of provisional licence	N/a	36.50	N/a
Application for review of licence	N/a	36.50	N/a
Application to act as temporary manager	N/a	36.50	N/a
Application for extension as temporary manager	N/a	36.50	N/a
Application for entry into Licensed Staff Register as responsible person	N/a	73.00	N/a
Application for transitional registration	N/a	-	N/a
Application for variation of entry into Licensed Staff Register	N/a	20.00	N/a
Application for entry into Licensed Staff Register as guard or doorkeeper	N/a	90.00	N/a
Application for renewal of entry into Licensed Staff Register as guard or doorkeeper	N/a	-	N/a
On-licence residential conditions authorisation	N/a	-	N/a
Charitable function authorisation	N/a	-	N/a
Club function authorisation	N/a	-	N/a
Special permission authorisation	N/a	-	N/a
Issuance Fees for Annual Licences			
Reason for Issuance -			
Issuance of licence due to grant of a licence	71.50	73.00	2%
Issuance of a duplicate/replacement licence document	N/a	73.00	N/a
Issuance of licence due to licence variation	N/a	73.00	N/a
Issue of a transitional licence	N/a	-	N/a
Licence Fees			
On-licence -			
There is no rateable value or the rateable value of the premises specified does not exceed £500	N/a	312.00	N/a
The rateable value of the premises specified exceeds £500 but does not exceed £1,500	N/a	645.00	N/a
The rateable value of the premises specified exceeds £1,500	N/a	919.00	N/a
On-licence subject to residential or restaurant conditions -			
There is no rateable value or the rateable value of the premises specified does not exceed £500	N/a	156.00	N/a
The rateable value of the premises specified exceeds £500 but does not exceed £1,500	N/a	324.00	N/a
The rateable value of the premises specified exceeds £1,500	N/a	454.00	N/a
Off-licence -			
There is no rateable value or the rateable value of the premises specified does not exceed £500	N/a	312.00	N/a
The rateable value of the premises specified exceeds £500 but does not exceed £1,500	N/a	645.00	N/a
The rateable value of the premises specified exceeds £1,500	N/a	919.00	N/a



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Liquor production and sales licence -			
There is no rateable value or the rateable value of the premises specified does not exceed £500	N/a	156.00	N/a
The rateable value of the premises specified exceeds £500 but does not exceed £1,500	N/a	322.50	N/a
The rateable value of the premises specified exceeds £1,500	N/a	459.50	N/a
Manx transport licence -			
the vessel capacity exceeds 12 passengers but does not exceed 250 passengers	N/a	312.00	N/a
the vessel capacity exceeds 250 passengers but does not exceed 500 passengers	N/a	645.00	N/a
the vessel capacity exceeds 500 passengers	N/a	919.00	N/a
Club licence	N/a	23.00	N/a
Charitable function licence	N/a	0.00	N/a
Public entertainment licence -			
The floor area of the specified premises does not exceed 50 square meters	51.00	52.00	2%
The floor area of the specified premises exceeds 50 square meters but does not exceed 1,000 square meters – for every 25 square meters (or part of 25 square meters)	35.80	36.50	2%
The floor area of the specified premises exceeds 1,000 square meters	1,102.00	1,124.00	2%
Event Licences and Authorisations			
Special permission authorisation -			
For the first 2 hours or part of 2 hours	25.60	26.00	2%
For each subsequent hour or part of an hour	20.40	21.00	3%
On-licence residential conditions authorisation -			
For the first 2 hours or part of 2 hours	N/a	26.00	N/a
For each subsequent hour or part of an hour	N/a	21.00	N/a
Club function authorisation -			
For the first 2 hours or part of 2 hours	N/a	26.00	N/a
For each subsequent hour or part of an hour	N/a	21.00	N/a
Charitable function authorisation -			
For the first 2 hours or part of 2 hours	N/a	26.00	N/a
For each subsequent hour or part of an hour	N/a	21.00	N/a
CORONERS FEES ORDER 2023 (Subject to Approval)			
For summoning parties, witnesses and jurors in any cause or matter (other than the cases referred to in items 2, 3, and 4 of this Schedule) and for making and serving a copy of the summons and serving with it a copy of the statement of claim and form of acknowledgment of service, or serving a petition with an order for hearing and any other pleading or notice, including granting a certificate of service.	5.65	6.25	11%
For serving a petition for divorce, nullity of marriage or judicial separation or similar petition and associated papers.	10.30	11.35	10%
For serving a petition for an injunction or order in proceedings involving domestic violence, including in each case providing written proof of service.	19.65	21.60	10%
For serving a document when personal service is required by the Court or by statute, including providing written proof of service.	13.15	14.45	10%
For receiving and paying over any payments due under an attachment of earnings order.	5% of the amount collected	5% of the amount collected	-
For executing an order, judgement or execution and giving a certificate or return of proceedings thereunder where no valuation is required for each defendant (but excluding the enforcement of an execution pursuant to a certificate issued under paragraph 10 of Schedule 5A to the Road Traffic Regulation Act 1985)	12.60	13.85	10%



Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
(a) Except that the following fee shall apply in the case of the enforcement of an order of possession of real estate; and	15.25	16.75	10%
(b) if a valuation is made or a certificate issued under section 8 of the Administration of Justice Act 1981, the additional fee corresponding to this entry shall apply for each valuation or certificate irrespective of the amount of the valuation.	12.60	13.85	10%
For the enforcement of an execution pursuant to a certificate issued under paragraph 10 of Schedule 5A to the Road Traffic Regulation Act 1985, save in a case where the coroner delivers a return of nil effects in respect of such enforcement.	67.00	67.00	-
For collecting any debt by a single payment, but excluding any fine in relation to an execution pursuant to a certificate issued under paragraph 10 of Schedule 5A to the Road Traffic Regulation Act 1985.	2.5% of the amount collected	2.5% of the amount collected	-
For collecting by instalments, at the request in writing of the execution creditor or his advocate, amounts of the judgement debt.	5% of the amount collected	5% of the amount collected	-
For selling real or personal property by public auction under due process of law, where the proceeds of sale available to go in discharge of the execution or order –			
(a) do not exceed £100;	5% of such proceeds	5% of such proceeds	-
(b) exceed £100.	The following amounts of such proceeds – (a) 5% on the first £100; (b) 2.5% on the remainder up to £1,000; and (c) 1% on the balance over £1,000	The following amounts of such proceeds – (a) 5% on the first £100; (b) 2.5% on the remainder up to £1,000; and (c) 1% on the balance over £1,000	-
For attending and taking charge of a jury to view.	6.50	7.15	10%
For attending and taking charge of a jury of enquiry.	13.15	14.45	10%
For attending at the striking of a jury in a civil action.	6.20	6.85	10%
For admission of an offence in court on behalf of a defendant.	3.90	4.30	10%



Statutory Boards

Communications and Utilities Regulatory Authority

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Provision of a sound broadcasting service pursuant to Part 1 of the Act	250.00	250.00	-
Operation of a TETRA radio communications system	75.00	75.00	-
Operation of a broadcasting radio communications system	150.00	150.00	-
Operation of other telecommunications systems (radio equipment on masts)	Calculated as previous year's fee multiplied by the current RPI divided by the previous year's RPI		N/a
Provision of a mast in accordance with the Radio Mast Regulation Act	Calculated at 15% of an operator's third party fees		N/a
Satellite Filings Fees	Calculated at £5,000 plus RPI	Calculated at 10% of operator's income for the previous 12 month period	N/a
Satellite Orbital Position Filings Payment	Calculated at 10% of operator's income for the previous 12 month period		N/a
Satellite Earth Station Licence Fees	Calculated at £500 on first £100,000 of annual turnover plus 0.5% on any subsequent turnover		N/a
Full Telecoms Licence Fees	Calculated at £500 on first £100,000 of annual turnover plus 0.5% on any subsequent turnover		N/a
3.6Ghz & 700Ghz Spectrum Fees	Calculated at 3% of Spectrum award - £2,734,332		N/a



Financial Services Authority

Annual Fees	Highest	Lowest
Banking	Class 1(1)	Class 1(3)
Current charge	39,226	3,934
Proposed charge	87,500	2,800
Investment Business	Class 2	Class 2
Current charge	31,072	2,441
Proposed charge	42,000	3,500
Fund services/asset management	Class 3	Class 3
Current charge	44,027	2,830
Proposed charge	42,000	3,500
Money/Payment services	Class 8	Class 8
Current charge	19,001	1,572
Proposed charge	42,000	2,800
Fiduciaries	Class 4 or 5	Class 4 or 5
Current charge	56,253	1,742
Proposed charge	42,000	4,900
Crowdfunding Platforms	Class 6	Class 6
Current charge	-	-
Proposed charge	14,000	7,000
Credit Unions	Class 9	Class 9
Current charge	365	365
Proposed charge	350	350
Insurance authorised		
Current charge	94,065	8,033
Proposed charge	245,000	8,000
Insurance manager		
Current charge	7,474	3,513
Proposed charge	42,000	3,500
Insurance intermediary		
Current charge	3,513	3,513
Proposed charge	10,500	2,800
Permit holder		
Current charge	8,033	2,877
Proposed charge	8,750	2,877
Registered scheme administrators		
Current charge	6,760	485
Proposed charge	42,000	350
Designated businesses		
Current charge	1,505	228
Proposed charge	5,600	245



Gambling Supervision Commission

Proposed Fee (Description) 2023-24	Current Charge	Proposed Charge	% Increase
Gambling			
OGRA Application fee	5,000	5,250	5%
OGRA Annual licence fee (Full)	35,000	36,750	5%
OGRA Annual licence fee (Network)	50,000	52,500	5%
Machine supplier registration fee	1,610	1,610	-
Machine supplier annual fee	805	805	-
Machine site annual fee	219	219	-
Bookmakers permit application fee	700	700	-
Bookmakers permit annual fee	100	100	-
Betting shop application fee	100	100	-
Betting shop licence annual fee	100	100	-
Casino licence	-	-	-
Casino operative approval	15	15	-
Society lottery registration	5	5	-
Cannabis**		0	
Industrial Hemp Without Use Year 1	500	525	5%
Industrial Hemp Licence Without Use Year 2 onwards	250	265	6%
Industrial Hemp Licence With Use Year 1	10,000	10,500	5%
Industrial Hemp Licence With Use Year 2 onwards	5,000	5,250	5%
Cannabis (high THC cultivation) Year 1	45,000	47,250	5%
Cannabis (high THC cultivation) Year 2 onwards	35,000	36,750	5%
Research Licence Year 1	20,000	21,000	5%
Research Licence Year 2	12,000	12,600	5%
Transportation and Storage Year 1	5,000	5,250	5%
Transportation and Storage Year 2 onwards	2,500	2,625	5%
Extraction Year 1	22,500	23,625	5%
Extraction Year 2 onwards	17,500	18,375	5%
Import Year 1	10,000	10,500	5%
Import Year 2 onwards	7,500	7,875	5%
Export Year 1	10,000	10,500	5%
Export Year 2 onwards	7,500	7,875	5%
Manufacture Year 1	22,500	23,625	5%
Manufacture Year 2 onwards	15,000	15,750	5%
Analysis Year 1	12,500	13,125	5%
Analysis Year 2 onwards	8,000	8,400	5%

* All GSC fees are predefined in legislation

** Fees introduced in June 2021