Office of the Clerk of Tynwald
Research and Scrutiny Support

The Budget Process

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Research Paper

Contents

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1. What is the Budget?

The Budget, which is presented annually in a Report known as the 'Pink Book', contains the details of the Government's public revenue and expenditure plans for the upcoming fiscal year. It states what will be implemented in the following year in respect of taxation, social security, Department and Statutory Body budgets and expenditures, capital projects, and income.

In addition to detailed financial plans for the upcoming year, the Pink Book contains some medium-term projections in the form of a five-year plan. It also contains financial statements on previous years' public revenues and expenditures, based on the latest available data at the time of publication.

The Budget must:

- Be laid before Tynwald before the start of the financial year,[1] and must be approved by Tynwald to be enacted;[2]
- Maintain a Reserve Fund balance of at least £1m;[3] and
- Budget for a surplus of income over expenditure (although funds may be transferred from the reserves to make up the income).[4]

The Budget is prepared by the Treasury in consultation with Government Departments, Boards, and Offices. It is then presented by the Treasury Minister at the February sitting of Tynwald. Tynwald then debates the Budget and votes on whether to accept the proposals given within the Pink Book.

Once the Budget proposals are approved by Tynwald, the Treasury Minister moves any expenditure motions and secondary legislation required to give effect to the Budget proposals (e.g., Orders and Regulations related to income tax and social security). These, along with the Budget proposals, are set out on a separate Order Paper, known as Order Paper No. 2.

The fiscal year begins in April, so this is typically when Budget proposals come into operation.

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[1] 'Treasury Act 1985', AT 25 of 1985, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1985/1985-0025/1985-0025.pdf
[2] 'Finance Act 1958', AT 2 of 1958, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1958/1958-0002/1958-0002_1.pdf
[3] 'Finance Act 1962', AT 3 of 1962, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1962/1962-0003/1962-0003.pdf
[4] 'Finance Act 1962', AT 3 of 1962, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1962/1962-0003/1962-0003.pdf

Definitions

Fiscal – (1) Of or relating to financial matters, such as money and budgets. For example, a fiscal year is the 12-month period during which financial performance is calculated; (2) Of or relating to public finances or taxation. For example, a government's fiscal policy refers to the way it manages its money and taxes to achieve its economic goals.[5]

Audit – An official financial inspection.

2. Role of Tynwald in the Budget

The Pink Book must be submitted to Tynwald Members at least six days prior to the debate.[6] In practice, however, the Pink Book is usually circulated to Members at least two weeks in advance.

Tynwald Standing Order 2.2(2) states that the Budget is to be treated as strictly confidential until the presentation of the Budget in Tynwald.[7] This means that Members cannot seek independent advice on the contents of the Budget ahead of its presentation.

Formulation

Tynwald Members can move for the upcoming Budget/s to be drafted in accordance with certain principles, contain specific proposals, or for reviews of these principles and proposals to be undertaken. For example, in December 2024, Lawrie Hooper MHK moved:[8]

> That Tynwald is of the opinion that the higher rate of personal income tax should revert to 20% in the 2025 Budget.

[5] Law School Data, 'LSDefine: Fiscal', lsd.law, accessed 10 January 2025, https://www.lsd.law/define/fiscal

[6] PP 2024/0056: *Standing Orders of Tynwald Court, Revised Edition June 2024*. Standing Order 2.4(2). https://tynwald.org.im/spfile?file=/business/sto/Documents/2024-PP-0056.pdf p. 9

[7] PP 2024/0056: *Standing Orders of Tynwald Court, Revised Edition June 2024*. Standing Order 2.2(2). https://tynwald.org.im/spfile?file=/business/sto/Documents/2024-PP-0056.pdf p. 5

[8] As of time of writing, the Hansard for this item is not yet available. The audio for this sitting can be listened to here, with Item 14, Higher rate of personal income tax, starting at 1:45:00.

This motion carried as amended:

> That Tynwald is of the opinion that the higher rate of personal income tax should continue to be reviewed in line with the Taxation Strategy.[9]

However, Members and Committees may not move motions or introduce Bills that increase Government expenditure or reduce Government income without Treasury concurrence.[10]

Otherwise, the power of Members to influence the Budget during its formulation (in their capacity as parliamentarians) is limited. Members may however have some level of influence over the Budget in virtue of the roles they hold in Government, either as Ministers or Departmental Political Members.

Amendments

Tynwald Members may move amendments in respect of a Budget motion. However the Treasury Act 1985 states that:

> No member of Tynwald may move any resolution in Tynwald, other than a declaratory resolution, or have leave to introduce into either the Council or the Keys a Bill, seeking —
>
> (a) to authorise expenditure of public monies; or
> (b) to increase any expenditure sought to be authorised by a resolution or Bill; or
> (c) to reduce the income of the Government,
>
> without the prior concurrence of the Treasury.[11]

As the Pink Book is not public in advance of the Budget sitting, any proposed amendments must be moved on the floor of Tynwald.

Supplementary Votes

Supplementary votes are taken throughout the year to approve any additional Departmental funding from the Treasury beyond what is outlined in the Pink Book. This is usually done to cover Department expenditure in excess of their initial budget allocations.

[9] PP 2024/0158: Tynwald Votes and Proceedings, 10th & 11th December 2024, https://tynwald.org.im/spfile?file=/business/vp/VP/PP-2024-0158.pdf
[10] 'Treasury Act 1985', AT 25 of 1985, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1985/1985-0025/1985-0025.pdf
[11] 'Treasury Act 1985', AT 25 of 1985, https://www.legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/1985/1985-0025/1985-0025.pdf

Scrutiny Committees

The role of the Public Accounts Committee (PAC) in respect of the scrutiny of public expenditure, as outlined in Standing Orders, is to:[12]

- Consider any papers on public expenditure and estimates presented to Tynwald as may seem fit to the Committee
- Examine the form of any papers on public expenditure and estimates presented to Tynwald as may seem fit to the Committee
- Consider any financial matter relating to a Government Department or statutory body as may seem fit to the Committee
- Consider such matters as the Committee may think fit in order to scrutinise the efficiency and effectiveness of the implementation of Government policy

In addition to the PAC, three Policy Review Committees scrutinise the established policies of Departments within their respective remits.[13] While Policy Review Committees primarily focus on policy scrutiny, they may also examine the financial management of Departments within their remit when relevant. They may refer public expenditure matters to the PAC if deemed appropriate.

3. In-Year Financial Reporting

The following financial reports are published throughout the year. The documents referred to below can be found here:

- **Quarterly Government Management Accounts:** These provide regular updates outlining the state of Government finances and the wider Island economy. They include the income, expenses, and forecast for all Government Departments, Manx Care and other revenue funded statutory boards and offices. They exclude the MUA, Isle of Man Post Office and Manx National Heritage along with all other Government-owned companies which form part of the audited Government accounts.[14]

- **Detailed Government Accounts ('Light Blue Book'):** These are detailed, unaudited accounts for Government Departments and Offices but not the non-revenue funded statutory boards (Isle of Man Post and Manx Utilities Authority)

[12] PP 2024/0056: *Standing Orders of Tynwald Court, Revised Edition June 2024*. Schedule: The Standing Committees of Tynwald, 3.4 Public Accounts Committee. https://tynwald.org.im/spfile?file=/business/sto/Documents/2024-PP-0056.pdf p. 76
[13] PP 2024/0056: *Standing Orders of Tynwald Court, Revised Edition June 2024*. Schedule: The Standing Committees of Tynwald, 1.1 Policy Review Committees. https://tynwald.org.im/spfile?file=/business/sto/Documents/2024-PP-0056.pdf p. 73
[14] Isle of Man Government, 'Treasury publishes first 2024 Government Management Accounts', 8 October 2024, gov.im, accessed 10 February 2025, https://www.gov.im/news/2024/oct/08/treasury-publishes-first-2024-government-management-accounts/

or government owned companies. They are produced in time for the July sitting of Tynwald and in general compare the actual income and expenditure against the budgeted amounts.[15]

- **Isle of Man Government Audited Accounts ('Dark Blue Book'):** These are a summarised set of accounts and are subject to external audit. These accounts are normally produced in time for the October sitting of Tynwald and in general compare the actual income and expenditure against the prior year amounts.[16]

- **The Miscellaneous Accounts ('Orange Book'):** This document provides additional financial details not included in the published Annual Accounts, including information on Trust Accounts and other third-party statements. It is published annually.[17] These are laid before Tynwald.

4. Role of the Auditor General

Under the Tynwald Auditor General Act 2011, the Auditor General is responsible for auditing bodies subject to oversight under the Audit Act 2006. Their duties include:[18]

- Carrying out value for money inspections
- Undertaking regular consultation with the Accounts Committee and to provide assistance with the Committee's investigations
- Identifying matters that may be appropriate for investigation by the Accounts Committee
- Examine matters referred to the Auditor by members of the public, Tynwald, or members of Tynwald

The Auditor General is required to submit reports to Tynwald following value-for-money inspections and must also lay an annual report before Tynwald, including any recommendations arising from the reporting period.

The Auditor General has been in post since May 2023.[19]

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[15] Isle of Man Government, 'Government accounts', gov.im, accessed 10 February 2025, https://www.gov.im/categories/tax-vat-and-your-money/government-accounts/

[16] Isle of Man Government, 'Government accounts', gov.im, accessed 10 February 2025, https://www.gov.im/categories/tax-vat-and-your-money/government-accounts/

[17] GD 2024/0025: Treasury, 'Financial Information and Miscellaneous Government Accounts 2019/20', April 2024, https://www.tynwald.org.im/spfile?file=/business/opqp/sittings/20212026/2024-GD-0025.pdf p. 2

[18] 'Tynwald Auditor General Act 2011', AT 12 of 2011, https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2011/2011-0012/2011-0012_1.pdf

[19] PP 2024/0088: Tynwald Auditor General, 'Annual Report for the period ended 31 March 2024', 1 July 2024,

5. Proposals for Reform

2010: Treasury (Amendment) Bill 2010

In 2010, Juan Watterson MHK introduced the Treasury (Amendment) Bill to the House of Keys.

The proposed Bill would have created a one-month gap between the public announcement of the Budget and a vote. It also would have allowed for Members to move amendments to the Budget with 14 days' notice on the condition that such amendments are costed, cost neutral, and supported by at least four Members.

The Bill received its first reading in the House of Keys on 22nd June 2010.

Mr Watterson moved that the Bill be read for a second time in the Keys on 29th June 2010. This motion failed with 10 votes for, 10 against, and the Speaker of the House casting his vote against.

2011: Public Accounts Committee Report

In July 2011, the Public Accounts Committee published a Report on the Annual "Basic Expenditure and Activity Review" (BEAR) Process. The recommendations of the Report were as follows:[20]

1) We recommend that a complete review of all income streams be undertaken with the aim of ensuring that every line of income has been updated by December 2012.
2) That the Treasury should introduce an integrated procedure for reviewing expenditure, with the aim of ensuring that all efforts are directed in a concerted manner towards the shared national goals of reducing costs, increasing income, improving efficiency and driving out waste.
3) The system should acknowledge the organisational diversity which exists across the public sector.
4) Proposals to increase and reduce expenditure should be ranked by priority in Departmental "BEAR" returns.
5) Consideration should be given to "scenario planning", with every Department, Office and Board routinely expected to generate prioritised proposals for managing both 5% growth and 5% shrinkage in its income.

https://tynwald.org.im/index.php/spfile?file=/business/opqp/sittings/20212026/2024-PP-0088.pdf p. 1

[20] PP 41/11: Standing Committee of Tynwald on Public Accounts, 'Report on the Annual "Basic Expenditure and Activity Review" Process', July 2011, https://tynwald.org.im/spfile?file=/business/pp/Reports/2011-PP-0041.pdf

6) Consideration should be given to planning revenue expenditure over a longer planning period. At present no information is published over 12 months ahead, apart from net income and expenditure totals.

The Report was debated in Tynwald on 13th July 2011. The recommendations were voted on separately. Recommendations 1 and 2 were lost. Recommendations 3, 4, 5, and 6 carried.

The Tynwald Policy Decisions Report 2013 states that these actions have been implemented and the Budget instructions have been modified in accordance with the approved recommendations.

2021: Reform of budgeting system – Motion lost

In Tynwald on 23rd July 2021, The Hon Juan Watterson SHK moved:

> That Tynwald is of the opinion that the Budget procedure is in need of reform; and requests the Treasury (a) to produce a rolling three year financial forecast; (b) to publish its plan to eliminate the structural deficit; and (c) to lay by February 2022 proposed changes to Budget procedure to permit:
>
> (i) Members of Tynwald to take advice independently of Treasury in considering the Budget;
> (ii) A period of four weeks' publication between delivering the Budget and a Tynwald vote on its contents to allow examination by Scrutiny Committees;
> (iii) Any Member to amend the Budget to remove specified items of capital expenditure;
> (iv) Any Member to amend the Budget to reduce an increase in expenditure in any area not required by statute; and
> (v) Any Member to amend the Budget to propose an increase in any fee or charge.

The motion was lost with 10 votes for, 11 against in the Keys; and 6 for, 2 against in the Legislative Council.

2024: Budget Reform – Committee established

In Tynwald on 11th December 2024, Chris Thomas MHK moved:[21]

> That Tynwald notes the 2018 Commonwealth Parliamentary Association Recommended Benchmarks for Democratic Legislatures:

[21] As of time of writing, the Hansard for this item is not yet available. The audio for this sitting can be listened to here, with Item 17, Budget Reform, starting at 00:30:10.

6.3.1 Opportunities shall be given for public input into the legislative and Committee process, including the budget process.

7.2.2 The Legislature shall have a reasonable period of time in which to adequately scrutinize and debate the proposed national budget.

7.2.6 The Legislature shall have access to sufficient financial scrutiny resources and/or independent budget and financial expertise to ensure that financial oversight is conducted effectively.

7.2.7 There shall be an independent, non-partisan Supreme or National Audit Office whose reports are tabled in the Legislature in a timely manner.

7.2.9 All reports of the Supreme or National Audit Office shall stand referred to the Public Accounts Committee, or a designated Committee, for further report.

And is of the opinion that:

(1) the 2025/26 Budget Pink Book should be on the Register of Business 2 weeks prior to the Budget Debate in Tynwald;
(2) in 2026/27, and thereafter, the Budget Pink Book should be on the Register of Business 12 weeks prior to the Budget debate in Tynwald, except for the Budget immediately following a General Election, in which case a minimum period of 8 weeks should apply;
(3) and Treasury should clarify and review the criteria and rules for amendments to the Budget and bring its proposals back to Tynwald to be debated in April 2025.

The Motion was amended as follows:

That Tynwald notes the 2018 Commonwealth Parliamentary Association Recommended Benchmarks for Democratic Legislatures, together with the work done by the OECD and the International Monetary Fund on the role of the Legislature in Budget processes; and that –

(1) Tynwald agrees that scrutiny and debate on significant policies relating to the Island's fiscal policy is a fundamental component of our democracy;
(2) Tynwald's main roles are to review and debate the Government's draft Budget (including its revenue estimates and its spending plans) and to authorise spending to implement the annual Budget plan, which it does in February each year; and
(3) a Select Committee of five Members be established to investigate the role of the Legislature in the Budget process and to submit a report to Tynwald by the last day of February 2026.

The amended motion carried with 16 votes for, 4 against in the Keys; and 7 for, 1 against in the Legislative Council.

6. Pink Books and Budget Documents (2021-present)

2021-22:

- 2021-22 Pink Book: 'A Budget of Resilience'
- Treasury Minister's Statement and Tynwald Debate
- Order Paper No 2

2022-23:

- 2022-23 Pink Book: 'Investing In Our Island's Future'
- Treasury Minister's Statement and Tynwald Debate
- Order Paper No 2

2023-24

- 2023-24 Pink Book: 'Investing in Our Island Plan'
- Treasury Minister's Statement and Tynwald Debate
- Order Paper No 2

2024-25

- 2024-25 Pink Book: 'For our Financially Sustainable Future'
- Treasury Minister's Statement and Tynwald Debate
- Order Paper No 2

7. Supplementary Votes (2021-present)

The following table contains supplementary votes taken since September 2021.

Sitting	Moved by	Motion
Tynwald, 15th March 2022	Minister for Health and Social Care	That Tynwald authorises the Treasury, in respect of the year ended 31st March 2022, to apply from General Revenue a sum not exceeding £10,000,000 being the additional amount required by the Department of Health and Social Care in respect of forecast expenditure incurred in the provision of its services in excess of the Tynwald approved budget. [MEMO] – *Approved*
Tynwald, 19th July 2022	Minister for Education, Sport and Culture	That Tynwald authorises the Treasury, to apply from General Revenue a sum not exceeding £325,940 for the 2022-23 financial year, being the additional amount required by the Department of Education, Sport and Culture in respect of forecast expenditure incurred in the provision of Pre-School Credit in excess of the Tynwald approved budget. And – That the Pre-School Credit Scheme 2022 [SD 2022/0231] [MEMO] be approved. – *Approved*

Sitting	Moved by	Motion
Tynwald, 22nd September 2022	Minister for the Treasury	That Tynwald notes the global inflationary pressures and price volatility facing the Isle of Man, meaning that action needs to be taken to mitigate the effects for the people, businesses and economy of the Isle of Man and that Tynwald: (a) authorises the Treasury to transfer £26,000,000 from the Reserve Fund into the Consolidated Loans Fund; (b) authorises the Treasury to make a loan advance to the Manx Utilities Authority of an amount up to £26,000,000 to be repaid within a period set by the Treasury and to be funded from the Consolidated Loans Fund to enable the Authority to cap electricity prices at their current levels until 31st March 2023 for all customers; (c) supports the capping of bus fares at a maximum of £2 per journey for a three-month trial from 1st November 2022; (d) supports a third round of targeted support payments in December for those in receipt of child benefit and those on low incomes; (e) supports accelerating an £8,000,000 programme to improve energy efficiency in homes; and (f) supports the establishment of a Community Support Fund. – *Approved*
Tynwald, 18th October 2022	Minster for Health and Social Care	That Tynwald authorises the Treasury, in respect of the year ended 31st March 2023, to apply from General Revenue a sum not exceeding £18,300,000 being the additional amount required by the Department of Health and Social Care to commission Manx Care to undertake a programme of elective restoration and recovery, currently not affordable within the existing Tynwald approved budget. *Approved with amendment – To add at the end: "; and that a report on this programme be laid before Tynwald on a quarterly basis, until such time as the funds have been expended, detailing as a minimum: i) what monies have been expended to date; ii) how many patients have been treated as a result; and iii) what the waiting list size is and what the average waiting time is in each of the specialities impacted."*
Tynwald, 16th May 2023	Minister for the Treasury	That Tynwald authorises the Treasury to expend from the Capital Financing Reserve: (1) In respect of the year ended 31st March 2022: £1,134,919

Sitting	Moved by	Motion
		additional Capital Budget in respect of excess expenditure incurred by the Department of Infrastructure, Department of Health and Social Care, Department for Enterprise and Department of Education, Sport and Culture during the 2021-22 financial year. (2) In respect of the year ended 31st March 2023: £323,255 additional Capital Budget in respect of excess cumulative expenditure incurred by the Department of Infrastructure and the Department of Education, Sport and Culture during the 2023-23 financial year. [MEMO] – *Approved*
Tynwald, 16th May 2023	Minister for Health and Social Care	That Tynwald authorises the Treasury, in respect of the year ended 31st March 2024, to apply from General Revenue a sum not exceeding £10,300,000 being the additional amount required by the Department of Health and Social Care to enable Manx Care to complete the programme of elective restoration and recovery previously approved by Tynwald in October 2022 and currently not affordable within the existing Tynwald approved budget. [GD 2023/0043] is relevant to this Item. – *Approved*
Tynwald, 19th July 2023	Minister for the Treasury	That Tynwald authorises the Treasury to: (1) apply a sum of up to £10 million from the general reserve to the capital contingency budget and; (2) to expend such sums from the capital contingency budget as may be required in respect of the Isle of Man Ferry Terminal, Liverpool capital project. – *Motion adjourned to November 2023; this motion was later withdrawn*.
Tynwald, 16th April 2024	Minister for Health and Social Care	That Tynwald authorises the Treasury, in respect of the year ended 31st March 2024, to expend from the Capital Financing Reserve £2,333,000 additional Capital Budget in respect of excess expenditure incurred by the Department of Health and Social Care during the 2023-24 financial year. [MEMO] – *Approved*
Tynwald, 21st January 2025[22]	Minister for the Treasury	The Minister for Treasury to move – That Tynwald authorises the Treasury to expend: 1. £16,376,028 from the Capital Financing Reserve to complete discrete capital schemes for the Department of

[22] As of time of writing, the Hansard for this item is not yet available. The audio for this sitting can be listened to here, with Item 7, Establishment of Discrete Schemes, starting at 0:57:25.

Sitting	Moved by	Motion
		Infrastructure and the Department of Health and Social Care; and 2. A total of £5,311,170 from the Housing Reserve Fund to be transferred to the Capital Finance Reserve for the Ballacubbon Housing Project. [MEMO] – *Approved*

8. Other Reports, Motions, and Questions (2021-present)

This section excludes questions and debates that pertain solely to specific Budget items, such as particular expenditures or schemes, and incudes only those that may help to clarify the Budget process.

Reports

The table below lists Committee Reports published since 2021 that, while not focused on Budget reform, include recommendations affecting the Budget process.

Report and Debate	Recommendations
Public Accounts Committee Second Report for the Session 2020-21: Tynwald Auditor General Governance Proposal [PP No 2021/0080] Tynwald Debate: Tynwald, 15th June 2021 All recommendations were approved without amendments	**Recommendation 1** That, as an interim measure, the Selection Committee, as defined in paragraphs 1(1) and 1(2) of Schedule 1 of the Act, should oversee the function and may: • scrutinise the use of resources by the Tynwald Auditor General by way of a review of the annual strategic plan, and annual reports for the function; • review and, if it thinks appropriate, comment on any budget submissions submitted to Treasury by the Tynwald Auditor General; and • approve the selection of the organisation which will audit the accounts of the Tynwald Auditor General, whose report shall be laid before Tynwald. **Recommendation 2** That the Tynwald Auditor General should consult on governance arrangements for the function with the aim of putting these on a statutory footing during the first three years of their contract. **Recommendation 3** That in exercise of its powers in section 12(3) of the Tynwald Auditor General Act 2011, Tynwald gives the following direction to the Tynwald Auditor General: an annual report under section 12(1) of the Tynwald Auditor General Act 2011 is required to

	include an annual update on cashable savings identified and achieved.
Constitutional and Legal Affairs and Justice Committee First Report for the Session 2022-2023: Youth Justice [PP 2022/0137i] [PP 2022/0137ii] Tynwald Debate: Tynwald, 21st February 2023 This recommendation was approved without amendments	*[Recommendations that are not relevant to the Budget process have been omitted.]* **Recommendation 4** That Tynwald is of the opinion that, in circumstances where Departments are required to work together on cross-Governmental initiatives, budgets should be allocated by Treasury to those initiatives on a cross-Governmental basis.
Standing Committee of Public Accounts: Annual Report Covering Activity During the Session 2022-23 [PP 2023/0106] Tynwald Debate: Tynwald, 12th December 2023 All recommendations were approved without amendments	**Recommendation 1** That an unaudited summary of key financial information be published no later than 6 months after the year end. This summary should include: - Approvals by Treasury for use of the Revenue Contingency Budget; - Income vs budget per Department, Board and Office at division level on a 'near cash' basis split by income tax, customs and NI income, as well as other revenue streams that are significant for that division; - Expenditure vs budget per Department, Board and Office at division level on a 'near cash' basis split by wages (basic and overtime), pensions and temporary staff, maintenance, vehicles, IT, as well as other expenditure streams that are significant for that division; - Capital transactions by project; - Use of capital contingency fund; - Income and expenditure by fund; and - Book and market value of internally and externally managed investments at year end **Recommendation 2** That Tynwald is of the opinion that where specific scoping with associated funding is approved by Tynwald, Tynwald approval should be sought in advance of any proposed deviation away from that scope.

Motions

House of Keys, 11th February 2025 – *Motion carried*: The Hon. Member for Onchan, Ms Edge to move – That the House of Keys is of the opinion that the proposal in the report Future Uprating of the Manx State Pension (GD 2025/0012) should not be implemented as part of the Treasury budget process; and that the Treasury should ensure a separate motion is tabled with regard to the future uprating of the Manx State Pension when the Budget is tabled.[23]

Questions

Tynwald, 20th February 2024: The Hon. Member for Douglas South, Mrs Christian, to ask the Minister for the Treasury – What impact the delay to the minimum wage increase is expected to have on tax receipts for 2024; and What minimum wage has been assumed in the calculation of revenue for the 2024/2025 Budget.

Tynwald, 19th March 2024: The Hon. Member for Arbory, Castletown and Malew, Mr Moorhouse, to ask the Minister for the Treasury – Whether it would be possible to delay the changes announced in the Budget to the tax treatment of benefits in kind in respect of cars and fuel.

9. Further Reading

Isle of Man Publications

- Commonwealth Parliamentary Association: Executive Committee of the Isle of Man Branch of the Commonwealth Parliamentary Association – Report on a Benchmarks Self-Assessment – An assessment Report of the Isle of Man's parliamentary system against the Commonwealth Parliamentary Association's Benchmarks for Democratic Legislatures. The Report assesses the Island's system of financial scrutiny in relation to the Budget and public spending on pages 5-6.

- David Kermode. *Ministerial Government in the Isle of Man – The First Twenty Years.* Douglas, Isle of Man: Manx Heritage Foundation, 2008. – A study on Manx politics and Government since the implementation of the ministerial system in 1986/88. The first three chapters focus on the economic environment of ministerial government, its historical origins, and the constitutional checks and balances placed on Ministers. Later chapters of the book examine the relationship between government and Tynwald in domestic policy making in the

[23] As of time of writing, the Hansard for this sitting is not yet available. The audio for this sitting can be listened to here, with Item 3, Motion [regarding the Uprating of the Manx State Pension], starting at 0:23:05.

context of the transfer of financial power from the UK to the Isle of Man in 1958.

Commonwealth Parliamentary Association (CPA)

- CPA: Handbook on Parliamentary Financial Oversight – Adapting PAC Best Practices to Legislatures in Small Departments – A Handbook developed by the CPA that summarises research on the functioning of Public Accounts Committees and considers how to adapt international best practices related to the size and resource limitations of smaller legislatures. It makes sixteen recommendations to improve the effectiveness of PACs in small jurisdictions.

- CPA: Recommended Benchmarks for Democratic Legislatures – An updated set of benchmarks developed by the CPA in collaboration with Parliamentarians from different Commonwealth regions to reflect good Commonwealth parliamentary practice. Sections 6 and 7 contain benchmarks relating to the Budget process.

OECD

- OECD Legal Instruments: Recommendation of the Council on Budgetary Governance – A Recommendation on Budgetary Governance adopted by the OECD Council in February 2015. The Recommendation aims to provide a concise overview of good practices across the full spectrum of budget activity, specifying ten principles of good budgetary governance, and which give guidance for designing, implementing and improving budget systems. The synopsis states that 'the overall intention is to provide a useful reference tool for policy makers and practitioners around the world, and help ensure that public resources are planned, managed and used effectively to make a positive impact on citizens' lives.'

- OECD Budget Transparency Toolkit: Practical Steps for Supporting Openness, Integrity and Accountability in Public Financial Management – A toolkit developed by the OECD in collaboration with the Global Initiative of Fiscal Transparency Network. It provides guidance on how policy makers can create a Budget process that is open, transparent, inclusive, and accountable.

- OECD Good Practices for Performance Budgeting – Performance budgeting is defined by the OECD as 'the systematic use of performance information to inform budget decisions[…] and to instil greater transparency and accountability throughout the budget process'. This report presents the OECD's advice on good practice principles and examples in the area of performance budgeting including an explanation of the evidence supporting the adoption and practice by OECD countries.

International Monetary Fund (IMF)

- IMF Fiscal Transparency Code – The IMF states: 'The IMF's Fiscal Transparency Code is the international standard for disclosure of information about public finances and is the centrepiece of the global architecture on fiscal transparency.' The Code was approved by the IMF Board in 2014. The linked document contains the Code as a set of standards and guidelines, and a rubric to assess whether the implementation of these is at 'basic', 'good', or 'advanced' level in a given jurisdiction.

- IMF Fiscal Transparency Handbook (2018) – Provides detailed guidance on the implementation of the Fiscal Transparency Code. The Handbook explains the importance of the Code's principles and describes current trends in the implementation of these principles. Country examples are also provided.

- IMF Fiscal Policies: Fiscal Transparency Evaluation – Contains links to published Fiscal Transparency Evaluations (under 'Country Reports') that the IMF created to provide countries with: an assessment of their fiscal transparency practices against the differentiated standards set by the Code; analysis of the scale and sources of fiscal vulnerability based on a set of fiscal transparency indicators; a complete picture of public sector activities, by estimating the financial position of the entire public sector; and targeted recommendations to improve fiscal transparency.