



Onchan District Commissioners

P. M. Hulme, CEnv IEng MIWO – Chief Executive/Clerk and Commissioner for Oaths

Main Road, Onchan, Isle of Man, IM3 1RD.

Administration and Finance: Tel: (01624) 675564 email: admin@onchan.org.im
Surveyors and Works: Tel: (01624) 624967 email: surveyors@onchan.org.im
Fax: (01624) 663482

Press Release

Onchan District Commissioners announce their rate for the year ended 31 March 2012.

Please find attached the announcement of Onchan District Commissioners' rate for the year ended 31 March 2012, as delivered by Mr Ernie Thorn, Lead member for Finance and General Purposes at the Commissioners' meeting on the evening of 17 January 2011.

Any enquires:
Chief Executive/Clerk
Onchan District Commissioners
Hawthorn Villa
Main Road
Onchan
Isle of Man
IM3 1RD
admin@onchan.org.im

Onchan District Commissioners - Announcement of the 2011-12 Rate

As Lead Member for Finance and General Purposes, it is my duty to report on the probable financial result of the Authority's activities for the year to 31st March 2011 and on the budget for the forthcoming year to 31st March 2012 which had been agreed by Members and were set out in detail in the document circulated to Members. I wish to express the Commissioners' grateful appreciation to all of the Authority's officers and staff for their endeavors during this past year.

As usual the collection of income, primarily rates and rents, has been done efficiently and we will collect in excess of 99% of the total due.

I am pleased to see that the authority is progressing. Members will recall that in the last four years the Rural and Village rates have been combined; the number of commissioners has been reduced from 10 to 7; the authority has taken hold of its finances and the Commissioners have a better understanding of the authority's financial position. Continuing with this process during this financial year the authority has had a major staff reorganisation, the first since the amalgamation. The effect of this was to rationalise ongoing operational expenditure whilst maintaining key services at established levels.

Also during this year the authority has undertaken the following capital projects:

- Resurfacing of the car park next to the Commissioners' office;
- New buildings in the park; and
- Commencement of a refurbishment scheme for some of the Social Housing stock.

The overall effect is to create a probable deficit of £70,000 to be taken from reserves. This is within 1% of the budgeted position for the year.

Looking towards the forthcoming year I will now look at some specific areas of the budget in more detail.

Firstly, capital projects. In addition to the continuation of the housing refurbishment the authority intends to undertake a number of affordable projects to benefit the residents and visitors to the District in the forthcoming year. These include:

- A refurbishment of the Youth and Community Centre; and
- Exterior renovations to the larger buildings in Onchan Park.

both of which were delayed from the current financial year; and

- The replacement of some of the authority's street lighting.

Onchan District Commissioners - Announcement of the 2011-12 Rate

The board has agreed that it will use some of its reserves to pay for these Capital Improvements.

Secondly, taking the refuse department. I am pleased to confirm that the authority's agreement to collect refuse on behalf of Braddan Parish Commissioners has been extended to the end of the forthcoming financial year. This will have positive economic benefits to both authorities. Members have also provisionally budgeted £34,000 to extend the Kerbside collection until March 2012, although members will be aware that the project and its continuation after the end of the current trial in September 2011 are still under evaluation. Finally with regard to refuse collection the disposal charges levied by Central Government will increase by 6% from the 1st April 2011 for both domestic and commercial refuse. This means that the cost of disposing of the domestic ratepayers refuse will increase from £29 per ton to £30.74.

Thirdly, miscellaneous charges. The authority has tried to keep the miscellaneous charges it levies to a minimum and they are currently unchanged since April 2008. For the new financial year there will be a small increase in Garage rents, partially to take account of the increase in VAT to 20%, and a small increase in search fees to £85, which will remain a similar level to those of other authorities on the island.

Finally, looking at the budgeted figures.

We have created a situation where the budgeted rate based expenditure on operational activities will remain static for next year compared to the current year. The board's strategy is to avoid erratic rate increases and to keep any increases below the island's rate of inflation, as measured by the retail price index, which is currently 5.5%.

The total of the agreed rate borne budgeted expenditure for the year ended 31st March 2012, including the capital projects noted above, is £2,019,019. This is a 3% increase on the probable expenditure for the current year.

The Commissioners are mindful of the current financial situation in the Isle of Man, UK and further afield and the effect that this has on the ratepayers. It is in light of this and the authority's prudent financial management that we recommend that, for a third successive year, the rate levied by the authority is 266p in the pound. This will result in the authority meeting £124,651 of their budgeted expenditure from reserves, which is in line with the decision to fund capital projects from reserves as previously mentioned.

I propose this recommendation to the board.