

ONCHAN DISTRICT COMMISSIONERS



PRESS RELEASE

Thursday 21st February 2008

At a meeting of the Board of Commissioners at Hawthorn Villa, Onchan, on Wednesday evening 20th February, Mr E.D.R. Killey, Chairman of the Policy and Finance Committee, proposed that the District Rate for 2008/09 be set at 262p in the pound. The proposal was carried.

The text of Mr Killey's speech follows:

“Mr. Chairman, Ladies and Gentlemen,

As Chairman of the Commissioners' Policy and Finance Committee, it is my duty to report on the probable financial result of the Authority's activities for the year to 31st March 2008 and on the estimates for the forthcoming year to 31st March 2009 which have been agreed by Members and are set out in detail in the document circulated to Members.

As in all previous years, Onchan continues to carry out all of the duties of a fully functioning Local Authority in providing the amenities and services required by our community.

Now that the current Board's term of office is drawing to a close it is perhaps an opportunity to review recent progress and investment in

Onchan. During the last 4 years we have seen some substantial developments, both ‘on the ground’ and within our administration.

One of the major changes undertaken by the Authority, of course, has been to amend the Onchan District Act, thus amalgamating the Rural and Urban Wards and reducing the number of elected members from 10 to seven. The Commissioners strongly believe that this is a positive step, both for Onchan and for Local Government in the island, and that these changes will provide us with opportunities for more effective service delivery, efficient political direction, and policy-making to meet the increasing expectations of our rate-payers.

Major projects undertaken during the past term have included:

- The extension to the Commissioners offices at Hawthorn Villa
- The replacement of the former refuse garage in School Road
- Work on the Port Jack glen, shelter and public toilets
- Construction of the new Pennington Hall
- The all-weather sports arena in the Rec
- The Jubilee Playground at Birch Hill
- The purchase of ‘Kenyons’ youth drop-in centre
- Major refurbishment of the Legion Hall
- Improvements to the Refuse Department’s depot at Snugborough, and
- Adoption of the extensive open spaces at Groudle View which doubled the amount of land under our care.

Here I must congratulate our Parks and Gardens staff for the tremendous work they do throughout the district. The Village Green, Port Jack Glen

and Onchan Park, in particular, are a credit and I am sure that Onchan is envied for its floral decorations. Their work has not gone un-noticed.

In partnership with the Department for Local Government and the Environment, Onchan District Commissioners have promoted schemes for the refurbishment of our housing stock, including hard and soft landscape improvements, re-roofing, external decoration and, in Nursery Avenue, the complete electrical re-wiring of 30 properties.

The Authority's capital investment (excluding housing) over the period was in the region of £1.75million.

On that subject I should also mention that Capital funding for the Authority has recently changed from Bonds to fixed term loans, in line with other local authorities in the island. Our local investors may see this as a retrograde step, but borrowing on short-term Bonds put us at the mercy of market variations in interest rates. In order to control our long-term debt and to better forecast our repayment expenditure we have moved to bank loans, where the interest is fixed at a favourable rate for a period of between 10 and 25 years.

We have also been involved in the creation of the Eastern Neighbourhood Partnership, an initiative that promotes greater communication and understanding between the Constabulary, the Commissioners, National Politicians and many other organisations, with a focus on input from the Community at regular PACT meetings.

In this regard we have benefited from the appointment, in 2006, of our Community Officer, who liaises closely with the public and the Police to

facilitate the enforcement of byelaws and regulations. He has notably been instrumental in the recent revisions of the Onchan Dog Byelaws and the Onchan Parking Regulations.

Turning to the year ahead, a number of major projects are about to commence ...

- The purchase of a new refuse vehicle
- Provision of a Skateboard park
- Additional street lighting
- Improved disabled access at YCC, Library and the Lady Taverner's playground.
- New fencing at the Park and at Lakeside
- The resurfacing of access roads at the Park, and
- New equipment for the maintenance of open spaces

The Board is additionally looking towards a long-term plan for the reinvigoration, improvement and further recreational development of Onchan Park and, in conjunction with the Department of Local Government, a scheme will also commence to refurbish 118 houses in School Road, Nursery Avenue and Barrule Drive.

Our officers are currently working on a risk management and business continuity plan, and during the next year we intend to use this information, along with our 4-year financial strategy, to develop our overall corporate plan. In this we are assisted by our local MHKs and MLCs whom we meet on a regular basis to discuss issues of concern to our residents.

Of course, we continue to support Community events that encourage and retain our village atmosphere. For example, the Civic Sunday Service, the Village Fair, our annual Garden and Christmas Lights competitions, the Remembrance Sunday Parade, and the outdoor Christmas Carol Service

Onchan's Public Library is central to the local community of Onchan and neighbouring areas. Although reading is at the heart of the services provided, the library responds to many local community needs through access to IT facilities, free computer tuition and in providing information of local significance. Through participation in the BBC Breathing Places Campaign, community links have been built with local businesses, organisations and schools. Junior library members read 1,650 books for the very first summer reading scheme in 1999, and over 5000 for last summer's 'Royal Skandia Big Wild Read'.

I am sure that Members will agree that we have made some very positive steps forward to promote civic pride within the District.

As usual, the Chief Financial Officer, and the staff under his control, have continued to maintain Onchan's excellent record for control of all financial matters and have ensured virtually 100% collection of all income.

I am pleased to note that the average annual rise in the Onchan District Rate over the past 12 years has been just **5%**, but it is quite clear that within this period the Rate has been very volatile and has often been set to react to short-term circumstances. For example, from 1997 to 2001 the annual increase was only 2%, in 2003 it was **23%**, and in 2004 it was actually **reduced by 7%**.

This is not good planning and such fluctuations do not provide for financial stability or good governance of the Authority. We have therefore prepared a draft 4-year financial plan that will ensure prudent management of the Rate Fund and will look to the future to ensure that we can continue with affordable growth and that there are no sudden surprises.

It has, of course, been necessary to provide for anticipated wage and salary increases, higher than inflation increases in fuel, electricity and other public utility costs, and inflationary increases for other cyclical expenditure.

It is our intention, within the life of the next Board, to reach a long-term position whereby we can reasonably expect and, I hope, accurately forecast, that the rates will increase by no more than inflation in each year.

To achieve that position requires us to set a rate above inflation for this coming year. It has been a difficult decision to make, but this strategy has been the subject of detailed scrutiny and long debate by individual Committees and by the Board, and it has received the approval of the Minister for Local Government.

Chairman, before I conclude my report, on behalf of my fellow Commissioners and myself I would like to express our grateful appreciation to all of the Authority's staff for their endeavors during this past year.

Mr Chairman, the total agreed rate-borne expenditure estimated for the year to 31st March 2008, is one million, nine hundred and fifty four thousand, seven hundred and thirty five pounds (£1,954,735) and we will

have a general reserve at the end of the current financial year carried forward at the 1st April 2008 in the sum of four hundred and nine thousand, nine hundred and ninety eight pounds (£409,998). It has been agreed to seek to transfer fifty thousand pounds (£50,000) of this sum to our reserves for the replacement of refuse vehicles.

It has been proposed that we estimate for a general reserve at the end of the 2008/09 financial year in the sum of two hundred and twenty seven thousand, seven hundred and ninety nine pounds (£227,799).

In order to achieve all of the agreed expenditure, and to establish a firm foundation for Onchan's financial stability during the next four years, it is necessary to levy a rate of 262p in the pound, an increase of 22p or 9% over the current year's rate.

I therefore propose Mr Chairman, that a rate of 262p in the pound be levied by this Authority for the 2008/09 financial year."