

# ONCHAN DISTRICT COMMISSIONERS



## **REPORT BY THE CHAIRMAN OF THE POLICY AND FINANCE COMMITTEE ON THE FINANCIAL YEAR TO 31<sup>st</sup> MARCH 2007 AND THE ESTIMATES FOR THE YEAR TO 31<sup>st</sup> MARCH 2008**

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**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 31<sup>st</sup> March 2007 and on the estimates for the forthcoming year to 31<sup>st</sup> March 2008 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.

You will recall that last year we were able to set a rate of 229 pence in the pound, prudently continuing with our policy of steady growth.

The major projects undertaken during this financial year include the provision of a mezzanine floor at the Refuse Vehicle Garaging facility at Snugborough, the upgrading of the children's Jubilee playground at Birch Hill Park, a major refurbishment of the Legion Hall, amenity improvements in Nursery Avenue, and phase one of the provision of disabled facilities at the Youth and Community Centre.

New financial management software has also been introduced at Hawthorn Villa and this will be fully implemented for the coming financial year.

In addition there have been a number of smaller scale projects such as the renovation of the crazy golf at Onchan Park.

During 2006, our long-serving Chief Financial Officer, Mr. Tony Booth, retired after 13 years service to the Authority and, in addition, both our Clerk and Deputy Clerk left the Authority to take up opportunities elsewhere. The recruitment of our new Clerk, Deputy Clerk and Chief Financial Officer has taken place although, inevitably, there has been a period of adjustment both for staff and Members as a result.

**In many respects it has been a satisfactory year financially with higher than anticipated income being received from a number of sources and less than anticipated expenditure under a number of headings.**

**The surplus in the general rate fund brought forward on the 1<sup>st</sup> April 2006 was £409,435 and it is estimated that the surplus at the end of the financial year to be carried forward to 2007/08 will be in excess of £194,000 after transferring £50,000 to Revenue Reserves.**

Turning to the year ahead, a number of major projects are about to commence and these will continue to progress throughout the year. These include refurbishment works to Port Jack Glen, where we are relining the existing stream, the replacement of the workshop and store building at Pennington Hall in Marion Road with a new purpose built facility for the Parks Department, and the construction of an all-weather sports arena at the School Road playing fields.

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

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 endeavours during this past year.

I would also specifically like to express my thanks to Mr Colin Clague, our Chief Financial Officer, and the staff under his control, for their work during the year. Mr Clague has continued to maintain Onchan's excellent record for control of all financial matters and, together with his staff, has ensured virtually 100% collection of all income.

Mr Chairman, the total agreed rate borne expenditure estimated for the year to 31<sup>st</sup> March 2008, is one million, six hundred and ninety seven thousand, four hundred and thirty one pounds (£1,697,431) and we will have a surplus at the end of the current financial year carried forward at the 1<sup>st</sup> April 2007 in the sum of one hundred and fifty eight thousand seven hundred and eighty five pounds (£158,785).

It has been agreed to seek to transfer fifty thousand pounds (£50,000) to revenue reserves.

It has been proposed that we estimate for a surplus at the end of the 2007/08 financial year in the sum of one hundred and eight thousand, seven hundred and eighty five pounds (£108,785).

In order to achieve all of the agreed expenditure it is necessary to levy a rate of 240p in the pound, an increase of 11p or 4.8% over the current year's rate.

I therefore propose Mr Chairman .....

**“THAT A RATE OF 240p IN THE POUND BE LEVIED BY THIS AUTHORITY FOR THE 2007/08 FINANCIAL YEAR.”**