

## 2013-2014 Budget in Brief

24<sup>th</sup> January 2013

Rate levy increased by 2.1% to 395p for the 2013-2014 financial year.

Council Leader, Mr Councillor D W Christian, JP, says budget 'balanced, responsive and realistic' achieved 'against a background of uncertainty at home and abroad.'

Council committed to £24.34 million of capital schemes, of which more than £2.79 million to be funded by reserves and capital receipts, saving loan charges and reducing rate burden.

First budget after Council adopted formal Constitution on 1<sup>st</sup> May 2012 and after eight new Members elected in April 2012.

### **Council Leader's Annual Review and Presentation of the Budget – key points:**

Economic background – abroad:

- Eurozone turmoil as Greece, Spain and Portugal suffer impact of global rebalancing;
- UK economy sluggish. 1% growth anticipated in 2013.

Economic background – at home:

- Continuing impact of changes to VAT-sharing agreement with UK sees Manx economy losing around £200 million p.a. in revenue;
- Business and investment confidence subdued.

Isle of Man political background:

- Political landscape coloured by Government's agenda for change. Council Leader calls for '**authority for authorities**';
- Government to phase out Manx local authorities annual £5.7m waste subsidy. Department of Infrastructure imposes 64% rise in gate fee charges effective 1<sup>st</sup> April, 2013. By April 2018 the increase will be 360% compared to current charge.

Fiscal strategy:

- Prudent use of reserves for capital schemes;
- Investing to save: maintaining viable and consolidating potentially burdensome assets.

Towards a leaner, fitter Council:

- Year-on-year reductions in overtime achieved. Deletion of seven posts leads to savings of £167,930;
- Housing and property teams restructured;
- Reductions in fleet and plant. Renewal and replacement schedules subject to regular review;
- New website offers increased self-service functionality.

Reserve-funded capital schemes:

- £521,720 for Crematorium upgrade;
- £210,290 first-year loan costs for Lower Douglas regeneration project at Cambrian Place;
- £150,000 refurbishment of Hutchinson Square;
- £80,000 upgrade to Ballaughton nursery greenhouses' heating system. (£30,000 p.a. savings in fuel bills estimated).

Housing:

- Phase 2 of Upper Pulrose commenced, comprising 39 units;
- Work to commence in June 2013 on 28 sheltered housing units at Upper Pulrose Phase 3;
- Continuing planned maintenance programme across all housing stock.

Towards a cleaner, safer, greener Douglas:

- £351,000 to be invested in public street lighting;
- Enforcement action to be stepped up to combat littering, dog fouling and derelict properties;
- Waste management operation streamlined to take advantage of economies of scale;
- Drive to encourage more households to subscribe to kerbside recycling service.

Regeneration:

- Next phase Duke Street from Victoria Street to Strand Street, Regent Street and Drumgold Street to begin March 2013;
- Council Leader seeks commitment from Government to ring fence funding for the whole of Strand Street and looks for support to extend the scheme to include Castle Street.

**Full Annual Review and Presentation of the Budget may be viewed and downloaded at [www.douglas.im](http://www.douglas.im).**