

BUDGET 2012-2013 IN BRIEF

27th January, 2012

Douglas Borough Council sets standstill rate levy of 387p for the 2012-2013 financial year in a move to 'navigate the town through economic turbulence to long-term prosperity.'

Rate determined after scrupulous review of all committees' budgets and 'prioritising the necessary over the aspirational'. More than £523,000 identified in savings.

Council Leader Mr Councillor D W Christian, JP. Annual Review and Presentation of the Budget – key points:

Economic background - abroad:

- Global economic uncertainty;
- Volatile markets;
- Instability in the eurozone;
- Concerns over Europe's financial prospects.

Economic background - at home:

- Continuing impact of reduction in VAT-sharing agreement income;
- Increases in energy and fuel costs;
- Struggling commercial and retail sectors;
- Reduced consumer and business confidence;
- Sovereign rating reduced from AAA to AA+.

Principal factors determining fiscal strategy:

- Further reductions in government funding. Domestic waste subsidy £83,000, street cleansing, £9,000;
- Continuing impact of VAT rise to 20 per cent;
- Energy and fuel price increases. Vehicle fuel cost £11,350;
- Reduced car park income forecast down by £47,940;
- Reduction in building regulations income £18,800;
- Estimated Market Hall rental decline of £12,860.

Pay awards:

- Council Leader supports government's call for wage constraints. Warns: 'Days of a job for life are gone.'

Savings through 'far-sighted' budgeting:

- Employment efficiencies - £118,470;
- Wages and costs of vehicles - £57,250;
- Overtime savings across all services - £22,000.

Building for the future:

- £12.7 million redevelopment of Cambrian Place site. Project set to kick-start Lower Douglas regeneration. Site to provide:
 - 460-place multi-storey car park;
 - New premises for Henry Bloom Noble Library and ICT function;
 - Public conveniences.
- Continuing investment totalling £17.6 million in new housing in Pulrose;
- Continuing Council funding support for town centre regeneration.

Environment:

- Council's reformed waste management service:
 - Kerbside collection service fully integrated;
 - Savings through new structure;
 - Operation becomes shared service with Braddan Commissioners.
- Kerbside and recycling website launched - <http://recycle.douglas.gov.im>;
- Street lighting replacement programme of £350,000;
- Revised and re-invigorated Douglas Community Safety Partnership. Douglas model may serve as template for partnerships Island-wide;
- 2012 Big Tidy Up all-Island Challenge scheduled for September 2012.

Full Annual Review and Presentation of the Budget may be viewed and downloaded at www.douglas.gov.im.