



RAMSEY TOWN COMMISSIONERS

STATEMENT ON TOWN RATES FOR 2013/2014

INTRODUCTION

Central Government and Local Authorities are facing considerable challenges in responding to the Island's fiscal position and the Ramsey Town Commission has had to consider very carefully its budgets and services in order to meet the challenges facing the Island due to the changes in the UK VAT sharing agreement.

In preparing its 2013/2014 estimates the Commission has sought to absorb the impact of inflationary increases for the forthcoming year whilst retaining funding for priority works. A conscious decision has been taken to reduce reserve balances retained for cash flow in the first quarter of each financial year, with a credit balance of £760,807 (111.26p) anticipated for the year ending 31st March 2013 [£650,251.00 in 2012] and a credit balance of £457,982 (66.98p) estimated at 31st March 2014. The Commission will continue to apply great rigor in the management of expenditure.

The total net rateable value utilised in fixing the Town Rate for 2013/2014 is £683,804; an increase of £5,225 (0.77%) on the previous year. Growth in the Town's rate base (total rateable value) continues to lag well behind inflation. Without growth in rateable values, which can only result from development, the burden of inflation increases and all of the transferred costs or increased charges applied by Government must be met by existing ratepayers.

Provision for rates discounts, for payment on or before 30th June, 2013, of 5% of rates paid by that date, has been made in the sum of £82,000 (11.99p) in accordance with the provisions of the Rating and Valuation Act 1953. The Commission continues to believe that the provision of a discount for prompt payment should be discontinued and that interest should be charged in respect of late payments.

The Commission has made provision to increase average loan charge interest rates by 25 basis points in anticipation of the possible reduction in the Island's credit rating from AA+ to AA due to the expected loss of the United Kingdom's AAA rating. A figure of 3.10% has been used to allow for inflation during the new financial year, except for energy prices for which a 10% assumption has been made.

TOWN AND VILLAGE REGENERATION SCHEME

The Commission continues to work closely with members of the Ramsey Local Regeneration Committee, the Members of the House of Keys for Ramsey and the Ramsey Chamber of Commerce, to progress the development of regeneration initiatives within the Ramsey Town Centre.

The second phase of regeneration work has progressed well, and is scheduled for completion in May this year. The regeneration works have already brought considerable improvements to the street scape in the vicinity of the Courthouse, and it is hoped that these works will continue to improve the environment within the town centre making it a pleasant and enjoyable place for residents and visitors.

To support the regeneration work and improve the visitor experience provision is made to refurbish the public toilet facilities at Market Square, and also those adjacent to the Lakeside Centre, Mooragh Park.

In conjunction with the regeneration initiative, the Commission will continue to target the condition of private property, utilising powers vested by the Local Government (Miscellaneous Provisions) Act 1984 and the Building Control Act 1991. Financial provision of £10,000 is again made in the forthcoming year against default works that may be necessary to privately owned property. Although the Commission will be seeking to recover all costs incurred, it is considered prudent to budget for this expense as recovery of cost may not occur in the year of expenditure.

TOWN HALL AND OTHER PROPERTY

The Town Hall and Library continues to be used regularly by many organisations for events, presentations and training courses. It continues to be a highly practical and popular venue within the Town. The Age Concern Computer Drop-In Centre and Lifelong Learning Centre continue to operate and are well supported by local residents and visitors. The Commission is pleased to work in partnership with Age Concern to contribute towards the bridging of the "digital divide". The library is also serviced by a wireless internet "hot-spot" enabling users with wireless enabled laptops to obtain free access to the internet within the library area. The Commission will continue to review services provided through the public library ensuring that those services are relevant and proportionate to the current and future needs of the community and delivered in a fashion which provides value for money for ratepayers.

The Ramsey Civil Registry and the Coroner for the Sheadings of Ayre and Garff are located in the Town Hall. The Commission recognises the opportunity to broaden the range of services able to be delivered locally to the community of Ramsey and the north. The new police office is now established within the Town Hall premises and has resulting in much closer liaison and better communication between the Commission and the Police.

The Members of the House of Keys for Ramsey continue to hold a monthly political surgery in the Town Hall on the second Saturday of each month. The Commission will continue to encourage functions and displays with a view to maximising usage of the Town Hall facilities.

LOCAL AUTHORITY HOUSING

The cost of public sector housing provision continues to be met by Government through the provision of 100% housing deficiency grant payments. For the rate year 2013/2014 the projected deficit on the Commission's housing, based on the capital programme in place at the time of rate setting, is estimated at £1,274,633, this is equivalent to £2,284 per house for the year, or £43.93 per week for each of the 558 tenanted properties in Ramsey at 1st February 2013.

The Department of Social Care has recently announced changes, approved by the Council of Ministers, in the way that public sector housing rents are calculated. Public sector rents have been calculated using a pointing formula that was considered outdated and which failed to capture the effects of the substantial investment and improvement that has been achieved in public sector housing in recent years. The Department has revised the formula to take account of this investment, including highly valued amenities such as off road parking, large private gardens, and the amenity value provided by new build housing and major refurbishment. In addition the Department has advised that public sector rents will increase by 1.8% for 2013/2014.

For Ramsey Town Commissioners houses this repointing has resulted in an average rent increase of 11.69% across our stock: when added to the approved inflationary increase above, this results in an overall average rent increase for the coming financial year 2013/2014, of 13.49%. However, the scope of increase is very wide ranging from 1.77% to 35.73%. These revisions are calculated according to the age, size and amenities of the individual property. The Commission has one complex, awaiting redevelopment, where the pointing revision has resulted in a reduction of 4.78%, after the application of the inflationary increase.

The Maintenance and Administration Allowances permitted to be applied by authorities have been frozen at 2012/13 monetary levels without any allowance for increased rent income or provision for inflation. The Commission believes that reducing the percentage of rental allowed for the on-going maintenance of properties is storing up trouble for the future. Reducing maintenance will eventually and inevitably lead to the sort of major capital projects that have been necessary in recent years.

Current waiting lists for accommodation in Ramsey, as at 1st February 2013, show a total of 131 applicants in varying need of first tenancies (124 in 2012). 28 tenants are seeking transfers to alternative accommodation (32 in 2012). During the period 1st January, 2012 to 31st December, 2012, 26 properties (29 in 2011) were let to new tenants and 35 transfers of tenants to alternative properties (41 in 2011) were completed. There were no inter-authority transfers.

HOUSING DEVELOPMENT & REFURBISHMENTS

The contract for the redevelopment of the Lezayre Housing Estate, and remedial works which followed the contract, have now been completed and the new housing is fully occupied.

The Department of Social Care continues to promote a programme of kitchen replacement to public sector housing, focusing on older housing stock to bring the kitchen/dining facilities up to modern standards. This work is being carried out under the umbrella of an all-Island Kitchen Framework Agreement that is being managed by the Department. This aims to take advantage of economies of scale to carry out a large number of similar refurbishments. During the coming year it is intended that work to the kitchens in 152 properties will be initiated, subject to approval.

Housing at Mayfield and Close Woirrey estates is being assessed for possible appropriate redevelopment, along with redevelopment of the existing bus station site, in partnership with the Department of Social Care and the Ramsey and the Northern Districts Housing Committee, within a wider development programme. A sum of £8.3 million has been identified in the projected Capital Expenditure for Local Authority and Sheltered Housing, in connection with such future redevelopment.

The capital programme for housing works in Ramsey up to 2018 is shown in the following table:-

	Total Est Cost	Probable to 31.3.13	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	Further expend
Planned Maintenance Programme	5564665	2613723	180942	900000	1370000	300000	200000	0
Lezayre Estate redevelopment		0						
Phase 1 Redevelopment	7429000	7429000						
Phase 5 Redevelopment	4489000	4489000						
Albert Road School Demolition	150000	150000						
Close Woirrey Apartments	1400000	10000	80000	100000	100000	600000	460000	50000
Bus Station Site Apartments	2500000	10000	100000	100000	440000	1800000	50000	
	21532665	14701723	360942	1100000	1910000	2700000	710000	50000

Planned maintenance works for the coming year include the replacement of fascias, gutters, and rainwater goods at Close ny Mooragh. Further schemes are presently being considered and developed in conjunction with the Department of Social Care in relation to improving the external envelope of some of our older properties which are showing signs of damp penetration. The scope of such works may include re-roofing; re-rendering and dashing, or the application of external weatherproof coatings; and possibly the demolition of chimney stacks. The Commission continues to review its housing stock by way of an annual survey which is used to inform and update the forward maintenance programme; this process has formed a model now being adopted by other housing authorities as best practice throughout the Island.

SWIMMING POOL CONTRIBUTION

A sum of £17,000 has been included in the estimates as the Commission's contribution towards the cost of Northern Swimming Pool, which is administered by the Northern Local Authorities Swimming Pool Board. This amount equates approximately to the product of a 2.5p rate paid by each of the constituent local authorities within the regional combined swimming pool board areas. These provisions are distinct to regional facilities; no contribution is made by any of the authorities within the eastern catchment served by the National Sports Centre.

REFUSE COLLECTION

The Department of Infrastructure has advised of the new gate fee charge for domestic and commercial waste at the Energy from Waste Plant and Wrights Pit North.

With effect from 1st April 2013 domestic waste will be charged at £57.35 per tonne and commercial waste charged at £130 per tonne. The Department has also advised that the gate fee for domestic waste will increase by £21 per tonne per annum plus the indexation charge levied by SITA for the previous year which for 2012 was 2.42%.

The table below details the gate fees for the next 6 years (subject to indexation).

Effective from	Domestic waste per tonne	Commercial waste per tonne
1 st April 2013	£57.35	£130
1 st April 2014	£78.35 (+Indexation)	£148 (+Indexation)
1 st April 2015	£99.35 (+Indexation)	£160 (+Indexation)
1 st April 2016	£120.35 (+Indexation)	£160 (+Indexation)
1 st April 2017	£141.35 (+Indexation)	£160 (+Indexation)
1 st April 2018	£161.35 (+Indexation)	£161.35 (+Indexation)

The Commission's rates estimates for the forthcoming year include domestic disposal charges totalling £157,700 (£100,200.00 in 2012/13), equivalent to overall arisings of 2748 tonnes at £57.35 per tonne, a 23p in the £ rate. This represents a rate increase of 8.04p in the £ over the current provision which has been allowed for within the rate setting for 2013/14 rate year.

Tonnage charges for commercial waste are presently passed onto to producers this arrangement will continue increasing the cost per tonne for disposal to £130.00 per tonne charged by weight.

For 2013/14 the Commission will continue to use the arrangements that were introduced following a review of refuse collection services, and which have proved to be very successful. However the Commission has also entered into dialogue with the Clerk of the Northern Refuse Collection Board to establish any means of co-joined working which could enable both authorities to reduce collection and transportation costs and improve efficiency.

REFUSE COLLECTION...continued

In the light of the projected increase in charges over the next 6 years a further review of the charge process for domestic refuse will be undertaken. The opportunity will be taken to review commercial charges for collection to ensure that they are appropriate for the service provided.

A new refuse vehicle is to be ordered later this year to replace a vehicle that it is no longer cost effective to retain in the fleet; the new vehicle will be leased over a 5 year period to spread the cost over the life of the asset and reduce the impact on the rate account.

The Town's annual contribution made towards the operating costs of the Northern Civic Amenity Site at Balladoole has risen due to increased disposal charges. Provision is made for a contribution of £117,315 (£97,000 in 2012/13) an increase of £20,315 or 20.94%, the Town contributing approximately 52% of the annual running costs of the facility. The site is visited by between 5,000 and 6,000 users per month, compared to 2,000 per month at the former Ballacallow site, and despite this greater through put there has been no increase in the tonnages of waste to be disposed of.

DECORATIVE AND STREET LIGHTING

The Manx Electricity Authority has identified an undergrounding scheme at Richmond Grove programmed to take place during the 2013/2014 year. Whilst the majority of street-lights are on columns, as part of this scheme, provision is made to install new street light columns and heads, where needed, at a cost of £8,000.

Maintenance of the existing street lighting infrastructure within the Town is on-going and improvements aimed at reducing the running costs of the system are being investigated. The Commission has successfully completed a scheme to assess the benefits of new generation LED lighting heads, at Brookfield Crescent; these will be adopted on future new lighting schemes.

Options are being investigated as part of the second phase of regeneration within the Town into the provision of low energy street lighting within the area around the former Courthouse Building. As part of the regeneration works, decorative lighting enhancements in this area are also being investigated.

STREET CLEANING

The Commission was disappointed that proposals for Ramsey Town Commissioners to provide street cleaning duties throughout the Town did not proceed despite a favourable initial response from the Department of Infrastructure Highways Division.

Street Cleaning within the Ramsey continues to be undertaken by the Department of Infrastructure utilising staff employed by its own Works Directorate. The Commission remains of the view however that the service would be better provided, and more responsive to community needs, if it were to be managed locally, something that as occurs in other large towns and villages.

PARKS PLAY AREAS AND OPEN SPACE

A scheme to resurface the Mooragh Park driveway has been completed over the winter months. The original programme was delayed avoiding the undertaking of construction works during the summer months. The completed works have been well received and further enhance the appearance of the Mooragh Park befitting its status as the Island's best outdoor family and visitor recreation area. These works have also enabled some enhancement of the existing landscaping adjacent to the carriageway to be carried out. A specific sum of £10,000 is provided for a fifth year towards improvements to the woodland pathways running through the brooghs. Previous works have been well received and have greatly improved the amenity of the area.

The Commission's Head Gardener continues to introduce a wider variety of sustainable planting aimed to reduce day to day maintenance whilst retaining attractive displays.

The Commission undertakes weekly inspections of all play areas and play equipment. An annual inspection by independent specialists is also undertaken to ensure that equipment remains compliant with relevant safety standards and fit for use. The play areas and adult exercise equipment continue to be well used and the on-going investment in maintenance and upgrading ensures that they are amongst the best available on the Island.

STAFFING AND ADMINISTRATION

On 31st March 2013 the Sewer Agency Agreement, under which the Commission undertook sewerage works within the town, will cease. From that date all sewerage works will be the full responsibility of the Isle of Man Water and Sewerage Authority. Two members of staff will transfer to the Authority and the Commission would like to place on record its appreciation of the excellent work carried out by these men over many years. The Commission will be reviewing its direct workforce structure and the manner in which services are delivered having regard to uncertainties which exist in relation to changes which might result from the Scope of Government Report.

The Commission's staff of both full and part-time employees is the equivalent of 41.69 full time employees at 1st April 2013. The Commission will continue to review any posts released through the resignation or retirement of existing staff with a view to absorbing duties within existing staff resources where possible

RATE SETTING

Having regard to the aforementioned the **Ramsey Town Rate for 2013/2014 has been set at 348p** in the pound, an increase of 6p in the £, or 1.75% over the 2012/2013 rate. A summary of the net estimated cost of the main services and facilities provided by the Ramsey Town Commission is attached to this Report.

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