



Isle of Man
Government

Reiltys Ellan Vannin

**ISLE OF MAN GOVERNMENT
ANNUAL REPORT 2011
ON THE
GOVERNMENT STRATEGIC PLAN 2007 - 2011**

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FOREWORD BY THE CHIEF MINISTER

Due to the change of date of the General Election, this is an interim annual report and final of the current Government; it is an opportunity to reflect on the challenges of the past five years and the progress made in responding to them during the past year.

Without doubt the major task faced by this Government has been dealing with an unprecedented 'double whammy' of shocks to the system emanating from outside the Island.

The collapse of the Kaupthing Singer & Friedlander (KSF) bank in the autumn of 2008, and the United Kingdom's move to revise our VAT revenue sharing arrangements one year later, both followed on from the seismic upheavals of the global financial crisis.

The crucial challenge for the Isle of Man Government has been to manage these issues appropriately, in a way that maintains the business and economic confidence that is so vital for the future of our Island. At the same time we have not lost sight of domestic priorities, particularly the provision of support for the most vulnerable in our community.

The outcome of the KSF situation is better than might have been expected, and 75% of depositors have received all their money back. The predicted final distribution is between 91 and 97 pence in the pound.

As I have confirmed elsewhere, discussions continue in respect of the VAT revenue sharing arrangements. Government has taken a measured approach to this matter, in order to minimise disruption to the local economy, but significant progress has been made in curtailing Government expenditure.

Savings for the year 2011/12 were £11 million more than the original £40 million target, with staffing costs cut by 8% or £26 million, but spending on health and benefits was increased.

The restructuring of Government in April 2010 is at the heart of ensuring that we are prepared to meet the challenges ahead and, that we are more efficient and effective in what we do, and, The Transforming Government programme is moving ahead with initiatives to increase efficiencies, achieve better value for taxpayers' money, and improve the delivery of services to the public, putting the 'Customer First.'

Government has also been forward looking and investing in a number of other important areas, taking action that will bring benefits in the future.

The regeneration of our town and village centres, which is gathering pace, will enhance the quality of life as well as help stimulate local economies in communities around the Island.

Gas supplies for thousands of homes will be safeguarded through Government's investment in extending the Island's natural gas network to the regions, which is scheduled to be completed by 2012.

The reform of public service pensions will secure decent pensions for staff while making the system simpler, less costly for the taxpayer, and importantly bringing such pensions under local control.

The new Department of Economic Development, the centrepiece of the restructuring of Government, will continue to spearhead a renewed drive to generate more business for the Island.

The protection and development of the economy remains an overriding priority for both the Government and people of the Isle of Man. Without a healthy economy we would not have the jobs, incomes and public revenues that are so fundamental to our standard of living and quality of life.

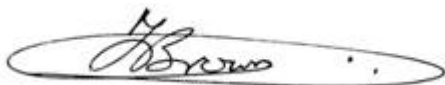
The fact that the Island has avoided going into recession in the last few years and that our economy is still growing, with an estimated real growth rate of between four and five per cent in the last financial year, is a strong indication that the Island has indeed been successful in maintaining business confidence while dealing with a wide range of internal and external challenges.

There is, as ever, no room for complacency in considering the future, and inevitably further problems lie ahead of us. However, experience shows that the resourcefulness, resilience and community spirit of our nation will always find ways in which the Island can flourish.

I would thank all who have worked tirelessly within Government over the life of the present Government, working to safeguard services, create opportunities, modernise practices and helping us overcome many difficult and demanding issues which have affected us both on and off Island.

It is the job of Government to do what is best for the Isle of Man as a whole, taking into account the longer-term as well as the short term. I believe that this Government has been responsible, realistic and honest in facing up to the unprecedented challenges of the past five years as well as planning for our future.

We have much to be optimistic about, and I hope that the changes this Government has put in place will help to secure a good future for all the people of our Island.

A handwritten signature in black ink, appearing to read 'J A Brown', enclosed within a simple, hand-drawn oval border.

Hon J A Brown MHK
Chief Minister

GD 0029/11



ISLE OF MAN GOVERNMENT

ANNUAL REPORT 2011

To: The Hon. Noel Q. Cringle OBE MLC, President of Tynwald, and the Honourable Council and Keys in Tynwald assembled

PART ONE

1.1 GOVERNMENT'S AIMS AND OBJECTIVES

STRATEGIC VISION: The Family and the Community

The Government Strategic Plan presented to Tynwald in October 2007 states that the overall strategic aim of Government is:

“To protect and promote the well-being of the family and provide for the economic and social inclusion of all the Island’s community”



The Isle of Man is a unique place in which to live and work. It provides a safe environment for the family and the community to live and for business to prosper and flourish. The Council of Ministers has determined that the overall aim of this Government is *to protect and promote the well-being of the family and provide for the economic and social inclusion of all in our community.*

The Council of Ministers has further determined there are four main strategic themes which all contribute to achieving that overall aim and it is on those four strategic themes that this Government will focus its policy priorities.

Those four strategic themes are:

Income, Employment and the Economy

Policy: To raise the standard of living of all the people of the Island through the ongoing development of a successful economy and the sharing of its benefits with all in our community

Government Spending and Revenues

Policy: To raise revenues and allocate resources for the provision of services in a way that:

- meets the needs of the community
- ensures that people are healthy and secure
- assists those most in need
- distributes the benefits of economic growth

Legislation and Regulation

Policy: To introduce and enforce legislation and regulations which provide for the protection, safety and personal development of the individual whilst minimising the burden of compliance to employers and the community at large

Quality of Life

Policy: To continue to give people the freedom and opportunity to live and prosper in a safe and caring community, whilst protecting the Island's unique natural and cultural heritage and way of life

This final Annual Report on the Strategic Plan highlights Government's achievements and progress during the past twelve months with regard to these four main policies.

1.2 THE ECONOMY

Overview

- 1.2.1 The aftershock of the global financial crisis has continued to resonate over the last year, in both the financial world and the real economy, and although there are good signs of recovery in the world's leading economies, levels of household, corporate and government debt generally are such as to impose limitations on the speed of recovery and future growth.
- 1.2.2 The last twelve months has seen differing degrees of recovery in the economies most severely affected by the global financial crisis, whilst the emerging economies, whose pace of development stuttered rather than halted, have posted even higher rates of growth. The IMF has put real global growth at 5% in 2010 and is now forecasting real growth of 4.5% in 2011 and 2012. In terms of where the forecasted growth is going to come from, the IMF talks in terms of there being a 'two-speed' recovery and sees growth in emerging and developing economies being at the fore (at 6.5% p.a. over 2011 and 2012), with the USA achieving growth of 2.8% p.a., but the eurozone coming in at just 1.7%. Taken together it sees the advanced economies expanding by a sluggish 2.5% p.a.
- 1.2.3 In Europe, strains in the eurozone are constraining growth prospects. In the heavily indebted Member States of Greece, Portugal and Ireland enforced corrective fiscal measures are deflating already weak economies. In the stronger economies, their financing of the sovereign debt guarantee package, initially established to deal primarily with the risk of default by Greece, is creating political resistance. There is little prospect of these tensions diminishing in the short term, since the imbalances between eurozone economies are a fundamental consequence of when a common currency comes under stress. The recent actions of the European Central Bank in raising interest rates can only exacerbate the situation and put further question marks against the euro system in its present form.
- 1.2.4 In the UK the new government's fiscal programme has put sufficient downward pressure on growth to delay any tightening of monetary policy in the form of a base interest rate increase.

- 1.2.5 Despite the spare capacity in the UK economy there is intensifying concern over inflation. The now most commonly quoted annual inflation measure, using the Consumer Price Index (CPI), is 4.5%, compared to an average EU rate of 2.7%, and a Bank of England target of just 2%.
- 1.2.6 The Island's own inflation situation mirrors that of the UK. The Island is heavily reliant on the United Kingdom for its imports of consumer goods, so if expectations of falling inflation for the UK later in 2011 and into 2012 are borne out then we can anticipate the same trend for the Island. Global commodity prices will continue to be key.
- 1.2.7 As at May 2011 the Island's Retail Price Index (RPI) inflation rate stood at 6.3% and the CPI rate at 5.9%. Although housing costs were relatively stable over the year, fuel costs rose 12.7% and food prices rose 9.2%.
- 1.2.8 The Island under its Customs and Excise Agreement with the United Kingdom is obliged to follow changes in UK VAT and excise duties. Accordingly another factor in the inflation calculation (estimated at having added around 1.5% to RPI) has been that of the impact of the changes to VAT from 15% to 20% since the start of 2010.
- 1.2.9 House prices on the Island have remained virtually unchanged over the last twelve months. In the twelve months to the end of March this year the average price of a house sold on the Island was £291,628. But sales volumes are markedly down, running at below half their level before the onset of the global crisis.
- 1.2.10 Unemployment on the Island fell virtually throughout 2010 and despite rising over the winter months of 2010/11 numbers have fallen again such that at the end of May the unemployment rate was back to below 2%. Employment has increased by an estimated 550 over the year. These figures provide a testimony to the continuing resilience of the local economy in the face of tough market conditions and to the Island's success in developing new sectors less affected by current global financial issues.

- 1.2.11 What job losses there have been in the past year have occurred principally in the construction and retail sectors, with the primary, export-earning sectors of the economy relatively unaffected in net terms.
- 1.2.12 Employment costs on the Island have generally been contained in the last year. The latest figure, from the Treasury's 2010 Earnings Survey, showed that average earnings from employment had increased by 3.4% over the 12 months to June (compared with a rise in the cost of living over the same time period of 5.3%, as measured by the RPI). Private sector wage settlements continue to be modest, whilst the public sector is in the second of a two year freeze on pay.
- 1.2.13 Despite continuing global economic uncertainty and sluggishness the Island's financial services sector has continued to perform well:
- Total deposits held with the Island's banks have held up well, falling just 1.4% in 2010, which compares favourably with the scale of decline in certain other jurisdictions.
 - The life insurance industry has ridden the global recession well. The sector has seen impressive growth over the past 12 months. There are 15 life companies registered on the Isle of Man, and while the majority of business continues to come from the UK, Isle of Man Life Offices have expanded internationally over recent years with offices in Lebanon, Dubai, Abu Dhabi, Qatar, Singapore and Hong Kong with other jurisdictions also being targeted. Premium income figures for 2010 of £8.57 billion show an increase in new business levels on 2009 of 49%, with funds under management up 19% to £49 billion. Stock market performance as well as business retention has meant that total funds under management in the life sector have risen and figures are very much improved on 2009.
 - The pensions industry on the Isle of Man continues to grow. At the end of 2010 there were a total of 1,360 IOM pension schemes registered with the Island's Insurance and Pensions Authority, up 5% on the previous year. Of these schemes, 664 are International Schemes. The overall number of schemes administered from the Isle of Man is, however, much greater than this as these figures do not include International Schemes operated by the major life insurance companies for which there is no requirement for registration.

- 1.2.14 The Isle of Man manufacturing sector continues to sustain its position within the global supply chains it serves, despite significant pressures from lower cost economies and rising commodity costs. In terms of the Island's leading manufacturing operations, overall sales and orders are continuing at or around year to date plans and investment in new plant and machinery continues across key subsectors such as aerospace.
- 1.2.15 The e-gaming sector has continued to flourish. The Island now has 25 licence holders, with 10 other applications approved. Job creation in e-gaming has been strong over the last year and employment in the sector is now estimated at over 600.
- 1.2.16 The shipping register shows increased activity in the majority of vessel types, in particular commercial ships, where significant tonnage has been added in the last twelve months. There has been a high level of activity in terms of ship registry transactions (re-mortgaging, de-registrations, registrations, name changes, and registry transfers). In the first quarter of 2011 alone, a total of 21 vessels were added to the register, of which 18 were ships or yachts operating commercially. Illustrating the wider benefits to the Isle of Man economy, to service these additions:
- 5 new ownership companies have been set up in the Isle of Man;
 - 24 mortgages have been arranged through Isle of Man advocates; and
 - 15 vessels have contracted Representative Persons on the Isle of Man.
- 1.2.17 The Island's aircraft register also continues to expand and now has over 360 registered aircraft, making it the eighth largest business jet register in the world.
- 1.2.18 Treasury has provisionally estimated the Island's economic growth in 2010/11 at around 4.5% in real terms. This means the Island's economic performance was in line with that anticipated in Government's central planning assumptions. Forecasting the future for any economy is uncertain, given the numerous factors that help to shape it. It is even more difficult in the case of an economy such as our own — small, economically insignificant, dependent on external trade, and without the full range of policy levers that could otherwise be used to help shape it; in other words an economy that will be critically subject to events, decisions and circumstances beyond its control and even beyond its influence. There is also now the added unknown of the economic impact of the fiscal rebalancing exercise commenced in

2010. But if expectations of continued recovery in the UK and further afield are fulfilled then Treasury would anticipate 2010/11 growth being exceeded in 2011/12, on the back of strong export performance. Only continuing success in the primary, export earning sectors of the economy will provide the stimulus to those parts of the domestic economy such as construction and retailing which are currently witnessing depressed levels of demand.

1.3 POPULATION

1.3.1 The Population Census of April 2006 enumerated the Island's resident population at 80,058. This represents an increase of 3,743 (or 4.9%) since 2001. The results of the Population Census conducted this year will be available later in the year and will provide comprehensive and invaluable demographic statistics. The current best estimate is of a resident population of around 83,000.

1.3.2 The population inflow that has helped sustain the Island's economic performance has also ensured a stable Dependency Ratio (broadly the ratio of school and pre-school children plus the retired to the population of working age) at 62%. But this ratio masks the increasing number of residents of retirement age (as currently defined), after several decades of decline in their numbers. The table below shows the changing age distribution of the population between 2001 and 2006.

	2001		2006	
Age group	Number	Percentage of Total	Number	Percentage of Total
0-15 years	14,509	19.0	14,571	18.2
16-59 years (women)	47,081	61.7	49,485	61.8
16-64 years (men)				
Over 59 years (women)	14,725	19.3	16,002	20.0
Over 64 years (men)				
Total	76,315	100.0	80,058	100.0

1.3.3 It is anticipated that population expansion will continue over the next few years but at a slower rate than experienced for most of the last decade, a consequence of reduced demand for off-Island labour in a slower growing economy.

1.4 GOVERNMENT SERVICES

The Capital Programme

- 1.4.1 The general policy has remained consistent with previous years, namely that in framing the Capital Programme, the Council of Ministers will:-
- a) Fundamentally and continually assess the need, priorities, scale and required standards of all capital projects and determine an upper limit of capital spending;
 - b) Examine the scheduling of the commencement and progression of the major schemes with a view to avoiding "peaks" in the capital programme; and
 - c) Investigate and develop the means of achieving alternative methods of delivering major schemes in order to reduce the burden on tax revenue, such investigations to be initiated by the Departments involved, with advice and guidance from the Treasury as appropriate.
- 1.4.2 The upper spending limit quoted in (a) refers to actual spending, excluding Statutory Boards and Local Authority Sewerage and Housing Programmes.
- 1.4.3 In implementing its policy the Council of Ministers has particular regard at present to the level of work available to the construction industry and acknowledges that Government's capital programme has become increasingly important to many firms.
- 1.4.4 The policy remains to fund the capital programme for Government Departments without external borrowing, either from the commercial markets or from the public. The policy allows external borrowing to be undertaken in the name of the Treasury for onward lending to Statutory Boards. The rationale for this policy is that the cost of financing such borrowing is met by users of the services provided by those Statutory Boards, not out of taxation, although as a result of the additional recent borrowing by the Manx Electricity Authority (MEA), taxpayers are still required to service some of the authority's borrowing costs.

2010/11 Capital Spending

- 1.4.5 The original estimate for capital spending for Government Departments and Other Bodies for 2010/11, set out in the Budget approved by Tynwald at its February 2010 sitting was £96,074,194. This included an estimated borrowing by the MEA of £17,105,000 of which £12,400,000 refers to the Natural Gas Extension.

- 1.4.6 During the year supplementary capital votes of £9,591,300 were approved by Tynwald.
- 1.4.7 Actual Spending by Government Departments amounted to £56,982,232, which was 85% of the original estimate and 75% of the revised estimate including supplementary votes. (Including borrowing by the MEA and the Water & Sewerage Authority, spending totalled £72,713,346 or 69% of the revised estimate of £105,665,494.)
- 1.4.8 The historical performance comparing actual spending within the capital programme to estimated spending including supplementary votes is demonstrated in the following table:-

Year	Actual Spending £	Estimated spending including supplementary votes £	Actual as a percentage of estimated spending %
1992-93	26,173,752	55,083,760	48
1993-94	30,447,636	49,417,020	62
1994-95	25,387,185	45,886,410	55
1995-96	31,595,470	48,449,505	65
1996-97	32,112,880	57,439,430	56
1997-98	35,955,757	61,361,800	59
1998-99	40,889,100	62,543,760	65
1999-00	48,565,211	76,247,153	64
2000-01	51,339,993	81,925,300	63
2001-02	74,816,054	113,974,763	66
2002-03	97,569,180	161,338,386	60
2003-04	91,138,420	115,931,933	79
2004-05	43,023,383	104,496,700	41
2005-06	101,547,147	152,691,704	67
2006-07	69,009,319	105,796,560	65
2007-08	67,777,357	114,081,371	59
2008-09	113,780,544	175,340,401	65
2009-10	100,321,607	128,912,482	78
2010-11	72,713,346	105,665,494	69

1.4.9 The breakdown by Department comparing actual spending within the capital programme to estimated spending including supplementary votes for 2010/11 is demonstrated in the following table:-

Department	Actual Spending: 2010-11	Estimated spending including supplementary votes	Actual as a percentage of estimated spending
	£	£	%
Community, Culture & Leisure	7,803,612	8,533,553	91
Economic Development	187,343	1,120,000	17
Education & Children	14,543,247	15,200,400	96
Environment, Food & Agriculture	1,235,150	1,477,000	84
Health	4,343,027	10,113,781	43
Home Affairs	768,140	2,212,420	35
Infrastructure	13,514,259	18,478,729	73
Social Care	13,831,886	18,098,041	76
Legislature	19,917	120,000	17
Manx National Heritage	735,650	1,048,570	70
sub-total	56,982,231	76,398,494	75
Borrowing Authorities	15,731,114	29,267,000	54
Grand Total	72,713,345	105,665,494	69

1.4.10 During the year to the 31 March 2011 schemes within the programme were re-profiled in an attempt to accelerate projects where there was known slippage in the programme. This resulted in a number of Supplementary Votes and an increased Government Departmental spend of 85%.

1.4.11 Part of the difficulty in delivering the whole of the annual estimate in accordance with the programme is the unforeseen difficulties which can arise in relation to particular schemes. It should be recognised that in the early stages of a project in particular there are a number of unpredictable factors influencing progress. Such factors would include planning and environmental impacts, but there can also be legal and contractual issues. There will always be uncertainties and unforeseen events that deflect the most carefully prepared plans.

1.4.12 The Isle of Man Government continues to invest in the Island's infrastructure, putting in place the key assets that will allow the Island to be well prepared for the future.

Within the year 2010/11 there was substantial expenditure on:

DCCL	Bus Leasing	£1,543,089
DCCL	Minor Capital works	£1,210,565
DCCL	Redevelopment of the Bowl	£2,218,545
DCCL	Snaefell Mountain Railway Track	£1,277,081
DOE	Bemahague Secondary School	£11,323,118
DOE	Minor Capital works	£2,499,082
DOH	GP Surgery, Peel	£1,008,330
DOI	Runway End Safety Area / Runway	£3,415,621
DOI	Battery Pier Firewater	£1,209,940
DOI	Richmond Hill	£2,316,626
DOI	Strategic Highway Refurbishment Programme	£1,959,917
DSC	House Purchase Assistance Scheme (HR)	£5,110,560
DSC	Clagh Vane Environment Work Project 1	£1,456,961
DSC	Clagh Vane Environment Work Project 3	£1,853,710
DSC	Janet's Corner Project 4	£2,967,373
DSC	Planned Maintenance Schemes	£1,840,852
WSA	All Island Refurbishment of Infrastructure	£1,562,618
WSA	IRIS Regional Programme	£1,190,609
MEA	Natural Gas Network	£6,859,597

Revenue Spending

General Revenue Account – Year ended 31 March 2011

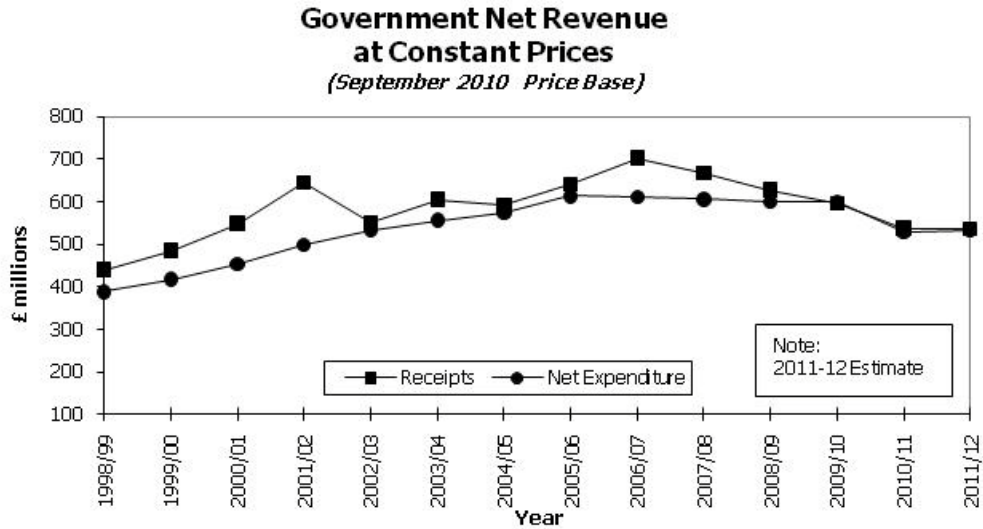
1.4.13 Government's out-turn for year ended 31 March 2011 is summarised as follows:

- Treasury income of £537.6 million.
- Net revenue expenditure of £528.1 million.
- Revenue surplus of £9.6 million.
- No transfers to Government reserves.

1.4.14 Government is on course to deliver the medium term budget rebalancing with Departments ensuring their costs remain within Tynwald approvals. Treasury income is slightly above the estimate for the year due to increased taxation receipts. Departments have all remained within their approved revenue votes for the year.

1.4.15 As the following chart shows, the growth in Government spending closely follows changes in Government income. In periods of slow growth, taxation and other income is used predominantly to maintain services, rather than to reduce taxation or increase reserves. Only in times of buoyant income does the opportunity exist to consider taxation reductions or increases to reserves. The reduction in receipts from indirect taxation has been mitigated through a combination of measures aimed at

rebalancing the fiscal position incorporating reductions in capital expenditure, reductions in revenue spending, increasing income tax and general charges and through the use of reserves.



Out-turn for the Year

1.4.16 The surplus of £9.6 million arises from a £19 million increase in Customs receipts and Income Tax and £7.2 million under-spending by Departments (compared to a budgeted surplus of £1,000 following a transfer of reserves of £15 million). Main under-spending Departments are the Department of Economic Development (£1.9 million, increased income), Treasury (£1.3 million) and Statutory Boards (£1.1 million, including the Financial Supervision Commission and the Insurance & Pensions Authority).

1.4.17 Compared to 2009-10, total expenditure fell by £44 million and Government revenues fell by £31.9 million (5.6%).

1.4.18 Increased spending above the previous year included:

Social Care	£2.4 million
Executive Government	£4.8 million
Statutory Boards (revenue funded)	£9.3 million*

1.4.19 Reductions in spending below the previous year included:

	£ million
Community, Culture & Leisure	1.3
Economic Development*	14.1
Education & Children	4.8
Environment, Food & Agriculture	2.3
Health	10.0
Home Affairs	3.4
Infrastructure	19.6
Treasury	4.0
Manx Museum & National Trust	1.0

* includes transfer of Companies Registry from the Financial Supervision Commission to the Department of Economic Development.

1.4.20 The services making the biggest call on general revenue remain Health (£115 million), Social Care (£137 million) and Education & Children (£99 million). Together these Departments account for 67% of Government's revenue spending.

GENERAL REVENUE ACCOUNT – SUMMARY - Year ended 31 March 2011

Actual 2009-10 £000		Note	Actual 2010-11 £000	Revised Estimate 2010-11 £000
	Income	2		
372,922	Customs and Excise		350,001	337,900
186,469	Income and Other Taxes		173,683	166,800
10,196	Other Treasury Income		13,969	15,300
569,587	Total Voted Income		537,653	520,000
	Expenditure - Voted Services	3		
	Government Departments			
19,408	Community, Culture & Leisure		18,147	18,196
27,568	Economic Development		13,502	15,429
103,901	Education & Children		99,105	99,150
18,206	Environment, Food & Agriculture		15,951	16,382
125,555	Health		115,527	115,535
37,475	Home Affairs		34,071	34,079
56,873	Infrastructure		37,278	37,633
134,267	Social Care		136,678	136,722
20,439	Treasury (Gross Expenditure)		16,472	17,771
543,692	Total Voted Expenditure		486,731	490,897
	Other Bodies			
26,173	Executive Government		31,007	31,848
4,913	Marx National Heritage		3,878	4,224
119	Road Transport Licensing Committee		84	157
(7,449)	Statutory Boards (Revenue Funded)		1,949	3,014
567,448	Total Voted Expenditure		523,649	530,140
4,950	Expenses of the Legislature		4,412	4,859
572,398	Total Voted Expenditure		528,061	534,999
(2,811)	Surplus/(Deficit) for the year		9,592	(14,999)
41,757	Balance Brought Forward	1	38,946	41,757
-	Transfer from Reserves	6	-	15,000
38,946	Balance Carried Forward	4	48,538	41,758

Notes

1. Net General Revenue Account - Balance Brought Forward

The actual balance brought forward at 1 April 2010 of £38.9 million was £21.6 million more than the "Probable" shown at the Budget in February 2010, with income £14.4 million higher and expenditure £7.2 million lower than anticipated.

2. Income

Gross income from all sources at £853.9 million was generally in line with the various estimates for Departments and Other Bodies but in aggregate exceeded them by £8.1 million, due to higher Treasury income.

Treasury income at £537.7 million was above estimate by £17.7 million. Within this higher Income Tax receipts (up £6.9 million) Customs receipts (up £12.1 million) being partially offset by lower Other Treasury Income (down £1.3 million).

3. Expenditure

Net expenditure at £528.1 million was £6.9 million less than the original estimate of £535.0 million. There were no Supplementary Revenue Votes approved by Tynwald or the Treasury during the year and expenditure was within the approved Votes for all Departments.

4. Net General Revenue Account - Balance Carried Forward

In the 2010-11 Budget it was originally envisaged that the General Revenue Account would produce a marginal surplus for the year. However the actual gross income of £853.9 million and the actual gross expenditure of £844.3 million resulted in a surplus for the year before appropriations of £9.6 million. From that surplus, no funds have been transferred to reserves, leaving a net surplus on the year of £9.6 million.

The net surplus of £9.6 million increased the operating balance brought forward of £38.9 million and resulted in a carried forward balance on General Revenue Account as at 31 March 2011 of £48.5 million.

5. Capital Expenditure

Total Capital expenditure out-turn for the year was £72.7 million. This compares with the original vote of £96.1 million plus Supplementary Votes of £9.6 million giving a total of £105.7 million. The balance on the Capital Fund at the end of the year was £805.4 million and the cash available for capital expenditure was £90.4 million.

6. Reserve Funds

Treasury's investment strategies for the larger funds (which are externally invested) include exposure to equities and, although their market values can and have fluctuated downwards from time to time, the broad and long term trend has been upwards. At 31 March 2011 the market value of the investments was £1,512.2 million, an increase (net of transfers into and out of the funds) of £53.4 million. Net transfers include transfers to external investments from internal funds, including £14.0 million in respect of the National Insurance Investment Account.

The total market value of investments, including cash deposits managed by Treasury of £412.2 million, increased to £1,924.3 million. The value of internally invested reserve funds (excluding the Capital Fund) was £79.7 million, a reduction of £25.7 million as transfers out of the internal funds exceeded transfers into the funds.

1.5 PERSONNEL

- 1.5.1 The Council of Ministers, in recognising the importance of staff across the Public Service and the valuable contribution they make to the achievement of Government's aims and objectives and the delivery of high quality and cost effective public services, continues to retain overall responsibility for personnel policies and frameworks of best practice.
- 1.5.2 In overall terms Government's personnel policies and underpinning frameworks are designed to promote fairness and flexibility of working, and to encourage all members of staff to give of their best, thereby maximising their contribution to the work of Government.
- 1.5.3 The Personnel Office (re-named The Office of Human Resources on 1 April 2011), acting on behalf of the Council of Ministers, throughout the year had responsibility for co-ordinating developments in personnel policy, practice and procedure, and monitoring implementation across Government. During the year a corporate policy in relation to the Prevention and Management of Workplace Stress was introduced and, amongst other things, consultations initiated in respect of changes to the established corporate Bullying and Harassment and Victimisation at Work policy, the Whistle-blowing (Confidential Reporting) policy and the Employee Attendance at Work policy. In addition, corporate guidelines in relation to Public Servants Participating in Political Activities and Standing for Election were developed for introduction in 2011/12. In respect of the Civil Service, a Redeployment Procedure was introduced during the year to facilitate organisational change and to address situations where staff surpluses might arise.
- 1.5.4 Following approval by Tynwald, the restructuring of the Departments of Government, which centred on the creation of a Department of Economic Development, was implemented. Considerable work was undertaken, against tight deadlines, to implement the new structure and to give effect to all necessary transfers of staff. All such staff transfers were facilitated and the new departmental structure came into effect, as scheduled, on 1 April 2010. During the year, as part of the Transforming Government Programme, considerable work was undertaken in preparation for the establishment of an Office of Human Resources (OHR). During the coming year the

OHR will bring together and re-organise HR services for the majority of Government Departments, Boards and Offices.

- 1.5.5 During the year a Council of Ministers Working Group completed a review of Human Resource Management Functions across the Public Service. The principal recommendation made by the Working Group was that a single Public Service employing authority, to employ central government public servants, should be established and that, over a reasonably short time period, all existing employees from most areas of central government should become employees of that organisation. During the early part of 2011/12 this proposal will be the subject of a consultation process prior to the recommendation being considered further by the Council of Ministers.
- 1.5.6 At the December 2009 sitting of Tynwald it was agreed that the Council of Ministers' Report on the Independent Review of the Whitley Council be received and its recommendations approved. Tynwald also agreed, at that time, that the Independent Review Report (the Harris Report) be referred to the Whitley Council for consideration of the recommendations made. In June 2010 the Chief Minister advised Tynwald of changes in the membership of the Council and that, in the light of such changes, the Council of Ministers had agreed that extra time should be afforded so that new members of the Whitley Council could consider the report recommendations. It subsequently became clear that while the Employers' Side of the Whitley Council was supportive of the recommendations contained in the Harris Report, the Employees' Side, regrettably, rejected them completely.
- 1.5.7 As part of the five year strategy to rebalance Government's finances, during the Budget speech delivered at the February 2010 sitting of Tynwald, the Treasury Minister announced a reduction in Government's personnel control total of 99 posts (full time equivalent) and a freeze on salary budgets for 2010/11. As far as practicable, necessary reductions in staff numbers have been achieved during the year by way of natural wastage and early retirement, with compulsory redundancy being a last resort. During the 2011/12 Budget speech the Treasury Minister announced further reductions in Government's personnel control total and the continuation of the freeze on salary budgets for a second year.

- 1.5.8 In the delivery of quality public services it is essential that the health and safety of all those involved, whether service deliverers or recipients, is maintained as far as is reasonably practicable. To this end, consideration must be given, on a continuing basis, to the health and safety implications of those activities necessary in delivering or receiving such services.
- 1.5.9 Accepting and managing health and safety related risks appropriately, and in accordance with best practice, continues to be a challenge faced by all organisations. To this end, The Personnel Office, through its Principal Health and Safety Adviser, has continued to encourage, educate and support Departments, Boards and Offices to achieve this. The well established Corporate Health and Safety Group is the mechanism through which general information is disseminated, issues are discussed and best practice shared.
- 1.5.10 During the year, a working group established by the Council of Ministers, comprising representatives of central Government, local authorities, the Whitley Council and the Trades Council completed a survey across central Government and the local authorities in relation to the management of health and safety related responsibilities. Once all of the data collected has been analysed, the Group will submit recommendations for improving health and safety coordination across the Public Service for consideration by the Council of Ministers.
- 1.5.11 Performance management across the Public Service can only be effective if proper individual performance assessment mechanisms are in place. Embedding these mechanisms across the Public Service is variable, however, within the Civil Service the Performance and Development Review Scheme is fully operational and annual increments are subject to formal confirmation, by a job holder's Reporting Officer, that a level of performance has been achieved which is, at least, commensurate with an acceptable standard appropriate to the relevant grade.
- 1.5.12 The availability of accurate performance related data is fundamental to effective management and to this end The Personnel Office has continued to compile corporate management information relating to the sickness absence of staff across Government (Civil Service and Public Service) from data provided by each Department, Board and Office. This indicates that an average of 8.4 days sickness

per person was recorded during 2010/11 (7.4 in 2009/10) which equates to 11.8 days per full time equivalent (10.5 in 2009/10) or 5.4% of working time (4.8% in 2009/10). A detailed breakdown of sickness absence across the Public Service is set out at Annex 5.

- 1.5.13 Statistics published in 2010 by the UK Confederation of British Industry (CBI) provide a useful indicator of levels of sick absence in the UK during 2009 and they show that across the UK public and private sectors there was an average of 6.4 days sick absence per member of staff equating to 3.9% of working time. In the UK public sector the average level of absence during 2009 was 8.3 days per member of staff.
- 1.5.14 In April 2010 Tynwald supported recommendations put forward by the Council of Ministers to take forward the detailed design of a Unified Pension Scheme for many of the Island's public servants, with a target date for implementation of April 2012. Between May 2010 and December 2010 a Working Group, established under the auspices of the Council of Ministers, worked with consultants, legal advisers and stakeholder representatives on the detailed design of the scheme. Various work streams and a Project Team Forum were established, including employer and employee representatives, as appropriate, to assist in the drafting of the detailed design, which was approved by the Council of Ministers in January 2011. A presentation about the scheme design was made to members of Tynwald in January 2011 and on the 24 January 2011 the scheme legislation went out to consultation. The consultation process was facilitated by The Personnel Office and all members of current schemes were provided with an individual, personalised illustration of the impact of the Unified Scheme on their pension benefits. Additionally, all members were invited to individual sessions with a representative from the Pensions Division of The Personnel Office in order to discuss any issues around the Unified Scheme pertinent to their own position. Over 1,200 of these "one-to-one" sessions were held with scheme members during the consultation period and additionally, officers from the Pensions Division of The Personnel Office responded to over 900 individual email queries from members seeking clarification of their pension position. The consultation closed on 23 April 2011 and the Unified Scheme has now been made and was approved by Tynwald at the June 2011 sitting. The implementation will now be progressed through established joint negotiating bodies with a view to meeting the target implementation date of April 2012.

- 1.5.15 On behalf of the Council of Ministers, The Personnel Office has taken forward a review of the Superannuation Act 1984. The resulting Public Sector Pensions Bill was consulted on between November 2009 and January 2010 eliciting twenty two responses, most of which were broadly in favour of the Bill. The Bill, which completed its passage through the Branches early in 2011 and is now awaiting Royal Assent, seeks to establish a Public Sector Pensions Authority to manage public service pension schemes going forward and also to introduce greater transparency and good governance to such schemes.
- 1.5.16 The Personnel Office has assisted with the consideration of new governance and cost sharing arrangements for the ten schemes in the Island which are analogous or linked by-analogy to the UK Principal Civil Service Pension Scheme. These changes have, nonetheless, been deferred in the Island pending progression of the Unified Pension Scheme. However, the principles of good governance and cost sharing introduced by the UK changes have been carried forward into the design of the Unified Scheme.
- 1.5.17 The Personnel Office has also established close working links with pensions authorities in other jurisdictions - the Scottish Public Pensions Agency, Northern Ireland Assembly, NHS in England and Wales, and the Welsh Assembly in order to share ideas, best practice and to benefit from shared technical support.
- 1.5.18 Necessary changes to the pension arrangements for police and teachers have been made during the year by the respective scheme managers, who have been supported by the Pensions Division of The Personnel Office.
- 1.5.19 With regard to the ongoing administration of schemes, on behalf of pension schemes' managers, the Pensions Division of The Personnel Office issued over 9,000 benefit statements, made 321 retirement awards and 74 death benefit awards during 2010/11.
- 1.5.20 As part of ongoing development and succession planning, the Civil Service Succession Management Group continues to identify and support various secondments for individuals away from their normal area of work. These secondments give staff the opportunities to experience different roles in different Departments and thus enhance their knowledge of Isle of Man Government, and organisationally it encourages corporate working. The success of this initiative has not only resulted in a number of appointments at senior level of those who have taken these secondments, but has

also enabled those individuals to settle into their new role more quickly.

- 1.5.21 During the year the emphasis on improving Leadership and Management capability has resulted in an increased demand from middle and first line managers for appropriate development. This demand has been met through accredited programmes provided by The Personnel Office's Learning and Organisational Development Division as an Institute of Leadership and Management Approved Centre.

PART TWO

2.1 POLICY PRIORITIES AS SET OUT IN GOVERNMENT'S STRATEGIC PLAN 2007-2011

2.1.1 This section of the report highlights the performance of Government against the aims and objectives set out in the Government Strategic Plan 2007-2011 presented at the October 2007 sitting of Tynwald, under the four key policies of Government:

- Income, Employment and the Economy
- Government Spending and Revenues
- Legislation and Regulation
- Quality of Life

2.1.2 The Report is the final such report in the series and provides examples of progress made during the 2010/2011 year on the 132 actions which were assigned to Departments in order to contribute to the effective delivery of Government's four key policies. The Report is also the first to reflect on progress by Departments under the new Government structure introduced on 1 April 2010 which brought greater focus in particular to the work linked to economic growth and social policies.

2.2 REPORT ON THE ACHIEVEMENT OF GOVERNMENT'S AIMS AND OBJECTIVES

Policy 1: Income, Employment and the Economy

Purpose: To raise the standard of living of all the people of the Island through the ongoing development of a successful economy and the sharing of its benefits with all in our community

Economic Growth and Diversification:

Aim: To facilitate a dynamic, modern and diverse economy

Action: To develop and increase the resourcing of a more co-ordinated and proficient approach to attracting and developing business opportunities:

- The creation of the Department of Economic Development (DED) has, for the first time, brought all of the main revenue earning areas of Government into one Department which has made co-ordination and prioritisation much easier. Since the new Department was formed on 1 April 2010, there has been significant internal re-organisation and a re-alignment of resources to better reflect current and future economic opportunities. A number of Marketing Initiative Fund applications have been made to increase the resources available.

Action: To invest in developing and enhancing future markets for Isle of Man financial products and services particularly the City of London and emerging markets:

- The Department of Economic Development is in the process of re-organising its Financial Services Section to become more focussed on future market opportunities. At the same time, the Department has appointed a permanent representative in London and this individual will also have prime responsibility for developing overseas market opportunities based on a new country strategy which has been developed in conjunction with the private sector.

Action: To work harder at all levels to establish and build on relationships with key players and decision makers within markets identified for priority attention:

- Through an ongoing political contact programme, the Chief Secretary's Office (CSO) worked to build relationships with the new Coalition Government and the City of London, including attendance at UK party conferences in autumn 2010. The CSO External Relations Division also maintained active engagement with the British-Manx All-Party Parliamentary Group through regular communications, ensuring the Group was kept up to date with Isle of Man issues. The messages for these important audiences were strengthened to reflect recent strong external endorsements of the Island's economy.
- New and improved links have been forged with the Isle of Man Chamber of Commerce to improve business relationships. DED is also working closely with key decision makers and professional associations to identify key markets and to prioritise resources accordingly.

Action: To identify and encourage decision makers to operate from the Isle of Man:

- The Department of Economic Development has a strategy to target high net worth individuals for the purpose of encouraging such individuals to invest in the Isle of Man and to hopefully create new employment opportunities across the Island.

Action: To ensure that the Treasury, Department of Trade and Industry, Department of Tourism and Leisure and Department of Agriculture Fisheries and Forestry are supported (within their respective areas of responsibility), to diversify, develop and encourage the economy and generate revenue through existing and new business opportunities:

- The Departments of Trade and Industry, Tourism and Leisure and Agriculture Fisheries and Forestry were disbanded in the Government re-structure of 2010 and their responsibilities re-allocated appropriately within the new Government Structure.
- Throughout this period the Chief Minister, Treasury Minister and Economic Development Minister met with a number of key City influencers, regulators and decision makers, including the Lord Mayor and the London Chamber of Commerce, to engage their support on building awareness of the contribution of the Island to the City.
- The Department of Economic Development (DED) was assisted in several important initiatives: successfully facilitated the voluntary International Maritime Organisation

Member State Audit Scheme, and facilitated meetings between the Economic Development Minister and the UK Minister on future initiatives in respect of UK gaming policy.

- Working with the Gambling Supervision Commission the External Relations Division prepared and submitted an Isle of Man Government response to the UK Department of Culture, Media and Sport "Consultation on the Regulatory Future of Remote Gambling in Great Britain".
- The CSO External Relations Division participated as active members of the Migration Policy Group, a sub-committee of the Council of Ministers, focusing on changes to immigration rules which affect the economy of the Isle of Man.
- The Treasury was supported on taxation matters including Information Exchange and Double Taxation Agreements and the EU Code of Conduct Group on Business Taxation. The Treasury Minister was supported in the development of significant lectures for Gresham College in the City of London and the Financial Centres International Conference in Dublin.
- The Department of Environment Food and Agriculture (DEFA) was assisted with efforts to progress The Fisheries Bill 2011; the introduction of new Sea Fishery Byelaws for both Queen and King Scallop Fishing; discussions with the UK DEFRA and EU regarding potential transitional arrangements for the ending of the red-meat derogation; and making the necessary representations via DEFRA to the Russian authorities in relation to exportation of fish products from the Isle of Man to the Russian Federation.

Action: To give priority to Government resources aimed at the generation of revenues from economic development initiatives:

- The Treasury continues to ensure that appropriate resource allocation is highlighted for consideration through the budget process.
- Existing internal funds have been merged to support a more sustainable and robust Economic Development Fund reserve.
- The Treasury has granted concurrence to a number of applications for access to the Marketing Initiatives Fund to support the Department of Economic Development's strategy across a range of activities.

Action: To create a climate for commercial success and economic growth through implementing business friendly legislation:

- The Department of Economic Development has made progress in this area by proposing a review of Intellectual Property legislation, the main purpose being to create new commercial opportunities for the private sector. Similarly, legislation is to be submitted to the July 2011 sitting of Tynwald which, if approved, will create new opportunities for operators in the e-gaming sector.
- During the current reporting period, the Communications Commission continued its strategic review of the Island's communications and in 2010 published its proposals for new legislation and a new regulatory framework.
- In June 2011 the Communications Commission published a consultation on content regulation and digital radio and a consultation on its findings from market reviews of the telecommunications sector and proposals for new regulations.
- The Commission continues to work with the Attorney General's Chambers on drafting new Communications Regulation legislation to keep pace with the significant evolution of networks and services and to allow the Commission to facilitate and encourage innovation in the relevant sectors.
- The Isle of Man Office of Fair Trading (OFT) is progressing work to modernise, consolidate and improve the effectiveness of trading standards legislation as part of an ongoing project which involves reviewing current legislation and researching existing or imminent legislation in other jurisdictions with a view to drafting new subordinate legislation and working with the Attorney General's Chambers to draft any new primary legislation.

Action: To maximise the use of local procurement subject to obtaining quality and value for money:

- The Central Procurement Service has been fully operational since 1 April 2011 and to date has completed two tender exercises. Comparing the price of the winning tenders with the budgeted price for each of these requirements reveals that the tender exercises have delivered a combined saving of £142,895 in this financial year. The Government Ultra Low Sulphur Diesel contract is continuing to deliver modest savings, £1,617 in April, the total saving figure for the year to date is £144,512.

- Procurement Services are currently managing a further 26 tenders on behalf of five Departments.

Action: To target support and encourage improvements in efficiency within traditional and new businesses to provide for the long term viability of all sectors:

- The DED has consolidated its powers to provide financial assistance to aid economic diversification and growth under one scheme, the Financial Assistance Scheme. One of the purposes of this Scheme is to encourage businesses to become more efficient to aid their competitiveness and their long term viability.

Action: To invest in the regeneration of the Island's towns, villages and countryside in order to help the Island become a more attractive location for future businesses:

- In April 2009, the Government established a Town and Village Regeneration Scheme with a fund of £8 million for the purpose of enhancing and regenerating towns and villages. Over £596,300 has been committed in regeneration to date in order to develop regeneration strategies and proposals, to ensure that the community has the opportunity to be fully consulted and involved and to support private companies, individuals and others to improve their commercial premises.
- The Chief Minister's Regeneration Steering Group has agreed the following: six Regeneration Strategies and prioritised regeneration proposals for Douglas, Laxey, Ramsey, Peel, the South West and Castletown; six Regeneration Areas for Douglas, Laxey, Ramsey, Peel, Port Erin and Castletown; and funding for regeneration projects in all regions of the Island.
- Manx National Heritage (MNH) has commenced an audience development plan to inform its future planning across the service. This includes an audit of sites and services within the community. MNH continues to work in partnership to further the protection, promotion and interpretation of the Island's heritage, this includes working with the local regeneration committees and bodies across the Island especially in Castletown and Peel.

Action: To encourage the planning system to reflect Government's policies for economic development:

- The Department of Infrastructure (DOI) continues to deliver key priorities and recommendations of the IDEA review and planning review and is currently revising Permitted Development Orders (PDOs) for householders and Government Departments. There has been significant work done to progress additional housing in Bride through the Town and Country (Bride) Development Order which should conclude by end July 2011. The draft Area Plan for the South will go to Public Inquiry later in the year and work has already commenced on the draft Area Plan for the East. The Department has successfully progressed amendments to the Building Control Act and following on from this will revise the Building Regulations by end March 2012.
- The DOI has been proactively working to implement fast tracking of priority planning applications to ensure that those applications critical to economic development are managed effectively. The Department is continuing to work on a draft Minerals and Waste Plan to support future Island requirements for materials. An effective partnership approach is continuing with DEFA and DED to deliver Marine Spatial Planning for the Island's territorial seas with an issues and options document to be available by the end of December 2011.
- The Department's performance in progressing planning applications has continued to improve throughout the year with targets set at:
 - % of planning applications determined in 8 weeks to increase from 67% (Q4 of 2010/11) to 70% by end of March 2012; and
 - % of planning applications determined in 13 weeks to be at least 85% by end of March 2012.

Action: To maximise the reference to our quality of life when promoting the Island as a business location:

- The Department of Economic Development has established an internal Marketing Division which is carrying out a complete review of its approach to marketing. One of the areas of renewed focus going forward is to emphasise the Island's quality of life as an added attraction to locating a business on the Isle of Man.

International Relations:**Aim:** *To protect and promote the Island's international relationships***Action:** **To defend and develop our formal relationships with the UK and Europe:**

- The Isle of Man Government continued to defend and develop the Island's formal relationship with the UK Government, building on the UK House of Commons Justice Committee's Report and the subsequent response of the Ministry of Justice (MoJ).
- Reflecting the Isle of Man Government's submission, the Report acknowledged that the Island was a democratic, self-governing community with free press and open debate. It also recognised the Island's essential independence from the UK and the fact that the Island's interests need to be considered routinely by all UK Government Departments in any area of policy-making likely to impact on the Isle of Man.
- Seeking to further strengthen the Island's ability to represent its own interests, the CSO's External Relations Division led discussions with the MoJ on key strategic issues including, inter alia, the changing role of the MoJ following the Justice Committee Report and their staff constraints arising from the UK's Comprehensive Spending Review; diplomatic exchanges with respect to international tax agreements; and the constitutional advancement which saw the responsibility for the recruitment and selection for the Island's new Lieutenant Governor, First and Second Deemster and Attorney General being undertaken by the Isle of Man for the first time. At the same time, a fully open and transparent process was introduced for these appointments and also for the recruitment and selection of the Deemster and Deputy High Bailiff, both of whom were appointed in this period.
- The outgoing Lieutenant Governor was supported in attending the Crown Dependencies Governors' Conference in London, where Her Majesty The Queen was briefed on the Island's strengths and opportunities.
- The opening of the Island's Representative Office in Brussels and the appointment of a Director of European Affairs achieved a significant advance in the Isle of Man's ability to monitor, assess and influence the development of policy in the European Union.
- Constitutional developments in the UK and the devolved administrations continued to be monitored for their potential impact on the Isle of Man.
- The Isle of Man Government continued to defend firmly the right of Island residents to travel freely between the Isle of Man and the United Kingdom and vice versa by determining that the Isle of Man should be included within the UK e-Border.

- The Isle of Man Government defended the ability of holders of Island variant British Passports to move freely throughout the European Union.
- Considerable work continues in relation to providing the legislative framework by which the Isle of Man can be included within the UK e-Border: inter alia, the consultation on extending to the Isle of Man; the information sharing provisions of the Immigration, Asylum and Nationality Act 2006; drafting of secondary legislation to support the Act; and consultation with the UK Border Agency on a Memorandum of Understanding.

Action: To continue to foster positive relationships with our immediate neighbours:

- The Isle of Man continued to work towards building positive relationships with its neighbours. A key route for doing this was through continued participation in the British-Irish Council (BIC) which comprises, as equal partners, the governments of the United Kingdom, Ireland, Scotland, Wales, Northern Ireland, the Isle of Man, Jersey and Guernsey. The Isle of Man hosted the December 2010 BIC Summit, which provided an opportunity to showcase the Island to leaders of these administrations, further strengthen relationships and discuss economic developments.
- The Isle of Man contributed to all BIC workstreams and engaged in discussion regarding the establishment of a permanent Secretariat. Building on the Island's own initiative to make the best use of digital technology in providing services to the public the Isle of Man, as the lead on the Digital Inclusion workstream, presented the initial findings to the BIC Summit.
- The Isle of Man Government was represented at the BIC Summit in Guernsey in June 2010 where the economy and maritime renewable energy issues were discussed and also at the BIC Summit in London in June 2011, where economic and energy grid infrastructure issues were considered.
- In addition to the leaders attending the BIC Summit, the Chief Minister welcomed a number of high profile visitors from the Island's immediate neighbours including The Rt. Hon. Lord McNally, Minister of State for the Ministry of Justice, Northern Ireland Minister McCausland MLA and Mark Field MP for the City of London and Westminster who gave the Chief Minister's International Lecture and provided strong endorsement of the Island as a well regulated International Business Centre.
- The Isle of Man continued to work with the UK and Channel Islands to protect our mutual interests in relation to the Common Travel Area and e-Borders.

Action: To continue to strengthen our relationship with key international players:

- This year there have been additional reminders of how the Isle of Man is recognised as leading the way amongst small nations. In June 2010 the head of an influential taxation agency in the USA – Dr Joe Huddleston of the Multistate Tax Commission – praised the Island for its role in developing standards of tax transparency and co-operation in a speech delivered to the Chief Minister’s International Lecture.
- In July the Island hosted the second year of the Small Countries Financial Management Programme, a pioneering project in which the Island, in partnership with the World Bank, the Commonwealth Secretariat, the Small States Network for Economic Development, and the University of Oxford, shared its financial expertise with small developing countries from around the world.
- The Isle of Man’s reputation for commitment to transparency in taxation matters was further strengthened by the signing of bilateral tax agreements with Portugal, China, Canada, Bahrain, India, Poland, Mexico and Slovenia since March 2010. This brings the current total of OECD-standard tax agreements to 25.
- As part of the Island’s ongoing engagement with key international players, the Treasury Minister participated in the annual World Bank Conference and attended a Commonwealth Finance Ministers Conference in Washington in October 2010, reinforcing messages about the Isle of Man’s leadership of and adherence to international regulatory standards.
- To extend the Island’s engagement with North America, the Canadian High Commissioner, His Excellency James Wright was welcomed back to the Island in February 2011, to meet many politicians, senior officers and local business people to discuss economic opportunities between our two countries and to sign a Tax Information Exchange Agreement. This visit followed an earlier meeting at the High Commission in London in July 2010.
- The Isle of Man continued its participation in the Conference of Peripheral Maritime Regions (CPMR), building relations and sharing experiences with Islands and regions around the edges of Europe. The Chief Minister participated in conferences in Aberdeen, the Azores and Estonia and raised the profile of the Island through the delivery of presentations to the Islands Commission General Assemblies. The CPMR Member Regions are confronted by many of the same issues as the Isle of Man; in transport, tourism, renewable energy and the maritime environment.

- The Isle of Man's support network of Honorary Representatives continued to work to promote the Island's cultural and business profile internationally in their locations around the world.

Action: To establish relationships with Overseas Governments to develop and improve potential markets for the future:

- Following the announcement by the Isle of Man Government at a meeting of the Organisation for Economic Cooperation and Development that the Island would be adopting automatic exchange of information under the EU Savings Directive from July 2011, work has continued to deliver this on time.
- The new Director of European Affairs was appointed with a remit to establish and develop relationships with EU Institutions and its Member States, in order to enhance and protect the Island's economic interests.
- The Chief Minister hosted visits from other Chief Ministers, Ambassadors and other influential leaders, who received an insight into the Island, its economy and wider contribution to the global economy.
- A prime goal of the DED's new Country Strategy, will be establishing relationships with Overseas Governments to develop and improve potential markets for the future, working with CSO and the Treasury where appropriate. This process has already started with the Chinese Government and will be developed with others in due course. The DED's new London representative will also play a key role in this regard.

Action: To further develop the Island's influence and representation in international organisations such as the United Nations (UN), the World Trade Organisation (WTO) and the Organisation for Economic Co-operation and Development (OECD):

- To build on the Island's positioning on the OECD "White List", the Isle of Man continued to engage with the OECD through its Global Forum on Transparency and Exchange of Information for Tax Purposes. The OECD Peer Review Report published in June 2011, praised the Island's effective and expeditious exchange of tax information and provided authoritative confirmation that the Isle of Man is actively supporting international standards on tax transparency and exchange of information.

- The Overseas Aid Committee continued to focus the allocation of its resources on projects which address the United Nations Millennium Development Goals and to target aid towards those countries which are ranked as “low” on the UN Human Development Index.
- The Isle of Man continued to monitor and implement UN and also EU sanctions measures in respect of countries deemed to be in contravention of international standards.

Education and Training:

Aim: *To maximise the productivity of the workforce*

Action: **To continue to co-operate with the business community to identify and plan for future skills needs from within the resident population:**

- The Department of Education and Children (DEC) works with a number of groups to link with the business community. In addition to the Sector Skills groups, the Department's Chief Executive also attends the IOM College Curriculum Development Partnership, Junior Achievement which has a secondary function as a business/education forum and the International Business School Governing body. The Department's Senior Adviser Secondary leads the 14-19 Working Group which has a similar function.
- The DEC and the DED have continued to enhance the focus of their liaison especially in respect of Careers and work on NEETS (young persons who are not in employment, education or training). The Minister of Education and Children encourages liaison between business community representatives and the Department.
- DEC officers work closely with a number of business representative bodies, such as the Chamber of Commerce. A recent review of the Sector Skills has been completed and these groups will continue to drive forward new initiatives in the coming 12 months.

Action: **To encourage the provision of opportunities to meet the career aspirations of individuals:**

- The Apprenticeship programme continues to provide a wide range of opportunities for young people. Successful completion of apprenticeships is consistently above 90%. The Careers Guidance Service provides independent advice to school pupils and adults.

Action: To encourage people to pursue learning opportunities and the development of life skills to attain meaningful employment and fulfilling lives:

- Unlike neighbouring jurisdictions, the whole of the DEC curriculum focuses on the pursuit of learning. There has been very high level input with headteachers for the last three years encouraging and supporting them to get their staff to develop curricula which have dual functions, life skills and academic learning from age 5-19 and beyond in the Isle of Man College (the College).
- The Vocational Training Financial Support Scheme considers applications from both organisations and individuals. Some 540 applications were processed in 2010/11.

Action: To put greater emphasis on the importance of partnerships between parents and teachers in ensuring young people maximise their potential:

- The DEC has funded and led a range of courses and training for professionals who can encourage participation of parents, especially of vulnerable children and of parents themselves. When children need additional support, increasingly across agencies, professionals seek to support whole family units when addressing issues. Work has become established with the Third Sector to begin to support families in their parenting role.

Action: To reform and develop our further and higher education facilities to match more effectively the skill needs of the economy:

- Whilst there have been some attempts to develop the Higher Education offering and the facilities at both the International Business School (IBS) and the College have been improved, progress in this area has been limited. The College transferred a number of successful courses to the IBS and this is continuing. In addition, there have been some attempts to liaise more closely to establish the needs of the business community.

Action: To introduce measures and initiatives to maximise the effectiveness and efficiency of Government's workforce:

- A Succession Management Group, chaired by the Chief Secretary, has continued to take forward priority matters relating to succession planning and management in the Civil Service. Age profiling has identified a particular need to manage succession at the most senior levels in the Civil Service which is being addressed through a variety of approaches.
- During the year consultations were initiated with regard to changes to the established corporate Bullying and Harassment and Victimisation at Work policy, the Whistle-blowing (Confidential Reporting) policy and the Employee Attendance at Work policy. In addition, corporate guidelines in relation to Public Servants Participating in Political Activities and Standing for Election were developed for introduction in 2011/12 and a corporate policy in relation to the Prevention and Management of Workplace Stress was introduced. In respect of the Civil Service, a Redeployment Procedure was introduced during the year to facilitate organisational change and to address situations where staff surpluses might arise.
- During the year corporate working has continued to be developed across the Public Service with increasing evidence of a more cohesive and coordinated approach to policy making and service delivery improvement.
- The Civil Service Performance and Development Review (PDR) Scheme continues to operate successfully. In respect of the year 2009/10 year-end requirements have been completed in relation to more than 99% of those for whom a performance assessment was due. Revised PDR documentation was introduced during 2010/11 to streamline the review process. Across the Civil Service annual incremental progression is subject to formal confirmation by a job holder's Reporting Officer based on the achievement of a level of performance which is, at least, commensurate with an acceptable standard appropriate to the relevant grade.
- Coaching has been established as a key management approach across the Civil Service. In 2010/11 a two day Coaching Skills course was launched. In addition, a coaching skills programme accredited at ILM Level 3 was made available.
- Leadership programmes have been updated during the year and current centrally provided programmes include opportunities from First Steps to Leadership through to the Senior Management Development Programme (ILM Level 7).

- On an ongoing basis the information and advice provided by The Personnel Office to managers across the Public Service in relation to the handling of sub-standard performance and misconduct continued to be refined. As a key part of the work of the Office the provision of information and advice, and focused briefings for managers are continuing to be delivered, when requested by Departments, Boards and Offices.
- Health care professionals employed within the Department of Health and the Department of Social Care have continued to establish a knowledge and skills performance framework to support the development of staff within this area.
- The Department of Health has obtained validation to extend the degree programmes delivered to support care practise in the community in partnership with the University of Chester.

Employment:

Aim: To maintain full and rewarded employment

Action: To provide a Work Permit System that ensures its operation is more responsive and effective in supporting employment and growth of the economy:

- The DED has undertaken a review which resulted in a simplification of processing in respect of certain categories of Work Permits. In addition, the Department has recently undertaken a consultation exercise which could potentially result in further changes to existing legislation. This process will be concluded during the current year.

Action: To encourage more family friendly working practices to increase the proportion of the economically active population taking up employment:

- A review of the relevant legislation is being undertaken. Consideration is being given to encouraging employers to offer flexible working arrangements in order to achieve a better work/life balance.

Action: To encourage and facilitate an increase in more flexible work practices, such as home working, both in the public and private sectors:

- See previous action.

Action: To expand the range of appropriate employment opportunities for people with a disability to include vocational training, job placements, voluntary community work and permanent employment:

- As at the end of 2010/11, 22 service users with a disability were in paid employment and 23 in voluntary employment. Also, 7 Government Departments had offered work placements to young people in care.
- The Disability Employment Advisors have exceeded their annual target with 113 clients placed into employment during the past year. Enhanced working relationships with third sector organisations are increasing the level and scope of available support.

Action: To ensure that the Benefit System does not discourage the taking up of employment:

- At its sitting in March 2011 Tynwald approved legislation which will incrementally increase the amounts by which a person's Jobseekers Allowance is reduced where they repeatedly fail to take sufficient steps to look for work or improve their prospects of securing employment.
- Officers from the relevant Departments have put in place internal procedures, allowing unemployed persons to undertake work placements without affecting their entitlement to benefits.

Transport and Access:

Aim: *To ensure the Island is attractive and accessible to business and visitors*

Action: To encourage the maintenance of regular and reliable air and sea services:

- The Department of Infrastructure (DOI) has maintained a close working relationship with the Isle of Man Steam Packet Company at officer and Department/Board level which has enabled a free flow of information to assist with decision making on both sides. This was particularly useful when the Company found itself in a highly competitive marketplace following the introduction of a new container service from October 2010 to February 2011.
- Similarly, the Department liaises closely regarding future schedules and service provision and continues to monitor compliance with the User Agreement. The Department's Airport

Division has maintained a very positive level of scheduled routes and suppliers over the past year and with the exception of the loss of the East Midlands route in July 2010, there has been no loss of any scheduled routes. 2011 is also proving to be the biggest year for charter destinations from the Island.

Action: To provide high quality facilities at ports and the airport:

- The DOI has seen the completion of Peel Marina in May 2009 and its full occupation within 6 months confirmed the demand first shown by the phased construction of Douglas Marina some years before. Both marinas continue to be occupied to capacity and have long waiting lists. Their wide use in a variety of publicity material indicates the value that they are adding to the respective towns and subsequent regeneration that has stemmed from this. A number of positive consultations have taken place with regards to developing other harbour areas including Port St Mary, Ramsey and development of Douglas outer harbour to enable it to meet the future needs.
- Much of the infrastructure projects relating to the Island's Airport have come to an end although the Department is working towards replacing the surveillance radars. For passengers using the Airport there is a new bus stop outside the Terminal, a bus timetable inside the foyer, a new car park payment machine in the Arrivals Hall, refurbished toilets areas and shortly a new handling desk in Departures to assist the handling agents whilst looking after delayed passengers. Facilities were tested to the limit during the heavy snow of 2010/11 where passengers had to remain overnight at the Airport when flights were disrupted.

Action: To consider the options for reviewing port charges for freight carriers:

- In November 2008 the DOI accepted a report into port charges that concluded more detailed work was required due to the interrelationship of charges and the level of service provision. It was recommended that any further review would have to assess the economic impact of the way the Department presently operates and the costs that this imposes on the movement of goods. Options for removing or reducing the Department's charges would have to be assessed together with the consequent impact on the Department's income and its ability to provide the current level of service. In turn options for replacing or compensating for the lost income would need to be explored.

- The forthcoming OFT report into the Isle of Man Steam Packet Company should enable further judgements to be made regarding port charges. The freight competition provided in 2010/11 has resulted in significant reductions (approximately 30% in some cases) in the Company's freight charges which should have the effect of reducing overall freight charges.

Action: To encourage realistic competition by retaining the Open Skies Policy:

- The Open Skies Policy was reviewed in 2009 and remains Government and Departmental Strategy.

Action: To encourage route development:

- The economic climate means that airlines are risk averse to starting new routes at the current time, however the key thrust for the Airport is to try and get an international daily service to a European hub such as Amsterdam or Paris.

2.3 Policy 2: Government Spending and Revenues

Purpose: To raise revenues and allocate resources for the provision of Services in a way that:

- meets the needs of the community
- ensures that people are healthy and secure
- assists those most in need and
- distributes the benefits of economic growth

Children and Young People:

Aim: *To improve the lives and health of all children and young people recognizing that some will need extra support*

Action: To integrate and jointly deliver childcare services:

- The integration of Childcare Services has moved on considerably because of the work of the Children's Services Partnership which has brought together officers from the Departments of Home Affairs, Education and Children, Social Care and Health into a working partnership. There is now well established common vocabulary to address issues of concern. All four Departments are working in their respective roles, under the same frameworks, especially in the area of Safeguarding. Whilst the establishment of Multi Agency Teams has not been entirely successful to date, there is a great deal of interagency work within the remit of Information Sharing Protocols.
- Through the political direction of the Children's Committee, four Government Departments and the third sector have delivered the actions of the Children's Plan, integrating services to enable children to achieve the five outcomes of: Being Healthy, Staying Safe, Enjoying and Achieving, Making a Positive Contribution and Prospering. By working together, Government Departments have ensured people with social care and support needs have access to mainstream health care, recreational and employment opportunities and services, particularly focusing on people with learning disabilities, addiction, mental health problems and young people who are looked after.

Action: To establish a Minister for Education and Children to oversee improvements to children and young people's outcomes of being healthy, staying safe, enjoying and achieving, positively contributing and prospering:

- When Government was restructured in 2010 the Department of Education became Department of Education & Children with the Minister similarly titled. However, other than the title there were no further changes to give any change of remit. The Department drew up a Children Bill which would have established a Children's Commissioner but feedback on the Bill contributed to its withdrawal. At present, the DEC has requested to bring forward an Education Bill in 2012. It is however, unlikely that this Bill will attempt to change areas of line management across Departments and therefore the role of the Minister will remain 'to oversee improvements' but may not include any authority to enforce decisions.

Action: To ensure more looked-after children stay in a home environment by increasing foster care placements:

- The number of children in foster care has risen in the last year from 48 to 61, a rise of over 20%. The Department of Social Care (DSC) entered into a contract with the Children's Centre to provide improved fostering services locally. Recent efforts to encourage people to foster has attracted over 20 new potential carers, so the number of children fostered is expected to rise further in 2011/12 and beyond.

Action: To provide families with support to improve their parenting skills:

- The DSC worked closely with the third sector to expand the range of support available to parents who need it. The family centres and supervised contact centres reported high take up of sessions. The contract specifications were improved in 2010/11 to ensure the appropriate targeting of vulnerable children and families.

Action: In partnership with Local Authorities and others, continue to provide and support the provision of leisure facilities to meet the needs of our young people:

- The Department of Community Culture and Leisure (DCCL) continues to provide a wide range of sporting and active opportunities and services through the NSC, regional facilities and Sports/Arts Development. The Department works closely with DEC and in particular their Youth & Community Service which makes a valuable contribution. DCCL and DEC are also working closely to maximise the benefit to the community of the new school at Bemahague and promote the proposed regional activity halls.
- The redevelopment of the Bowl has been successful in providing a high quality sports venue, which was used for the closing ceremony of the Manx Youth Games on 21 May 2011.
- The Sports Development Unit has extended its highly successful sports programme across all primary schools.
- The DOI has continued to work proactively with Local Authorities to discuss the provision of local leisure facilities for young people. The Department has surveyed Local Authorities twice this year to ensure that leisure provision remained a priority for communities. Working in partnership with other Departments and external providers, the Department has facilitated the sharing of website information and booking information for local leisure facilities.
- The Council of Ministers Report on the Chief Minister's Young Persons Working Group Report was published in December 2010 and the Council of Ministers will shortly be considering progress made in respect of its Recommendations.

Action: To review the regulatory burden and compliance cost on private and voluntary childcare providers, to enable improvement in variety and choice of services within the community without affecting standards:

- The DSC has reviewed the regulatory burden and compliance costs to private and voluntary childcare providers to ensure they continue to be proportionate and relevant to the sector. Costs have been held down which has helped to promote a range of childcare provision on the Island when families need to choose registered childcare.

Public Services:

Aim: To provide high quality public services at maximum efficiency, whilst having regard to the cost to the community

Action: Whilst recognising our reciprocal agreements, review the benefits and social care systems to ensure that they target and support those in need:

- The DSC has taken steps to ensure only those people in genuine need are in receipt of benefits. During the year, more individual claimants had their benefits reduced or stopped due to fraudulent claims than in any year in the last 20 years.
- Improvements made to targeting of the winter bonus to assist with heating costs has ensured the correct sum was provided to the relevant households, both meeting needs and delivering savings.
- At the same time, additional benefits have been provided to those deemed in need, for example the mobility allowance for the severely visually impaired was increased by £30 a week.
- The provision of Social Security benefits and Social Services has been more closely integrated. For example, where Social Services are subject to charges, benefits regulations have been amended to ensure those on low incomes are not disadvantaged. As a result, the benefits and social care systems are more effective and efficient than ever.

Action: Examine options for financing services, other than through general revenue, particularly in relation to universally supplied services:

- The Regeneration Fund has provided a catalyst for implementing ways in which Government can work in partnership to improve and enhance local communities. The six Local Regeneration Committees are unique partnerships between Government, Local Authorities and Business representatives and through their work over £400,000 of private and voluntary sector funds have already been committed to regeneration projects across the Island.

Action: To encourage all Departments, Boards and Offices to be aware of the benefits of policies and decisions that sustain or create supply linkages involving on-Island companies:

- The Procurement Services team has been established and this policy issue is part of the procurement strategy. The Capital Projects Unit of Treasury also works corporately to raise awareness of this within the scope of the Capital programme.
- Treasury is also involved with work across Government through the Value for Money Committee and Customs and Excise, in conjunction with the Government's Economic Adviser, continued a programme of Department /private sector educational visits.

Action: To actively encourage improved efficiency within Departments, Boards and Offices and develop corporate standards for customer service and reduce Government bureaucracy:

- The 2010 restructuring of Government provided the building blocks from which the Isle of Man Public Service could begin the process of reviewing and transforming its models of service delivery. As part of this process, plans were put in place to bring together common functions across Government with a clear focus on improving levels of efficiency by standardising processes and better use of technology. The Chief Secretary's Office led the analysis and planning stages, gathering the necessary information and developing business cases which informed the final strategy document approved by the Council of Ministers. Implementation was then handed over to the Departments which would ultimately own the relevant services.
- Migration to the Finance Shared Services team began in February 2011 and the new Office of Human Resources began the formation of its team around this time. The new Central Procurement Service in the Treasury began to move towards its operational capacity, and the Strategic Asset Management Unit in the Department of Infrastructure began to co-ordinate the necessary moves and changes required to enable the Shared Services teams to co-locate in one place. The plans and principles for the Estates Shared Services function were developed and handed over to the Department of Infrastructure for the planning and delivery phases. The Finance Shared Services team will be complete by September 2011 and the new Office of Human Resources is now fully staffed and operational. The next phase of development is to identify and rationalise common processes and deliver efficiency savings.

- As part of the enabling works for the drive towards more efficient use of Government property, the Council of Ministers approved a corporate office accommodation policy which committed Government to achieving an occupation figure of 12m² per person for its buildings and encouraged Departments, Boards and Offices to move towards open plan ways of working. The policy is already delivering benefits – the Department of Education and Children achieved a 40% reduction in the use of floor space by moving from St George's Court to Hamilton House and applying the principles in the policy.
- The Chief Secretary's Office led the cross-Government process to gather opportunities which would deliver a reduction in Government's overall revenue expenditure. These opportunities were compiled and reviewed by the Treasury before being passed to the Council of Ministers for final decision. That process will be repeated again for the 2012/13 financial year planning exercise.
- In addition to the above mentioned programmes of work, the Chief Secretary's Office guided the planning and analysis stage of the Customer First programme before its handover to the Department of Community, Culture and Leisure and continues to provide strategic direction through the guidance of the Business Change Steering Group of the Council of Ministers and the officer led Service Transformation Group.

Action: To review budget allocation processes to reflect more closely Government's key priorities:

- The Treasury continued to meet with Departments, Boards and Offices to ensure that a coordinated approach was maintained when agreeing budget allocation in line with the corporate policy priorities and the new challenges presented by the medium term budget re-balancing strategy.

Action: To consider the abolition of the current systems of domestic and business rates and their replacement with fairer systems of funding services at a local level:

- The Council of Ministers considered the option of moving to a property banding system based on capital values rather than the current rateable value for determining domestic and business rates. As the costs involved in introducing such a change are significant, the Council of Ministers decided to continue with the scoping and preparatory work until such time as the relevant investment required to introduce such a change can be made.

- In February 2011 Tynwald gave its approval to a Report from the Water and Sewerage Authority amending the schedule of increases in water rates that was approved in 1999. The effect of the change is that for the current and the next financial year, consumers will pay less for their water than would otherwise have been the case.
- The Council of Ministers has given its support in principle to the Water and Sewerage Authority addressing the historic anomaly in the water rates system where there are water rate charges on properties without a water supply, principally garages and outbuildings. Such a change requires an amendment to primary legislation and so further work, including consultation, is necessary before an appropriate Bill can be introduced into the Branches.

Action: To develop a local government structure that will provide quality and cost effective services:

- The Department of Infrastructure has run further Local Authority induction courses, is in the process of updating the Local Authority handbook and has run five focus groups for Local Authority members around the Island this year. An internal review of Local Authority engagement has been completed and this has included establishing regular meetings with the Isle of Man Municipal Association to share information about shared services and improvements in service provision.

Action: To invest in Information and Communications Technology ensuring clear and specific benefit opportunities are identified and met and which improve access to Government by our community:

- The Customer First programme developed the principles agreed by the Business Change Steering Group in respect of better access to Government services through the use of technology and is now developing a first stage plan to develop a new web site, explore the options for a 'single' number for first point of contact to Government and the options for bringing together some services for a face to face contact centre.
- The Chief Secretary's Office continues to try and raise awareness of the skills required by Departments, Boards and Offices to ensure benefit is derived from technology based projects. Expertise in areas such as project management, business analysis and business process redesign are all necessary in order that the business can properly own projects designed to improve services or deliver them more efficiently. The CSO continues to

work with the Treasury to ensure proper governance and rigour around the use of the ICT fund, ensuring all business cases for funding are reviewed and deliver value for money.

- The new iMuseum developed by Manx National Heritage has used ICT to create an electronic platform and physical building to host in-person visitor access to the MNH archives, images, collections and records. This includes electronic access to the archive of Manx newspapers.
- Manx National Heritage is also committed to creating further income generating opportunities that include sponsorship, admissions, online delivery, retailing, corporate hire, donations and catering provision.
- Through appropriate procurement processes, the Information Systems Division (ISD) of the Department of Economic Development continues to reduce unit cost of core ICT infrastructure and associated services, whilst keeping up-to-date. This has allowed further cost-effective development of key services online with strong take-up of these services.

Action: To ensure that the central management of Government's personnel resources is efficient, flexible and capable of meeting both the needs of Government and the economy:

- The restructuring of the Departments of Government was implemented with effect from 1 April 2010, and staffing resources redeployed as necessary to support the revised structure.
- During the year, a Council of Ministers Working Group completed a review of Human Resource Management Functions across the Public Service. The principal recommendation made by the Working Group was that a single Public Service employing authority to employ central government public servants should be established. During the early part of 2011/12 this proposal will be the subject of a consultation process.
- As part of the Transforming Government Programme, a Central Procurement Service and a Finance Shared Services function were established under the auspices of the Treasury. In addition, considerable work was undertaken during the year in preparation for the establishment of an Office of Human Resources (OHR). The OHR was established with effect from 1 April 2011 and during the coming year will bring together and re-organise HR services for the majority of Government Departments, Boards and Offices.

- At the December 2009 sitting of Tynwald it was agreed that the Council of Ministers' Report on the Independent Review of the Whitley Council be received and its recommendations approved. Tynwald also agreed, at that time, that the Independent Review Report (the Harris Report) be referred to the Whitley Council for consideration of the recommendations made. In June 2010 the Chief Minister advised Tynwald of changes in the membership of the Council and that, in the light of such changes the Council of Ministers had agreed that extra time should be afforded so that new members of the Whitley Council could consider the report recommendations. It subsequently became clear that while the Employers' Side of the Whitley Council was supportive of the recommendations contained in the Harris Report, regrettably the Employees' Side rejected them completely.
- As part of the five year strategy to rebalance Government's finances, during the Budget speech delivered at the February 2010 sitting of Tynwald, the Treasury Minister announced a reduction in Government's personnel control total of 99 posts (full time equivalent) and a freeze on salary budgets for 2010/11. As far as practicable, necessary reductions in staff numbers have been achieved during the year by way of natural wastage and early retirement, with compulsory redundancy being a last resort. During the 2011/12 Budget speech the Treasury Minister announced further reductions in Government's personnel control total and the continuation of the freeze on salary budgets for a second year.
- Since October 2007, the Succession Management Group has met regularly to look at succession management across the Civil Service. The Group has commissioned and run Development Centres as a means of benchmarking potential for senior leadership roles at a corporate level.
- Both coaching and mentoring continue to be supported centrally as effective and resource efficient activities to maximise contribution and potential and support greater knowledge management across the organisation. Use of these activities continued to increase with benefits such as greater self awareness, improved career development and promotion and enhancement of leadership skills being realised.

Action: To develop a fair and consistent public sector pay policy:

- As part of Government's response to managing its revenue shortfall, the Government has reduced its total staffing costs from £316,443,604 in 2010/11 to £306,800,575 in 2011/12.

- The Treasury Minister's announcement at the February 2010 sitting of Tynwald to freeze salary budgets for the financial year 2010/11 has informed the stance taken by employer representatives, including those acting on behalf of IoM Post and the Civil Service Commission, during negotiations in respect of pay 2010.

Action: To determine a long term solution to the provision of public sector pensions which is affordable yet enables Government to remain competitive in the employment market:

- Recognising concerns that the current public sector pension arrangements are not financially sustainable, a project was established in 2007 to independently review how best to address this matter.
- At the May 2008 sitting of Tynwald the Council of Ministers proposals which identified four overarching principles as the basis for the future development of public service pension policy were agreed, being Simplicity, Affordability, Total Remuneration and Governance. In February 2009 Hymans Robertson undertook a six month consultation exercise on behalf of Council of Ministers based on a two-tier design for a unified pension scheme for both new and existing employees.
- As a result of feedback a revised high level design was recommended and approved at the April 2010 sitting of Tynwald and a project was established to take the proposal forward to detailed design stage with a target date for implementation of April 2012.
- Following a further three month period of consultation on the detailed design, The Unified Scheme was made by the Civil Service Commission on 31 March 2011 and approved by Tynwald on 22 June 2011. The implementation will now be negotiated through the relevant Joint Negotiation Committees.
- The Unified Scheme will result in additional incoming contributions and ensure that the Public Sector Employees Reserve is not exhausted.
- The Public Sector Pensions Bill 2010 completed its passage through the Branches and is awaiting Royal Assent. Following the enactment of the new legislation, the Public Sector Pensions Authority will be created and the management of Public Sector schemes will transfer to the new Authority.

Action: To consider rationalising the system of waste collection, to provide economies of scale:

- The DOI is currently undertaking a waste consultation that will inform a revised waste policy and strategy for the next 20 years. The consultation will positively engage with residents and businesses to identify a strategic direction for waste management in the future. It will focus on the waste hierarchy of reduction, reuse and recovery, recycling, incineration with energy recovery and landfill and identify options for the future. The consultation will be completed by the end of July 2011.

Action: Review the charging policy for waste disposal:

- The DOI has reviewed the charging policy for waste disposal which brought about an increase in the charge levied on Local Authorities for disposing of waste via the Energy from Waste (EfW) facility. The consultation on the all Island Waste Strategy will consider the merits of adopting an all island waste charge.

Education and Training:

Aim: To create opportunities for self development through lifelong learning, training and education

Action: To put greater emphasis on early years education to enable families to be better equipped to deal with life's challenges:

- The DEC consulted on Early Years' education provision in the Spring of 2010. The results of the consultation were inconclusive but in the main rejected all five possible options including the status quo. The Department is aware that the current provision does not best meet the needs of the working population. It is therefore intended that the DEC will consult with DSC and DED before pursuing this matter again in 2012/13.

Action: To support the implementation of the Healthy Futures criteria in all schools:

- Although Skimmee Gien Mie (Life Education) was disbanded in 2010, a Health Futures co-ordinator was appointed and focuses more specifically on Healthy Futures outcomes. Work with schools and pupils is now more closely targeted.
- The DOH, involving particularly the Public Health Directorate, but also the Minister and Chief Executive through their role on the Sporting and Healthy Schools Partnership, continues to make a considerable contribution in this area. Perhaps this is most particularly so with regard to the Physical Activity Strategy and Implementation Plan which are also to be laid before the July 2011 sitting of Tynwald.
- A draft Obesity Strategy is being consulted upon across Government Departments.
- The DOH's Public Health Directorate has completed a second audit of primary school meals and some action in the local schools will arise out of the findings of this audit. The primary school skipping programme run by the Directorate goes from strength to strength and is an important element of the Healthy Futures programme.

Action: To develop a creative and flexible curriculum which enables all students to achieve success across a full range of subjects and areas of personal development:

- This action is at the heart of the DEC curriculum across all age groups throughout the Island.
- MNH continues to deliver a learning and outreach strategy and programme within the community.
- MNH continues to work with the DEC to develop the curriculum and curriculum resources; provide direct teaching and visiting opportunities for Manx schools and support teacher secondments.
- MNH works with agencies such as the Commonwealth Parliamentary Association, the Tell Me Project and the Royal British Legion to provide educational opportunities in the iMuseum.

Action: To ensure the quality of the learning environment is maintained:

- The schools are responsible for the quality of the environment in so far as it supports learning and this is an area which is regularly reviewed by the DEC on quality assurance visits. The fabric of the buildings and modification are the subject of the Department's Estates and Works interventions. Buildings are maintained to a very high standard and the DEC is taking a strong lead across Government on energy saving measures.

Welfare:

Aim: To provide a comprehensive programme of benefits which meets genuine needs, encourages independence and provides incentives to work

Action: To encourage individuals to make better personal financial provision for their retirement:

- Following the significant changes made to the taxation of pensions legislation in 2008, which incentivised people to make provision for their retirement, personal pension contributions rose to almost £13million made in the tax year 2008/09 compared to of £9.45million in the 2006/07 tax year. The figure continued to rise in respect of the 2009/10 tax year.
- The Treasury and the Department of Social Care are continuing to review the appropriateness of following the UK position with regard to the automatic enrolment of qualifying employees into workplace pension schemes.

Action: As part of a review of charges and benefits consider whether the continued provision of universal benefits is fair and sustainable:

- Universal benefits (i.e. benefits which are neither means-tested nor contribution based) currently cost £30.5m per annum and are paid out of general revenue. These include Child Benefit (£18.9m p.a.) and disability benefits (£10.9m p.a.). With Tynwald's approval, Council of Ministers chose to maintain Child Benefit while raising disability benefits by over 3% in 2011/12.

Health and Social Services:

Aim: To promote the benefits of a healthy lifestyle and provide high quality programmes of health and social care

Action: To develop and target programmes which help to ensure that people have the opportunity to reach their full potential in health terms:

- The skipping programme in primary schools aims to encourage children who do not like organised team sport to be physically active and improve both physical and mental health in this way. A chair-based exercise programme for older people run by the Public Health Directorate in nursing and residential homes aims to improve the mental health of older people and to increase physical strength to assist in falls prevention and so maintain health and independence. The local Quit4you and Quit4two programmes assist smokers to stop smoking and so improve their health. The Quit4two is targeted at pregnant mums and their partners.

Action: To review the charges and benefits across the health and social services sectors:

- The DSC has reviewed its charges and benefits to ensure they are fair, equitable and reflect relevant costs. Fees have been amended for Elderly Mentally Infirm (EMI) residential care and other specialist services. Charges for board and lodging have also been agreed for residential homes for people with learning disabilities that properly reflect the benefits received and the income of service users. The changes to charges have been carefully balanced with changes to the benefits regulations to ensure that those on the lowest incomes have not been adversely affected. In addition, a proportion of the income raised from charges is being invested in appropriate services. For example, the DSC is investing in more supported living for people with learning disabilities to enable them to live more independent lives where appropriate.
- DSC continues to target resources to those who need them most, e.g. the minimum income guarantee for pensioners provided through Income Support benefit will continue to ensure that the worst off pensioners on the Island enjoy significantly greater incomes than their UK counterparts.

- The DOH has updated various charges to reflect inflation. The Department remains of the view that there is a case for reform of certain health service charges, perhaps most particularly exemption from charges, which would facilitate improvements to services. Consequently, the Department will continue to review the structure of charges and will likely make suggestions relating to reform in due course.

Action: To put renewed efforts into the management and reduction of hospital waiting lists:

- Whilst there is no present funding for Waiting List Initiatives – which in any case are only temporary solutions – there is a focus on service review and demand management measures to ensure that unnecessary activity is minimised and that services are configured to achieve the greatest possible efficiency.

Housing:

Aim: To do all that is possible to enable the provision of affordable and appropriate housing

Action: To strive to provide sufficient and appropriate homes to meet the needs of the community:

- 105 public sector rented properties and 80 first time buyer properties were completed in 2010/11. A total of 120 first time buyers were helped during the year including both open market and re-purchased properties. This represents the most successful year since Tynwald approved the current housing policy in 2000. Since that time, over 1,000 public sector rented properties have been completed and 1,000 first time buyers assisted.

Action: To develop clear strategies for sheltered, residential and nursing care home provision, to recognise the impact of an ageing population:

- During 2010/11 DSC initiated the most comprehensive Housing Review for 20 years to consider the Island's housing needs and how Government can play an affordable and sustainable role in the provision of affordable housing. The independent experts are due to report to DSC in June on the policy options available, following which DSC intends to go to public consultation.

Action: To ensure consistent management arrangements for public sector housing:

- The DSC holds quarterly recorded meetings with Local Housing Authorities. The annual housing conference was held in March 2011 which discussed strategic challenges for public sector housing.
- Performance data returns from Local Housing Authorities are gathered annually on Housing matters.

Asset Management:

Aim: To ensure that Government's assets are bought, sold and used in a way which gives value for money

Action: To develop a planned land purchase programme to ensure sufficient land is available to meet the Government's future development needs:

- Following the restructure of Government in 2010, the DOI assumed responsibility for management of the majority of Government's property portfolio. This is a significant project the outcome of which will be a centralised property and estates function. The Department has been the lead agency in rationalising Government occupied accommodation and this year has seen significant office moves (approximately 12 in total) to centralise functions and release rented accommodation. The Department has also set up a Strategic Asset Management Unit as part of the development of an Estates Shared Service.

Action: To produce a register of Government owned assets:

- A record of Government owned assets has been produced by the Estates Forum and submitted with its report to Tynwald in April 2011. The record of assets will be developed further by the new Strategic Asset Management Unit. It will assist with asset retention and disposal going forward and provide a valuable tool for long-term strategic asset management.

Action: To improve the delivery of the capital spend:

- Through the support work provided by the Capital Projects Unit the Treasury has endeavoured to drive capital spend resulting in a 75% spend against the original capital vote and an 85% spend achieved against Departmental Capital spending targets (excluding Statutory Boards).

Action: To prioritise the planned maintenance of Government owned buildings:

- The DOI has planned maintenance programmes for its buildings and assets and this will be a key part of ensuring that Government assets are maintained to a high standard. This is particularly important when considering the impact that a well maintained infrastructure can have on economic development. Over the past five years the Department has invested significantly in the Island's key gateway buildings with improvement projects at the Airport and Sea Terminal which has much enhanced facilities for residents and visitors.

Action: Develop an effective Government Estates Strategy:

- The DOI played a key role in the Estates Forum which completed its work and reported to Tynwald in April 2011. The Department will be carrying forward the outcomes of this work to look at improved asset and estates management through the introduction of the Estates Shared Service across Government. However, since the restructure of Government in April 2010, the Department has facilitated a number of accommodation moves and commenced an accommodation rationalisation programme for many Departments. The Department has been responsible for accommodating the two new shared service hubs for HR and Finance.

2.4 Policy Three: Legislation and Regulation

Purpose: To introduce and enforce legislation and regulations which provide for the care, protection, safety and personal development of the individual whilst minimising the burden of compliance to employers and the community

Legislation and Regulation:

Aim: *To provide a legislative and regulatory framework that strikes a balance between the interests of all stakeholders within the community*

- Following extended and extensive consultation the Corporate Governance Code of Practice for Regulated Insurance Entities ('CGC') came into effect on 1 October 2010. The CGC represents a significant updating of the Isle of Man's regulatory framework for insurance business and is an important element of the Island's ongoing work to ensure that it continues to meet international standards in this area. Over the period the Insurance and Pensions Authority (IPA) worked extensively with its regulated entities to assist them in their understanding and implementation of the CGC.
- The Incorporated Cell Companies Act 2010 received Royal Assent in December 2010. In order to make it fully operational a number of pieces of secondary legislation were required and these were drafted and consulted upon during the period. Following the end of the consultation period the form and content of the regulations were finalised and they will be coming into effect in June 2011.
- During the period the IPA also brought forward two other pieces of secondary legislation to ensure that the Island's regulatory framework remained up-to-date, the Insurance (Amendment) (Capital Redemption Bond) Regulations 2010 and the Insurance (Limited Partnerships) (Amendment) (Solvency) Regulations 2010.
- The Gambling Supervision Act 2010 took effect in December 2010, formally making the Gambling Supervision Commission (GSC) a Statutory Board and creating the clear separation between Government and the Regulatory Authority; a move in line with international standards. The Commission's mandate remains to protect the young and vulnerable from gambling, exclude crime from gambling, to ensure gaming is fair, to promote competition and to facilitate a modern regulatory environment in which gambling can flourish. 2010 also saw the introduction of the updated Money Laundering Online Gambling Code, in line with changing international standards, along with comprehensive guidance notes for the sector.

- In the fast changing world of online gambling, the GSC remains at the vanguard for the improvement of regulatory standards. It actively participates in associations such as International Association of Gaming Regulators (IAGR) and Gaming Regulators' European Forum (GREF) to ensure that the Island is at the forefront of regulatory dialogue and retains its reputation of fairness, openness and transparency.
- The Financial Supervision Commission (FSC) has consulted on the high level policy issues regarding an Amendment Bill to make necessary changes to the Financial Services Act 2008 and Collective Investment Schemes Act 2008, it has considered the responses and is progressing the drafting of the Bill which will be consulted upon in due course.
- The Commission has also reviewed and amended its Supervisory Approach, the principle changes being made to reflect greater emphasis on preventative work and the increased use of questionnaires.

Action: To comply with our international obligations and ensure that our regulatory environment is independently verified and assessed:

- Following the IMF's positive regulatory assessment report on the Isle of Man, a Working Group consisting of senior officers from across Government and the regulators, led by the Chief Secretary, continued to coordinate and promote legislative and administrative changes to address the recommendations made by the report, so that the Island is well-positioned going forward. In addition, the Working Group monitored international developments, such as the review of the Financial Action Task Force (FATF) Recommendations, and identified and oversaw the actions required to ensure the Island kept abreast of the evolving standards.
- The IPA continues to maintain active relationships with key external parties. These include individual supervisors in jurisdictions where Isle of Man companies are active or have links with regulated entities there but also include supra-national bodies such as the International Association of Insurance Supervisors, the Offshore Group of Insurance Supervisors and the International Organisation of Pensions Supervisors. In addition, the Authority continues to monitor developments in relation to the European Union's Solvency II initiative and submitted a comprehensive response in respect of the consultation exercise in connection with the concept of 'equivalence' under the Directive in August 2010 to ensure that the Island's current position in this matter was understood.

- The progression of the following legislation helped to fulfil some of the Island's international obligations: Endangered Species Act 2010, Criminal Justice (Witness Anonymity) Act 2011, Civil Partnership Act 2011 and the Prohibition of Female Genital Mutilation Act 2010. In addition, the European Union (Amendment) Bill, Anti-Terrorism and Crime (Amendment) Bill were passed by the Branches and are awaiting Royal Assent. The draft Extradition Bill was subject to a public consultation exercise.
- Compliance reports on international instruments that apply to the Isle of Man were submitted during the year. These included reports on a number of International Labour Organisation (ILO) conventions, the UN Convention on the Elimination of Discrimination Against Women and some articles of the Council of Europe's European Social Charter.
- The United Kingdom was asked to extend its ratification of a number of international instruments to include the Island: these included the Palermo Convention, the Biodiversity Convention, the Additional Protocols to the Geneva Conventions and the Convention on Cluster Munitions.
- European Union and United Nations sanctions measures have been implemented in the Island in a timely and effective manner.

Action: To provide a comprehensive social legislation programme:

- The Social Services Bill and the Housing (Miscellaneous Provisions) Bill have both been taken through the Branches successfully in 2010/11 and are both awaiting Royal Assent.
- Royal Assent has been granted for the Civil Partnership Act 2011 and the Civil Registration (Amendment) Act 2011 and the relevant subordinate legislation putting the two Acts into effect has been developed.

Action: To ensure that all new legislation proposals are accompanied by an Impact Assessment:

- The inclusion of an impact assessment for all new items of primary legislation was introduced in July 2008 and is now an integral part of the legislative drafting process to help inform political decision making.
- The Chief Secretary's Office will review the Impact Assessment template and guidance in 2011 to simplify the process whilst increasing transparency and ensuring consistency of approach across Government.

Action: To look at reducing the regulatory burden on business by removing redundant or undesirable requirements:

- The Attorney General's Chambers is working on enabling legislation to permit the easier removal from the Statute Book of requirements that may be considered by the Legislature and/or Executive to be redundant or unnecessary. It is hoped to progress this matter further during the summer of 2011.
- Work is ongoing to improve the understanding of the Work Permit system in order to reduce the number of difficulties experienced by employers when recruiting staff.

Action: To consider reducing or removing legislation and regulations where it can be clearly demonstrated that the costs outweigh the social and economic benefits:

- All Departments are encouraged to consider removal of overly complex and costly legislation when developing their legislative priorities.
- The Road Traffic and Highways (Miscellaneous Amendments) Bill has gone through the Branches. The Bill contains provisions for removing the need for temporary road closures to be effected by legislation, thereby reducing the number of Statutory Documents – approximately 1,000 each year – by 30%-50%.

Action: To review the effectiveness of existing legislation and identify priority areas where enforcement levels can be improved:

- The Financial Supervision Commission has issued guidance to licence holders to assist them in complying with regulatory requirements and has enhanced its information for consumers on its website.
- The Commission has also delivered a themed on-site supervisory programme for banks covering liquidity and treasury management and credit risk in addition to introducing a new Regulated Fund structure and Graduated Manager licensing process.
- Through the Fines Working Group, the General Registry and the Treasury have reviewed and progressed the implementation of the recommendations made by the Tynwald Standing Committee on Public Accounts to enhance systems for the effective recovery of criminal financial penalties.

Action: To develop a more responsive and flexible planning system which does not act as a barrier to economic development, but maintains a sensitive approach towards the protection of buildings and areas of special architectural or historic interest:

- The Department of Infrastructure has been proactively working on a number of initiatives to facilitate economic development, whilst maintaining a sensitive approach to buildings and areas of special architectural and historic interest. Over the next few months the Department will be consulting over changes to Permitted Development, which will reduce bureaucracy and 'red tape'. The proposed changes are of two types.
 - Firstly, it is proposed that there should be an increased range of householder developments which would not need to be the subject of planning applications, thus making it easier for householders to improve their property, hopefully providing a further stimulus to the construction industry, and
 - Secondly, it is proposed to grant approval for a range of building operations within certain Government sites such as Noble's Hospital, the National Sports Centre and the Isle of Man Prison.
- The Departments of Infrastructure and Economic Development have been working on the issues connected with attracting "high value" individuals to reside in the Isle of Man. In doing so, it has become apparent that this is linked to wider issues connected with extensions to and replacement of dwellings in the countryside and public consultation will take place on these proposals.
- Work continues on other Planning Policy Statements in respect of Flood Risk and Landscape Character. The Technical Guide which is associated with the Flood Risk Planning Policy Statement is being finalised by consultants on behalf of the Water and Sewerage Authority, whilst the Landscape Planning Policy Statement should be published in its final form at the same time as the Southern Area Plan.

Action: To continue the development of a simplified system of personal and company income tax:

- Further simplification of the taxation system was announced in the 2011 budget and a major review of revenue policy is now commencing in 2011/12.

Governance:

Aim: *To ensure that Government complies with the principles of corporate governance*

Action: To improve and develop communications with the public:

- The Chief Secretary's Office Communications Unit took the lead in communicating with the public and staff regarding the Government's restructuring in 2010.
- Similarly, the Communications Unit supported the ongoing communication activities of the Transforming Government Programme.
- The Communications Unit continued to support government communications and public relations activities with the public, providing advice and training on media relations and providing leadership to officers with communications responsibilities across Government.
- The Chief Minister and the Council of Ministers were supported in their efforts to communicate with the public, through such actions as news releases, interviews, press conferences, the International Lecture series and speeches to such organisations as the Chamber of Commerce, Institute of Directors, Rotary Club and local businesses.
- The Chief Minister's monthly e-newsletter was used to raise awareness of Isle of Man issues and actions within Government and with selected external audiences.
- The "In Focus" international newsletter continued to be published quarterly to raise awareness of the Isle of Man's external relations activities amongst a global audience including embassies and other political and business contacts.
- In November 2010, the Communications Unit supported the UK and Local Charities open day to promote both the Charities and work of the Overseas Aid Committee to the local community.

Action: To establish standards and guidance for public consultation:

- The Government's consultation website www.gov.im/consultations launched in December 2008 continues to be a valuable tool in improving both awareness and access to Government consultations and their outcomes. The website builds upon the Government's Code of Practice on Consultation and a report on Government consultations during the current period is contained at Annex 12 of this Report.

Action: To provide to the public right of access to Government information:

- The Government introduced a Freedom of Information Bill into the House of Keys in June 2011 which contained provision to provide with public with a statutory right of access to Government information. The Code of Practice on Access to Government Information continues to operate successfully.

Local Government:

Aim: To delegate the responsibility to local government for the provision of services

Action: To ensure there are effective systems of accountability within local government:

- The DOI has worked proactively with the Treasury, Local Authorities and the External Auditors to ensure that published Local Authority accounts were up to date and available to the public. This year a record number of accounts, 101 sets, were laid before March Tynwald. The Department continues to work proactively with Local Authorities to ensure that suitably qualified and experienced staff are recruited to financial reporting posts. Work will take place to assist local authorities in reviewing their Standing Orders to see if amendments are needed to comply with guidance given in the model Standing Orders and also further consultation will take place concerning recording Members' interests.

Action: To ensure the system and structure of local government meets the needs of communities:

- The DOI has continued to work proactively with Local Authorities regarding structure and numbers of elected members. This year, some Local Authorities have reported difficulties in recruiting to vacant member posts and the Department has agreed to assist those Local Authorities who wish to reduce their membership numbers next year, after the Local Authority elections.

Action: To encourage greater participation in local democracy, giving people more say over their locally provided services:

- The DOI is revising the Local Authority election guidance in line with changes approved by Tynwald for the General Election in September 2011. This includes provision for absent votes, possible changes to the nomination rules and prisoner voting rules as well as other general information and guidance for Local Authorities to assist with the Local Authority Elections in 2012.

Action: To consider transferring responsibility for certain local services from central government to local authorities appropriate to their structure:

- The DOI continues to maintain a positive dialogue with Local Authorities regarding the delivery of services at a community level. This year Local Authorities have increased their commitment to the shared services agenda with the shared delivery of waste collections in the South of the Island and the continuation of the successful Garff Initiative for waste collection between Laxey, Lonan and Maughold. More Local Authorities, with the support of the Department, have agreed to take on responsibility for ensuring compliance with the Trees and High Hedges Act.

2.5 Policy Four: Quality of Life

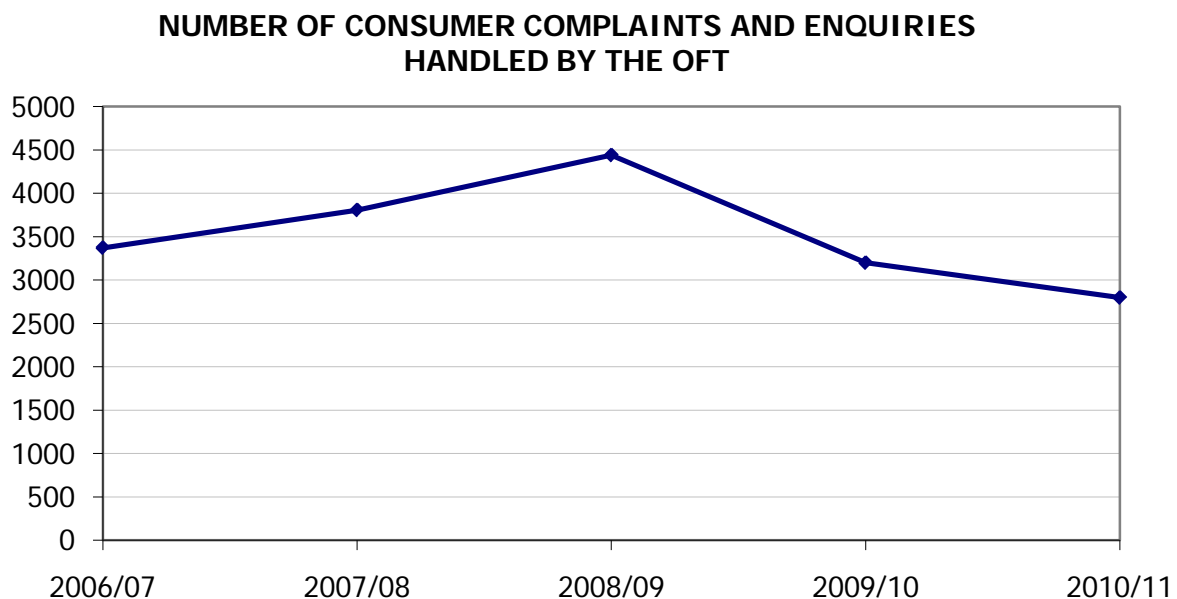
Purpose: To continue to give people the freedom and opportunity to live and prosper in a safe and caring community, whilst protecting the Island's unique natural and cultural heritage and way of life

Social Inclusion:

Aim: To ensure equality of opportunity and fair treatment for all

- The Isle of Man Office of Fair Trading (OFT) handled a total of 2,797 consumer complaints and enquiries in 2010/11. A further 293 customers were 'signposted' to other parts of Government (see Figure 1).
- As in previous years, complaints and enquiries concerning home maintenance, repairs and improvements were the most numerous, accounting for 14% of the total number of complaints and enquiries handled. Complaints and enquiries concerning second-hand car sales and scams were the second and third most numerous accounting for 8.3% and 7.8% of the total number respectively.
- There was a significant increase of 75% in complaints and enquiries concerning scams. During October 2011 the OFT plans to hold a 'Scams Awareness' week to further educate and inform Island residents about how to recognise and avoid becoming the victims of a potential scam.

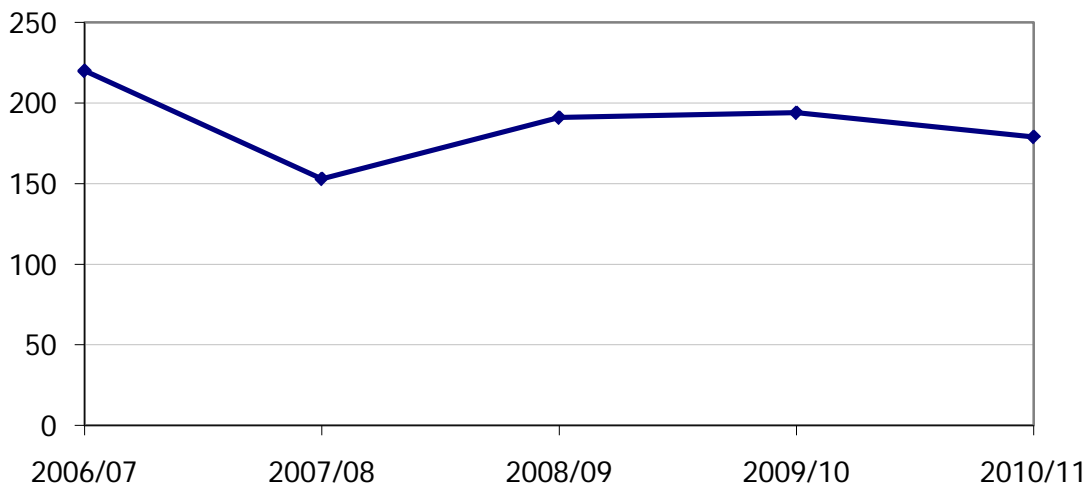
Figure 1



- The OFT's Debt Counselling Service assisted 179 new clients in 2010/11 compared with 194 in 2009/10 (see Figure 2). The decrease in clients also resulted in a decrease in the total amount of debt managed which was reduced from £5,356,134 in 2009/10 to £4,746,629 in 2010/11. The highest proportion of this debt (41.4%) was owed to credit card companies followed by bank loans and overdrafts (13.3%) and personal loans (12.6%).
- As in previous years, poor budgeting remains the most common trigger of financial problems. The OFT will continue to promote good money management through talks to community groups and plans to hold a 'Money Management Awareness' week later in the year.

Figure 2

NUMBER OF NEW CLIENTS ASSISTED BY THE OFT'S DEBT COUNSELLING SERVICE

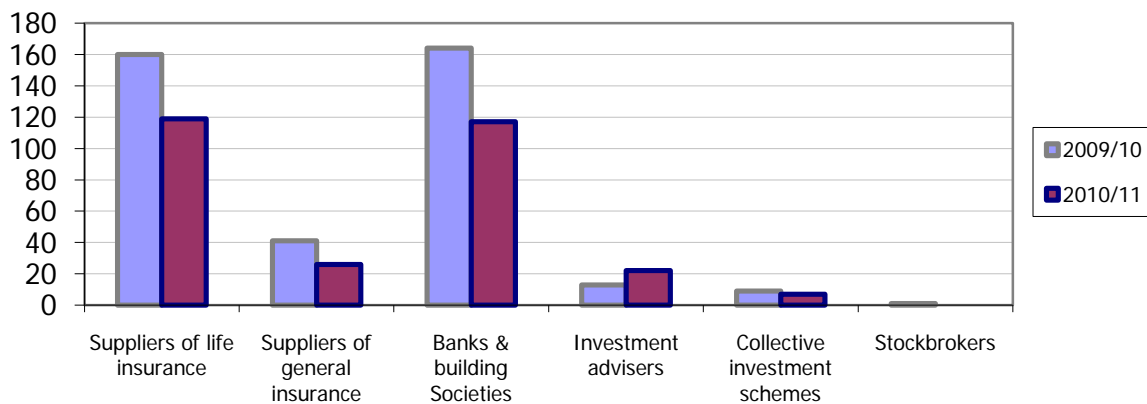


- The Financial Services Ombudsman Scheme, for which the OFT has responsibility, received a total of 291 new complaints concerning suppliers of financial services in 2010/11 compared with 388 in 2009/10. The decrease reflects the continued general improvement in market sentiment and clients regaining some confidence in the stability of the financial providers. A relatively high number of cases were carried forward on 31 March 2010 and this led to an estimated 334 cases being completed and closed during 2010/11.

- As Figure 3 shows, of the 291 new complaints received, 119 (42%) complaints were against suppliers of life insurance, 26 (9%) against suppliers of general insurance, 117 (40%) against banks and building societies, 22 (7%) against investment advisers and 7 (2%) against collective investment schemes.

Figure 3

SUPPLIERS OF FINANCIAL SERVICES - NUMBER OF NEW COMPLAINTS HANDLED BY THE FINANCIAL SERVICES OMBUDSMAN SCHEME



Action: To ensure full utilisation, where appropriate, of public facilities for the benefit of the community:

- Existing DCCL facilities are well utilised and as new facilities (Bemahague & regional activity halls) come on stream every effort will be made to maximise the benefits across the breadth of the community. The Sports Development Unit (SDU) continues to work with other agencies to target groups with special needs and areas with low participation rates. A member of the SDU represents the DCCL on the Corporate Parent Group, and an action plan regarding more opportunities for children in care to take part in sport and physical activity is in place.

- The DCCL's facilities continue to enjoy strong patronage, the Department achieved 79% of capacity audience for Department staged major events at the Villa Marina against a target of 70%. The number of attendances at Sports Development Activities was 70,000 against an achievement of 62,700 last year.
- A large number of school premises are regularly let for community use. The DEC has recently had to take steps to reduce the cost of lettings by introducing additional keyholder status. The DEC will have to ensure further changes as currently lettings are at cost to the Department budget and this is particularly telling in the case of its effect on budgets delegated to schools.
- The DOI's draft Plan for the South includes an audit of community facilities across the South of the Island. It also contains a recommendation for DEC and DCCL to work together to deliver a Low Cost Community Activity Hall. In addition, it includes a number of proposals to improve open space provision, some of which may include built facilities in due course.
- Officers from the Department (DCCL) continue to work closely with colleagues from both the private, public and voluntary sectors to ensure that public facilities are open and available to all members of the community. Working in conjunction with DEC and DoH through the Sporting and Healthy Schools Partnership, DCCL are currently progressing plans to provide two Multi Use Activity Halls to be sited at Rushen and Marown schools.

Action: To continue to provide facilities for residents to be equipped with the skills necessary to contribute positively to the Island's economy and society:

- The IOM College has developed and will continue to develop a whole range of training and qualifications to support residents development. Flexible, workbased graduate programmes are available and are proving very popular. The IOM College, along with some schools, has made a major impact on the group who would otherwise be not in employment, education or training. The DEC as a whole is reviewing the curriculum offering and is growing the vocational offering post 14 years.
- The Job Club, based at the Job Centre provides access to computers where clients can research employment and training opportunities. The Department has also seconded a skilled trainer from the Isle of Man College to work exclusively with unemployed persons providing tailored advice and bespoke training solutions.

Action: To establish a body that brings together community leaders to research and identify future actions Government could take to promote integration and social inclusion:

- The Departmental Member in the DCCL has delegated responsibility in this area. The Department is developing a Community Strategy in partnership with other key areas of Government and the wider community, including in particular third sector groups.

Action: To consider the establishment of a small number of community liaison officers to enable new residents to integrate more readily into our community:

- This action is being considered as part of the wider Community Strategy within the DCCL.

Identity, Culture and Heritage:

Aim: To foster an economic and social climate which supports the protection, promotion and participation in our unique cultural heritage

Action: To ensure that all Departments and agencies of Government seek to maximise the contribution they make to support our historic environment and cultural heritage :

- The DCCL Public Transport Division has invested significant resources into its heritage rail network and has seen good growth in passenger numbers. The Division has worked closely with Manx National Heritage to promote joint events on the railways to promote the Island's heritage, which have proved highly popular.
- All DCCL marketing initiatives are co-ordinated with other Departments to ensure that key messages are delivered in a consistent and positive manner.
- During 2010, Manx National Heritage continued to provide information, knowledge and expertise on the cultural and natural heritage of the Isle of Man and respond to requests for information and advice.
- Manx National Heritage continues to establish a forum for the wider heritage sector and cultural community to engage with Manx National Heritage and develop joint working in areas such as marketing and skills development.

- The DOI through its Planning and Building Control Division takes a proactive approach to supporting the Island's historic environmental and cultural heritage. It is currently researching Ballabeg, Cregneash, Port Erin, Port St Mary and the extension to Silverdale (Ballasalla) as proposed within the Southern Area Plan and in partnership with Local Authorities hopes to identify conservation areas in these locations by the end of March 2012.
- The DOI is in the process of researching and assessing 20 properties of historic or architectural interest for the purposes of addition to the Protected Buildings Register by end March 2012. Having researched and assessed those properties considered to be of historic interest, progress the addition of 10 properties of historic or architectural interest to the Protected Buildings Register by end March 2012.
- The DOI continues to provide grant aid via the Historic Buildings Conservation Scheme towards the maintenance of historic buildings and during 2010/11 it provided £262,000 in grants to both registered and historic buildings in conservation areas around the Island.
- The DHA has commenced a programme of maintenance work on all of its buildings, with particular focus on Castletown Police Station which is an historic registered building, having been designed by esteemed architect Baillie Scott.

Action: To designate a Department responsible for culture and heritage :

- The re-structure of Government in April 210 created the Department of Community, Culture and Leisure to co-ordinate Government policy in the important areas of culture and heritage.

Action: To continue to promote the Island's national identity:

- The CSO's Communications Unit provided advice and support to the annual Awards for Excellence, which recognises and celebrates the achievements of the Isle of Man community.
- Local business and community leaders working with Government as Freedom to Flourish Champions, addressed issues and supported initiatives which they considered to be important to promoting the Island's national identity.
- The CSO Communications Unit contributed to the work of academics in the Isle of Man, the UK and Canada on nation branding who were examining the success of the Isle of Man in promoting its national identity through its Freedom to Flourish strategy.

- The joint international public relations strategy implemented by the Chief Secretary's Office and the Department of Economic Development was built around messages and themes established in the Freedom to Flourish strategy; these continued to be used to promote the Island's unique identity in a variety of promotional tools and material.
- The Communications Unit created and promoted the Global Friends of the Isle of Man network and kept its members informed of government activities.
- The CSO's External Relations Division took the lead in preparing for and managing the visit of the NASA crew of astronauts during 2011 Tynwald week.
- The Isle of Man Post Office issued nine stamp issues in the year to March 2011. 88% of these issues had a theme linked to Manx identity, culture and heritage. Isle of Man stamps and coins are continually promoted worldwide through a network of agents and the internet, whilst seeking new opportunities such as the WOPA stamp web site which has been very successful in its first year of operating.
- The DCCL worked closely with Manx National Heritage and its Trustees to move the Manx Museum and National Trust (Amendment) Bill successfully through the Legislative Branches.
- The Fire and Rescue Service were nominated for the "Brigade of the Year" at the 2010 "Spirit of Fire" awards, and attended a reception at 10 Downing Street with the UK Prime Minister.
- In March 2010, the Island's probation, bail and after care hostel, David Gray House, won two national awards in recognition of 'excellence' in the service provided by the Salvation Army.
- In the summer of 2010 two Douglas police officers travelled to France as part of the official Manx delegation present at the world's largest gathering of Celtic nations in Lorient, Brittany.
- The head of the Department of Home Affairs Communications Division delivered a keynote presentation at a conference in Poland during June 2011 which will focus on the benefits of the TETRA (Terrestrial Trunked Radio) system which is used by 21 different agencies across the Isle of Man Government, including the emergency services.
- The Island's heritage and culture continue to be key differentiators and will be promoted wherever possible in support of business development initiatives.

Action: To support and extend policies which nurture and promote our cultural heritage as a foundation of our nation's character and future economic, social and cultural success:

- Planning for the Commonwealth Youth Games has been a key part of the DCCL's aims in order to appropriately showcase the Island for this important event.
- A series of high quality events for all tastes have been held at the Villa Marina and Gaiety Theatre Complex. Artistic and cultural activities which would not succeed on a commercial basis are facilitated by the Department's Arts Council. The Council also supports venues that showcase our cultural heritage.
- The DHA has included the Manx translation of all of its Divisions on its website and continues to display the three legs on its vehicle livery
- The Isle of Man Civil Defence Unit is unique across the British Isles and in 2011 two members received long service awards for 27 years service from the UK Cabinet Office. Such awards have only ever been given to 88 previous recipients and are therefore a rare accolade.
- The Isle of Man continues to appear on ITV Granada Reports and enjoyed nightly coverage on ITV4 and ITV4 HD in 2011: one hour long TT highlights were shown every night from Saturday 3 June to Saturday 11 June and were also available online via ITV Player. Special documentaries were also broadcast including a 60 minute documentary featuring motorcycling legend John McGuinness. The Island also featured on The Motorbike Show when presenter, motorcycle adventurer and writer Henry Cole rides the Isle of Man TT circuit with superbike ace Chris Walker, learns to road race with Neil Morrissey, and joins Harley mad DJ Neil Fox.

Energy:

Aim: *To provide for growing energy needs, which allows economic growth whilst minimising environmental impacts*

Action: **To encourage people to be more energy efficient in their homes and businesses:**

- Following the introduction of the amendments to the Building Control Act, the DOI will revise the Building Regulations to promote increased energy efficiency and alternative sources of energy by end March 2012.
- The DOI is also encouraging domestic alternative energy installations e.g. solar panels, through the revision of the Permitted Development Orders (PDOs) for domestic properties.
- The Government continues to fund the Energy Doctor Service provided by Age Concern, which is free to all Isle of Man households. Since this project commenced this service which provides Home Energy Surveys, advice and energy efficiency materials, has assisted over 600 households and identified approximately £500,000 potential annual savings. The service won international recognition from the 2010 Green Apple Awards. To complement this work, the MEA employ a Home Energy Officer and continue to support the Bright Ideas Energy Advice Service.
- The DED continues to assist local businesses to reduce energy costs and save money, to the end March 2011 a total of 54 energy champions had been trained and 28 energy surveys conducted for IOM businesses highlighting areas of potential and actual energy inefficiency and providing solutions to these problems. Additional refresher and advanced Energy Champion training courses have also been provided to existing Energy Champions. DED have continued to grow the business synergies programme that encourages businesses to share local expertise, information, procurement, labour, services, utilities, capacity, land, logistics and by-product resources among one or more businesses and or individuals in order to add value, create and maintain employment, develop new markets, reduce costs and improve the environment. The programme has 112 registered businesses and successfully identified 225 potential synergies.
- JourneyMatch.im, the Island's cars share scheme website, provides commuters and shoppers with an alternative and cost effective way to travel around the Island and further afield.

Action: To develop policies in relation to energy efficiency in public buildings and workplaces:

- DEFA and Council of Ministers' Energy, Climate Change and Marine Spatial Planning Committee monitor the implementation of Council of Ministers' policy for all Departments, Boards and Offices to develop energy efficiency strategies and annual reports on energy performance. Government provided funding for projects that generated both energy and financial savings through the Energy Initiatives Capital Fund (EICF).
- Within Government approximately 60 Energy Champions have been trained to be lead officers developing energy projects, with the best examples being written up as case studies on the DEFA Energy Webpages.
- Significant reductions in energy consumption have been achieved since the waste heat from Pulrose Power Station has been used to heat the NSC.

Action: To aim to reduce our reliance on energy imports:

- Tynwald has approved a target of 15% of electricity generation from renewable sources by 2015.
- Woodchip was accepted by Council of Ministers as the heating fuel of choice for Government projects, wherever this is feasible, due to its known availability and relative stability and predictability of cost.
- A range of projects that reduce energy reliance and encourage new thinking toward energy use and lifestyle have been developed such as Journeymatch car sharing scheme, the Energy Doctor and Cosy Homes. The MEA provided technical assistance to private sector renewable generation projects so as to allow them to determine potential wind-farm locations and connectivity to the Manx Grid. The MEA introduced the energy efficiency initiatives Bright Ideas and Energy Eye help reduce Island demand for imported energy.

Action: To explore options for alternative energy sources:

- The Department of Infrastructure proactively provides advice to applicants, the public, Members and others on energy issues relating to planning and the Department will encourage domestic alternative energy installations through revision of the Permitted Development Orders (PDOs) for domestic properties. The Department is also the sponsoring Department for the MEA, a Statutory Board, which continues to help reduce Island demand for (imported) energy through efficiency initiatives.
- The AEA report into renewable energy options was published in December 2010 and is available to download from the DEFA website. This report evaluated and quantified the potential contribution from a range of renewable energy technologies towards the Island's future energy needs at both household and industrial scale. It also took into account both the economic and environmental benefits and costs to provide a valuable reference document to develop future energy policy options.
- The DED and DEFA received and evaluated approaches from tidal and wind (both on and off shore) energy developers, biomass Combined Heat and Power developers and waste to energy and waste to fuel plant developers.
- The DED and DEFA developed necessary infrastructure to evaluate these projects such as the Energy, Climate Change and Marine Spatial Planning Officer Group to support the Energy, Climate Change and Marine Spatial Planning Sub-Committee of the Council of Ministers.
- A Marine Spatial Planning Project Officer has been appointed as a cross Government project, funded by the Department of Food, Environment and Agriculture, the Department of Economic Development and the Department of Infrastructure.
- This project aims to develop a stringent consenting regime which will give consent for all types of marine development within the Manx territorial waters, out to twelve nautical miles.

- It is also expected that this project will develop a Marine Plan for the Territorial Seas out to 12 nautical miles which will take into consideration current and future uses of the marine environment and other relevant information (e.g. environmental and marine data, infrastructure information, shipping routes, prospecting areas, recreation etc) as well as stakeholder views. This will enable the identification of areas for suitable developments within the marine environment.

Action: To review planning policies and financial support systems for the introduction of alternative energy installations:

- The DOI has successfully delivered a revision of the Building Control Act this year and this includes provision for amending current building regulations to promote increased energy efficiency and the use of alternative sources of energy. The Department is encouraging domestic alternative energy installations through the revision of the Permitted Development Orders (PDOs) for domestic properties by end December 2011.
- The Marine Spatial Planning Officer has been in post since summer 2010. The process is underway to assess how the Territorial Waters of the Isle of Man can be sustainably managed, which will include identifying current uses and potential uses in the future including renewable energy technologies.
- The Department of Social Care's Home Improvement and Energy Conservation (HIEC) Scheme was reviewed and concentrated support (income assessed) on cavity wall and loft insulation which provide the greatest benefit.
- Any review of national planning policies will form part of the review of the Isle of Man Strategic Plan following the 2011 census.
- The option is being assessed of introducing a Green Electricity tariff from current renewable sources to businesses and individuals that want to use this, the premium going directly into other energy saving measures.

Climate Change and Sustainability:

Aim: To ensure the Island can respond to the impact of climate change and plan its services and infrastructure developments to safeguard the Island

Action: To develop and review policies that take into account the long term impact of climate change in relation to the Island's infrastructure:

- Using existing resources within DEFA, a dedicated Energy and Climate Change Unit was established and links were created with the UK Climate Implementation Programme based in Oxford.
- Tynwald adopted a target for the Isle of Man of 15% electricity generation from renewable sources by 2015.

Action: To consider means by which the Isle of Man can contribute to actions which reduce harmful emissions into the environment:

- Since 2000, Government has provided the Home Improvement and Energy Conservation Scheme which has helped individuals to improve the fabric and energy efficiency of their building, both improving the Island's housing stock and substantially reducing energy bills, thus reducing emissions. Since 2000, over 3,900 applicants have been provided with financial assistance totalling in excess of £2.7 million.
- Within the public sector housing stock, a project to upgrade loft insulation and install cavity wall insulation has seen over 6,000 properties benefitting. This improvement has reduced these properties' CO₂ emissions by up to 30%.

Action: To reinvigorate the strategy to reduce, reuse and recycle:

- The DOI is currently undertaking a waste consultation that will inform a revised waste policy and strategy for the next 20 years.

Action: To enable levels of recycling to increase through kerbside collection and the provision of additional Bring-Banks:

- The DOI is working with the three Local Authorities involved in the Eastern Kerbside Recycling Scheme in order to enable the service to continue beyond October 2011 when Government funding for the 3 year pilot scheme ends.

Action: To develop strategies for determining the action necessary to respond to the negative effects of climate change on our communities:

- Links have been created with the UK Climate Implementation Programme based at Oxford University for best practice examples to communicate climate change risk to key audiences including public and private sector organisations.
- Scoping has been undertaken for Climate Change Bill which may include requirements for all public bodies and essential service providers to carry out Climate Change risk assessment which will result in the identification of appropriate adaptation measures.

Drug and Alcohol Policy:

Aim: To continue to support Government's Drug and Alcohol policy

Action: To commission the new Rehabilitation/Detox Unit:

- The DSC conducted a review in 2010 of all its substance misuse treatment services to ensure that local needs are being met. The review confirmed that an inpatient facility is neither required clinically nor would it provide value for money. The review identified some opportunities to enhance current dependency treatment services. The DSC is considering these opportunities along with other possible changes across the Department as part of the budgeting process for 2012/13. The DSC will continue to keep Council of Ministers and Tynwald informed of its plans.

Action: To consider the creation of a Drug Enforcement Agency:

- Research has shown that an approach predicated upon the targeting solely of the commodity (i.e. drugs) is unlikely to succeed. As a result, efforts are now being concentrated on the creation of a Joint Data Unit across all Government Departments to protect the Island from all serious criminality. At the same time work is well under way to facilitate effective information sharing across all participating agencies.

Action: To promote greater parental and community responsibility towards alcohol use:

- The Public Health Directorate of the DOH has developed an information leaflet about foetal alcohol syndrome which aims to inform mums-to-be and adolescents about the risks of alcohol consumption in pregnancy. It will be distributed soon via schools, community nurses and midwives.
- The Department of Education and Children funds a Drug and Alcohol Liaison Officer who has taken on a series of new roles as the Government provision in this area has changed. Part of the role of the officer is to work with parents and the community through initiatives such as roadshows and awareness raising meetings. There has been much positive new activity in the past few years.
- Members of OffWatch signed up to a Voluntary Code of Conduct to place all alcohol for sale within a premises in one main area, provide signage highlighting to customers that they are entering an alcohol zone and to provide health literature highlighting the dangers that can be associated with the over consumption of alcohol.
- An Alcohol Campaign was launched in all schools and in the community, raising awareness of the negative consequences of excessive and harmful drinking. The communications have mainly been focussed towards the under 18 year age group.
- The Off Licence trade, On Licence trade, Police, Ambulance Services and Health Service attended local secondary schools and the IOM College to provide education from each participant's specialist fields such that pupils receive a varied insight into the consequences of abusing alcohol from health, criminal and social aspects.

- During the year the first set of licensees obtained a new qualification proving their knowledge and competency to retail alcohol. The IOM College teamed up with the industry, the Licensing Forum and the Police Alcohol Unit to devise the Manx Licensee Qualification tailored for the Island's licensing trade, in conjunction with the British Institute of Inn-Keepers (BII).
- The Drug and Alcohol Strategy Roadshow promoted a greater understanding of drug and alcohol issues on the Island.
- Parent and community sessions relating to alcohol misuse have been held across the Island. There has also been continued promotion of DHA's 'Be Alcohol Aware' website.
- In 2011 a new online messaging service is being introduced to support members of the All Island Pubwatch scheme in their drive to promote responsible drinking and combat unruly behaviour on licensed premises. The service allows text messages to be sent in bulk by landlords and designated officials who have access to the internet with the aim of providing fast and reliable communication between Pubwatch members so that important information can be shared as effectively as possible.
- Where alcohol is a factor in a child protection case, Social Services works closely with the family to help parents address the issue and its impact on the child, who is the primary client. This measure aims to reduce the incidence of alcohol leading to family breakdown and work with families to understand parental responsibility and risk to children from alcohol misuse.
- Nearly 300 'proof of age' cards have been issued by the Office of Fair Trading. These cards are designed to help young people over the age of 18 prove their age when buying age restricted goods such as cigarettes and alcohol. The total number of cards issued since the introduction of the scheme in 2004 now stands at over 1,550.

Action: To research more effective methods of the control of drinking amongst young people:

- During 2011, the Youth and Community Division of the DEC has restructured its work to focus on the five outcomes for Children and Young People and is taking significant steps to work on alcohol awareness with its client group. The Youth and Community team support a wide range of young people in helping them to be aware of the dangers of the misuse of alcohol and other substances.

- 'Challenge 25' has been introduced, whereby any person purchasing alcohol who appears to be under the age of 25 is challenged about their age and asked to produce approved identification before any sale is completed.
- Integrity testing exercises have been carried out by the Office of Fair Trading and the Police Central Alcohol Unit. They worked with young volunteers to test retailer's compliance in the sale of alcohol to persons under the age of 18 years
- The regional PubWatch groups have formed an All Island PubWatch Scheme such that instances of violence, damage, assaults on staff and customers and general anti-social behaviour, if deemed serious enough, could mean that a person is ultimately banned from licensed premises Island wide.
- A major project – "Link" – has been introduced in an effort to draw together policing and community responses to alcohol issues.
- Via the Public Health Directorate it has been recommended that consideration be given to increasing the unit cost of alcohol, a measure which has been shown to decrease use among young people and heavy drinkers. The Department of Health does not presently have the capacity to research effective methods of control of drinking amongst young people.

Action: Ensure there is an open and informed debate on the Island into a future drugs policy, encompassing all possible options to minimise drug use, treat drug addiction and reduce associated crime:

- The DEC cooperates fully with a range of organisations which tackle the problems of drug and alcohol misuse and liaises with them regularly. The DEC Youth Division leads consultation with young people for all Departments of Government as agreed with the Children's Services Partnership and the Children's Committee.
- A local website is being piloted - crashtest.im - that aims to put information about drugs onto the website and through social media (Facebook and Twitter) and respond to queries posed by local young people. It is managed by the Public Health Directorate and is jointly funded by a number of Government Departments.
- A number of initiatives have been undertaken in the past few years and a cross-Departmental Steering Group with a political lead now meets regularly to ensure the strategy is coordinated and continues to move forward.
- The Misuse of Drugs Amendment Act became law in October 2010.

- The Minister for Home Affairs, hosted the seventh ministerial meeting of the British-Irish Council on the Misuse of Drugs on the Island, focusing in particular on how to effectively manage the challenges associated with substance misuse in the Prison setting. The DHA, in conjunction with the DEC, organised information seminars on 'Legal Highs' for all those working with drug and alcohol issues and included representatives from the older school student groups, and for the public.
- The Department of Health led a multi agency campaign across the community with particular focus on Mephedrone. Posters and leaflets were distributed to targeted at-risk groups in the community and those in contact with existing support services.
- There has been frequent local media work highlighting the risks and effects of using unknown substances and the Island has featured on both BBC North West and the One Show for its proactive stance in managing this issue which is a widespread problem in neighbouring administrations.
- Focus groups with members of the public have been run by DHA and DEC relating to drug and alcohol strategic actions and open public sessions have been held across the Island.
- A ports and airports anti-drugs campaign led by the Police was successfully undertaken.
- The DSC has employed a tiered approach with multiple methods of advice, intervention, redirection and where necessary acute treatment, recovery and rehabilitation. There is two year contractual framework in place with DASH and AAS.

Population Management:

Aim: *To promote an integrated and inclusive society*

Action: **To increase the opportunities for the resident population to take up employment through more effective workforce planning and social policies:**

- At the June 2011 sitting Tynwald received an Apprenticeship Update from the Department of Economic Development covering the performance of measures currently in place in relation to apprentices in different sectors of the economy as well as proposals for potential new initiatives which Government is considering.

Action: To permit inward migration where it contributes to the needs of the community:

- To help ensure the Isle of Man's immigration policies were supportive of aspirations for an integrated and inclusive society and that inward migration was facilitated where it contributed to the needs of the community, Government introduced further elements of a Points Based Immigration System.
- The Chief Secretary's Office participated in the Migration Policy Group, established by the Council of Ministers and chaired by the Department of Economic Development, which ensured proposed changes to Immigration Rules reflected the needs of the Island's economy, but that the impact of any such changes did not introduce loopholes that could have lead to immigration abuse.

Action: To review the provisions of the Residence Act:

- The Council of Ministers continues to monitor events which may require a review of the Residence Act provisions. As noted in the Population section of Part 1 of this Report, it is anticipated that population expansion will continue over the next few years but at a slower rate than experienced for most of the last decade as a consequence of reduced demand for off-Island labour in a slower growing economy. The results of the 2011 census will help inform policy making in this area.

Action: To review all rules relating to the entitlement to state services and benefits:

- The Council of Ministers reported to Tynwald at the November 2010 sitting in relation to the review or otherwise of Services and Welfare Benefits provided by Government Departments. As part of the Government's ongoing Budget Rebalancing Strategy, Departments continue to monitor the situation although the Council of Ministers remains determined to protect essential services and welfare benefits in line with the Government's Strategic Plan 2007-2011.

Law and Order:

Aim: *To ensure the effective enforcement of criminal law and reduce the incidence of crime*

Action: **To invest in the modernisation of the Isle of Man Constabulary, particularly through more effective use of information technology:**

- The DHA now has an ICT strategy in place which provides a framework to support the changes within the department as well as addressing the issues that are inhibiting the efficiency, effectiveness and flexibility of the organisation.
- During 2010 the Police launched SharePoint which has successfully reduced the number of paper forms used, enabled the availability of common information libraries for all users and has allowed the restructuring of some processes to enhance their effectiveness.
- During 2011/12 it is intended that Phases 2 and 3 of SharePoint will be rolled out which will further improve on current process and data management, introduce data sharing across other Government agencies and partnerships and enable interaction with other databases such that the Police would have a single front-end to all their major systems.

Action: **To review the Island's legislation and criminal justice practices with a view to providing a more effective and efficient penal system:**

- Work continues across relevant Departments to review the criminal justice system and introduce new policies, practices and systems where appropriate.
- The DHA has been instrumental in looking into the introduction of a mediation service for the Island following the recommendations of the Mediation Working Group.
- The DHA has commissioned some research into the possibility of implementing Restorative Justice on the Island and this work will continue through 2011.
- The DHA has successfully extended the use of the electronic monitoring system thereby improving its value for money.

Action: **To promote a closer relationship between the community and the police:**

- A strategic initiative ('Link') to provide a cohesive response to the policing of young people was introduced in 2008 and is embedded and ongoing. This initiative, working in partnership with other agencies has reduced early criminalisation, formalised an approach

- to Secondary Schools through the use of Safer Schools Teams and introduced a structured approach to work within Primary Schools and youth clubs. The positive, proactive engagement on patrol and within schools and youth clubs has significantly improved the relationship between young people and the police.
- Recognising the increasingly diverse nature of the Island's population, work was started in 2009 to deliver an appropriate response for the whole community. Public forums were held and following this, internal champions were appointed to focus on race, nationality, faith, disability, lesbian, gay, bisexual, and transgender issues. This work is ongoing but already key contacts have been made across the community and the operational focus has increased.
 - In 2009 Ward Policing was introduced within Douglas Neighbourhood. This work provides geographically based Ward Managers to deal pro-actively with community and quality of life issues. They have already achieved a high profile within their Wards, building positive relationships.
 - The concept of regional neighbourhood policing has been further developed over the past few years, including giving partner agencies a say on who the Inspector should be in their area. Co-location with partner agencies remains a priority and with that in mind it is planned for the Northern Policing team to move into the Town Hall with Ramsey Commissioners later in 2011.
 - Following a recruitment campaign, the numbers of Police Community Volunteers (PCVs) increased by 26 to 66. PCVs assist in many ways including answering the phone, attending public counters as well as enabling out of town police stations to remain open longer.
 - In January 2010 the police issued a Community Safety Booklet which was delivered to all households throughout the Island. The booklet contained advice on subjects ranging from house and vehicle security through to what to do about rogue traders and 'cowboy builders'.
 - In the summer of 2010 the Southern Neighbourhood Policing Team announced the success of a joint initiative between Police in the Castletown area and the Department of Community Culture and Leisure which incentivised children to play football in appropriate places, reduced nuisance in residential areas and reduced the amount of call-outs to the Castletown police. As a result, five children received vouchers to take part in summer sports activities.

- July 2011 will mark the second anniversary of "Skeet from the Beat", a highly popular radio slot which allows the Constabulary to inform a large proportion of the public about what the police are currently doing operationally. Information appeals have been successful and having a relaxed format allows the police to share crime reduction ideas and good safety advice relating to a wide variety of Island issues.
- Around 900 Year 6 pupils from schools across the Island enjoyed a full day of workshops at the 2010 Crucial Crew Event. Crucial Crew is the envy of many authorities in the UK because the police are able to bring so many private sector and Government agencies together to cover all aspects of safety on one campus. It is very well received by all the children who participate as it's very entertaining but with underlying serious safety messages.

Action: To continue to promote high levels of crime detection rates:

- During the period, changes have been made to crime recording protocols in order to tighten the approach to the detection of crime. Some of the changes were designed to address possible conflict with Data Protection principles. As a result, the detection of crimes when offenders were not taken to court became considerably more difficult. However, detection rates for the period have exceeded 50% across all years which is significantly higher than elsewhere in the British Isles.
- The detection rate for 2010/11 was 52.3% compared to an average detection rate for the 43 police forces in England and Wales of 27.8% (2009/10).

Action: To develop more effective and visible community service arrangements for offenders which will be of benefit to our community:

- Following changes in the Judiciary, Community Service has become even more popular with the Courts and enforcement has been further improved. A wider range of projects has been developed that ensure offenders work both in groups and individually in the community. Each placement is risk assessed and support offered to agencies that provide work for offenders to undertake. Local commissioners are involved as well as a range of Island charitable organisations. Limiting factors tend to be weekend work times and ensuring a match between offenders and projects based on risk assessment and offender suitability. Douglas Corporation has recently entered into a more formal type of partnership with the Probation Service to utilise Community Service offenders working

with Corporation staff within the Douglas area. A dedicated member of staff within the Probation Division is responsible for the scheme.

Action: To ensure that the constabulary is given direction as to the Island's communities priorities for policing:

- In consultation with the Police Advisory Group, the Chief Constable and the Council of Ministers, the Department of Home Affairs prepares the Policing Plan on an annual basis which sets the priorities for the Constabulary. Views are also sought from the Police Consultative Forum who obtain the public's opinion on policing priorities.

Responsible Use of Transport:

Aim: To ensure residents and visitors benefit from a quality transport system

Action: To consider extending the availability of public transport:

- The new bus network is running and is designed to meet the changed needs of the community in providing, for example, weekend shopping services and late night buses.

Action: To investigate the developments of commuter rail services to and from the South of the Island:

- The DCCL investigated the development of commuter rail services to and from the South of the Island by providing a trial service during TT 2009. More extensive investigation will have to wait for the provision of adequate funding.

Action: To encourage the public to make greater use of public transport:

- The revised bus network offers more opportunities to residents and visitors to use the public transport network. New buses have been brought into service, offering increased customer comfort.

Action: To develop policies to require Government Departments, Statutory Boards and Authorities to use environmentally friendly vehicles:

- Current purchasing guidance is that in considering the tender for new vehicles the specification should require the most fuel efficient engines.
- Trials of various environmentally friendly vehicles and alternative fuel sources continue.

Action: To encourage business and the public to use environmentally friendly transport:

- The improvements to the bus service are intended to encourage usage of this environmentally friendly form of transport.
- DEFA has introduced JourneyMatch to encourage people to share car journeys. Electric charging points for electric vehicles have been provided around the Island and electricity is provided free of charge for these vehicles.

The Built Environment:

Aim: To raise the quality of the environment which surrounds us

Action: To establish a fund for the regeneration of our town and village centres:

- The Town and Village Centre Regeneration Scheme 2009 which was unanimously agreed by Tynwald in February 2009 came into operation on 1 April 2009. The fund is for £8 million. The Scheme is coordinated by a Regeneration Manager but also involves officers across Government. They work corporately and are principally from Departments of Infrastructure and Economic Development, Manx National Heritage and Public Transport. The Fund is administered by the Department of Economic Development to provide grant assistance from the Treasury Regeneration Fund for capital works which have public access and will be beneficial to the area and assist regeneration.
- Annex 13 to this report provides a full update on the Regeneration of Towns and Villages project.

Action: To direct further effort and resources to improve the quality of the environment in which we live:

- The Department of Infrastructure is one of the key agencies with responsibility for delivery of the Chief Minister's regeneration schemes for the Island. This year work has progressed in a number of key areas including Strand Street and Nelson Street in Douglas and also the Courthouse Area and the Lanes in Ramsey. The Department provides a Project Manager for these projects and works closely with other partners and stakeholders through the Strategic Infrastructure Group which meets quarterly and through the Joint Utilities Group. The Department has also consulted extensively this year on options for the regeneration of Douglas Promenade. The Town and Village Regeneration Fund has directed £565,000 to improve the quality of the environment across towns and villages. The money has been awarded to local architects for design, purchase of materials and local contractors to undertake work. The DOI's Highways Division works closely in partnership with other agencies on planned regeneration projects; and other areas of work including decluttering street furniture, signage and banner policy; on street parking issues and developing cycle routes to promote recreational use.
- The DOI's Planning Division provides advice to members of the public, Planning Officers and members of the Planning Committee in matters of design and development control and has a successful Historic Buildings Conservation Scheme.
- In addition to the investment from the Fund, regeneration work has levered in £526,300 regeneration funding from the private, voluntary, other Government Departments and Local Authorities. 90% of the Fund has been committed to local companies and contractors.

Action: To continue to develop and improve our infrastructure to provide a high quality environment for residents, business and leisure:

- The Summerland/Derby Castle Site had been earmarked by Government for development. However, a formal tender to try and attract a private sector partner to develop the site was unsuccessful. Decision has been taken to transfer the site to DOI's Strategic Asset Management Unit so that it can be managed to maximise economic value.
- The Bowl stadium has been redeveloped successfully.

- The Heritage Railway infrastructure has been updated following capital schemes for Laxey Viaduct and Snaefell Mountain Railway.
- The DOI Highways Division has a significant strategic maintenance programme that has this year successfully dealt with serious damage resulting from extreme weather over the winter period as well as successfully delivered ongoing highway maintenance and improvement schemes. The Planning & Building Control Division of the Department of Infrastructure has invested in its planning policy work progressing the draft Area Plan for the South, the Bride Development Order, a review of Permitted Development and is a key partner in delivering a Waste and Minerals Plan as well as contributing to the Marine Spatial Planning work.
- The Water and Sewerage Authority continues to maintain its existing assets to the highest standards. In April 2011 Tynwald approved £39,984,000 for the development of the first phase of works associated with the Regional Sewage Treatment Strategy (RSTS). Sewage from 67% of the Island's population is currently treated at the Meary Veg Sewage Treatment Works, in full compliance with the discharge consents issued by the Environmental Protection Unit. This will rise to 85% on completion of the first phase of the RSTS. The bathing water quality has improved significantly, year on year, in those towns and villages in the South of the Island that are connected to Meary Veg, as a result of the significant investment in the sewerage and sewage treatment infrastructure. This will continue to improve as the RSTS is delivered and more communities are connected to modern sewage treatment works.
- The unusual and extreme cold weather at the end of 2010 and the beginning of this year presented a further challenge when the level of demand for water increased significantly due to leakage and burst pipes. It is interesting to note that only 5 years ago, this level of demand for water could not have been met, and that due to the commissioning of the new Douglas and Sulby Water Treatment Works providing the additional supply capacity the increased levels of demand were met without any impact on the quality of the water supplied or the continuity of service to customers.
- The quality of drinking water in the Isle of Man continues to be high and compares extremely favourably with the UK Industry Average.
- The Island has a very good telecommunications infrastructure. Local providers have invested over £70 million in networks and services in recent years. The Island has 100% broadband availability at speeds of up to 16 Megabits per second (Mb/s) with ADSL2.

- As of May 2011, 82.3% of households were connected to broadband and the average line sync speed achieved by all ADSL2+ customers was 10.9Mbps, over 75% better than the average UK broadband speed of 6.2 Mbps.
- At the end of March 2011, the equivalent of 114% of the Manx population had a mobile phone subscription (pay or pre-pay) through the two local providers.

Action: To devise initiatives in conjunction with local authorities to improve the appearance of public spaces and buildings for which they are responsible:

- The DOI continues to work proactively through a number of strategic partnerships including the Douglas Community Safety Partnership to help Local Authorities improve the quality and appearance of public open spaces and areas for which they share responsibility. There has been a successful initiative at Hills Meadow in Douglas to address environmental issues and to improve the quality of the area for commercial residents and users.
- Regeneration proposals have been agreed by the Local Regeneration Committees and the Chief Minister's Regeneration Steering Group for public spaces in Ramsey - the Lanes, around the Courthouse and in Market Place, in Douglas - Nelson Street, in Castletown - Market Square, in Laxey - Whitehouse Close, in Peel - Market Place and around the Marine Hotel, in Port Erin - outside the Railway Station and improvements to the Quarterdeck.

Action: To encourage people to take pride in their environment:

- The DOI's Planning & Building Control Division provides advice to members of the public, Planning Officers and members of the Planning Committee in matters of design and development control. It works effectively with other parts of Government to deliver the agreed actions for the Town and Village Centre Regeneration projects.

Action: To work with the private sector to ensure the appearance of their individual properties is of an acceptable standard:

- The DOI has a proactive approach to providing advice to planning applicants, the public, Members and others.

- It continues to provide grant aid via the Historic Buildings Conservation Scheme towards the maintenance of the Island's historic buildings.
- Eligibility for funding from the Town and Village Regeneration Fund includes individuals and companies. Guidance and information on the Fund for applicants has been prepared to encourage and support individuals and companies. The Information Guidance and Application Form are freely available and have been promoted in the media and on a dedicated website. There have been numerous press articles and references to the Regeneration Fund. Two newsletters have been produced for Douglas and Ramsey promoting the Scheme and the Regeneration Plans.
- To date nearly £124,500 has been offered to individuals or private companies to improve the appearance of their commercial properties.

Rural and Marine Management:

Aim: To maintain the quality and natural beauty of our rural and maritime environment

Action: To support the development of more vibrant agricultural and fishing industries:

- DEFA continues to be active in supporting the infrastructure for these industries. Restructuring at the Meat Plant has achieved significant savings and is ongoing. The Department has agreed to provide £475,000 to assist with this process and to compete with imports following the loss of the Red Meat Derogation.
- DEFA has worked closely with fishermen and processors, achieving Marine Stewardship Council accreditation of the Queenie fishery. Mill Road Yard in Peel, which is in the heart of the processing industry, is being substantially improved. Manx fishermen are working closely with the Department to investigate the viability of 'ranching' scallops in Manx waters.

Action: To transfer the basis of support for the farming industry from production support towards countryside management and maintenance of the Island's capability to farm:

- The transfer of support from production based subsidies to payments in return for maintaining basic countryside care has been agreed and a phased transfer to the new payment structure is near completion.

Action: To encourage the further use of the countryside for alternative and appropriate land use:

- The move away from production related support to an area payment is providing farmers with more freedom to consider alternative uses for their land. A proposed diversification scheme has not been progressed due to resource constraints.

Action: To ensure the protection and enhancement of the rural and maritime environment by actively supporting and advising on best practice standards for all users:

- Manx National Heritage continues to contribute to international efforts to track and monitor population of domestic and migratory birds through the operation of a Bird Observatory on the Calf of Man.
- Farm subsidy payments are now conditional on farmers maintaining their land (and livestock) in good environmental and agricultural condition.
- Ramsey Bay is due to be designated as the Island's first Marine Conservation Zone in 2011, and the Marine Spatial Plan continues to be developed.
- DEFA's Agricultural Advisory team continues to offer a range of strategic and practical farm advice.

PART THREE**3.1 CORPORATE KEY PERFORMANCE INDICATORS AND TARGETS**

3.1.1 As part of that reporting structure Government has identified the following key performance indicators which will measure our success or otherwise of achieving our aims and objectives:

Indicator	Target	Previous Performance	External Benchmark	Current Performance
Percentage of Year 11 pupils obtaining 5+ GCSEs and equivalent qualifications at grades A* - C including English and Maths	Greater than 50%	47.7%	England - all maintained schools = 50.7%	51.7%
Uncapped points per pupil for GCSE and equivalent qualifications	Greater than 390	391.0	England - all maintained schools = 419.6	396.6
OCA (Qualifications and Curriculum Association) points score per student for A level and equivalent qualifications	Greater than 840	829.9	England - all maintained schools = 761.6	790
Waiting time between determination of need for, and provision of, an elective in-patient procedure	95% of procedures delivered within 13 weeks	IT development in progress to provide required management information, due completion early 2010.	UK: The UK target policy has been scrapped, apart from a few specific limits for time-sensitive disease such as cancer. There is thus no relevant comparable benchmark.	In orthopaedics, 75% of patients are being seen in less than 6 months and 93% in less than 11 months. In ophthalmology, 45% of patients are seen in less than 6 months and 75% in less than 11 months. ¹
Average number of deaths per year of persons under 75 as a % of total deaths	Match UK position	28.3% of total deaths (2009)	UK: 34.3% of total deaths (2007)	31.5% of total deaths (2010)

¹ In certain clinical specialities waiting times remain greater than we would wish. Despite steadily increasing demand, through a combination of measures including demand management and service reviews, we are stabilising or eroding waiting times wherever possible. Currently, waiting times for a diabetes first appointment are falling.

Indicator	Target	Previous Performance	External Benchmark	Current Performance
Expansion of the output of the economy	Annual increase in real Gross Domestic Product (GDP) to exceed that of the European Union (EU15)	2007/08 IOM GDP increased by 7.5%	2008/09 EU15 GDP increased by 2%	2008/09 IOM GDP increased by 4.7%
Maintaining full employment	Unemployment rate to be no higher than 2%	June 2010 Unemployment rate = 1.9%	EU (15) levels of unemployment	June 2011 Unemployment rate = 1.9%
Levels of crime	Sustain low levels	2006/07 = 4,651 2007/08 = 3,824 2008/09 = 3,424 2009/10 = 2,896 2009/10 = 2,896	Crime data from England, Wales and the Channel Islands	2010/11 = 2,826
Detection rates	Above 30%	2006/07 = 55.2% 2007/08 = 57.3% 2008/09 = 51.4% 2009/10 = 50.9%	Crime data from England, Wales and the Channel Islands	2010/11 = 52.3%
Number of serious injury Road Traffic Collisions (RTCs)	Reduce serious and fatal RTCs by 2 % per annum over a 3 year rolling programme	2006/07 = 79 2007/08 = 85 2008/09 = 46 2009/10 = 70	UK statistics	2010/11 = 59 3 year rolling: 2008-2011 = 175, representing a 13% reduction to previous 3 years
Level of carbon emissions	20% reduction in 2005 levels by Government Departments by 2010	53,000 tonnes of carbon dioxide emissions in 2005 Approximately 49,000 tonnes of carbon dioxide in 2008/9	Kyoto Convention requirements	16.5% reduction in carbon emissions since 2004/2005 ²

² * 47,000t CO₂ in 2009/10, compared to baseline year performance of 53,000t. Disregarding the additional 5,000t CO₂ load from sites added since 2005 which includes new water treatment plants, additional connections to IRIS and the Jurby Prison becoming operational, means net CO₂ reduction figure of 20.8%.

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Government Bills introduced into the House of Keys 2007- 2011

Since November 2006, 62 new Government Bills have been introduced into the House of Keys for First Reading and these are included in Table 1 below.

Table 1: Government Bills introduced into the House of Keys since November 2006

Year	No.	Name of Bill
2011	1	Freedom of Information
	2	Criminal Justice Acts (Amendment)
	3	Flood Risk Management
	4	Manx Museum and National Trust (Amendment)
	5	Representation of the People (Amendment)
	6	Road Traffic and Highways (Miscellaneous Amendments)
2010	7	Anti-Terrorism and Crime (Amendment)
	8	Building Control (Amendment)
	9	Children and Young Persons (Amendment)
	10	Civil Partnership
	11	Companies (Prohibition of Bearer Shares)
	12	Criminal Justice (Miscellaneous Provisions)
	13	Criminal Justice (Witness Anonymity)
	14	Debt Recovery and Enforcement
	15	European Union (Amendment)
	16	Electricity (Amendment)
	17	Financial Provisions and Currency
	18	Fisheries
	19	Foundations
	20	Housing (Miscellaneous Provisions)
	21	Income Tax
	22	Limited Partnerships (Legal Personality)
	23	Misuse of Drugs (Amendment)
	24	Organised and International Crime
	25	Public Sector Pensions
	26	Road Races (Amendment)
	27	Sewerage (Amendment)
	28	Social Services

Year	No.	Name of Bill
	29	Tynwald Auditor General
	30	Tynwald Commissioner for Administration
2009	31	Endangered Species
	32	Gambling Supervision
	33	Harbours
	34	Human Rights (Amendment)
	35	Incorporated Cell Companies
	36	Income Tax (No.2)
	37	Marriage and Civil Registration (Amendment)
	38	Payment of Members' Expenses (Amendment)
	39	Terrorism (Finance)
	2008	40
41		Collective Investment Schemes
42		Agricultural Tenancies
43		Tree Preservation (Amendment)
44		Proceeds of Crime
45		Town and Country Planning (Amendment)
46		Companies (Amendment)
47		Gender Recognition
48		Animal Health (Amendment)
49		Company Officers (Disqualification)
50		Fees and Duties (Amendment)
51		Income Tax
52		Social Security (Amendment)
53		Value Added Tax (Amendment)
54		Education (Miscellaneous Provisions)
55		Advocates (Amendment)
56		Corruption
57		Enterprise
2007	58	Civil Service (Amendment)
	59	Education (Amendment)
	60	European Communities (Amendment)
	61	Personal Liability (Ministers, Members and Officers)
	62	Road Races (Temporary) Modification

Bills Awaiting Royal Assent

Sewerage (Amendment) Bill 2010

Fisheries Bill 2010

Church Offices Measure (Isle of Man) 2011

Companies (Prohibition of Bearer Shares) Bill 2010

Financial Provisions and Currency Bill 2010

Limited Partnership (Legal Personality) Bill 2010

Income Tax Bill 2010

Foundations Bill 2010

Social Services Bill 2010

European Union (Amendment) Bill 2010

Tynwald Auditor General Bill 2010

Tynwald Commissioner for Administration Bill 2010

Public Sector Pensions Bill 2011

Anti-Terrorism and Crime (Amendment) Bill 2010

Housing (Miscellaneous Provisions) Bill 2010

Building Control (Amendment) Bill 2010

Broadway Baptist Church Bill 2011

Debt Recovery and Enforcement Bill 2010

Criminal Justice Acts Amendment Bill 2011

Manx Museum and National Trust (Amendment) Bill 2011

Breastfeeding Bill 2010

Road Traffic and Highways (Miscellaneous Amendments) Bill 2011

ISLE OF MAN GOVERNMENT CAPITAL PROGRAMME 2011/12 – 2015/16

	ESTIMATED CAPITAL PAYMENTS AT CONSTANT PRICES (MARCH 2011)						IMPLICATIONS	
	2011-12	2012-13	2013-14	2014-15	2015-16	Further Payments	Revenue	Staff
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	Number
COMMUNITY, CULTURE & LEISURE	8,513	4,860	3,800	2,650	2,650	1,500	3,845	
ECONOMIC DEVELOPMENT	1,920	1,120	1,120	1,120	1,120		62	
EDUCATION & CHILDREN	13,727	10,296	10,260	5,291	2,378	95	8,176	32.00
ENVIRONMENT, FOOD & AGRICULTURE	2,742	1,500	500	500	500	230	1,033	
HEALTH*	5,381	1,798	2,960	1,445	1,105	9,075	16,937	130.20
HOME AFFAIRS	2,670	2,488	1,404	2,730	3,283	1,555	6,750	30.00
INFRASTRUCTURE	19,058	20,121	15,033	12,275	6,375		15,245	
SOCIAL CARE	3,818	1,165	1,244	1,927	4,090	6,390	4,657	53.32
	57,829	43,348	36,321	27,938	21,501	18,846	56,705	245.52
MANX NATIONAL HERITAGE	1,375	510	660	520	550	1,545	1,028	2.80
	59,204	43,858	36,981	28,458	22,051	20,391	57,733	248.32
SCHEMES FUNDED FROM HOUSING RESERVE	11,130	9,926	9,513	8,553	5,000		5,068	
GOVERNMENT TOTAL	70,334	53,784	46,494	37,011	27,051	20,391	62,801	248.32
SEWERAGE SCHEMES	11,725	13,951	13,446	9,803	3,863	38,350	15,850	7.00
MEA SCHEMES	19,783	8,161	7,348	6,598	4,322			
LEGISLATURE							991	2.00
TOTAL CAPITAL PROGRAMME	101,841	75,896	67,288	53,412	35,236	58,741	79,642	257.32
PROPOSED SCHEMES BEYOND 2013-14				6,493	21,709	199,805	20,403	17.83
REVISED TOTAL	101,841	75,896	67,288	59,905	56,945	258,546	100,045	275.15
STATUTORY BOARDS' CAPITAL PROGRAMME	8,890	4,775	2,745	2,713	2,625	13,620		
LOCAL AUTHORITIES' HOUSING PROGRAMME	21,205	20,543	19,594	19,609	13,536	10,650		
	131,936	101,214	89,627	82,226	73,107	282,816		

* Note: See notes accompanying the Department of Health capital programme

	ESTIMATED CAPITAL PAYMENTS AT CONSTANT PRICES (MARCH 2011)						IMPLICATIONS	
	2011-12	2012-13	2013-14	2014-15	2015-16	Further Payments	Revenue	Staff
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	Number
COMMITTED SCHEMES	54,470	18,749	6,299	4,903	3,539	6,468	56,650	240.72
CONTINUING SCHEMES	12,503	12,121	12,101	12,200	12,647	1,275	6,001	
NEW SCHEMES	34,869	45,026	48,888	42,803	19,050	50,998	37,394	34.43
	101,841	75,896	67,288	59,905	56,945	258,546	100,045	275.15

Note: The 5 year programme is shown at a constant price base to illustrate the implications in real terms of planned expenditure.

ISLE OF MAN GOVERNMENT REVENUE ESTIMATES 2011/12 – Table 1

Department	Budget 2010-11 £m	Pay Increases £m	Inflation & Adjustments		Loan Charges £m	Budget Savings £m	Budget 2011-12 £m	Increase over Budget 2010-11	
			(inc. Receipts) £m					£m	%
Community, Culture & Leisure	18.20	0.00	0.26		0.47	(1.53)	17.40	(0.80)	(4.4)
Economic Development	15.43	0.08	0.90		0.01	(1.40)	15.02	(0.40)	(2.6)
Education & Children	99.15	1.83	(0.10)		0.25	(5.44)	95.69	(3.46)	(3.5)
Environment, Food & Agriculture	16.38	0.04	(0.10)		0.03	(1.09)	15.26	(1.12)	(6.8)
Health	115.53	1.29	7.11		0.91	(3.48)	121.37	5.83	5.0
Home Affairs	34.08	0.16	0.05		0.09	(2.77)	31.62	(2.46)	(7.2)
Infrastructure	37.63	0.08	(1.62)		0.90	(2.27)	34.73	(2.91)	(7.7)
Social Care	136.72	0.16	4.69		(1.27)	(4.08)	136.22	(0.50)	(0.4)
Treasury	17.77	0.19	0.24		(0.00)	0.79	18.99	1.22	6.9
	490.90	3.83	11.44		1.39	(21.27)	486.30	(4.60)	(0.9)
Executive Government (Pensions)	18.14		1.86				20.00	1.86	10.3
Executive Government (Other)	15.00	0.00	0.02		0.00	0.71	15.73	0.74	4.9
Manx Museum & National Trust	4.22	0.01	0.09		0.03	(0.37)	3.99	(0.24)	(5.6)
Road Transport Licensing Committee	0.16	(0.00)	0.00		0.00	(0.00)	0.15	(0.00)	(1.7)
Communications Commission	(0.39)	0.00	0.17		0.00	(0.05)	(0.26)	0.12	(31.3)
Financial Supervision Commission	2.27	0.00	(0.01)		0.00	(0.05)	2.21	(0.06)	(2.6)
Gambling Supervision Commission	(1.29)	0.00	0.27		0.00	0.00	(1.01)	0.27	(21.3)
Insurance and Pensions Authority	0.42	0.05	0.14		0.00	(0.14)	0.47	0.05	12.4
Office of Fair Trading	0.71	0.01	0.03		0.00	(0.04)	0.70	(0.01)	(1.2)
Legislature	4.86	0.05	0.08		0.00	(0.10)	4.89	0.03	0.6
(figures subject to rounding)	535.00	3.96	14.09		1.42	(21.30)	533.16	(1.83)	(0.3)

The above figures (Table 1) reflect staffing budget transfers due to the introduction of shared services.

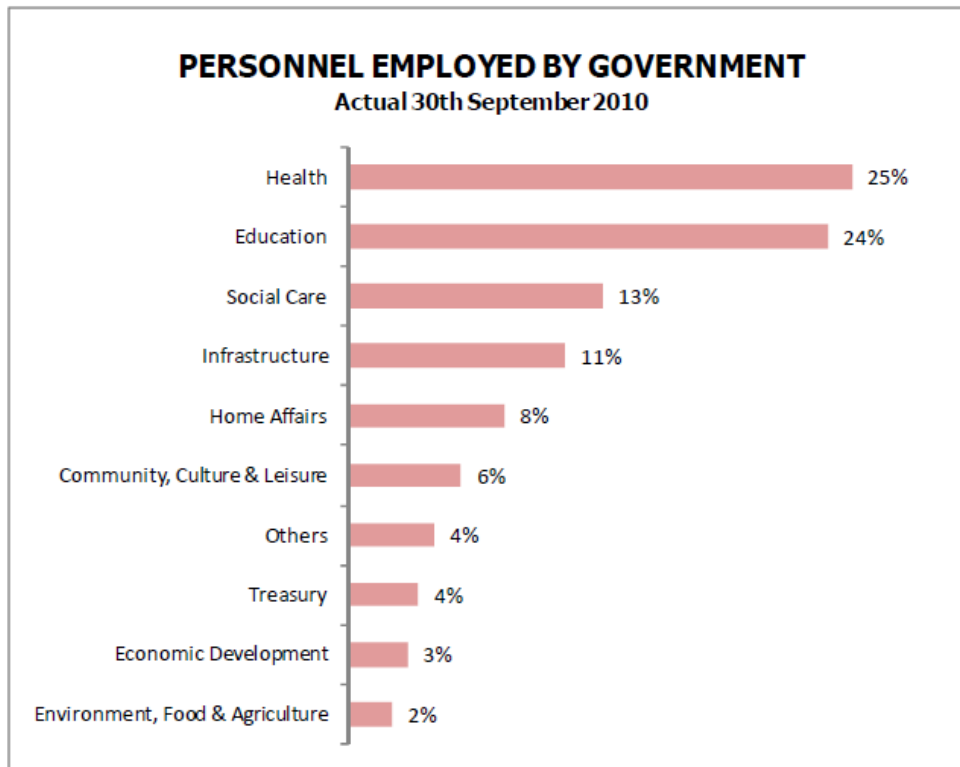
ISLE OF MAN GOVERNMENT REVENUE ESTIMATES 2011/12 – Table 2

For comparison purposes, the following (Table 2) shows what the net spending of Departments would have been without the budget adjustments related to shared services:

Department	Changes		Budget 2011-12 £m	reverse shared service impact £m	Budget excl shared service £m	Increase over Budget 2010-11	
	Budget 2010-11 £m	identified above £m				£m	%
Community, Culture & Leisure	18.20	(0.80)	17.40	0.34	17.74	(0.46)	(2.5)
Economic Development	15.43	(0.40)	15.02	0.18	15.21	(0.22)	(1.4)
Education & Children	99.15	(3.46)	95.69	0.60	96.29	(2.85)	(2.9)
Environment, Food & Agriculture	16.38	(1.12)	15.26	0.09	15.35	(1.03)	(6.3)
Health	115.53	5.83	121.37	1.63	123.00	7.46	6.5
Home Affairs	34.08	(2.46)	31.62	0.21	31.83	(2.25)	(6.6)
Infrastructure	37.63	(2.91)	34.73	0.69	35.41	(2.22)	(5.9)
Social Care	136.72	(0.50)	136.22	0.00	136.22	(0.50)	(0.4)
Treasury	17.77	1.22	18.99	(2.46)	16.53	(1.24)	(7.0)
	490.90	(4.60)	486.30	1.28	487.58	(3.32)	(0.7)
Executive Government (Pensions)	18.14	1.86	20.00	0.00	20.00	1.86	10.3
Executive Government (Other)	15.00	0.74	15.73	(1.32)	14.41	(0.59)	(3.9)
Manx Museum & National Trust	4.22	(0.24)	3.99	0.04	4.03	(0.19)	(4.6)
Road Transport Licensing Committee	0.16	(0.00)	0.15	0.00	0.15	(0.00)	(1.7)
Communications Commission	(0.39)	0.12	(0.26)	0.00	(0.26)	0.12	(31.3)
Financial Supervision Commission	2.27	(0.06)	2.21	0.00	2.21	(0.06)	(2.6)
Gambling Supervision Commission	(1.29)	0.27	(1.01)	0.00	(1.01)	0.27	(21.3)
Insurance and Pensions Authority	0.42	0.05	0.47	0.00	0.47	0.05	12.4
Office of Fair Trading	0.71	(0.01)	0.70	0.00	0.70	(0.01)	(1.2)
Legislature	4.86	0.03	4.89	0.00	4.89	0.03	0.6
(figures subject to rounding)	535.00	(1.83)	533.16	(0.00)	533.16	(1.83)	(0.3)

Isle of Man Government Personnel Figures

SUMMARY OF PERSONNEL EMPLOYED BY GOVERNMENT (Full-time Equivalent Values)	
DEPARTMENT	Actual 30.9.10
COMMUNITY, CULTURE & LEISURE	417.75
ECONOMIC DEVELOPMENT	219.60
EDUCATION & CHILDREN	1,770.90
ENVIRONMENT, FOOD & AGRICULTURE	162.39
HEALTH	1,859.70
HOME AFFAIRS	575.37
INFRASTRUCTURE	802.80
SOCIAL CARE	940.70
TREASURY	258.84
	7,008.05
Executive Government	216.57
Manx Museum & National Trust	97.80
Road Transport Licensing Committee	3.70
Sub-total	7,326.12
Legislature	24.30
Statutory Boards	827.14
TOTAL	8,177.56



Isle of Man Public Service Absence by Department

IOM Public Service Absence by Department - 1st April 2010 - 31st March 2011 (inc Civil Service)						
Sickness	No of Staff as at 31/03/11	No of FTE as at 31/03/11	No of Days Sickness	Average No of Days per person	Average No. of Sickness Days per FTE	% Sickness of Worktime per FTE
Attorney General's Office	38.00	36.45	247.25	6.5	6.8	3.1%
Chief Secretary's Office	48.00	46.00	439.50	9.2	9.6	4.3%
Clerk of Tynwald's Office	30.00	24.25	224.50	7.5	9.3	4.2%
Communications Commission	4.00	2.68	16.22	4.1	6.1	2.8%
Community, Culture & Leisure	743.00	413.89	5,279.50	7.1	12.8	5.8%
Economic Development	305.00	216.09	2,175.91	7.1	10.1	4.6%
Education & Children	2,557.00	1,719.45	15,404.79	6.0	9.0	4.1%
Environment, Food & Agriculture	161.00	155.72	2,121.50	13.2	13.6	6.2%
Financial Superviion Commission	51.00	46.19	202.25	4.0	4.4	2.0%
Gambling Supervision Commission	9	8	75	8.3	9.4	4.3%
General Registry	98.00	81.87	861.06	8.8	10.5	4.8%
Health	2,581.00	1,685.14	25,142.43	9.7	14.9	6.8%
Home Affairs	784.00	559.13	6,083.00	7.8	10.9	4.9%
Industrial Relations Service	3.00	2.67	0.00	0.0	0.0	0.0%
Infrastructure	789.00	722.77	8,465.66	10.7	11.7	5.3%
Insurance & Pensions Authority	12.00	11.67	199.00	16.6	17.1	7.8%
Manx National Heritage	125.00	87.74	680.15	5.4	7.8	3.5%
Office of the Data Protection Supervisor	4.00	3.25	10.00	2.5	3.1	1.4%
Office Of Fair Trading	18.00	16.43	60.20	3.3	3.7	1.7%
Personnel Office	51.00	47.48	389.00	7.6	8.2	3.7%
Road Transport Licensing Committee	1.00	1.00	3.00	3.0	3.0	1.4%
Social Care	1,375.00	939.55	14,670.11	10.7	15.6	7.1%
Treasury	287.00	266.87	1,545.16	5.4	5.8	2.6%
Water Authority	139.00	136.79	1,244.50	9.0	9.1	4.1%
War Pensions	2.00	2.00	0.00	0.0	0.0	0.0%
Total	10,215.00	7,233.26	85,464.69	8.4	11.8	5.4%

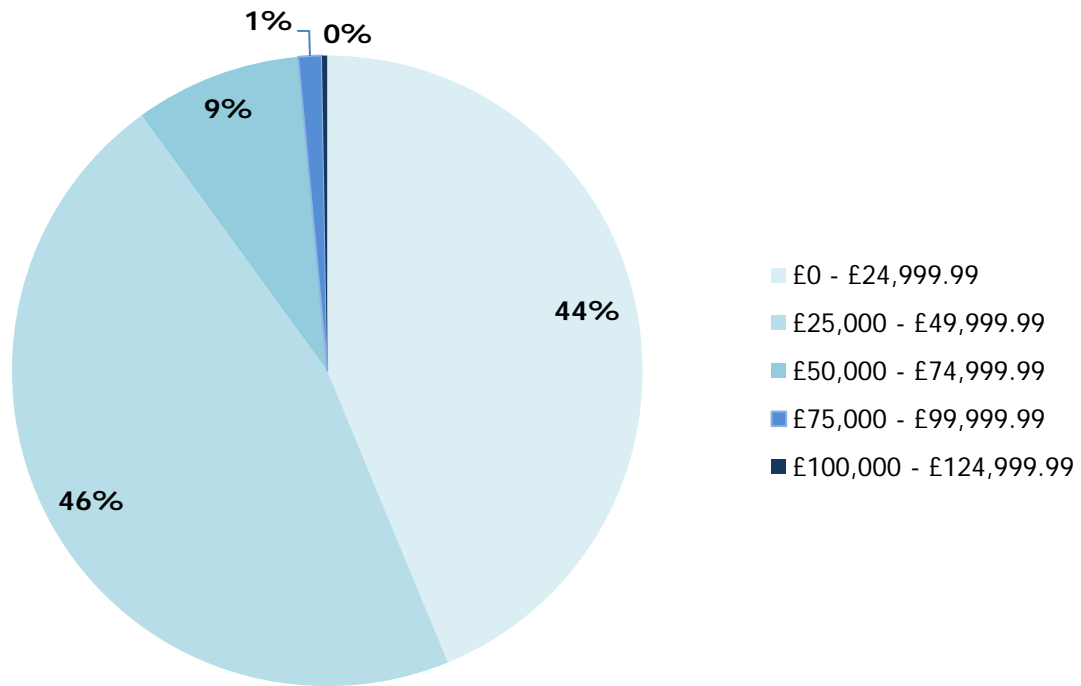
Benchmark - 3.9% of working time (6.5 days average per employee) - Source CBI 2010 Report

No of Working Days = 220 Days

Long Term absence is deemed to be absence in excess of **20 days**

Civil Service and Public Sector Pay Bands – 31st March 2011

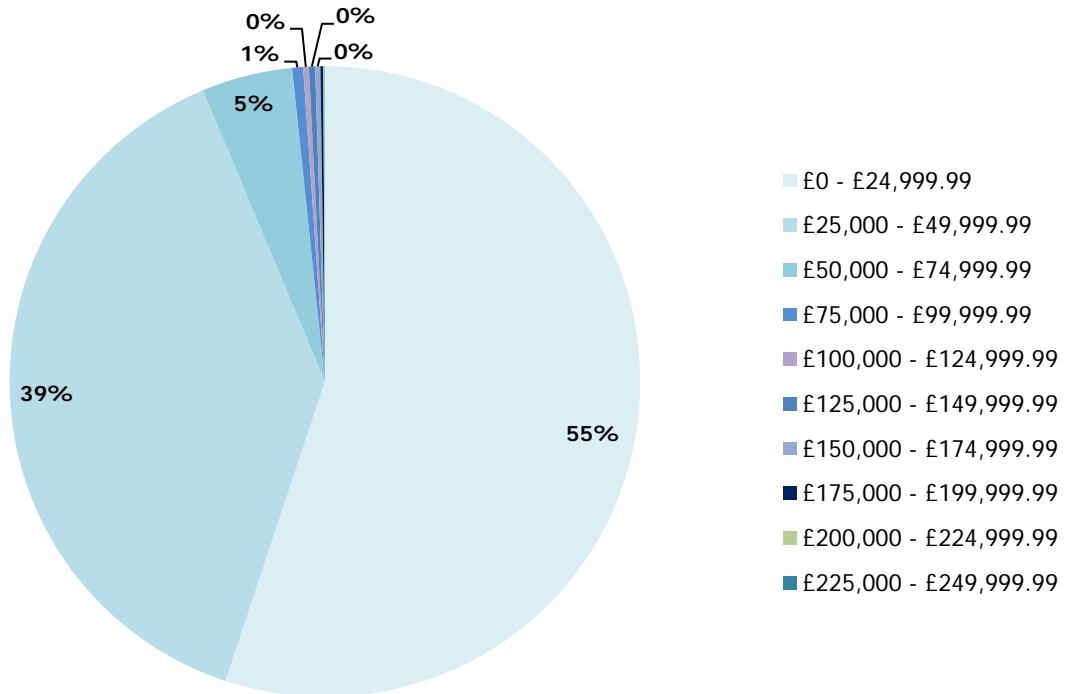
Civil Servants within Pay Bands at 31st March 2011



Salary Band	No of Civil Servants	%
£0 - £24,999.99	1,154	43.7
£25,000 - £49,999.99	1,220	46.2
£50,000 - £74,999.99	225	8.5
£75,000 - £99,999.99	32	1.2
£100,000 - £124,999.99	7	0.3
> £125,000	0	0.0
Totals	2,638	100

ANNEX 6 (cont...)

Public Servants within Pay Bands as at 31st March 2011



Band	No of Public Servants	%
£0 - £24,999.99	4,799	55.1
£25,000 - £49,999.99	3,361	38.6
£50,000 - £74,999.99	404	4.6
£75,000 - £99,999.99	49	0.6
£100,000 - £124,999.99	25	0.3
£125,000 - £149,999.99	28	0.3
£150,000 - £174,999.99	23	0.3
£175,000 - £199,999.99	13	0.1
£200,000 - £224,999.99	6	0.1
£225,000 - £249,999.99	1	0.0
Totals	8,709	100

PROGRESS REPORT: THE COMMISSION OF INQUIRY INTO THE CARE OF YOUNG PEOPLE – JUNE 2011

In May 2006 the Commission of Inquiry into the Care of Young People reported to the Council of Ministers. The Commission had been established following the deaths of Samantha Barton and George Green in 2002.

Outstanding Recommendations

The Commission made 132 recommendations relating to care and support for young people with behavioural and emotional problems. As of March 2011, 119 of the recommendations have been implemented. Of the remaining 13 recommendations, the majority are awaiting legislation. In this regard additional delays have been caused by the need to further review the Children's Bill and draft replacement legislation.

External Inspections

Progress continues to be made in regard of external benchmarking and independent inspections to ensure a consistent and robust multi disciplinary approach is maintained moving forwards, including the following:

- The Children's Committee is working to arrange an external inspection in 2012 in respect of children's services on the Island consistent with the Motion approved at the November 2010 sitting of Tynwald.
- Her Majesty's Inspectorate made recommendations regarding the Youth Justice Team in 2010. These have been considered by the Department of Home Affairs and are now being implemented.
- Owing to their workload and operating parameters, the Care Quality Commission inspection of health services for children does not appear likely in the foreseeable future.
- The independent chair of the Safeguarding Children Board led a review of child protection in late 2010. The findings were shared with the Children's Committee in May 2011 and actions are in progress.
- Two independent case reviews were completed by the UK North West Complaints Officer on behalf of the Department of Social Care.

- In June 2010 the Department of Social Care commenced a review of its Children and Families Services involving independent experts to determine how services could be improved to ensure vulnerable children and families are receiving the prompt, effective, consistent support they need. The Department accepted its findings in May 2011. Following further scrutiny by the Treasury and a further independent expert, the Council of Ministers approved the Department's proposals to improve Children and Families Services in June 2011. A Motion for a Supplementary Vote will be brought before Tynwald at its sitting in July 2011 in order to fully implement the Department's proposals.

The Chief Secretary's Office continues to monitor progress against the original Commission of Inquiry into the Care of Young People recommendations.

Report of the Chief Secretary on cases of Whistleblowing incidents against Government Departments, Statutory Boards and Offices for year ended 31 March 2011

Introduction

The Government is committed to the highest possible standards of openness, probity and accountability. In line with these commitments, employees with serious concerns about any aspect of the Government's work are encouraged to voice them through appropriate channels. In so doing it is recognised that, in certain cases, they may have to proceed on a confidential basis.

The Isle of Man Government's Confidential Reporting (Whistleblowing) Policy covers all in the employment of the Government whether full-time, temporary, casual or agency workers. It is the intention of the policy to provide safeguards for staff. The confidential reporting policy is intended to encourage and enable staff to raise serious concerns within the Government without fear or reprisal.

What constitutes Whistleblowing?

Issues which should be raised under this policy, and the list is by no means exhaustive, are where there is a suspicion or direct evidence that the following have been, are being or are likely to be committed by a fellow employee(s). The list below outlines the categories that these events may fall into -

- W1- A criminal offence;
- W2- fraud, bribery or corruption;
- W3- a breach of the Government Code of Conduct;
- W4- undue favour shown either on a contractual matter, or to a job applicant;
- W5- bad working practice;
- W6- disregard for legislation, particularly in relation to health and safety in the workplace;
- W7- damage to the environment;
- W8- a breach of Government Financial Regulations;
- W9- concealment of any of the above;
- W10- any other that does not fall within the above categories.

Report Year Ended 31st March 2011

Returns submitted from Departments, Boards and Offices to the Chief Secretary (in accordance with the policy) for this period show that there were three instances of concerns being raised through the Whistleblowing policy as follows:

- (i) One instance of concern was recorded during the period by the Department of Health. The category of concern was W5; bad working practice. This concern is unresolved.
- (ii) One instance of concern was recorded during the period by the Department of Home Affairs. The category of concern was W3; a breach of the Government Code of Conduct. This concern was resolved at the level of the Minister.
- (iii) One instance of concern was recorded during the period by the Manx Electricity Authority. The category of concern was W8; a breach of the Government Financial Regulations. This concern was resolved at the level of the Accounting Officer.

Mr Will Greenhow ACMA
Chief Secretary
May 2011

Legal Services Commission – Update Report May 2011

Annual Reports since 2008 have contained an update on the recommendations of the Legal Services Commission. The three recommendations which remain are set out below together with an update for 2010-11.

Actions Update May 2011	
Legal Services Commission Recommendation	Action agreed at Tynwald
<p>2. Advice and Guidance Mediation Service</p> <p>Introduction of a Mediation Service to try to resolve disputes mainly from marital/relationship breakdown where children are involved</p>	<p><i>General Registry will review Mediation Services to make them more widely available.</i></p> <p>Council of Ministers has considered and agreed a Report by the Mediation Working Group which recommended a pilot scheme should be undertaken for a twelve month period to assess the feasibility of a mediation service.</p> <p>The Treasury has been requested to make funding available to the Department of Home Affairs in order for a one year pilot to be carried out.</p> <p>The Department of Home Affairs is progressing the scheme.</p>
<p>8. Statutory Charge</p> <p>'see merit in the introduction of statutory charge but no introduction but wish to see close review'</p>	<p><i>The General Registry will seek to introduce legislation to allow a phased introduction of statutory charges to be made.</i></p> <p>This action is subject to amendments being made to primary legislation i.e. The Legal Aid Act 1986. An Amendment Bill has been drafted following consultation and agreement of all relevant bodies. Detailed drafting instructions are being prepared for the Amendment Bill.</p> <p>The Legal Aid (Amendment) Bill has been drafted and Council of Ministers has agreed that it may progress to consultation.</p>
<p>11. Human Rights Legal Aid Committee</p> <p>Lack of Independence of Appeals process and potential conflict of interest for judiciary.</p>	<p><i>A Legal Aid Appeals Tribunal will be appointed in pursuance of the Tribunals Bill and the present Committee to remain in place for consideration of policy issues. Legislation within 2007/08</i></p> <p>This action is subject to amendments being made to primary legislation i.e. The Legal Aid Act 1986. An Amendment Bill has been drafted following consultation and agreement of all relevant bodies. Detailed drafting instructions are being prepared for the Amendment Bill.</p> <p>The Legal Aid (Amendment) Bill has been drafted and Council of Ministers has agreed that it may progress to consultation</p>

Report of the Chief Secretary on Complaints Made Against Government Departments, Statutory Boards and Offices for the year ending 31 March 2011

Introduction

In 1991, as a result of recommendations made by the Select Committee on the Appointment of an Ombudsman, a standardised complaints procedure was introduced within Government for responding to complaints from members of the public. In accordance with the procedure, Departments, Boards and Offices keep a central record of complaints, the action taken on the complaint and the level at which action was taken. Departments, Boards and Offices forward details of their records to the Chief Secretary at the end of each year and the Chief Secretary reports to Tynwald on the complaints received by Government as a whole.

What constitutes a Complaint?

The guidance given to Departments, Boards and Offices when the procedure was instituted recognised that not all complaints warranted inclusion in the registers and lists the types of complaint Departments, Boards and Offices should record and the types that they should not. The word "complaint" can be used to describe a very wide range of customer representations. Re-produced below is the guidance provided which details those complaints that should be recorded in the central register and those that should not.

Complaints which warrant being recorded in the Central Register

These would include the following, which should be submitted in writing by the aggrieved party or by their authorised agent (which might include a Member of Tynwald):

- (C1) A complaint concerning a decision by the Department, Board or Office where there is no independent appeal mechanism;
- (C2) A complaint concerning any failure by a Department, Board or Office to make a decision;
- (C3) A complaint concerning a failure of service which is not corrected or is not corrected within a reasonable time-scale;
- (C4) A complaint concerning the failure of administrative arrangements or an over-restrictive or narrow interpretation of such arrangements;
- (C5) A complaint concerning the application of inappropriate or unfair remedies;
- (C6) A complaint concerning breach of confidentiality;
- (C7) Any other substantial complaint not falling within any of the foregoing definitions.

Complaints which do not warrant recording in the Central Register kept by the Department, Board or Office:

- A complaint about a matter outside the competence of the Department, Board or Office;
- A complaint where it is obvious that there is no prima facie case to answer or that the complaint is frivolous, malicious, trivial or vexatious;

- A complaint where the complainant is not involved in the matter forming the subject of the complaint or has no direct interest therein;
- A complaint which is made more than twelve months after the action has been taken which has led to the complaint being made;
- A complaint which is successfully dealt with on the spot;
- A complaint about a failure of service which is rectified within a reasonable timescale (e.g. failure of water or electricity supply);
- A complaint solely regarding the attitude/behaviour of a member of staff (this is the subject of normal disciplinary enquiry);
- A complaint solely against a decision which is the subject of an independent appeal mechanism or where the mechanisms available for further review and appeal have not been exhausted;
- A complaint solely concerning the application of professional judgement.

Nil returns

In accordance with the standardised complaints procedure Departments, Boards and Offices, will provide a 'nil' complaints return to the Chief Secretary unless a complaint has been received and has been deemed as suitable for inclusion in the central register.

This does not mean that there have been no complaints made to that Department, Board or Office; only that there has not been a complaint made that would warrant recording in the centralised register, in accordance with the standardised procedure.

The following tables do not list those Departments, Boards and Offices which have submitted 'nil returns'. For completeness nil returns were submitted from: Office of the Data Protection Supervisor; Department of Community, Culture and Leisure; Department of Economic Development; Industrial Relations Service; Manx National Heritage; Road Transport Licensing Committee; The Treasury; Veterans Welfare Office; Insurance and Pensions Authority; Communications Commission and Manx Electricity Authority.

This year's report

The restructure of Government took place on 1 April 2010 and saw significant changes made to the structure of Government Departments. This report covers the 12 month period from the creation of the new Departments.

Historically this report covered the calendar year, with last year's report covering the year ended 31 December 2009. Information from Departments, Boards and Offices has been submitted for the period covering 1 Jan 2010 – 31 March 2010 and is held on file at the Chief Secretary's Office. As this Annual Report covers the first 12 months of the new Departmental structure it is appropriate for the complaints report to reflect the new structure.

Whereas historically, comparable information has been included in the complaints report on, for example, the number of complaints recorded by Department for the previous year or the

number of unresolved complaints carried forward from the previous year, due to the change in the Departmental structure, it has not been possible to include this information. From 2011/12 onwards it will be possible to include historic complaints information once again.

The number and type of complaints received by Departments and Offices during 2010/11 is shown in Table 1. The number of complaints resolved during the year ended 31 March 2011, along with the number of complaints unresolved as at 31 March 2011 is shown in Table 2. The level of seniority at which complaints were resolved is contained in Table 3. The number of complaints received by Departments and Offices since 2002 can be found in Table 4. Information about complaints received by Statutory Boards can be found in Tables 5 to 7.

Comment

The number of complaints relating to Departments and Offices of Government registered in the year ended 31 March 2011 was 87. This compares with 51 complaints recorded under this same procedure in calendar year 2009.

70 complaints were dealt with during the year ended 31 March 2011 and 26 complaints remained outstanding as of 31 March 2011. Of the complaints that were resolved, 43% were dealt with at line manager or senior officer level.

In respect of Statutory Boards, 3 complaints were recorded under this procedure during the year. This compares with 4 in the calendar year 2009. 3 complaints were outstanding as at 31 March 2011.

Mr Will Greenhow ACMA
Chief Secretary
June 2011

Table 1

Number of Complaints against Departments and Offices of Government for the year ending 31 March 2011

Department/Office	Number Of Complaints	Nature Of Complaints³
Attorney General's Chambers	1	C7
Chief Secretary's Office (including Government House)	1	C4
Department of Education and Children (DEC)	12	1 C6 11 C7
Department of Environment, Food and Agriculture (DEFA)	1	C7
Department of Health (DoH)	1	C4
Department of Home Affairs (DHA)	2	1 C6 1 C7
Department of Infrastructure (DoI)	26	1 C1 3 C3 4 C4 2 C5 3 C6 13 C7
Department of Social Care (DSC)	36	2 C1 23 C3 2 C4 2 C5 3 C6 4 C7
Gambling Supervision Commission	1	C1
General Registry	5	3 C4 1 C6 1 C7
Personnel Office	1	C3
TOTAL	87	

³ Complaints are categorised as set out in the guidance re-produced above.

Table 2

Number of Complaints against Departments and Offices Received and Resolved During the Year Ended 31 March 2011 & Number of Complaints Remaining Unresolved at 31 March 2011

Department or Office	Received during year	Dealt with during year	Unresolved at year end
Attorney General's Chambers	1	0	1
Chief Secretary's Office	1	1	0
DEC	12	11	6
DEFA	1	0	1
DoH	1	1	0
DHA	2	2	0
DoI	26	25	1
DSC	36	24	16
Gambling Supervision Commission	1	0	1
General Registry	5	5	0
Personnel Office	1	1	0
Total	87	70	26

Note: Due to unresolved complaints being carried over from the previous Departmental structure and accordingly included in the number of complaints dealt with during the year. Therefore the number of complaints received minus the number of complaints dealt with during the year does not equate to the number of complaints unresolved at the year end.

Table 3

Details of the Level of Seniority at Which Complaints against Departments and Offices were Resolved

Department or Office	Line Manager/ Senior Officer	Head of Division/ Chief Officer	Minister/ Chairman	Other
Chief Secretary's Office	1	0	0	0
DEC	0	0	0	11 ⁴
DoH	1	0	0	0
DHA	2	0	0	0
DoI	15	10	0	0
DSC	6	18	0	0
General Registry	4	1	0	0
Personnel Office	1	0	0	0
Total	30	29	0	11

⁴ Complaints Officer

Table 4**Complaints against Departments / Offices Received 2002 – 2010/11**

	Number of Complaints
2002	60
2003	38
2004	47
2005	53
2006	84
2007	65
2008	57
2009	51
2010/11	87

Table 5**Complaints Made Against Statutory Boards During The Year Ended 31 March 2011**

Board	Received during year	Nature of complaints
Financial Supervision Commission	1	C7
Isle of Man Office of Fair Trading	1	C1
Isle of Man Post Office	1	C1
Total	3	

Table 6**Complaints against Statutory Boards Resolved During the Year Ended 31 March 2011 & Complaints Unresolved At Year End**

Board	Received during year	Dealt with during year	Unresolved at year end
Financial Supervision Commission	1	1	0
Office of Fair Trading	1	1	0
Isle of Man Post Office	1	1	0
Isle of Man Water and Sewerage Authority	0	3	3
Total	3	6	3

Note: As unresolved complaints carried over from the year have not been included in the above table, the number of complaints received minus the number of complaints dealt with during the year does not equate to the number of complaints unresolved at the year end.

Table 7**The Level of Seniority at Which Complaints against Statutory Boards Were Resolved**

Board	Line Manager/ Senior Officer	Chief Officer/ Director	Chairman	Independent Investigating Officer
Financial Supervision Commission	0	1	0	0
Office of Fair Trading	0	1	0	0
Isle of Man Post Office	0	1	0	0
Isle of Man Water and Sewerage Authority	3	0	0	0
TOTAL	3	3	0	0

Report of the Chief Secretary on initial refusals and review decisions in respect of written requests for information made under the Code of Practice on Access to Government Information for year ending 31 March 2011

Introduction

The Code of Practice on Access to Government Information (the Code), under the authority of the Council of Ministers, came into operation on 1st September 1996.

The Code requires administrative arrangements to be in place to provide for a facility under which a person who had made a written request for information to a Department, Board or Office and was aggrieved at a refusal to supply the information, or the cost charged for the supply of information, could make representations to the Department for a review of the Department's decision. A record is required to be kept of all initial refusals and review decisions in respect of written requests for information under the Code and the category of exemption cited by the Department in respect of each refusal. The recorded data is the subject of a return to the Chief Secretary each year for inclusion in an annual report to Tynwald and such a report is attached herewith.

Mr Will Greenhow ACMA
Chief Secretary
May 2011

Report for the year ended 31st March 2011

Returns for this period show that there were 5 initial refusals, broken down as follows:

Department	Number of Refusals	Exemption(s)
Chief Secretary's Office	2	2: Internal discussion and advice.
Dept of Infrastructure	1	2: Internal discussion and advice.
Gambling Supervision Commission	1	10: Publication and prematurity in relation to publication; and 11: Research, statistics and analysis.
Office of Fair Trading	1	4: Law enforcement and legal proceedings

Details and Nature of Refusals –

Chief Secretary's Office

Two requests were received in relation to notes taken at a public meeting by a press officer. Both applications were initially refused under Exemption 2 (internal discussions and advice) being summarised notes of a public meeting disseminated for internal information.

An appeal was made to the Commissioner who ruled that whilst the handwritten notes did not constitute Government information, the typed précis subsequently circulated did, and furthermore was outside of the claimed exemption as it offered no opinion, analysis or recommendation, merely statement of fact. Following the Commissioner's ruling the typed précis was released to both applicants.

Department of Infrastructure

A request was received by the Planning and Building Control Division for a copy of an Enforcement Report. The request was refused under Exemption 2 (internal discussions and advice). The Department gave a full explanation of the consideration given to the matter and provided a summary of the key parts of the report, but not the report itself.

Gambling Supervision Commission

A request was received from the media in relation to a matter concerning one of the Licensees. The initial queries were of a general nature and information was provided where possible. Certain elements of the request were not complied with but alternative information was furnished which answered the questions.

The information was refused on the following Exemptions:

- Exemption 10 (publication and prematurity in relation to publication); and
- Exemption 11 (research, statistics and analysis).

Office of Fair Trading

A request was received for disclosure of notes recorded by two officers. The request was refused under Exemption 4 (law enforcement and legal proceedings).

Commentary:

There were 5 refusals for the year ending 31st March 2011. This compares with eleven refusals for the period 1st September 2008 – 31st March 2010; nine of these refusals were made in the 12 months ending 31st August 2009.

A copy of the Code of Practice on Access to Government Information can be found on the Chief Secretary's Office website at:

www.gov.im/lib/docs/cso/corporate/Community_Focus/codeofpractice.pdf

Report of the Chief Secretary on public consultations carried out by Government Departments, Boards and Offices for the year ending 31 March 2011

Introduction

The Code of Practice on Consultation for Departments, Statutory Boards and Offices was implemented with effect from July 2008 with the authority of the Council of Ministers. Although the Code is designed for use with primary legislation, the Council of Ministers endorsed the use of the Code as a template for best practice when considering major policy decisions where consultation may be appropriate. The Code requires that Departments, Boards and Offices keep a central record of consultations held, detailing the period of consultation, method of advertisement, number and nature of the responses received and whether the consultation criteria were followed, this data is forwarded to the Chief Secretary's Office each year by way of an annual return. The data below refers to consultations started in the period 1 April 2010 to the 31 March 2011.

Mr Will Greenhow ACMA
Chief Secretary
May 2011

Summary

Returns for this period show that in total 68 consultations were conducted by Departments, Boards and Offices for the year ended 31 March 2011. This compares with 62 consultations carried out over the previous year. The numbers of consultations conducted by individual Departments, Boards and Offices are as follows:

Department/ Board/ Office	Number of Consultations	Number of Responses
Chief Secretary's Office	13	271
Department of Economic Development	2	45
Department of Education and Children	1	67
Department of Environment, Food and Agriculture	10	269
Financial Supervision Commission	9	57
Gambling Commission	2	4
Department of Health	1	26
Department of Home Affairs	5	27
Department of Infrastructure	13	2,209
Insurance and Pensions Authority	3	2
The Personnel Office	4	27
Treasury	5	47
Total	68	3,051

The Details and Nature of Consultations are as follows:**Chief Secretary's Office**

During the year ended 31 March 2011, the Chief Secretary's Office conducted thirteen consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Government Unified Scheme	24 Jan 11	23 Apr 11	109	Government website & personal communication sent to members of existing scheme.
Moves to include Island inside UK e-border	6 Apr 10	8 Jun 10	9	Government website.
Review of Electoral Constituencies in the Isle of Man	17 Jan 11	31 Mar 11	39	Government website and local newspapers.
Draft Extradition Bill	22 Dec 10	25 Mar 11	16	Government website, copies of consultation document on display in Tynwald Library & CSO reception.
Whether the constitution of the OFT should contain political members	10 Mar 11	27 Apr 11	9	Public Notice in paper and Government website.
Freedom of Information Bill	12 Jul 10	10 Sep 10	30	Press notice and Government website.
Immigration & Nationality Fees	1 Apr 10	23 Apr 10	0	Government website.
Immigration & Nationality Fees	2 Jun 10	21 Jun 10	0	Government website.
Immigration & Nationality Fees	8 Nov 10	30 Nov 10	0	Government website.
European Union (Amendment) Bill	16 Sep 10	29 Oct 10	13	Government website, copies also available in Tynwald Library & CSO reception.
Draft Race Relations Act 04 (Amendment of Schedule) Order 2010	2 Aug 10	13 Sep 10	5	Government website.

Tynwald Hill Bill	29 Apr 10	10 Jun 10	19	Public notice in local newspapers, press release & direct mailing to consultees and Government website.
Consultation on Election Funding	31 Dec 10	21 Jan 11	22	Press release, direct mailing to consultees and Government website.

Department of Economic Development

During the year ended 31 March 2011, the Department of Economic Development conducted two consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Control of Employment Bill 2011/Regulations	11 Feb 11	25 Mar 11	40	Government website, emails sent to circa 500 persons/organisations with an interest in employment law.
Merchant Shipping (Fees) Regulations which prescribe the fees charged to customers for services provided by the Ship Registry	2 Nov 10	14 Dec 10	5	Direct email circulation and Government website.

Department of Education and Children

During the year ended 31 March 2011, the Department of Education and Children conducted one consultation:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Children Bill	1 Feb 10	30 May 10	67	Media and Government website.

Department of Environment, Food and Agriculture

During the year ended 31 March 2011, the Department of Environment, Food and Agriculture conducted a total of ten consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Designation of Ramsey Estuary as an Area of Special Scientific Interest	9 Sep 10	25 Oct 10	93	All designation documents were issued in accordance with Section 27 of the Wildlife Act 1990 and posted on the Government website. Statutory consultees and selected non-statutory consultees were notified of the ASSI in writing. Meetings were held with consultees. A public information presentation was held. A press release was issued.
Farm Business Improvement Scheme	19 Aug 10	24 Sep 10	18	Local media, letter to stakeholders, article in Examiner "Country Comments" page.
Cessation of legislative requirement for annual compulsory flock treatment for sheep scab	18 Jun 10	28 Jul 10	7	Departmental mail shots to Industry wide stakeholders, MNFU, widespread industry publicity and Government website.
Countryside Care Scheme – proposals to amend penalty structure and appeals process	2 Jun 10	16 Jul 10	1	Press release, agri-news letter, article in Examiner "Country Comments" page, letter to key stakeholders.
Scallop & Queen Scallop Fisheries in the IOM	16 Apr 10	30 May 10	24	Press release.
Amendments to Schedule 8 of the Wildlife Act	19 Aug 10	8 Oct 10	14	Letter to all recommended stakeholders & interested parties, press release.
Electronic Identification of sheep and goats	15 Mar 10	23 Apr 10	7	Department mail shot to industry groups, MNFU, IOM Meats, Government website. Meeting with stakeholders, IOM Flockmasters, widespread industry publicity.

Proposed changes to crab and lobster byelaws	11 Nov 10	22 Nov 10	16	Press release.
Designation of Ramsey Bay as a Marine Nature Reserve	21 Dec 10	28 Feb 11	64	Press release including TV interviews, major online survey, two one day sessions held in Ramsey.
Proposed changes to the current rules which restrict the night-shooting of rabbits	4 Oct 10	17 Nov 10	25	Press release, letter to relevant stakeholders and article in Examiner "Country Comments" page.

Financial Supervision Commission

During the year ended 31 March 2011, the Financial Supervision Commission conducted nine consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Draft Authorised Collective Investment Schemes Regulation 2010	1 Mar 10	7 Mar 10	7	Government website and email to relevant bodies, associations, licence holders etc.
Revision to civil penalties for late returns—resulting in Financial Services (Civil Penalties) Regulations 2010	30 Jul 10	10 Sep 10	4	Government website and email to relevant bodies, associations, licence holders etc.
Review of financial services secondary legislation (made under Financial Services Act 08) and resulting in amendments to Financial Services Rule Book 2009, Regulated Activities Order 2009 and Financial Services (Exemptions) Regulations 2009	6 Jul 10	31 Aug 10	27	Government website and email to relevant bodies, associations, licence holders etc.

Outline of proposals to amend the Financial Services Act and Collective Investment Schemes Act	4 Mar 11	15 Apr 11	11	Government website and email to relevant bodies, associations, licence holders etc.
Recognition of Luxembourg as a jurisdiction for Recognised Schemes resulting in Collective Investment Schemes (Recognised Schemes) Luxembourg Order 2011	30 Mar 11	27 Apr 11	2	Government website and email to relevant bodies, associations, licence holders etc.
Recognition of Ireland as a jurisdiction for Recognised Schemes resulting in Collective Investment Schemes (Recognised Schemes) Ireland Order 2011	30 Mar 11	27 Apr 11	2	Government website and email to relevant bodies, associations, licence holders etc.
Licence Fees	22 Feb 11	31 Mar 11	0	Government website and email to relevant bodies, associations, licence holders etc.
Collective Investment Schemes (Recognised Schemes) (Offering Documents) Regulations 2011	16 Mar 11	27 Apr 11	1	Government website and email to relevant bodies, associations, licence holders etc.
Collective Investment Schemes (Experienced Investor Fund) Amendment Regulations 2011	30 Mar 11	27 Apr 11	3	Government website and email to relevant bodies, associations, licence holders etc.

Gambling Supervision Commission

During the year ended 31 March 2011, the Gambling Commission had conducted two consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
New regulations for the protection of players' funds	24 Apr 10	28 May 10	2	Email to stakeholders.
New regulations for the Casino	15 Mar11	16 May 11	2	Press, email and letter to all stakeholders.

Department of Health

During the year ended 31 March 2011, the Department of Health conducted one consultation:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
5 year plan to investigate the Oral Health of the Island's residents	22 Sep 10	8 Nov 10	26	Press conference, news release and Government website.

Department of Home Affairs

During the year ended 31 March 2011, the Department of Home Affairs had conducted five consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Anti-Terrorism and Crime (Amendment) Bill 2010	2 Aug 10	20 Sep 10	11	Press releases, Government website, direct emails or letters to concerned parties detailed on the list of consultees.
Statutory Code of Practice on the Duty of Public Authorities to Promote Good Race Relations	1 Apr 10	21 May 10	4	Press releases, Government website, direct emails or letters to concerned parties detailed on the list of consultees.

Police (Amendment) Bill 2010	22 Oct 10	3 Dec 10	12	Press releases, Government website, direct emails or letters to concerned parties detailed on the list of consultees.
Police Powers and Procedures Act (Code E) (Amendment) Order 2010	19 Apr 10	21 May 10	0	Press releases, Government website, direct emails or letters to concerned parties detailed on the list of consultees.
Proceeds of Crime (Money Laundering) Code 2010	30 Mar 10	11 May 10	Consultation performed by private sector partner. Exact figure not known.	Press releases, publication on Government website, direct emails or letters to concerned parties.

Insurance and Pensions Authority

During the year ended 31 March 2011, the Insurance and Pensions Authority had conducted a total of three consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Incorporated Cells Regulations 2010 (now 2011) and Insurance (Incorporated Cell Companies) Regulations 2010 (now 2011)	12 Oct 10	23 Nov 10	0	Government website. Email to subscribers to the IPA's news alert update service. Notification to interested trade associations. In particular by notification to, and prior discussions with, the IOM Captive Managers Association.
Insurance (Limited Partnerships) (Solvency) (Amendment) Regulations 2010	26 Jul 10	27 Aug 10	0	Government website. Email to subscribers to the IPA's news alert update service. By notification to interested trade associations. In particular by notification to, and prior discussions with, the IOM Captive Managers Association.
Insurance (Capital Redemption Contracts) (Amendment) Regulations 2010	28 Jul 10	26 Aug 10	2	Government website. Email to subscribers to the IPA's news alert update service. By notification to interested trade associations. In particular by notification to, and prior discussions with, the IOM Captive Managers Association.

Department of Infrastructure

During the year ended 31 March 2011, the Department of Infrastructure conducted a total of thirteen consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Douglas Promenade Issues and Options	15 Nov 10	28 Jan 11	452	The consultation document "Douglas Promenade Issues & Options" was distributed to the offices of local Commissioners, Douglas Borough Council, Douglas library, the Chief Secretary's Office, residents/businesses of Douglas promenade. It was made available to any interested persons at the Sea Terminal, Douglas.
Modified Draft Area Plan for the South	7 Jan 11	25 Feb 11	523	In Courier and all previous respondents contacted via letter.
Motor homes and Large Vans Parking in Residential Areas	7 Jan 11	18 Feb 11	275	Government website, press, radio and Government consultation distribution list.
Road Traffic and Highways (Miscellaneous Amendment) Bill 2011	30 Nov 10	14 Jan 11	57	Government website, press, radio and Government consultation distribution list.
All Island Licensing for Taxis	4 Oct 10	19 Nov 10	370	Government website, press, radio, Government consultation distribution list, random postal addresses and taxi industry.
Legislative Proposals Relating Principally to Coaches, Goods Vehicles and Articulated Buses	20 Sep 10	5 Nov 10	25	Government website, press, radio, Government consultation distribution list, IRTA and haulage companies.
Consultation on Vehicle Duty Charging Policy	26 Jul 10	7 Sep 10	124	Public notice, press release, email and Government website.
Vehicle Duty for Veteran Vehicles	26 Jul 10	7 Sep 10	81	Public notice, press release, email and Government website.

Increase of speed limits for certain small goods vehicle	14 Jun 10	30 Jul 10	31	Government website, press, radio and Government consultation distribution list.
Driving Instructors (+motorcycles instructors)	10 Jun 10	22 Jul 10	22	Government website, local press and letter.
Driving Instructors - revised proposals (+motorcycle instructors)	4 Nov 10	30 Nov 10	12	Letter direct to Instructors.
Tynwald Select Committee into the IOM Steam Packet Company Recommendation to establish a Travel Consultative Group – draft Terms of Reference	12 Nov 10	24 Dec 10	24	Press release and Government website.
Port St Mary Harbour Improvement Scheme	20 May 10	2 Jul 10	213	The Harbours Division of the Department held public seminars. Questionnaire leaflets available in hard copy & on Government website.

The Personnel Office

During the period 1 April 2010 to 31 March 2011, Personnel had conducted a total of four consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Redeployment Policy & Guidelines	8 Oct 10	19 Nov 10	13	Correspondence with Chief Officers, Members of the Human Resources Strategic Forum and the Government Officers' Association.

Proposed amendments to the IOM Government Confidential Reporting (Whistleblowing) Policy and the Prevention of Bullying, Harassment and Victimisation at Work Policy	16 Sep 10	28 Oct 10	7	Government website
Consultation on revised draft policy on Employee Attendance at work	8 Mar 10	27 Apr 10	3	Government website
Guidance for Public Servants: i) participating in National or Local Political Activities; ii) standing for election at National or Local Levels	15 Feb 10	1 Apr 10	4	Government website and letters to Members of Tynwald, Chief Officers, Union bodies.

Treasury

During the period ended 31 March 2010 to 31 March 2011, the Treasury had conducted a total of five consultations:

Subject of Consultation	Start Date	End Date	Responses Received	Advertisement method
Proposed Gambling Duties Bill	21 Mar 11	13 Jun 11	5	News release
The Treasury Treasure Policy	12 Aug 10	1 Oct 10	26	Government website
Dispensing with the requirement for private 1931 Act companies to hold Annual General Meetings	12 Jul 10	31 Aug 10	9	Government website, Treasury News Release, email notification to professional bodies, FSC licence holders and DED news update.

<p>A draft Bill to enable limited partnerships that are formed under the Partnership Act 1909 to elect to opt for legal personality that is separate and distinct from that of the members of the partnership itself</p>	<p>4 Aug 10</p>	<p>31 Aug 10</p>	<p>3</p>	<p>Government website, email notification to professional bodies, FSC licence holders and DED news update.</p>
<p>Removal of restrictions on the classes of business permissible under the Protected Cell Companies Act 2004</p>	<p>14 Jul 10</p>	<p>31 Aug 10</p>	<p>4</p>	<p>Government website, Treasury News Release, email notification to professional bodies, FSC licence holders and DED news update.</p>

Town and Village Centre Regeneration Scheme 2009 from 1 April 2010 to 31 March 2011

Introduction

This Annual Report provides information on the progress of the Town and Village Centre Regeneration Scheme 2009 from 1st April 2010 to 31st March 2011.

The Town and Village Centre Regeneration Scheme was unanimously agreed at February 2009 Tynwald and came into operation on 1st April 2009. The Scheme was made by the former Department of Trade and Industry to provide grant assistance from the Treasury Regeneration Fund for the purpose of enhancing and regenerating town and village centres. The Fund has £8m for this purpose.

Chief Ministers Regeneration Steering Group

The Chief Minister's Regeneration Steering Group was established in 2008 to oversee the development of the Scheme. The Group comprises the Chief Minister (Chair), Treasury Minister and Minister for Economic Development and is the reporting body for the various Local Regeneration Committees.

The Group is responsible for:

- Developing the regeneration strategy across the Island and overseeing the implementation of the regeneration of the Island's town centres and villages,
- Determining areas to be designated as "the regeneration area",
- Agreeing the allocation of funds from the Town and Village Centre Regeneration Fund.

Between 1 April 2010 and 31 March 2011, the Group has met on twelve occasions. The Group has defined regeneration zones in Castletown and Peel, offered financial assistance for consultation and the development of regeneration concepts for Laxey and the South West, agreed regeneration concepts and prioritised regeneration proposals for Ramsey, Douglas, Peel and Castletown and offered financial assistance to applicants to the Fund seeking £10,000 and over.

Local Regeneration Committees

There are six Local Regeneration Committees; Douglas, Laxey, Ramsey, Peel, Castletown and the South West. The Committees are responsible, in summary for:

- Development of a planned strategy for the regeneration of the town or village for which the Committee has responsibility,

- Identifying and driving forward public/private/voluntary financial partnerships for regeneration projects approved by the Chief Minister's Steering Group,
- Ensuring community involvement and liaison with stakeholders
- Ensuring that all matters relating to statutory undertakings, statutory requirements including bylaws and planning and access to services relating to the successful completion of a project have been addressed,
- Preparation and submission of a business case to the Chief Ministers Steering Group in support of an application to the Fund.

Douglas Regeneration Committee

The Douglas Regeneration Committee comprises the Minister for Community, Culture and Leisure (Chair), Mrs Cannell MHK, Mr Robertshaw MHK, Mr Braidwood MLC, Councillor D Christian and members of the Chamber of Commerce; Mr S Bradley, and Mr P Horsthuis. In the last twelve months, the Committee has met on 12 occasions. The Committee has agreed a Regeneration Plan for Douglas and prioritised regeneration proposals which are:

Project 1:

- Phase 1 - Nelson Street
- Phase 2 – Central Retail area to Granville Street
- Phase 2a – Promenade Gateways of Regent Street, Howard Street and Granville Street

Project 2:

- Phase 3 – Quayside Link
- Phase 4 – Villa/Gaiety Link

Project 3:

- Phase 5 – Upper Douglas Link

The Chief Minister's Regeneration Steering Group has given agreement to the development of detailed designs for Phases 1, 2 and 2a and pedestrian signage and information.

Laxey Regeneration Committee

The Laxey Regeneration Committee comprises Mr Speaker (Chair), Commissioners; G White and S Jones, and representatives of local businesses and the community; Messers S Clague, R Henthorn, T Pass, C Sullivan and Mrs' J Charnock and V Hewison. The Committee has met on 10 occasions during the last twelve months and has undertaken two public consultations on regeneration. It is working towards the agreement of a Regeneration Plan and prioritised regeneration proposals for Laxey.

Ramsey Regeneration Committee

The Ramsey Regeneration Committee comprises Hon A Bell MHK (Chair), Hon A Craine MHK, Commissioners; Captain Malpass and Mr R Radcliffe and representatives of the business community; Mr J Knight and Mr C Blatcher. During the period of this Annual Report, the Committee has met on nine occasions. The Committee has agreed a Ramsey Regeneration Plan and prioritised regeneration proposals which are:

- Phase 1 – Old Post Office Lane, Collins Lane, Courier Office Lane.
- Phase 2a - environmental improvements to the area around the Courthouse, Market Hill, Peel Street, Bourne Place and Phase 2(b) East Street
- Phase 3 - Market Place creation of an open market and 'performance' type space
- Phase 4 - Parliament Street within the defined Regeneration Area and
- Phase 5 - the quayside area
- Pedestrian Signage and Information

The Chief Minister's Regeneration Steering Group has given agreement to the Ramsey development of detailed designs for Phases 1, 2 and 3 and pedestrian signage and information.

Peel Regeneration Committee

The Peel Regeneration Committee comprises Mr T Crookall MHK (Chair), Commissioners Mr R Harmer and Mrs J O'Halloran, and business representatives; Mr C Chapman and Mrs H Smallwood. Between 1st April 2010 and 31st March 2011, the Committee has met on nine occasions. The Committee has agreed a Peel Regeneration Strategy and prioritised regeneration proposals which are:

Project 1:- Environmental improvements including improved parking, quality of roads and pavements, seating and resting places, street lighting, public art and access for less able people to the following areas:-

1. Improved Gateway to town centre from area to the front of the Marine Hotel/Shore Kiosk and ends of Market Street and Queen Street
2. Market Place extending into Castle Street to its junction with St Peters Lane, Douglas Street to the town Centre car park, Michael Street to its junction with Orry Lane, Part, paved link area from Queen Street to Orry Lane,
3. Town wide Signage and Information

Project 2:-Environmental improvements to Michael Street from Athol Place to its junction with Orry Lane including the stub ends of Factory and Chapel Lanes and Athol Place intersection.

Project 3:-Environmental improvements to gateway to town centre from Peel Town Hall linking to Peel Cathedral.

The Chief Minister's Regeneration Steering Group has given agreement to the development of detailed designs for Project 1.

South West Regeneration Committee

The South West Regeneration Committee was established during autumn 2009 but decided to work as two Sub Committees; Port Erin and Port St Mary. These Sub Committees now work as a South West Regeneration Committee. The Committee comprises Hon P Gawne MHK (Chair), Mr Q Gill MHK, Mr J Watterson MHK, Commissioners; Mr J Unsworth, Mrs A Kelly, Mrs R Sinfield and B McCabe and business representatives Mr S George, Mr M Brunnschweiler, Mr L Skelly and Mrs M Haywood. The Committee undertook a comprehensive public consultation on regeneration proposals and agreed a South West Regeneration Plan and prioritised regeneration proposals.

Castletown Regeneration Committee

The Castletown Regeneration Committee was established during autumn 2009 and comprises Hon T Brown MHK (Chair), Commissioners; Mr A Collister and Mr C Leather, representatives of the local businesses; Mr G Corlett and Mr P Brown. During the last twelve months, the Committee has met on 7 occasions and has agreed a Castletown Regeneration Plan and prioritised regeneration proposals which are:

Project 1:

- i. Shared space in Parliament Square, Bank Street and Quayside to include street furniture, lighting, pedestrian wayfinding, paving and planting
- ii. Pedestrian links – Harbour link, the George link, Car park links, Civic Centre and Castle Rushen precincts to include street furniture, lighting, paving and planting
- iii. Tourist Information centre
- iv. Parking Strategy

Project 2 :

- v. Green Links
- vi. Gateways

Project 3 :

- vii. Harbour Parking Link to be reviewed pending the outcome of the Parking Strategy
- viii. Extension of shared surfaces
- ix. Remote Coach Facilities
- x. Design Guide for Inner Harbour

The Chief Minister's Regeneration Steering Group has given agreement to the development of detailed designs for Project 1; subsequently the Tourist Information Centre has been put on hold until the Department of Economic Development's Tourism Strategy is updated.

Department of Economic Development

The Department of Economic Development provide grant assistance from the Fund and administer the arrangements for such. Where a grant for assistance is less than £10,000 then the Minister for Economic Development authorises whether assistance should be provided. In the twelve months to March 31st 2011, the Minister authorised financial assistance for 8 applicants.

Regeneration Project Manager

A Regeneration Manager was appointed in October 2010 to work with and support the Chief Minister's Regeneration Steering Group and the Local Regeneration Committees. The Regeneration Manager has overseen the development of the Regeneration Plans and the regeneration proposals, she has administered the Steering Group and the six Regeneration Committees and appraised 29 applications to the Fund during the period of this annual report.

Regeneration Website

A Regeneration Website has been developed and can be found at: www.gov.im/ded/Regeneration/. The Website contains information on the scheme, examples of funded projects and applications submitted.

Regeneration Applications 1st April 2010 to 31st March 2011:

Castletown Consultation and concepts	Completed
Pedestrian Wayfinding Manual	Completed
Gull Sculpture, Douglas	Offer letter sent
Manx Wildlife Shop, Peel	Completed
Castle Rushen Precincts concept design, Castletown	Completed
Cultural Strategy, Peel	Refused
Manx Marine Scene, Douglas, Peel, Port Erin, Port St Mary	Offer letter sent
Lord Street, Douglas – Temporary Car Park Boundaries	Completed
80 Parliament Street, Ramsey	Awaiting further information
South West consultation and concepts	Completed
Callows Yard Painting and repair shop fronts	Awaiting information from applicant
Callow's Yard Sign writing on shop fronts	Awaiting information from applicant
Laxey consultation and concepts	On going
Book Store, Castle Street, Douglas	Completed
Luminaires, Lighting Design Strand Shopping Centre	Assistance offered
Ramsey Detailed Design Phases 1, 2 and 3,	Assistance offered
Mann Link Travel Ramsey	Assistance offered
Peel WiFi	Deferred to allow DOI and DED to progress WiFi options for Marinas
Travelworld Ramsey	Completed
Lighting design for Jubilee Buildings, Victoria Street, Douglas	Assistance offered
Affinity Crystals, 10 Parliament Street, Ramsey	Assistance offered
Banners and windbreak,	Awaiting information from applicant

Copperfields, Castle Street, Douglas	
Project Team for Phase 0 Douglas	Assistance offered
Materials for Phase 1 Douglas	Assistance offered
Materials for Project 1 Ramsey	Assistance offered
Clear Pharmacy, Port St Mary	Refused
Spice of India, Ramsey	Completed
Shop front painting, Peel	Assistance offered
Colours of Mann, Douglas	Assistance offered

Total fund expenditure at 31 March 2011

	£
Financial Assistance	596,977
Overheads year to 31 March 2011	57,672

Conclusions

The second year of the Town and Village Centre Regeneration Scheme has been one of building the regeneration framework. During this year four Local Regeneration Committees have developed Regeneration Plans for their areas and prioritised regeneration proposals. These will guide investment and support the re-vitalising of our centres for years to come. Not all the regeneration proposals can or should be funded from the Regeneration Fund. Many of the proposals coming forward from the Local Committees are for the Local Authorities or the private sector or other Government Departments to fund.

The Chief Ministers Regeneration Steering Group has agreed the four Regeneration Plans and also given agreement for some of the prioritised regeneration proposals to go forward to detailed design. During the second half of the year, detailed design has been undertaken for the Ramsey 'Lanes' and Douglas' Upper Nelson Street.

Two local Regeneration Committees have undertaken consultation and prepared regeneration concepts and proposals for their town or village centres. During the past year, consultations have been undertaken which include 4 public exhibitions, numerous focus groups with groups ranging from Mums and Tots to young people to Heritage Groups to Church Groups and many more. Communities and businesses have said what they like and don't like about the place in which they live/work. Out of this consultation regeneration ideas and concepts have grown and the Regeneration Committees have or are forming these into regeneration proposals.

There have also been some 'quick win' regeneration proposals during the last year such as a boundary treatment to the Lord Street Car park in Douglas, a shop front improvement at the Book Store, Castle Street, Douglas, painting and shop front improvements to a number of properties in Ramsey and a shop front improvement in Peel. It was hoped that more 'quick wins' applications would be submitted for grant assistance but as with the development of town and village regeneration concepts and proposals these are driven from the local community.

Regeneration work has sparked a real interest in our town and village centres and the vital part they play in supporting the local economy. Between 6000 and 7000 people have put forward their views about how they want their town and village centres to regenerate. The opportunity to work in partnership has been met with great enthusiasm and commitment from the Committees and the communities. The regeneration proposals coming forward have been developed by the community and new partnerships have been formed between the public and private sector which will help to make some of these proposals a reality. The Town and Village Centre Regeneration Scheme has provided a catalyst for the regeneration of our towns and villages and has already levered over £500,000 into regeneration work from the private and voluntary sectors, local authorities and Government Departments.

Most importantly, regeneration work has shown that Government working with local communities, local groups and local businesses can plan to make real changes to their properties, their towns and villages. The challenge now is to continue working together to further develop the designs and make them happen.



Isle of Man
Government

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