

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT OF THE TREASURER

COYCHURCH CREMATORIUM JOINT COMMITTEE

7 MARCH 2014

PROPOSED REVENUE BUDGET 2014/15

1. Purpose of the Report

- 1.1 The purpose of this report is to inform the Joint Committee of the projected financial performance for the Crematorium for 2013/14, and to obtain approval from the Joint Committee for the proposed budget and fees and charges for 2014/15.

2. Connection to Corporate Improvement Objectives/Other Corporate Priorities

- 2.1 There are no connections to the Council's Corporate Plan.

3. Background

- 3.1 The 2013/14 Revenue Budget was approved by the Committee at its meeting on 1 March 2013. The current budget position and projected outturn for 2013/14 is outlined below, together with the proposed budget for 2014/15.

4. Current Situation

Estimated Revenue Outturn 2013/14

- 4.1 Table 1 below shows the financial position at 31 January 2014 and the projected outturn for 2013/14.

Table 1- Comparison of budget against projected spend at 31st January 2014.

Budget	Category	Adjusted Actual 01/04/2013 to 31/01/2014	Projected Outturn	Projected Over (Under) Spend
2013/14			2013/14	2013/14
£000		£000	£000	£000
244	Employees	172	242	(2)
326	Premises	209	220	(106)
162	Supplies, services & transport	140	172	10
79	Agency / contractors	71	87	8
27	Administration	35	42	15
50	Capital financing costs	42	50	0
888	Gross Expenditure	669	813	(75)
(950)	Fees & charges	(837)	(1,173)	(223)
(62)	Surplus(-)/Deficit	(168)	(360)	(298)
62	Transfer to/from (-) Reserve	168	360	298

4.2 Explanations for the more significant variances between budget and projections are detailed below;

- A premises underspend of £106k as a result of a rating revaluation in 2013/14 (£37k), an underspend on mercury abatement (£44k), planned maintenance reduction (£20k) and a reduction in premises running costs (£5k).
- A net overspend of £10k on Supplies, Services & Transport due mainly to increases in the purchase/repair of equipment.
- A net overspend of £15k on Administration as a result of an increase in central support recharges due to a change in the methodology used. The recharging methodology was reviewed in 2012/13 and amended to reflect the current levels of support. Support services provided include Audit, Accountancy, Procurement, Creditors, IT and HR services.
- The income received from fees and charges to date is above that budgeted and has been projected conservatively into the outturn figure. It includes fortuitous income of £96k in respect of a refund of an overpayment of rates for the financial years 2010/11 to 2012/13 and additional income of £127k reflecting the increase in cremations due to the impact of the temporary closure of Margam Crematorium.
- The projected surplus of £360k will be added to the accumulated balance being held to fund the requirement for new cremators.

2014/15 Proposed Budget

- 4.3 The following table shows the proposed revenue budget for 2014/15.

Table 2 – Proposed Budget 2014/15

Category	Budget 2014/15
	£000
Employees	247
Premises	389
Supplies, services & transport	140
Agency / contractors	90
Administration	43
Capital financing costs	50
Gross Expenditure	959
Fees & charges	(1,071)
Surplus(-)/Deficit	(112)
Transfer to/from (-) Reserve	112

- 4.4 The proposed budget for 2014/15 includes a general uplift of 2.% on non employee expenditure and specific inflationary increases on expenditure in relation to contractual commitments.
- 4.5 Employee budgets have been adjusted to reflect salary increments where applicable. The budget includes an inflationary uplift for possible pay awards.
- 4.6 The Business Plan for 2014/15 indicates that there is a budget requirement of £213k to meet expenditure itemised in the table below:

Table 3 – Business Plan Spending Requirements

2014/15	£000
CAMEO payments	43
New Cremators:	
Fees/planning/design/investigation/supervision	20
Building Contract	150
Total	213

These costs will be met from the premises budget identified in Table 2 above. The premises budget also includes a provision for lodge maintenance should it be deemed necessary.

- 4.7 The supplies, services and transport budget has been adjusted to reflect a reduction in the level of replenishment of the stock of plinths required in 2014/15.
- 4.8 The income budgets have been prepared assuming a general increase in fees of 3% (2% average CPI plus 1%), based on an estimated number of cremations of 1484. The fee for weekday cremations has been increased to £580 (£540 in 2013/14). This reflects the inflationary increase along with the agreed £25/year increase required to fund the programme of improvement works detailed in the business plan. A schedule of revised fees based on this increase is shown in Appendix 1.

Accumulated Balance

- 4.9 The effect on the accumulated balance of the proposed budget for 2014/15 is shown in the Table below:

Table 4 – Impact on accumulated balance of proposed budget 2014/15

Accumulated Balance	£000
Balance as at 31 March 2013	(538)
Projected (Surplus)/Deficit 2013/14	(360)
Projected Balance as at 31 March 2014	(898)
Budgeted (Surplus)/Deficit 2014/15	(112)
Projected Balance as at 31 March 2015	(1,010)

- 4.10 It is projected that at 31 March 2014, there will be an accumulated balance of £898,000. This will be held, along with the budgeted surplus for 2014/15 to help fund the installation of new cremators at an estimated cost of £1.06m. Consideration will need to be given to the amount of this major investment which will need to be met from additional capital funding, as it is recommended that a sufficient level of reserves is maintained to protect the service in light of unknown demands or emergencies. Approval for any capital funding required will be sought prior to the investment decision being made.

Capital Expenditure 2014/15

- 4.11 Capital expenditure will not require any additional loan charge or contribution from constituent authorities in 2014/15. Items of a capital nature for 2014/15 in Table 3, paragraph 4.6, will be directly funded from revenue contributions and the accumulated surplus from previous years.

5. Effect upon Policy Framework and Procedure Rules

- 5.1 None.

6. **Equality Impact Assessments**

6.1 There are no equality implications attached to this report.

7. **Financial Implications**

7.1 These are reflected within the report.

8. **Recommendation:**

8.1 The Joint Committee is recommended to

(a) approve the revenue budget for 2014/15

(b) approve the increase in fees and charges with effect from 1 April 2014 outlined in Appendix 1.

NESS YOUNG CPFA

Section 151 Officer and Corporate Director - Resources

BRIDGEND COUNTY BOROUGH COUNCIL

TREASURER TO THE COYCHURCH CREMATORIUM JOINT COMMITTEE

18th February 2014

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Background Papers: Report of the Treasurer
Revenue Estimates 2013/14
Coychurch Crematorium Joint Committee
1st March 2013

**APPENDIX
1**

<u>FEES</u>	<u>2013/14</u>	<u>2014/15</u>
	£	p
	£	p
<u>CREMATION FEES</u>		
Under 16 years (Weekday)	Free	Free
Under 16 years (Saturday)	300.50	309.50
Over 16 years (Weekday)	540.00	580.00
Over 16 years (Saturday)	786.70	836.00
Retained Organs (Cremated at establishment)	90.40	93.10
Retained Organs (not previously cremated at establishment)	146.80	151.20
Memorial Service/additional 30 min chapel time - Weekday	64.90	66.80
Memorial Service/additional 30 min chapel time - Saturday	123.00	126.70
Recording of funeral service	48.60	50.10
Videoring of funeral service	59.40	61.20
Webcasting of funeral service	64.80	66.80
<u>BURIAL PLOTS</u>		
Concrete plinth burial plot - purchase fee	223.60	230.30
Granite plinth burial plot - purchase fee 75 yrs	357.40	368.10
<u>SLATE PLAQUES</u>		
Standard plaque for concrete plinth burial plot/rose beds/trees	195.70	201.60
Double plaque for plot/rose beds/trees	291.00	300.00
Small photograph	96.50	99.40
Large Photograph	144.20	148.50
Standard slate plaque - blank	30.50	31.40
Refurbishment of standard plaque lettering	30.50	31.40
<u>GRANITE PLAQUES</u>		
Standard plaque for granite plinth burial plot	253.20	260.80
Standard plaque for granite bench	253.20	260.80
<u>BENCHES</u>		
Wooden bench - purchase fee with 10yr maintenance agreement	875.40	901.70
Wooden bench - renewal of 10yr maintenance agreement	342.20	352.50
Granite bench - 10yr lease on shared bench	171.10	176.20
<u>LEASED MEMORIALS</u> (15 year lease unless otherwise stated)		
Columbaria units - from	456.32	470.00
Vase blocks lease with plaque - from	303.00	312.10
Wall plaques and lease (GoR) - from	303.00	312.10
Tree dedication lease	265.90	273.90
Shrub bed dedication lease	151.00	155.50
Vase space lease - Cloisters (3 years)	43.70	45.00
<u>INTERMENT RELATED FEES</u>		
Interment in rose beds (double if cremated elsewhere)	108.50	111.80
Interment in burial plot (double if cremated elsewhere)	108.50	111.80
Exhumation	108.50	111.80
Placement in columbaria unit	39.60	40.80
Scattering of cremated remains (double if cremated elsewhere)	19.80	20.40
Witness of interment/scatter of cremated remains	26.30	27.10
Cremation Certificate/ Extract from Register	13.30	13.70
<u>URNS</u>		
Aluminium urn - adult/child	30.50	31.40
Wooden casket	37.00	38.10
Polytainer urn	14.60	15.00

<u>FEES</u>	<u>2013/14</u>	<u>2013/14</u>
	£	p
<u>OTHER</u>		
External chapel Wall Space (for granite plaque)	276.40	284.70
Silver coloured flower vase for plots/columbaria units	6.50	6.70
Lids for flower vase	2.60	2.70
Service book	25.00	25.75
<u>BOOK OF REMEMBRANCE</u>		
Reservation in Book 2 Lines	15.90	16.40
Reservation in Book 5 Lines	31.70	32.70
Reservation in Book 8 Lines	47.70	49.10
Entry 2 Lines	44.90	46.20
Entry 5 Lines	91.30	94.00
Entry 8 Lines	117.70	121.20
Special Entry	175.90	181.20
Floral Emblem	47.70	4910.00
Coat of Arms	60.90	62.70
Purchase of Miniature Book	44.00	45.30