

LLWYDCOED CREMATORIUM JOINT COMMITTEE

12th March 2015

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

BUDGET MONITORING REPORT FOR 2014-15 AND DRAFT REVENUE ESTIMATES FOR 2015-16

1. Introduction

The purpose of this report is to provide details of the projected final outturn for 2014-15 and the draft revenue estimates for 2015-16. These are shown in the attached Appendix 1.

2. Budget Monitoring Report 2014/15

2.1 The Joint Committee on 20th March 2014 approved a revenue budget for 2014/15, which projected a net contribution to reserves of £272,320.

Appendix 1 gives details of this budget, actual expenditure to 27th February 2015 and projected outturn figures for 2014-15

2.2 Expenditure

Expenditure for 2014/15 is projected to be £487,347 against a budget of £506,820 – an underspend of £19,473.

The main expenditure variances are as follows: -

- **Employee costs £4,823 underspend.** This is due to the vacant Superintendent & Registrar post following Clive Lewis's departure, offset by the voluntary early retirement costs of the Crematorium Assistant.
- **Premises costs £19,598 underspend.** This is mainly due to the estimated underspend on maintenance.
- **Supplies & Services £6,776 overspend.** This is mainly due to ongoing IT costs and audit fees being higher than expected.

2.3 Income

Operating income for 2014/15 is projected to be £851,100 against a budget of £776,810, showing a surplus of income of £74,290.

The main income variance is as follows:-

- **Cremation Fees £77,260 surplus of income**

Projections for cremation fees have been made on the basis of actuals to date and an estimated number of cremations for March.

2.4 Capital Expenditure

Capital expenditure of £258,882 has been incurred in relation to the replacement of the cremators, which includes an initial payment of £197k towards the supply of cremators, mercury abatement and ancillary equipment.

2.5 Summary position for 2014-15

	£
General reserves brought forward 1 st April 2013	1,139,993
Net revenue contributions to reserves in 2013-14	<u>243,030</u>
General reserves carried forward 31 st March 2014	<u>1,383,023</u>

Appendix 1 shows that during 2014-15 the balance brought forward of **£1,383,023** is anticipated to increase by **£367,353** from a surplus on revenue, offset by Capital expenditure incurred to date of **£258,882**, taking the estimated reserves available as at 31st March 2015 to **£1,491,494**.

This position will be dependent upon the 2014-15 final position.

3. REVENUE ESTIMATES 2015-16

The draft revenue estimates are also shown in Appendix 1.

3.1 Proposed expenditure

Proposed operational expenditure is £488,710 compared with an approved budget of £506,820 in 2014-15.

- **Employees budget £162,160** - this provides for a full establishment for the full year based on the recent re-structure. It also includes a budget to cover the grass cutting function.
- **Premises budget £135,980** - provides for a 2% increase in Gas, Electricity and NNDR budgets.
- **Transport budget £3,000**
- **Supplies & Services budget £130,940** - includes budgets for Medical Expenses (referee costs), Other Hired Services (music co-ordinators costs)

and the environmental surcharge. Provision has also been made for the ongoing licensing costs as a result of the new IT network.

- **Central Support Budget £56,630** – includes management support costs in line with the new arrangements following the removal of the Superintendent Registrar post.

3.2 Proposed income

Proposed operational income is £818,720 compared with an approved budget of £776,810 in 2014-15.

This is based on estimated levels of activity and the proposed increase to fees and charges subject to approval by the Joint Committee.

3.3 Overall financial position

The draft estimates therefore propose an operating surplus of £330,010. With anticipated investment income of £3,500, the contribution to reserves in 2015-16 is estimated at £333,510.

This would result in an anticipated General Reserve of £1,825,004 available to the Joint Committee in 2015-16.

RECOMMENDATIONS

It is recommended that :-

- (a) Members note the 2014-15 budget monitoring position
- (b) Members approve the draft revenue estimates for 2015-16

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

12th March 2015

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:

Contact Officer

Item 1 - Budget Monitoring Report 2014/15
& Draft Revenue Estimates 2015-16

Beth Gough / Gareth Richards
(01443 680776)

Appendix 1

	2014-15				2015-16	Comments
	Budget £	Actuals to 27.02.15 £	Projected outturn £	Projected variance £	Proposed Budget £	
<u>OPERATING EXPENDITURE</u>						
<u>Employees</u>						
Admin salaries	115,140	89,586	97,862	-17,278	75,110	2014-15 Part year vacancy Superintendent Registrar post ; 2015-16 Superintendent Registrar post removed
Technicians wages	77,050	68,710	76,995	-55	79,050	
Caretakers / Crematorium Asst / Gatekeepers wages	23,890	19,306	32,312	8,422	0	2015-16 Crematorium Assistant & Caretakers posts removed
Agency staff	6,000	3,813	10,087	4,087	8,000	
	222,080	181,415	217,256	-4,824	162,160	
<u>Premises</u>						
Repair and Maintenance	60,000	38,603	45,000	-15,000	60,000	2014-15 - minor expenditure on road/wall repairs, overall expenditure less than anticipated
Gas	39,030	31,060	37,592	-1,438	39,810	
Electricity	8,050	2,670	6,168	-1,882	8,210	
NNDR	17,220	17,217	17,217	-3	17,560	
Water Charges	1,300	1,053	1,300	0	1,300	
Fixtures and Fittings	2,500	658	1,000	-1,500	2,500	
Cleaning Materials	800	897	897	97	800	
General Insurance	5,500	5,628	5,628	128	5,800	
	134,400	97,786	114,802	-19,598	135,980	
<u>Transport</u>						
Plant and Vehicles	1,500	0	572	-928	1,500	
Car Allowances/Subsistence	1,500	534	600	-900	1,500	
	3,000	534	1,172	-1,828	3,000	

	2014-15				2015-16	Comments
	Budget	Actuals to 27.02.15	Projected outturn	Projected variance	Proposed Budget	
Supplies and Services						
Plaques and Memorials	15,500	8,571	9,500	-6,000	14,000	
Caskets and Urns	5,000	3,970	3,970	-1,030	5,000	
Books of Remembrance	2,000	1,635	1,775	-225	2,000	
Hire Of Equipment	6,500	6,915	6,915	415	7,000	
Computer Costs	5,500	5,876	10,000	4,500	8,500	
Protective Clothing	1,500	883	1,018	-482	1,500	
Office expenses	5,500	5,044	5,500	0	5,500	
Subscriptions	800	839	261	-539	900	
Analyst's Fees	5,000	2,331	6,000	1,000	6,000	
Medical Expenses	21,460	19,990	24,050	2,590	21,460	
Other Hired Services	17,400	17,475	19,500	2,100	17,400	
Consultants Fees	3,000	1,193	1,193	-1,807	2,000	
Audit Fees	2,000	0	7,000	5,000	7,000	
Training	1,000	0	0	-1,000	500	
Other Miscellaneous Expenses	30,180	23,270	32,566	2,386	30,180	2014-15 & 2015-16 Estimated environmental surcharge (burden sharing scheme)
Credit/Debit Card Transaction Charges	500	343	368	-132	500	
Employers liability insurance	1,500	0	1,500	0	1,500	
	124,340	98,335	131,116	6,776	130,940	
Support costs						
Department Admin Recharge	0	0	0	0	33,630	2015-16 Management support costs in place of Superintendent post
Central Support costs	23,000	0	23,000	0	23,000	
	23,000	0	23,000	0	56,630	
Total Operating Expenditure	506,820	378,070	487,346	-19,474	488,710	

	2014-15				2015-16	Comments
	Budget	Actuals to 27.02.15	Projected outturn	Projected variance	Proposed Budget	
<u>OPERATING INCOME</u>						
Caskets and Urns	-6,500	-6,821	-7,500	-1,000	-7,500	
Plaques and Memorials	-19,000	-14,977	-17,000	2,000	-18,000	
Cremation Fees	-738,500	-665,676	-815,760	-77,260	-726,160	2014-15 Based on actuals to date plus an estimated number of cremations for March ; 2015-16 Based on an estimated 1160 cremations
Books of Remembrance	-2,000	-1,885	-2,000	0	-2,000	
Burial Fees	0	0	0	0	-56,250	2015-16 Burial of cremated remains (previously included in cremation fees)
Exhumation Fees	-660	-493	-660	0	-660	
Memorial permits	-10,000	-6,958	-8,000	2,000	-8,000	
Vending Sales	-150	-154	-180	-30	-150	
Total Operating Income	-776,810	-696,964	-851,100	-74,290	-818,720	
Operating Surplus	-269,990	-318,894	-363,754	-93,764	-330,010	
Interest on Investments/ Balances	-2,330	0	-3,600	-1,270	-3,500	
Net contribution to/from reserves	-272,320	-318,894	-367,354	-95,034	-333,510	
General reserves B/F	1,383,023		1,383,023	0	1,491,495	
Contributions to/ from Revenue	272,320	0	367,354	95,034	333,510	
	1,655,343	0	1,750,377	95,034	1,825,005	
Capital expenditure charged to reserves	0	-258,882	-258,882	-258,882		Includes an initial payment of £197k towards the supply of cremators, mercury abatement and ancillary equipment
General reserves C/F	1,655,343	-258,882	1,491,495	-163,848	1,825,005	

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