

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19th March 2019

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

BUDGET MONITORING REPORT FOR 2018/19 AND DRAFT REVENUE ESTIMATES FOR 2019/20

1.0 PURPOSE OF THE REPORT

1.1 This report is intended to provide members with an update on the 2018/19 Budget Monitoring position and the Draft Revenue Estimates for 2019/20.

2.0 RECOMMENDATIONS

2.1 It is recommended that:-

- (a) Members note the 2018/19 Budget Monitoring position
- (b) Members approve the Draft Revenue Estimates for 2019/20

3.0. BUDGET MONITORING REPORT 2018/19

3.1 The Joint Committee on 21st March 2018 approved a revenue budget for 2018/19, which projected a net contribution to reserves of £518,085.

3.2 Appendix 1 gives details of the approved budget, actual expenditure to 28th February 2018 and projected outturn figures for 2018/19.

3.3 **Expenditure for 2018/19 is projected to be £574,249 against a budget of £558,730 – an overspend of £15,519.**

3.4 The main expenditure variances are as follows: -

- **Employee costs £31,218 overspend.** This is due to additional grass cutting and gardening costs and maternity cover costs
- **Premises £22,159 underspend.** This is due to works being delayed into 2019/20 financial year.
- **Supplies and Services £5,565 overspend.**

3.5 **Operating income for 2018/19 is projected to be £1,080,032 against a budget of £1,073,315, showing a surplus of income of £6,717.**

3.6 The reason for the surplus of income is a result of a small increase in the number of cremations this year. Projections for cremation fees have been made based on actuals to date and an estimated number of cremations for March.

3.7 **Summary position for 2018-19**

	£
General reserves brought forward 1st April 2018	1,669,707
Projected Net Revenue contribution to reserves in 2018/19	<u>509,282</u>
Projected General Reserves 31st March 2019	<u>2,178,989</u>

4.0 **DRAFT REVENUE ESTIMATES 2019/20**

4.1 The Draft Revenue Estimates 2019/20 are also shown in Appendix 1.

4.2 **Proposed operational expenditure is £601,010 compared with an approved budget of £558,730 in 2018/19.**

- **Employees budget £245,070** - this provides for a full establishment for the full year. It also includes a budget to cover the gardening and grass cutting function.
- **Premises budget £147,850** - provides for a reallocation of Gas and Electricity budgets, increased budgets for NNDR and Fixtures & Fittings based upon 2018/19 expenditure levels.
- **Transport budget £3,000**
- **Supplies & Services budget £128,260** – the budget has been adjusted based on 2018/19 expenditure levels.
- **Central Support Budget £76,830** – includes management support costs based on current time apportionment.

4.3 **Proposed operational income is £1,130,930 compared with an approved budget of £1,073,315 in 2018/19** – the budget is based on estimated levels of activity and the proposed increase to fees and charges subject to approval by the Joint Committee.

5.0 **SUMMARY**

5.1 The Budget Monitoring position will be dependent upon the final 2018/19 position and any further capital expenditure to be incurred to the year-end 31st March 2019. The final year-end position will be reported at the May 2019 Joint Committee meeting.

- 5.2 The Draft Revenue Estimates 2019/20 propose an operating surplus of £529,920. With anticipated investment income of £3,500, the contribution to reserves in 2019/20 is estimated at £533,420.
- 5.3 Based on the 2018/19 Budget Monitoring Report and the Draft Revenue Estimates 2019/20 the estimated General Reserve Balance at the end of 2019/20 would be £2,712,409. Although at this stage this does not take into account any capital works that may be identified to be undertaken during 2019/20.

This page intentionally blank

2018-19						2019/20
	Budget £	Actual to 28th Feb 2019 £	Projected outturn £	Projected variance £	Comments	Draft Revenue Estimate £
<u>OPERATING EXPENDITURE</u>						
<u>Employees</u>						
Admin salaries	80,100	83,968	91,735	11,635	Maternity leave cover	82,850
Technicians wages	84,240	74,273	85,922	1,682		87,050
Gardening/Grasscutting	31,400	24,457	49,301	17,901	Additional gardeners/grasscutters	75,170
	195,740	182,698	226,958	31,218		245,070
<u>Premises</u>						
Repair and Maintenance	60,000	42,372	37,441	-22,559	Expendiyure delayed to 2019/20	41,530
Gas	23,500	18,913	27,114	3,614		24,020
Electricity	18,500	19,189	23,985	5,485		21,410
NNDR	36,140	36,494	36,494	354		36,940
Council Tax	1,400	1,457	1,457	57		1,430
Water Charges	510	376	500	-10		520
Fixtures and Fittings	15,000	2,221	5,100	-9,900		15,000
Cleaning Materials	1,200	1,803	2,000	800		1,200
General Insurance	5,800	5,800	5,800	0		5,800
	162,050	128,624	139,891	-22,159		147,850
<u>Transport</u>						
Plant and Vehicles	3,000	1,715	3,895	895		3,000
	3,000	1,715	3,895	895		3,000
<u>Supplies and Services</u>						
Plaques and Memorials	14,000	9,980	11,530	-2,470		14,000
Caskets and Urns	5,000	3,959	5,075	75		5,000
Books of Remembrance	2,000	1,532	1,700	-300		2,000
Hire Of Equipment	7,000	6,506	7,000	0		8,000
Computer Costs	2,500	0	6,135	3,635		5,500
Protective Clothing	2,000	772	1,500	-500		2,000
Office expenses	7,000	9,704	10,000	3,000		6,800
Subscriptions	1,550	1,614	1,700	150		1,650
Analyst's Fees	1,150	1,145	1,145	-5		1,150
Medical Expenses	29,000	21,990	28,500	-500		29,000
Contractor Payments	45,300	23,548	47,980	2,680		48,500
Audit Fees	2,000	-2,100	1,700	-300		2,000
Training	500	0	600	100		600
Other Miscellaneous Expenses	100	2,195	100	0		400
Credit/Debit Card Transaction Charges	500	0	500	0		100
Employers liability insurance	1,515	0	1,515	0		1,560
	121,115	80,843	126,680	5,565		128,260
<u>Support costs</u>						
Central Support costs	76,825	0	76,825	0		76,830
	76,825	0	76,825	0		76,830
Total Operating Expenditure	558,730	393,881	574,249	15,519		601,010
<u>OPERATING INCOME</u>						
Caskets and Urns	-6,000	-6,547	-7,142	-1,142		-8,130
Plaques and Memorials	-19,000	-20,057	-21,880	-2,880		-21,420
Cremation Fees	-970,000	-841,901	-970,140	-140	Estimated 1,471 Cremations	-1,032,340
Books of Remembrance	-2,265	-2,229	-2,432	-167		-2,310
Burial Fees	-55,000	-33,771	-58,344	-3,344		-45,210
Exhumation Fees	-980	-1,463	-1,463	-483		-1,000
Chapel Use	-10,700	-9,601	-10,474	226		-10,940
Memorial permits	-9,370	-8,016	-8,745	625		-9,580
Mercury Abatement Income	0	-384	1,088	1,088		0
Energy Savings	0	-80	-500	-500		0
Vending Sales	0	0	0	0		0
Total Operating Income	#####	-924,049	-1,080,032	-6,717		-1,130,930
Operating Surplus	-514,585	-530,169	-505,782	8,803		-529,920
Interest on Investments/ Balances	-3,500	0	-3,500	0		-3,500
Net contribution to/from Reserves	-518,085	-530,169	-509,282	8,803		-533,420
General reserves B/F	1,669,707		1,669,707	0		2,178,989
Contributions to/ from Revenue	518,085		509,282	-8,803		533,420
Capital expenditure charged to reserves				0		0
General reserves C/F	2,187,792		2,178,989	-8,803		2,712,409

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19th March 2019

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:

Item 1 - Budget Monitoring Report 2018/19
& Draft Revenue Estimates 2019/20

Contact Officer

Steve Preddy
(01443 680644)