

LLWYDCOED CREMATORIUM JOINT COMMITTEE

17th March 2020

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

BUDGET MONITORING REPORT FOR 2019/20 AND DRAFT REVENUE ESTIMATES FOR 2020/21

1.0 PURPOSE OF THE REPORT

1.1 This report is intended to provide members with an update on the 2019/20 Budget Monitoring position and the Draft Revenue Estimates for 2020/21.

2.0 RECOMMENDATIONS

2.1 It is recommended that:-

- (a) Members note the 2019/20 Budget Monitoring position
- (b) Members approve the Draft Revenue Estimates for 2020/21

3.0. BUDGET MONITORING REPORT 2019/20

3.1 The Joint Committee on 19th March 2019 approved a revenue budget for 2019/20, which projected a net contribution to reserves of £533,420.

3.2 Appendix 1 gives details of the approved budget, actual expenditure to 29th February 2020 and projected outturn figures for 2019/20.

3.3 **Expenditure for 2019/20 is projected to be £805,452 against a budget of £601,010 – an overspend of £204,442.**

3.4 The main expenditure variances are as follows: -

- Employees £10,484 over spent due to sickness cover costs.
- Premises £171,415 over spent due to inclusion within the projected expenditure of proposed capital projects.
- Transport £22,428 overspent due to the purchase of a replacement ATV with snow plough attachment.

3.5 **Operating income for 2019/20 is projected to be £1,085,578 against a budget of £1,130,930, showing a deficit of income of £45,352.**

3.6 The reason for the deficit of income is a result of a decrease 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 2019-20**

	£
General reserves brought forward 1st April 2019	2,206,268
Projected Net Revenue contribution to reserves in 2019/20	283,626
Redistribution of General Reserve	<u>-1,500,000</u>
Projected General Reserves 31st March 2020	<u>989,894</u>

4.0 **DRAFT REVENUE ESTIMATES 2020/21**

4.1 The Draft Revenue Estimates 2020/21 are also shown in Appendix 1.

4.2 **Proposed operational expenditure is £604,390 compared with an approved budget of £601,010 in 2019/20.**

- **Employees budget £247,130** - 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 £197,610** – the budget has been adjusted between the Supplies & Services Budget to record the cremator maintenance costs appropriately.
- **Transport budget £3,000**
- **Supplies & Services budget £79,820** – the budget has been adjusted between the Premises Budget to record the cremator maintenance costs appropriately.
- **Central Support Budget £76,830** – includes management support costs based on current time apportionment.

4.3 **Proposed operational income is £1,147,890 compared with an approved budget of £1,130,930 in 2019/20** – 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 2019/20 position and any further capital expenditure to be incurred to the year-end 31st March 2020. The final year-end position will be reported at the May 2020 Joint Committee meeting.

- 5.2 The Draft Revenue Estimates 2020/21 propose an operating surplus of £543,500. With anticipated investment income of £3,500.
- 5.3 It was agreed at the Joint Committee meeting of 10th December 2019 that there would be an £350,000 Annual Redistribution of the General Reserve to the respective Authorities.
- 5.4 The net contribution to reserves in 2020/21 is estimated at £197,000.
- 5.5 Based on the 2019/20 Budget Monitoring Report and the Draft Revenue Estimates 2020/21 the estimated General Reserve Balance at the end of 2020/21 would be £1,186,894. Although at this stage this does not take into account any capital works that may be identified to be undertaken during 2020/21.

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Appendix 1						
2019-20						2020-21
	Budget £	Actual to 29th February 2020 £	Projected outturn £	Projected variance £	Comments	Budget £
OPERATING EXPENDITURE						
Employees						
Admin salaries	82,850	79,647	84,406	1,556		82,810
Technicians wages	87,050	77,969	86,078	-972		87,080
Agency staff	75,170	62,299	85,070	9,900	Additional costs due to admin sickness cover	77,240
	245,070	219,915	255,554	10,484		247,130
Premises						
Repair and Maintenance	41,530	76,498	199,419	157,889	Increased as includes £55k office conversion & actual resurfacing costs higher than estimate.	90,030
Gas	24,020	23,028	33,092	9,072		24,380
Electricity	21,410	24,871	35,432	14,022		21,730
NNDR	36,940	37,346	37,346	406		37,490
Council Tax	1,430	1,524	1,524	94		1,450
Water Charges	520	223	700	180		530
Fixtures and Fittings	15,000	0	0	-15,000		9,000
Contractor Payments	0	0	0	0		7,000
Cleaning Materials	1,200	157	5,952	4,752	Includes skip charges	200
General Insurance	5,800	5,800	5,800	0		5,800
	147,850	169,447	319,265	171,415		197,610
Transport						
Plant and Vehicles	3,000	22,509	25,428	22,428	£22k Purchase replacement ATV with snow plough attachment gator on approved list of capital projects	3,000
	3,000	22,509	25,428	22,428		3,000
Supplies and Services						
Plaques and Memorials	14,000	11,960	14,030	30		14,000
Caskets and Urns	5,000	2,095	5,000	0		5,000
Books of Remembrance	2,000	1,508	2,000	0		2,000
Hire Of Equipment	6,500	11,226	11,620	5,120	Increased costs due to Wesley Media works	8,000
Computer Costs	4,500	343	4,500	0		5,520
Protective Clothing	2,000	0	1,000	-1,000		2,000
Office expenses	9,300	5,576	7,870	-1,430		6,800
Subscriptions	1,650	998	1,000	-650		1,650
Analyst's Fees	1,150	1,145	1,145	-5		1,150
Medical Expenses	29,000	23,249	28,000	-1,000		29,000
Contractor Payments	48,500	48,267	49,000	500		0
Audit Fees	2,000	743	750	-1,250		2,000
Training	600	475	600	0		600
Other Miscellaneous Expenses	400	112	200	-200		400
Credit/Debit Card Transaction Charges	100	0	100	0		100
Employers liability insurance	1,560		1,560	0		1,600
	128,260	107,696	128,375	115		79,820
Support costs						
Central Support costs	76,830	0	76,830	0		76,830
	76,830	0	76,830	0		76,830
Total Operating Expenditure	601,010	519,567	805,452	204,442		604,390
OPERATING INCOME						
Caskets and Urns	-8,130	-5,099	-5,563	2,567		-8,250
Plaques and Memorials	-21,420	-20,423	-22,280	-860		-21,740
Cremation Fees	-1,032,340	-873,583	-967,730	64,610	Lower number of cremations than anticipated	-1,047,830
Books of Remembrance	-2,310	-2,117	-2,309	1		-2,340
Burial Fees	-45,210	-31,708	-59,840	-14,630	Number of new plots purchased in Feb higher than estimated	-45,890
Exhumation Fees	-1,000	-1,640	-1,789	-789		-1,020
Chapel Use	-10,940	-7,623	-8,316	2,624		-11,100
Memorial permits	-9,580	-11,035	-12,038	-2,458		-9,720
Mercury Abatement Income	0	-4,442	-4,412	-4,412	based on 50% no cremations Jan to Dec	0
Energy Savings	0	-1,193	-1,301	-1,301		0
Vending Sales	0	0	0	0		0
Total Operating Income	-1,130,930	-958,863	-1,085,578	45,352		-1,147,890
Operating Surplus	-529,920	-439,296	-280,126	249,794		-543,500
Interest on Investments/ Balances	-3,500	0	-3,500	0		-3,500
Net contribution to/from Reserves	-533,420	-439,296	-283,626	249,794		-547,000
General reserves B/F	2,206,268		2,206,268	0		989,894
Contributions to/ from Revenue	533,420		283,626	-249,794		547,000
Redistribution of General Reserve	0		-1,500,000	-1,500,000		-350,000
General reserves C/F	2,739,688		989,894	-1,749,794		1,186,894

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

17th March 2020

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:

Item 1 - Budget Monitoring Report 2019/20
& Draft Revenue Estimates 2020/21

Contact Officer

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