

LLWYDCOED CREMATORIUM JOINT COMMITTEE

16th March 2021

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

BUDGET MONITORING REPORT FOR 2020/21 AND DRAFT REVENUE ESTIMATES FOR 2021/22

1.0 PURPOSE OF THE REPORT

1.1 This report provides members with an update on the 2020/21 Budget Monitoring position and the Draft Revenue Estimates for 2021/22.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- Members note the report
- Members note the 2020/21 Budget Monitoring position (Appendix 1)
- Members approve the Draft Revenue Estimates for 2021/22 (Appendix 1)

3.0. BUDGET MONITORING REPORT 2020/21

3.1 Appendix 1 gives details of the approved budget, actual expenditure to 28th February 2021 and projected outturn figures for 2020/21.

3.2 **Expenditure for 2020/21 is projected to be £1,104,198 against a budget of £975,080 – a projected overspend of £129,118.**

3.3 The main expenditure variances are as follows: -

- Premises - £109,441 projected overspend due to the inclusion within the projection of proposed planned works plus increased costs due to the impact of COVID-19.
- Supplies & Services - £13,354 projected overspend due to increased costs resulting from the impact of COVID-19.

3.4 **Operating income for 2020/21 is projected to be £1,296,323 against a budget of £1,147,890, showing a surplus of income of £148,433.**

3.5 The reason for the surplus of income is as a result of the impact of COVID-19. Projections for cremation fees have been made based on actuals to date and an estimated number of cremations for March.

3.6 Summary position for 2020-21

	£
General reserves brought forward 1st April 2020	1,086,552
Projected Net Revenue contribution to reserves in 2020/21	545,625
Redistribution of General Reserve	<u>-350,000</u>
Projected General Reserves 31st March 2021	<u>1,282,177</u>

4.0 DRAFT REVENUE ESTIMATES 2021/22

4.1 The Draft Revenue Estimates 2021/22 are also shown in Appendix 1.

4.2 **Proposed operational expenditure is £978,000 compared with an approved budget of £975,080 in 2020/21.**

- **Employees budget £248,070** - 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 £197,320** – the budget includes the cost of cremator maintenance.
- **Transport budget £1,000**
- **Supplies & Services budget £82,920**
- **Central Support Budget £98,690** – includes management support costs based on current time apportionment.
- **Redistribution of General Reserve £350,000**

4.3 **Proposed operational income is £1,147,890 compared with an approved budget of £1,147,890 in 2020/21** – the budget is based on estimated levels of activity for a standard year and the impact of COVID-19 on 2020/21 income levels has not been incorporated into the 2021/22 income budget.

5.0 SUMMARY

5.1 The Budget Monitoring position will be dependent upon the final 2020/21 position and any further capital expenditure to be incurred to the year-end 31st March 2021.

5.2 The Draft Revenue Estimates 2021/22 propose an operating surplus of £519,890. 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 2021/22 is estimated at £173,390.
- 5.5 Based on the 2020/21 Budget Monitoring Report and the Draft Revenue Estimates 2021/22 the estimated General Reserve Balance at the end of 2021/22 would be **£1,455,567**. Although at this stage this does not take into account any capital works that may be identified to be undertaken during 2021/22.
- 5.6 The General Reserves are required to fund further capital expenditure as part of the ongoing delivery of the service and the projected position is considered to be at a prudent level as at 31st March 2021.
- 5.7 The level of General Reserve will be monitored closely as part of the ongoing Budget Monitoring process and reported to the Joint Committee at appropriate intervals.

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

16th March 2021

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:

Item 1 - Budget Monitoring Report 2020/21
& Draft Revenue Estimates 2021/22

Contact Officer

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Appendix 1

2020-21					Comments	2021-22
Budget £	Actual to 28th Feb 2021 £	Projected outturn £	Projected variance £	Budget £		
OPERATING EXPENDITURE						
Employees						
Admin salaries	82,810	50,592	83,605	795	82,810	
Technicians wages	87,080	76,780	89,092	2,012	88,020	
Crematorium Operative	77,240	57,666	63,425	-13,815	77,240	
Agency staff	0	7,490	17,331	17,331	0	
	247,130	192,528	253,453	6,323	248,070	
Premises						
Repair and Maintenance	41,530	114,213	132,681	91,151	46,000	
Gas	24,380	22,129	37,898	13,518	24,380	
Electricity	21,730	19,763	33,868	12,138	21,730	
Specialist Contractor (FT)	48,500	49,504	49,504	1,004	49,500	
NNDR	37,490	37,985	37,985	495	38,130	
Council Tax	1,450	1,574	1,574	124	1,470	
Water Charges	530	1,043	1,100	570	540	
Fixtures and Fittings	9,000	1,864	2,000	-7,000	2,000	
Contractor Payments (skip charges)	7,000	68	4,000	-3,000	7,120	
Cleaning Materials	200	534	641	441	650	
General Insurance	5,800	5,800	5,800	0	5,800	
	197,610	254,477	307,051	109,441	197,320	
Transport						
Plant and Vehicles	3,000	0	3,000	0	1,000	
	3,000	0	3,000	0	1,000	
Supplies and Services						
Purchase of Equipment	0	0	0	0	2,000	
Plaques and Memorials	14,000	8,757	15,500	1,500	14,000	
Caskets and Urns	5,000	4,988	6,700	1,700	5,000	
Books of Remembrance	2,000	1,580	1,800	-200	2,000	
Hire Of Equipment	1,500	40	100	-1,400	0	
Computer Costs	4,500	90	100	-4,400	1,000	
Protective Clothing	2,000	1,780	1,900	-100	2,000	
Office expenses	7,820	9,252	11,580	3,760	12,620	
Subscriptions	1,650	998	1,000	-650	1,000	
Analyst's Fees	1,150	1,145	1,145	-5	1,150	
Medical Expenses	29,000	29,359	35,000	6,000	29,000	
Other Hired Services	6,500	9,369	12,000	5,500	6,500	
Audit Fees	2,000	2,043	2,045	45	2,050	
Training	600	1,119	2,424	1,824	2,500	
Other Miscellaneous Expenses	400		180	-220	400	
Credit/Debit Card Transaction Charges	100		100	0	100	
Employers liability insurance	1,600		1,600	0	1,600	
	79,820	70,520	93,174	13,354	82,920	
Support costs						
Central Support costs	97,520	0	97,520	0	98,690	
	97,520	0	97,520	0	98,690	
Joint Authorities						
Payments to Joint Authorities	350,000	0	350,000	0	350,000	
	350,000	0	350,000	0	350,000	
Total Operating Expenditure	975,080	517,526	1,104,198	129,118	978,000	
OPERATING INCOME						
Caskets and Urns	-8,250	-5,917	-6,605	1,645	-8,250	
Plaques and Memorials	-21,740	-20,247	-22,088	-348	-21,740	
Cremation Fees	-1,047,830	-1,107,758	-1,175,230	-127,400	-1,047,830	
Books of Remembrance	-2,340	-2,323	-2,534	-194	-2,340	
Burial Fees	-45,890	-59,295	-65,136	-19,246	-45,890	
Exhumation Fees	-1,020	-449	-450	570	-1,020	
Chapel Use	-11,100	-2,829	-3,086	8,014	-11,100	
Memorial permits	-9,720	-10,937	-11,931	-2,211	-9,720	
Mercury Abatement Income	0	-5,029	-5,029	-5,029	0	
Energy Savings	0	-493	-500	-500	0	
Vending Sales	0		0	0	0	
Media Service Fees	0	-3,423	-3,734	-3,734	0	
Total Operating Income	-1,147,890	-1,218,700	-1,296,323	-148,433	-1,147,890	
Operating Surplus	-172,810	-701,174	-192,125	-19,315	-169,890	
Interest on Investments/ Balances	-3,500	0	-3,500	0	-3,500	
Net contribution to/from Reserves	-176,310	-701,174	-195,625	-19,315	-173,390	
General reserves B/F	1,086,552		1,086,552	0	1,282,177	
Contributions to/ from Revenue	176,310		195,625	19,315	173,390	
General reserves C/F	1,262,862		1,282,177	19,315	1,455,567	