

MARGAM CREMATORIUM JOINT COMMITTEE

14th January 2024

REPORT OF THE TREASURER – HUW JONES

MATTER FOR DECISION

WARDS AFFECTED: ALL

ANNUAL BUDGET REPORT 2025/26

1. Purpose of the Report

The purpose of the report is to set out the Margam Crematorium Joint Committee revised budget for 2024/25 and the budget estimates for 2025/26.

2. Revised budget

- 2.1 The revised budget position for 2024/25 shows a net contribution for transfer to the General Reserve (after £100,000 contribution to the cremator reserve and £100,000 payment to contributing authorities) of £19,400, which was predicted to be a deficit of £244,130 when the original budget was agreed in December 2023.
- 2.2 The revised budget takes account of the following anticipated changes.

Expenditure

Maintenance Cremators (+£10,170)

The budget has been increased to allow for works to be carried out on the cremator ID fan, this is additional maintenance that is a necessity to maintain the cremator. The budget also includes an allowance for any additional maintenance work that may be needed.

Gas (-£50,550) & Electricity (-£12,750)

The budget has been updated to reflect the fall in national gas and electricity prices.

Water (+£3,250)

There has been an increase in water expenditure this financial year due to a water leak at the Crematorium, the leak has since been resolved.

IT Equipment & Website (+£5,180)

The budget has been increased to allow for the installation of an online booking system, this will allow funeral directors to book slots directly via the website freeing up staff time.

Multi-media system and services (+£10,000)

The multi-media system has become increasingly more popular resulting in increased expenditure; this however is offset by an increase in the anticipated income.

Provision for Capital Works (-£175,000)

A sum of £250,000 was set aside to support capital works this financial year, it is now anticipated that the majority of those works will be due to take place in the next financial years and the budget has been revised accordingly.

General Reserve

It is projected that a contribution of £19,400 will be made to the General Reserve, thus increasing the projected balance of the reserve to £1,062,998 as at 31st March 2025. This sum will be updated at year end once any variation in the net expenditure is confirmed.

Cremator Reserve

The cremator reserve has been established to replace the cremators once they become obsolete. To ensure the Crematorium has sufficient long-term funds to finance the replacement project, the reserve has been maintained with an annual contribution of £100,000. At 31st March 2025 the cremator reserve balance will total £1,000,000, this has been deemed sufficient to provide for the future replacement works and it is therefore proposed that we maintain this reserve by making an annual contribution in line with inflation from 2025/26 onwards.

Refund to Constituent Authorities

The budget includes a refund to the Constituent authorities of £100,000 from surplus funds, apportioned on the council tax basis of each Authority.

Revised Income 2024/25

Income from Services

The Revised Budget has been prepared on the same basis as the original budget for this year. The number of cremation services has been maintained at 1,500 resulting in no change to the projected total cremation fee income.

Media Services Income (-£15,000)

The public address and media system has enabled the crematorium to offer additional services to the public including the recording of funeral services and streamlining funeral services all over the world. These services are becoming increasingly popular in the Crematorium.

Miscellaneous Income (£-7,550)

Income for certificates of cremation, extra time in chapel and witness burials have increased this financial year, resulting in an increase of the miscellaneous income which was included in the 2024/25 original budget.

Investment Income (£-29,500)

Interest rates have continued to increase throughout this financial year resulting in a larger sum of interest due on the reserve balances than anticipated in the original budget.

CAMEO

The Crematoria Abatement of Mercury Emissions organisation (CAMEO) provides a Burden sharing scheme, charging crematoria that have not installed abatement equipment an environmental surcharge. This fee, net of administrative charges, is then re-distributed to the other crematoria that have installed abatement equipment.

This sum is in relation to the net surplus tradeable mercury abated cremations for the calendar year 2023. In future years the sum received will reduce as more crematoria introduce appropriate crematorium equipment and choose to abate. We have retained the revised budget at £3,000 as we are awaiting confirmation of our share from the scheme.

Appendix 1 contains details of the Original and Revised estimates for 2024/25, together with the Estimate for 2025/26.

3. Budget 2025/26

- 3.1 The budget has been prepared based on 1,500 cremations during the financial year. Total expenditure is projected at £1,192,940, with income of £1,198,710 and a precept of £1,000.
- 3.2 The majority of the budget has been increased by 2%. The following are the main variations from the 2024/25 Revised Budget:

Salaries (+£22,397)

An increase of 3% has been built into the budget together with the annual increments, where applicable. The budget has also been increased to allow for the additional costs associated with the change in NI thresholds.

Maintenance Cremators (+£6,550)

The budget for 2025/26 has been based on 1,500 cremations and an increase built into the budget in line with general inflation provision. The budget also allows for the costs associated with the replacement of bag filter media renewal and a major service.

NNDR (+£9,330)

The budget has been increased to allow for the additional NNDR expenditure that will be incurred now that the transitional rate relief has ended.

IT Equipment & Website (-£3,460)

The revised budget for 2024/25 was increased to allow for the installation of an online booking system, this was one off expenditure and the original budget for 2025/26 has been updated to reflect this.

Palm Sunday (+£780)

There are 2 Palm Sunday Services during the 2025/26 financial year, the budget has been updated to reflect this.

Provision for Capital Works (+£250,000)

A sum of £250,000 has been set aside to support capital works that have previously been discussed at Committee. These include concrete repairs and external redecoration and refurbishment of the existing external toilets.

Income

The income for the financial year 2025/26 has been based on 1,500 cremations. The total number of services carried out during the previous financial years were 1,559 in 23/24 and 1,639 in 22/23.

It is proposed that fees and charges relating to Cremation fees and ancillary services charges 1[a] through to 1[f] are increased from 1st April 2025 by a rate of 3%. An increase is proposed to assist with meeting inflationary increases and ensuring long term sustainability and an ability to invest in future improvements at the Crematorium.

To enable members to consider the impact of this proposed increase, information is also included in Appendix 2 to demonstrate the effect that a 2% and 4% increase may also bring.

The proposed cremation charge for adults with an increase of 3% is £687.50, which sees Margam Crematorium remain the lowest charge in Wales as of the date of this report. Appendix 2 shows the proposed fees and charges for 2025/26 and the additional comparators for cremation fee increases.

4. Reserves

The revised budget indicates a contribution of £19,400 to the general reserve, with a balance of £1,062,998 projected at 31st March 2025; this figure will fluctuate and will be updated to take account of the year end position. The estimated balance for 31st March 2026 is projected to decrease by £112,660 to £950,338.

A new cremator renewals reserve was established at the year-end in March 2016. It is proposed to make an annual contribution of £100,000 in 2024/25 taking the cremator reserve balance to £1,000,000 and in 2025/26 make a contribution in line with inflation giving a projected balance at 31st March 2026 of £1,020,000.

5. Recommendations

It is recommended that:

- The Revised Budget 2024/25 is agreed by the Committee (including the refund of £100,000 to the constituent authorities).
- The Budget for 2025/26 is agreed by the Committee.
- The Committee confirms the precept to be levied for 2025/26:
 - Neath Port Talbot County Borough Council - £553
 - Bridgend County Borough Council - £447
- The fees and charges as set out in Appendix 2 are agreed for 2025/26 on the basis of a 3% increase.
- The projected position in relation to the Reserves be noted including the updated contribution to the cremator reserve in line with inflation from 2025/26.

6. Reasons for Proposed Decision

To set the 2025/26 budgets, charges and precept for Margam Crematorium.

7. Implementation of Decision

The decision is proposed for immediate implementation.

8. Appendices

- Appendix 1 contains details of the Budget Estimates.
- Appendix 2 contains details of the proposed fees and charges for 2025/26.

List of Background Papers

Margam Crematorium Financial Records.

Officer Contact

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Appendix 1

Margam Crematorium Budget Estimates

| Actual 2023/24 £ | | Original Estimate 2024/25 £ | Revised Estimate 2024/25 £ | Original Estimate 2025/26 £ |
|------------------------|--|--------------------------------------|-------------------------------------|--------------------------------------|
| | Expenditure | | | |
| | Employees | | | |
| 305,388 | Salaries & Wages | 334,850 | 328,420 | 350,820 |
| 40,152 | Organists fees | 41,500 | 41,500 | 47,000 |
| 4,895 | Staff Training & other employee costs | 1,500 | 1,000 | 1,000 |
| | Premises | | | |
| 75,026 | Grounds maintenance | 83,500 | 80,000 | 81,000 |
| 29,325 | Buildings/Maintenance | 24,830 | 25,680 | 26,240 |
| 82,949 | Maintenance Cremators | 86,630 | 96,800 | 103,350 |
| 90,784 | Gas | 95,550 | 45,000 | 40,000 |
| 54,920 | Electricity | 57,750 | 45,000 | 42,500 |
| 1,209 | Water | 1,000 | 4,250 | 1,200 |
| 43,172 | Non Domestic Rates | 52,500 | 55,300 | 64,630 |
| 13,997 | Cleaning | 14,740 | 14,180 | 14,460 |
| | Supplies & Services | | | |
| 2,959 | Printing & Stationery | 3,070 | 2,620 | 2,650 |
| 1,822 | Telephones | 2,070 | 1,390 | 1,410 |
| 5,310 | Insurance | 5,580 | 5,580 | 5,690 |
| | - Travel and Subsistence | 200 | - | 200 |
| 1,860 | Conference fees | 1,900 | 1,340 | 1,370 |
| 63 | Car Allowance | 200 | 350 | 250 |
| 61,176 | Support Services | 63,630 | 65,770 | 67,740 |
| 1,153 | Audit Fees | 1,090 | 1,090 | 1,110 |
| 1,145 | Licences | 1,270 | 1,270 | 1,270 |
| 654 | Floral Decoration | 690 | 710 | 720 |
| 4,448 | IT Equipment & website | 4,200 | 9,380 | 5,920 |
| | - Brochures | 1,050 | 1,050 | 1,050 |
| 1,219 | Equipment | 1,250 | 1,420 | 1,450 |
| 7,546 | Urns & Caskets | 5,830 | 7,500 | 7,500 |
| 435 | Palm Sunday | - | - | 780 |
| 2,411 | Entries in Book of Remembrance | 2,360 | 2,750 | 2,750 |
| 14,247 | Medical Referees | 14,650 | 13,500 | 13,770 |
| 1,059 | Clothing | 1,260 | 1,260 | 1,290 |
| 3,574 | Subscriptions | 1,730 | 2,540 | 1,950 |
| 41,029 | Multi-media system | 35,000 | 45,000 | 45,500 |
| 5,559 | Memorials and Benches | 6,000 | 6,000 | 6,120 |
| 154 | Christmas Carol Service | 250 | 250 | 250 |

Appendix 1

Margam Crematorium Budget Estimates

| Actual 2023/24 £ | | Original Estimate 2024/25 £ | Revised Estimate 2024/25 £ | Original Estimate 2025/26 £ |
|------------------------|---|--------------------------------------|-------------------------------------|--------------------------------------|
| | Expenditure | | | |
| | Capital Costs | | | |
| 66,334 | Provision for Capital Works | 250,000 | 75,000 | 250,000 |
| 965,974 | Gross Expenditure | 1,197,630 | 982,900 | 1,192,940 |
| | Income | | | |
| -981,615 | Cremation Fees | -981,000 | -981,000 | -1,011,000 |
| -7,583 | Urns & Caskets | -5,000 | -7,500 | -7,500 |
| -3,360 | Book of Remembrance | -3,500 | -2,000 | -2,000 |
| -49,246 | Media Services income | -35,000 | -50,000 | -45,000 |
| -28,784 | Memorials Income | -30,000 | -25,750 | -27,500 |
| -161 | Bulb Donations | -50 | -50 | -50 |
| -184 | Palm Sunday Donations | - | -130 | -160 |
| -13,757 | Certificate of cremation Income | -11,500 | -12,300 | -12,000 |
| -810 | Window Vase Income | -650 | -750 | -700 |
| -1,848 | Disposal of remains Income | -2,000 | -2,000 | -1,800 |
| -11,101 | Extra time in chapel Income | -10,000 | -15,000 | -11,000 |
| -8,015 | Witness burial Income | -5,850 | -7,500 | -7,000 |
| -91,594 | Investment income | -65,000 | -94,500 | -70,000 |
| -3,119 | CAMEO refund | -3,000 | -3,000 | -3,000 |
| -1,201,176 | Gross Income | -1,152,550 | -1,201,480 | -1,198,710 |
| -235,202 | Net spend before reserves | 45,080 | -218,580 | -5,770 |
| | Dividend payment to Local Authorities | | | |
| 55,300 | Neath Port Talbot dividend | 55,000 | 55,000 | 55,300 |
| 44,700 | Bridgend dividend | 45,000 | 45,000 | 44,700 |
| -135,202 | Net Spend after Dividend payment | 145,080 | -118,580 | 94,230 |
| | Transfers to/-from Reserves | | | |
| 36,293 | General Reserve | -244,130 | 19,400 | -112,660 |
| 100,000 | Cremators Renewals Reserve | 100,000 | 100,000 | 20,000 |
| 161 | Bulb Fund Reserve | 50 | 50 | 50 |
| -252 | Palm Sunday Reserve | 0 | 130 | -620 |
| 1,000 | Net position funded by Authorities | 1,000 | 1,000 | 1,000 |
| | Funding from Joint Authorities Contributions | | | |
| -553 | Neath Port Talbot | -550 | -550 | -553 |
| -447 | Bridgend | -450 | -450 | -447 |
| 0 | Final Position after precept | 0 | 0 | 0 |
| 1,559 | Number of Cremations | 1,500 | 1,500 | 1,500 |

Margam Crematorium Budget Estimates

| | £ | £ | £ |
|---------|-----|-----|-------|
| 2024/25 | 550 | 450 | 1,000 |
| 2023/24 | 553 | 447 | 1,000 |
| 2022/23 | 552 | 448 | 1,000 |
| 2021/22 | 553 | 447 | 1,000 |
| 2020/21 | 553 | 447 | 1,000 |

Cremation Price Comparison as at November 2024

| | | |
|---------------------------------|--------|----------------------------------|
| Margam Crematorium | £668 | (incl. of cert. contain & organ) |
| Coychurch Crematorium, Bridgend | £843 | (incl. of cert. and organist) |
| Llanelli Crematorium (Private) | £1,030 | (incl. of cert. and organist) |
| Narberth | £860 | (incl. of cert. contain & organ) |
| Swansea Crematorium | £850 | (incl. of cert. contain & organ) |

Reserves

| | 2023/24 | 2024/25 | 2025/26 |
|---------------------------|---------------------|---------------------|---------------------|
| | Actual | Projected | Estimate |
| | £ | £ | £ |
| Memorial Bulb Account | Cr 5,861 | Cr 5,911 | Cr 5,961 |
| Palm Sunday Reserve | Cr 4,183 | Cr 4,313 | Cr 3,693 |
| General Reserve | Cr 1,043,598 | Cr 1,062,998 | Cr 950,338 |
| Cremator Renewals Reserve | Cr 900,000 | Cr 1,000,000 | Cr 1,020,000 |
| | <u>Cr 1,953,642</u> | <u>Cr 2,073,222</u> | <u>Cr 1,979,992</u> |

Margam Crematorium – Proposed Fees and charges

| General | 2024/25 | 2025/26 | 2025/26 | 2025/26 |
|---|----------------|----------------|-----------|-----------|
| 1. Cremation fees and ancillary services | | 2% | 3% | 4% |
| [a] Stillborn child or child up to and including 17 years | Nil | Nil | Nil | Nil |
| [bi] Aged over 17 years, including certificate of cremation | £667.50 | £680.50 | £687.50 | £694.00 |
| [bii] Aged over 17 years, without certificate of cremation | £654.00 | £667.00 | £674.00 | £680.50 |
| [c] Additional charge for Saturday cremation | £175.00 | £175.00 | £175.00 | £175.00 |
| [d] Double cremation (2 adults at one service) | £1,320.00 | £1,344.00 | £1,358.00 | £1,371.00 |
| [e] Cremation only at 9am (weekdays only) | £455.00 | £455.00 | £455.00 | £455.00 |
| [f] Memorial service | £185.00 | £189.00 | £191.00 | £192.00 |
| NB The above fees in 1[bi] & 1[c] include all services relating to a cremation. The concession under 1[a] may be coupled with 1[c] or 6 below if required. | | | | |
| 2. Certificate of cremation (additional) | £13.50 | £13.50 | | |
| 3. Extract from register | £12.00 | £12.00 | | |
| 4. Temporary deposit of cremated remains (after 1 month) | £32.50 | £32.50 | | |
| 5. Disposal of cremated remains from other crematoria | £44.00 | £44.00 | | |
| 6. Service in chapel with organ and organist or extra 20 minutes | £31.50 | £31.50 | | |
| 7. Service in chapel with organ and organist or extra 20 minutes (Sat) | £43.00 | £43.00 | | |
| 8. Witness burial of cremated remains | | | | |
| - Weekdays | £45.00 | £45.00 | | |
| - Saturdays | £62.00 | £62.00 | | |
| | 2024/25 | 2025/26 | | |
| 9. Urns and caskets | | | | |
| [a] Wooden casket | £45.00 | £45.00 | | |
| [b] Bronze metal urn | £33.00 | £33.00 | | |
| [c] Plain burgundy cardboard container | £19.00 | £19.00 | | |
| [d] Large white cardboard container | £23.00 | £23.00 | | |
| [e] Medium white cardboard container | £17.00 | £17.00 | | |
| [f] Small white cardboard container | £11.00 | £11.00 | | |
| [g] Small metal urn | £24.00 | £24.00 | | |
| [h] Biodegradable scatter tube | £25.00 | £25.00 | | |

Margam Crematorium – Proposed Fees and charges

| Remembrance | 2024/25 | 2025/26 |
|--|----------------|----------------|
| 1. Inscriptions in book of remembrance | | |
| Two lines | £37.00 | £37.00 |
| Five lines | £55.50 | £55.50 |
| Eight lines | £74.00 | £74.00 |
| Floral emblem/Service badge | £42.50 | £42.50 |
| Coat of arms | £53.50 | £53.50 |
| 2. Miniature book of remembrance | | |
| Two lines | £56.50 | £56.50 |
| Five lines | £72.50 | £72.50 |
| Eight lines | £79.00 | £79.00 |
| Floral emblem/Service badge | £42.50 | £42.50 |
| Coat of arms | £53.50 | £53.50 |
| Additional lines | £11.00 | £11.00 |
| 2a. Additional inscriptions in miniature book | | |
| Two lines | £29.50 | £29.50 |
| Five lines | £39.50 | £39.50 |
| Eight lines | £48.50 | £48.50 |
| 3. Memorial card | | |
| Two lines | £19.00 | £19.00 |
| Five lines | £28.00 | £28.00 |
| Eight lines | £37.00 | £37.00 |
| 4. Reservation of vases | | |
| Window vase | £7.50 | £7.50 |
| Altar vase | £9.00 | £9.00 |
| 5. Additional charges | | |
| Copy of crematorium brochure | Nil | Nil |
| Replacement aluminium vase | £11.00 | £11.00 |
| Service of remembrance | £8.00 | £8.00 |
| 6. Memorial kerb plaque in garden of remembrance (horseshoe path section) | | |
| Plaque and inscription for 10 year lease | £331.50 | £331.50 |
| Plaque and inscription for 20 year lease | £596.50 | £596.50 |
| Renewal of lease for further 10 years | £183.50 | £183.50 |
| Renewal of lease for further 20 years | £331.50 | £331.50 |

Margam Crematorium – Proposed Fees and charges

| Remembrance (continued) | 2024/25 | 2025/26 |
|---|----------------|----------------|
| 7. Memorial kerb plaque in garden of remembrance | | |
| Plaque and inscription for 10 year lease | £449.00 | £449.00 |
| Plaque and inscription for 20 year lease | £816.00 | £816.00 |
| Renewal of lease for further 10 years | £183.50 | £183.50 |
| Renewal of lease for further 20 years | £331.50 | £331.50 |
| 8. Baby memorial kerb plaque in children's garden of remembrance | | |
| Plaque and inscription for 10 year lease | £183.50 | £183.50 |
| Plaque and inscription for lease of 20 years | £331.50 | £331.50 |
| Renewal of lease for further 10 years | £183.50 | £183.50 |
| Replacement plaque (existing lease) for all memorial kerbs | £166.00 | £166.00 |
| 9. Granite memorial benches (3 Plaque per bench) | | |
| Price per plaque per bench - 10 year lease | £612.00 | £612.00 |
| Price for whole bench (3 plaques) - 10 year lease | £1,632.00 | £1,632.00 |
| Price per plaque per bench - 20 year lease | £1,101.50 | £1,101.50 |
| Price for whole bench (3 plaques) - 20 year lease | £3,060.00 | £3,060.00 |

Margam Crematorium – Proposed Fees and charges

| Media Charges | 2024/25 | 2025/26 |
|--|----------------|----------------|
| 1. Webcasting | £55.50 | £55.50 |
| 2. Recordings | | |
| Downloadable link | £30.00 | £30.00 |
| Downloadable link with tribute embedded | £55.00 | £55.00 |
| DVD/USB | £55.50 | £55.50 |
| DVD/USB with tribute embedded | £74.50 | £74.50 |
| 3. Visual Tributes | | |
| Single hold image | £19.00 | £19.00 |
| Family video | £24.00 | £24.00 |
| Downloadable file of tribute/slideshow | £24.00 | £24.00 |
| DVD/USB of tribute | £33.50 | £33.50 |
| Urgent orders | £120.00 | £120.00 |
| 4. Visual Tributes/Slideshow | | |
| Slideshow with NO music max of 25 images | £42.00 | £42.00 |
| For every additional band of 25 images | £24.00 | £24.00 |
| Slideshow WITH music max of 25 images | £80.00 | £80.00 |
| For every additional band of 25 images | £24.00 | £24.00 |