

# MARGAM CREMATORIUM JOINT COMMITTEE

20<sup>th</sup> JANUARY 2021

## REPORT OF THE TREASURER – H. JENKINS

### MATTER FOR DECISION

WARDS AFFECTED: ALL

### ANNUAL BUDGET REPORT 2021/22

#### 1. Purpose of the Report

The purpose of the report is to set out the Margam Crematorium Joint Committee revised budget for 2020/21 and the budget estimates for 2021/22.

#### 2. Revised budget

- 2.1 The revised budget position for 2020/21 shows a net surplus (before reserve movements) of £332,050, which was predicted to be a surplus of £264,440 when the original budget was agreed in January 2020.
- 2.2 The revised budget takes account of the following anticipated changes.

#### Expenditure

##### **Salaries (+£16,880)**

Following a management of change exercise 4 post's costs were increased. The budget has also been increased for an additional staff member from November 2020 to increase capacity during Covid, cover absences and the increase in cremations.

##### **Training (-£1,100)**

A provision was made in the original budget for ongoing staff training which has been delayed by Covid and will now be carried out in the 2021/22 financial year.

**Buildings Maintenance (-£7,140)**

There has been a decrease in repair and maintenance work at the Crematorium following on from the completion of the extension work to the building.

**Maintenance Cremators (+£3,950)**

The original budget was based on 1,450 cremations, this has now been increased to 1,600 cremations. The budget has been increased to allow for the additional charges for cremations exceeding 1,450.

**Printing & Stationery (+£1,800)**

There has been an increase in the expenditure due to additional Covid related signage being required for display at the Crematorium.

**Conference fees (-£1,150)**

The annual conference was cancelled for 2020 and rescheduled for 2021.

**Urns & Caskets (+£1,250)**

The original budget assumed cremations of 1,450, an increase to 1,600 has resulted in an increase in the anticipated urns & caskets expenditure.

**Medical referees (+£1,350)**

The original budget assumed cremations of 1,450, an increase to 1,600 has resulted in an increase in the anticipated medical referee expenditure.

**Memorials & benches (-£2,230)**

Memorials expenditure has decreased, this is also reflected in a decrease in the income for memorials.

**Christmas Carol Concert (-£250)**

The Christmas Carol Concert did not take place this year due to the Covid restrictions that are currently ongoing.

**Capital Works**

A sum of £100,000 has been provided in 2020/21 represented by:

	Amount £
Ventilation upgrade cremator area	19,000
New till system	5,000
Extension to building	47,000
New phone system installation	5,700
Infant charging trolley	3,350
Other including contingency	19,950
Total	<b>100,000</b>

### **General Reserve**

It is projected that a contribution of £133,110 will be made to the General reserve, thus increasing the balance of the General reserve to £595,974 as at 31<sup>st</sup> March 2021. This sum might differ at year end, if there is a variation in the net expenditure.

### **Cremator Reserve**

The cremator reserve has been established to replace the cremators once they become obsolete. Maintaining this reserve with a contribution of £100,000 per annum will ensure the Crematorium has sufficient long term funds to finance the replacement project.

### **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 2020/21**

#### **Cremation fees (-£92,550)**

The number of cremations set in the original budget was 1,450 this has been revised to 1,590 paid cremations. To the end of November 2020, there have been 1,064 services, compared to 946 services for the equivalent period last year.

#### **Book of Remembrance (+£2,670)**

Book of Remembrance income has decreased this financial year in comparison with previous financial years, the budget has been updated to reflect this.

### **Memorial Income (+£2,000)**

The income for memorials is difficult to predict. However, the income has decreased and this is also reflected in a decrease in the expenditure.

### **Media Services Income (-£8,940)**

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 (£+15,130)**

Income for window vases, extra time in chapel and witness burials have decreased significantly this financial year, resulting in a reduction of the miscellaneous income which was included in the 2020/21 original budget.

### **CAMEO (-£2,300)**

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.

£5,300 has been received in year compared to the £3,000 budgeted for. This sum is the share received from the net surplus of tradeable mercury abated cremations for the calendar year 2019.

In future years the sum received will reduce as more crematoria introduce appropriate crematorium equipment and choose to abate.

Appendix 1 contains details of the Original and Revised estimates for 2020/21, together with the Estimate for 2021/22.

## **3. Budget 2021/22**

- 3.1 The budget has been prepared based on 1,500 cremations during the financial year. Total expenditure is projected at £752,520, with income of £999,580 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 2020/21 Revised Budget:

**Salaries (+£15,250)**

An increase of 1% has been built into the budget together with the annual increments, where applicable. The budget also allows for an additional member of staff at the Crematorium to December 2021 to deal with increased demand.

**Grounds Maintenance (+£1,230)**

No increased demand is anticipated for 2021/22, an increase of 2% has been built into the budget in line with inflation.

**Maintenance Cremators (+£830)**

The budget for 2021/22 has been based on 1,500 cremations with an increase of 2% built into the budget in line with general inflation provision.

**Gas (+£1,320) & Electricity (+£990)**

An increase of 5% has been built into the budget in line with energy inflation provision.

**Palm Sunday (-£130)**

There are no Palm Sunday Services this financial year, the budget has been decreased to reflect this.

**Christmas Carol Concert (+£250)**

The budget includes a sum of £250 for the Christmas Carol Concert.

**Provision for Capital Works (+£100,000)**

A sum of £100,000 has been set aside to support the following projects:

	Amount £
Organ replacement	20,000
Book of remembrance cabinet	20,000
Retention on extension	9,000
Painting of building	20,000
Other capital works & contingency	31,000
Total	<hr/> <b>100,000</b> <hr/>

## **Income**

The income for the financial year 2021/22 has been based on 1,500 cremations (1,490 paid). The budget has assumed there will be no increase in fee levels from April 2021. Appendix 2 shows the proposed fees and charges for 2021/22.

## **4. Reserves**

The revised budget indicates a contribution of £133,110 to the general reserve, with a balance of £595,974 projected at 31<sup>st</sup> March 2021; this figure will fluctuate depending on the year end position. The estimated balance for 31<sup>st</sup> March 2022 is projected to increase by £48,010 to £643,984.

A new cremator renewals reserve was established at the year-end in March 2016. It is proposed to make a further annual contribution of £100,000 in both 2020/21 and 2021/22 giving a projected balance at 31<sup>st</sup> March 2022 of £700,000.

## **5. Recommendations**

It is recommended that:

- The Revised Budget 2020/21 is agreed by the Committee (including the refund of £100,000 to the constituent authorities).
- The Budget for 2021/22 is agreed by the Committee.
- The Committee confirms the precept to be levied for 2021/22:
  - 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 2021/22.
- The projected position in relation to the Reserves position is noted.

## **6. Reasons for Proposed Decision**

To set the 2021/22 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 fees and charges for 2021/22.

### **List of Background Papers**

Margam Crematorium Financial Records.

### **Officer Contact**

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## Margam Crematorium Budget Estimates

<b>Actual</b>		<b>Original</b>	<b>Revised</b>	<b>Original</b>
<b>2019/20</b>		<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
<b>£</b>	<b>Expenditure</b>	<b>£</b>	<b>£</b>	<b>£</b>
		<b>2020/21</b>	<b>2020/21</b>	<b>2021/22</b>
	<b>Employees</b>			
199,738	Salaries & Wages	213,520	230,400	245,650
46,206	Organists fees	39,970	39,970	41,000
655	Staff Training & other employee costs	2,000	900	1,000
	<b>Premises</b>			
60,209	Grounds maintenance	61,410	61,410	62,640
29,635	Buildings/Maintenance	26,350	19,210	19,590
56,308	Maintenance Cremators	57,560	61,510	62,340
24,515	Gas	26,360	26,360	27,680
21,136	Electricity	19,760	19,760	20,750
1,179	Water	1,210	1,000	1,020
33,559	Non Domestic Rates	34,230	34,140	34,820
12,677	Cleaning	12,800	12,710	12,960
	<b>Supplies &amp; Services</b>			
3,131	Printing & Stationery	3,570	5,370	5,170
1,384	Telephones	1,680	1,500	1,850
4,758	Insurance	4,860	4,860	4,960
	- Travel and Subsistence	200	-	200
1,128	Conference fees	1,150	-	1,170
16	Car Allowance	350	350	350
55,343	Support Services	56,450	55,350	56,460
1,500	Audit Fees	1,840	1,500	1,550
1,145	Licences	1,170	1,140	1,170
567	Floral Decoration	580	590	600
3,025	IT Equipment & website	3,570	3,540	3,610
	- Brochures	710	710	720
1,181	Equipment	1,610	1,610	1,650
3,387	Urns & Caskets	3,750	5,000	5,000
253	Palm Sunday	520	130	-
2,695	Entries in Book of Remembrance	2,820	2,000	2,800
13,626	Medical Referees	13,310	14,660	14,040
1,276	Clothing	1,840	1,840	1,880
1,583	Subscriptions	1,520	1,530	1,550
15,606	Multi-media system	14,060	13,960	14,240
1,092	Defibrillator	-	-	-
3,298	Memorials and Benches	6,000	3,770	3,850
	- Christmas Carol Service	250	-	250
3,588	50th Anniversary celebration	-	-	-



## Appendix 1

### Margam Crematorium Budget Estimates

Actual		Original Estimate	Revised Estimate	Original Estimate
2019/20		2020/21	2020/21	2021/22
£	Expenditure	£	£	£
	<b>Capital Costs</b>			
403,603	Provision for Capital Works	100,000	100,000	100,000
<b>1,009,002</b>	<b>Gross Expenditure</b>	<b>716,980</b>	<b>726,780</b>	<b>752,520</b>
	<b>Income</b>	<b>£</b>	<b>£</b>	<b>£</b>
-936,994	Cremation Fees	-888,480	-981,030	-919,330
-6,087	Urns & Caskets	-5,880	-4,670	-5,000
-5,207	Book of Remembrance	-6,290	-3,620	-6,000
-14,412	Media Services income	-11,060	-20,000	-20,000
-20,342	Memorials Income	-27,000	-25,000	-25,000
-199	Bulb Donations	-50	-30	-50
-376	Palm Sunday Donations	-160	-40	-
-32,685	Miscellaneous Income	-33,130	-18,000	-20,000
-6,120	Investment income	-6,130	-1,140	-1,200
-5,800	CAMEO refund	-3,000	-5,300	-3,000
-236	Water recharge	-240	-	-
<b>-1,028,458</b>	<b>Gross Income</b>	<b>-981,420</b>	<b>-1,058,830</b>	<b>-999,580</b>
<b>-19,456</b>	<b>Net spend before reserves</b>	<b>-264,440</b>	<b>-332,050</b>	<b>-247,060</b>
	<b>Dividend payment to Local Authorities</b>			
55,900	Neath Port Talbot dividend	55,300	55,300	55,300
44,100	Bridgend dividend	44,700	44,700	44,700
<b>80,544</b>	<b>Net Spend after Dividend payment</b>	<b>-164,440</b>	<b>-232,050</b>	<b>-147,060</b>
	<b>Transfers to/-from Reserves</b>			
-179,866	General Reserve	65,750	133,110	48,010
100,000	Cremators Renewals Reserve	100,000	100,000	100,000
199	Bulb Fund Reserve	50	30	50
123	Palm Sunday Reserve	-360	-90	-
<b>1,000</b>	<b>Net position funded by Authorities</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
	<b>Funding from Joint Authorities Contributions</b>			
-559	Neath Port Talbot	-553	-553	-553
-441	Bridgend	-447	-447	-447
<b>0</b>	<b>Final Position after precept</b>	<b>0</b>	<b>0</b>	<b>0</b>
1,527	Number of Cremations	1,450	1,600	1,500

## Margam Crematorium Budget Estimates

Schedule of Precept Payments	Neath Port Talbot	Bridgend	Total Precept
	£	£	£
2020/21	553	447	1,000
2019/20	553	447	1,000
2018/19	559	441	1,000
2017/18	559	441	1,000
2016/17	561	439	1,000
2015/16	1688	1312	3,000

## Cremation Price Comparison as at December 2020

Margam Crematorium	£631	(incl. of cert. contain & organ)
Coychurch Crematorium, Bridgend	£697	(incl. of cert. and organist)
Llanelli Crematorium (Private)	£810	(incl. of certif. and organist)
Narberth	£700	(incl. of cert. contain & organ)
Swansea Crematorium	£730	(incl. of cert. contain & organ)

Reserves	2019/20	2020/21	2021/22
	Actual	Projected	Estimate
	£	£	£
Memorial Bulb Account	Cr 6,292	Cr 6,322	Cr 6,372
Palm Sunday Reserve	Cr 4,523	Cr 4,433	Cr 4,433
General Reserve	Cr 462,864	Cr 595,974	Cr 643,984
Cremator Renewals Reserve	Cr 500,000	Cr 600,000	Cr 700,000

## Margam Crematorium – Fees and charges

<b>General</b>	<b>2020/21</b>	<b>2021/22</b>
<b>1. Cremation fees and ancillary services</b>		
[a] Stillborn child or child up to and including 17 years	Nil	Nil
[bi] Aged over 17 years, including certificate of cremation	£630.50	£630.50
[bii] Aged over 17 years, without certificate of cremation	£617.00	£617.00
[c] Additional charge for Saturday cremation	£346.00	£346.00
[d] Double cremation (2 adults at one service)	£1,246.00	£1,246.00
[e] Cremation only at 9am (weekdays only)	£517.00	£517.00
[f] Memorial service	£175.00	£175.00
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.		
<b>2.</b> Certificate of cremation (additional)	£13.50	£13.50
<b>3.</b> Extract from register	£12.00	£12.00
<b>4.</b> Temporary deposit of cremated remains (after 1 month)	£32.50	£32.50
<b>5.</b> Disposal of cremated remains from other crematoria	£44.00	£44.00
<b>6.</b> Service in chapel with organ and organist or extra 20 minutes	£31.50	£31.50
<b>7.</b> Service in chapel with organ and organist or extra 20 minutes (Sat)	£43.00	£43.00
<b>8.</b> Witness burial of cremated remains		
- Weekdays	£45.00	£45.00
- Saturdays	£62.00	£62.00
<b>9. Urns and caskets</b>		
[a] Wooden casket	£36.50	£36.50
[b] Bronze metal urn	£26.50	£26.50
[c] Plain burgundy cardboard container	£15.50	£15.50
[d] Large white cardboard container	£18.50	£18.50
[e] Medium white cardboard container	£14.00	£14.00
[f] Small white cardboard container	£9.00	£9.00
[g] Small metal urn	£19.50	£19.50
[h] Biodegradable scatter tube	£20.00	£20.00

## Margam Crematorium – Fees and charges

<b>Remembrance</b>	<b>2020/21</b>	<b>2021/22</b>
<b>1. Inscriptions in book of remembrance</b>		
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
<b>2. Miniature book of remembrance</b>		
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
<b>2a. Additional inscriptions in miniature book</b>		
Two lines	£29.50	£29.50
Five lines	£39.50	£39.50
Eight lines	£48.50	£48.50
<b>3. Memorial card</b>		
Two lines	£19.00	£19.00
Five lines	£28.00	£28.00
Eight lines	£37.00	£37.00
<b>4. Reservation of vases</b>		
Window vase	£7.50	£7.50
Altar vase	£9.00	£9.00
<b>5. Additional charges</b>		
Additional copy of crematorium brochure	Nil	Nil
Replacement aluminium vase	£11.00	£11.00
Service of remembrance	£8.00	£8.00
<b>6. Memorial kerb plaque in garden of remembrance (horseshoe path section)</b>		
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 – Fees and charges

<b>Remembrance (continued)</b>	<b>2020/21</b>	<b>2021/22</b>
<b>7. Memorial kerb plaque in garden of remembrance</b>		
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
<b>8. Baby memorial kerb plaque in children's garden of remembrance</b>		
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
<b>9. Granite memorial benches (3 Plaque per bench)</b>		
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
<b>Wesley Media Charges</b>		
<b>1. Audio Recording</b>		
USB memory stick or CD as requested		
1st USB	£55.50	£55.50
Additional USBs	£24.00	£24.00
<b>2. Video Recording</b>		
USB memory stick or CD as requested		
1st USB	£55.50	£55.50
Additional USBs	£24.00	£24.00
Tribute embedded in video recording	£19.00	£19.00
<b>2a. Visual Tribute</b>		
Up to 20 photographs & 4 minutes video	£80.00	£80.00
Up to 30 photographs & 4 minutes video	£96.50	£96.50
Up to 50 photographs & 4 minutes video	£135.00	£135.00
Max of 70 photographs & 4 minutes video	£175.00	£175.00
USB (copy tribute)	£33.50	£33.50
Single photograph	£19.00	£19.00
<b>3. Web Casting</b>		
Per service	£55.50	£55.50