

MARGAM CREMATORIUM JOINT COMMITTEE

14th September 2021

REPORT OF THE TREASURER – H. JENKINS

MATTER FOR DECISION

WARDS AFFECTED: ALL

ANNUAL BUDGET REPORT 2022/23

1. Purpose of the Report

The purpose of the report is to set out the Margam Crematorium Joint Committee revised budget for 2021/22 and the budget estimates for 2022/23.

2. Revised budget

- 2.1 The revised budget position for 2021/22 shows a net surplus for transfer to the General Reserve (after £100,000 contribution to the cremator reserve and £100,000 payment to contributing authorities) of £62,250, which was predicted to be a surplus of £48,010 when the original budget was agreed in January 2021.
- 2.2 The revised budget takes account of the following anticipated changes.

Expenditure

Salaries and Wages (-2,060)

Following a review of duties and responsibilities in line with the Job Evaluation Scheme there was an increase in the pay grade determined with back pay to 2020. The net savings have occurred following the appointment of the temporary appointment in 2020-21 into a permanent vacancy since the original budget was set.

Grounds Maintenance (+£360)

There has been a requirement for some additional grounds maintenance work to be completed at the Crematorium during the

financial year, the budget has been updated to reflect the additional cost.

Maintenance Cremators (+£1,490)

The budget has been increased to allow for additional maintenance costs for the remainder of the financial year.

Conference fees (-£1,170)

The annual conference was cancelled for 2021 and rescheduled for 2022.

Audit Fees (-£550)

There has been a reduction in the anticipated Audit Fees expenditure during the financial year.

Brochures (+£280)

The budget has been increased to allow for additional brochures to be printed.

Book of Remembrance (-£800)

Book of Remembrance expenditure has decreased this financial year in comparison with previous financial years, this is also reflected in a decrease in the anticipated income.

Multi-media system and services (+£13,760)

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

Memorials & benches (+£5,650)

Memorials expenditure has increased as additional memorials and benches have been ordered to meet demand; this is also reflected in an increase in the income for memorials.

Christmas Carol Concert (-£250)

It is anticipated that the Christmas Carol Concert will not take place this year due to the Covid pandemic.

Capital Works

A sum of £100,000 has been provided in 2021/22 represented by:

	Amount £
Organ replacement	20,000
Book of remembrance cabinet	20,000
Retention on extension	9,000
Contingency - including painting of building delayed until Spring 2022	20,000
Other capital works & contingency	31,000
Total	<hr/> 100,000 <hr/>

General Reserve

It is projected that a contribution of £62,250 will be made to the General Reserve, thus increasing the projected balance of the reserve to £808,928 as at 31st March 2022. 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. 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 2021/22

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 retained at 1,500 thus there is no change to the projected total cremation fee income of £919,330.

Book of Remembrance (+£1,000)

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 (-£15,000)

The income for memorials is difficult to predict. However, the income to date has increased and this is also reflected in an increase in the expenditure.

Media Services Income (-£13,000)

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 (£-4,000)

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 2021/22 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 2020. 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 2021/22, together with the Estimate for 2022/23.

3. Budget 2022/23

- 3.1 The budget has been prepared based on 1,500 cremations during the financial year. Total expenditure is projected at £776,670, with income of £1,023,960 and a precept of £1,000.
- 3.2 The majority of the budget has been increased by 2% and energy by 5%. The following are the main variations from the 2021/22 Revised Budget:

Salaries (+£1,410)

An increase of 2% has been built into the budget together with the annual increments, where applicable.

Grounds Maintenance (+£890)

No increased demand is anticipated for 2022/23, an increase of 2% has been built into the budget in line with inflation.

Maintenance Cremators (+£1,280)

The budget for 2022/23 has been based on 1,500 cremations with an additional maintenance allowance and increase of 2% built into the budget in line with general inflation provision.

Brochures (-£1,000)

It is not anticipated that brochures will be required this financial year, the budget has been reduced to reflect this.

Palm Sunday (+£390)

There is one Palm Sunday Service this financial year, the budget has been reintroduced 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 capital works that will be determined later this financial year following a review by the Technical Officers, Superintendent Registrar and a report to Members for approval.

Income

The income for the financial year 2022/23 has been based on 1,500 cremations (1,490 paid). To the end of August 2021 there have been 544 services, the total number of services carried out during the previous financial years were 1,813 in 20/21 and 1,527 in 19/20.

Following receipt of new charges from our media provider effective from 1 June 2021 it is proposed that a small number of media charges be updated, details of the proposed fee levels are shown in Appendix 3. The changes to the fee structures and levels relate to the following:

Changes to media charges	2021/22	2022/23
Recordings - Downloadable link	£24.00	£30.00
Visual Tributes - Family Video	£53.50	£24.00
Visual Tributes - Urgent Orders	£184.80	£120.00
Visual Tributes/Slideshow		
Slideshow with NO music max of 25 images	N/A	£42.00
For every additional band of 25 images	N/A	£24.00
Slideshow WITH music max of 25 images	N/A	£80.00
For every additional band of 25 images	N/A	£24.00
<u>2021/22 Charges for Visual Tributes</u>		
Up to 20 photographs & 4 minutes video	£80.00	N/A
Up to 30 photographs & 4 minutes video	£96.50	N/A
Up to 50 photographs & 4 minutes video	£135.00	N/A
Maximum of 70 photographs & 4 minutes video	£175.00	N/A

The budget has assumed there will be no increase or change in other fee levels from April 2022. The cremation charge for adults is £617, which is the lowest charge in Wales. Members should note that this is the fourth year at this same amount i.e. since 1st April 2019. Appendix 2 shows the proposed fees and charges for 2022/23.

4. Reserves

The revised budget indicates a contribution of £62,250 to the general reserve, with a balance of £808,928 projected at 31st March 2022; this figure will fluctuate and will be updated to take account of the year end position. The estimated balance for 31st March 2023 is projected to increase by £48,550 to £857,478.

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 2021/22 and 2022/23 giving a projected balance at 31st March 2023 of £800,000.

5. Recommendations

It is recommended that:

- The Revised Budget 2021/22 is agreed by the Committee (including the refund of £100,000 to the constituent authorities).
- The Budget for 2022/23 is agreed by the Committee.
- The Committee confirms the precept to be levied for 2022/23:
 - Neath Port Talbot County Borough Council - £553
 - Bridgend County Borough Council - £447
- The fees and charges as set out in Appendices 2 and 3 are agreed for 2022/23.
- The projected position in relation to the Reserves be noted.

6. Reasons for Proposed Decision

To set the 2022/23 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 2022/23.
- Appendix 3 contains details of the proposed fees and charges for Media Services.

List of Background Papers

Margam Crematorium Financial Records.

Officer Contact

Mr Hywel Jenkins – Director of Finance & Corporate Services
E-mail: h.jenkins@npt.gov.uk

Miss Carina Langdon – Accountant - Technical
E-mail: c.langdon1@npt.gov.uk

Appendix 1

Margam Crematorium Budget Estimates

Actual 2020/21		Original Estimate 2021/22	Revised Estimate 2021/22	Original Estimate 2022/23
£	Expenditure	£	£	£
	Employees			
241,841	Salaries & Wages	245,650	243,590	245,000
43,039	Organists fees	41,000	41,000	42,500
759	Staff Training & other employee costs	1,000	1,000	1,000
	Premises			
62,039	Grounds maintenance	62,640	63,000	63,890
26,754	Buildings/Maintenance	19,590	19,590	19,990
63,001	Maintenance Cremators	62,340	63,830	65,110
24,032	Gas	27,680	27,000	28,350
18,565	Electricity	20,750	20,750	21,000
636	Water	1,020	750	770
34,133	Non Domestic Rates	34,820	34,140	34,820
12,927	Cleaning	12,960	13,110	13,370
	Supplies & Services			
6,140	Printing & Stationery	5,170	5,000	5,000
1,911	Telephones	1,850	2,000	2,140
4,758	Insurance	4,960	4,960	5,060
	- Travel and Subsistence	200	-	200
	- Conference fees	1,170	-	1,190
	- Car Allowance	350	350	350
56,450	Support Services	56,460	57,630	58,780
707	Audit Fees	1,550	1,000	1,040
1,145	Licences	1,170	1,170	1,190
584	Floral Decoration	600	600	610
3,948	IT Equipment & website	3,610	3,630	3,700
	- Brochures	720	1,000	-
1,591	Equipment	1,650	1,650	1,680
4,030	Urns & Caskets	5,000	5,000	5,080
129	Palm Sunday	-	-	390
1,720	Entries in Book of Remembrance	2,800	2,000	2,500
16,290	Medical Referees	14,040	14,040	14,320
548	Clothing	1,880	1,880	1,880
1,549	Subscriptions	1,550	1,550	1,580
28,011	Multi-media system	14,240	28,000	30,000
3,080	Memorials and Benches	3,850	9,500	3,930
	- Christmas Carol Service	250	-	250

Appendix 1

Margam Crematorium Budget Estimates

Actual 2020/21 £		Original Estimate 2021/22 £	Revised Estimate 2021/22 £	Original Estimate 2022/23 £
	Expenditure			
	Capital Costs			
56,338	Provision for Capital Works	100,000	100,000	100,000
716,655	Gross Expenditure	752,520	768,720	776,670
	Income			
-2,004	Government Grants	-	-	-
-1,101,605	Cremation Fees	-919,330	-919,330	-919,330
-5,146	Urns & Caskets	-5,000	-4,440	-5,000
-3,725	Book of Remembrance	-6,000	-5,000	-6,000
-32,966	Media Services income	-20,000	-33,000	-35,000
-23,908	Memorials Income	-25,000	-40,000	-30,000
-41	Bulb Donations	-50	-260	-50
-40	Palm Sunday Donations	-	-	-80
-23,541	Miscellaneous Income	-20,000	-24,000	-25,000
-1,140	Investment income	-1,200	-1,200	-1,500
-5,305	CAMEO refund	-3,000	-3,000	-2,000
	- Water recharge	-	-	-
-1,199,421	Gross Income	-999,580	-1,030,230	-1,023,960
-482,766	Net spend before reserves	-247,060	-261,510	-247,290
	Dividend payment to Local Authorities			
55,300	Neath Port Talbot dividend	55,300	55,300	55,300
44,700	Bridgend dividend	44,700	44,700	44,700
-382,766	Net Spend after Dividend payment	-147,060	-161,510	-147,290
	Transfers to/-from Reserves			
283,814	General Reserve	48,010	62,250	48,550
100,000	Cremators Renewals Reserve	100,000	100,000	100,000
41	Bulb Fund Reserve	50	260	50
-89	Palm Sunday Reserve	0	0	-310
1,000	Net position funded by Authorities	1,000	1,000	1,000
	Funding from Joint Authorities Contributions			
-553	Neath Port Talbot	-553	-553	-553
-447	Bridgend	-447	-447	-447
0	Final Position after precept	0	0	0
1,817	Number of Cremations	1,500	1,500	1,500

Margam Crematorium Budget Estimates

Schedule of Precept Payments	Neath Port Talbot	Bridgend	Total Precept
	£	£	£
2021/22	553	447	1,000
2020/21	553	447	1,000
2019/20	559	441	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 September 2021

Margam Crematorium	£631	(incl. of cert. contain & organ)
Coychurch Crematorium, Bridgend	£708	(incl. of cert. and organist)
Llanelli Crematorium (Private)	£835	(incl. of certif. and organist)
Narberth	£700	(incl. of cert. contain & organ)
Swansea Crematorium	£765	(incl. of cert. contain & organ)

Reserves	2020/21	2021/22	2022/23
	Actual	Projected	Estimate
	£	£	£
Memorial Bulb Account	Cr 6,333	Cr 6,593	Cr 6,643
Palm Sunday Reserve	Cr 4,434	Cr 4,434	Cr 4,124
General Reserve	Cr 746,678	Cr 808,928	Cr 857,478
Cremator Renewals Reserve	Cr 600,000	Cr 700,000	Cr 800,000
	Cr 1,357,445	Cr 1,519,955	Cr 1,668,245

Margam Crematorium – Proposed Fees and charges

General	2021/22	2022/23
1. Cremation fees and ancillary services		
[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[b] & 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
9. Urns and caskets		
[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 – Proposed Fees and charges

Remembrance	2021/22	2022/23
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)	2021/22	2022/23
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 Media Fees and charges

Media Charges	2021/22	2022/23
1. Webcasting	£55.50	£55.50
2. Recordings		
Downloadable link	£24.00	£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	£53.50	£24.00
Downloadable file of tribute/slideshow	£24.00	£24.00
DVD/USB of tribute	£33.50	£33.50
Urgent orders	£184.80	£120.00
4. Visual Tributes/Slideshow		
Slideshow with NO music max of 25 images	N/A	£42.00
For every additional band of 25 images	N/A	£24.00
Slideshow WITH music max of 25 images	N/A	£80.00
For every additional band of 25 images	N/A	£24.00
5. 2021/22 Margam Charges for Visual Tributes not applicable in 2022/23		
Up to 20 photographs & 4 minutes video	£80.00	N/A
Up to 30 photographs & 4 minutes video	£96.50	N/A
Up to 50 photographs & 4 minutes video	£135.00	N/A
Maximum of 70 photographs & 4 minutes video	£175.00	N/A