

MARGAM CREMATORIUM JOINT COMMITTEE

17th February 2023

REPORT OF THE TREASURER – HUW JONES

MATTER FOR DECISION

WARDS AFFECTED: ALL

Annual Budget Report 2023/24

1. Purpose of the Report

The purpose of the report is to set out the Margam Crematorium Joint Committee revised budget for 2022/23 and the budget estimates for 2023/24.

2. Revised budget

- 2.1 The revised budget position for 2022/23 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 £19,270, which was predicted to be a surplus of £48,550 when the original budget was agreed.
- 2.2 The revised budget takes account of the following anticipated changes.

Expenditure

Salaries and Wages (+£31,350)

Following a management of change exercise a new Grade 6 post was created and a Grade 5 post was deleted. The pay award was higher than anticipated when the budget was originally set.

Grounds Maintenance (+£22,210)

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. The grounds maintenance contract has also been increased to allow for 2 additional days of works through the winter months.

Building Maintenance (+£4,390)

There was an increase in repair and maintenance work at the Crematorium, the budget has been increased to reflect this.

Maintenance Cremators (+£4,450)

The budget has been increased to allow for additional maintenance costs incurred this financial year.

Gas (+£9,650)

The budget has been increased to reflect the increased gas expenditure that will be incurred this financial year.

Printing & Stationery (-£2,290)

There has been a decrease in the anticipated printing & stationery expenditure this financial year.

Urns & Caskets (+£1,920)

Urns & Caskets expenditure has increased this financial year, this is also reflected in an increase in the anticipated income.

Book of Remembrance (-£700)

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.

Medical referees (-£820)

Medical referee expenditure has been lower than expected this financial year.

Memorials & benches (+£1,570)

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.

Capital Works

A sum of £100,000 has been provided in 2022/23 represented by:

	Amount £
Organ replacement	22,000
Other capital works & contingency	78,000
Total	<u>100,000</u>

General Reserve

It is projected that a contribution of £19,270 will be made to the General Reserve, thus increasing the projected balance of the reserve to £891,049 as at 31st March 2023. 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 2022/23

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 (+£3,100)

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 (-£3,000)

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.

Miscellaneous Income (£-5,000)

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 2022/23 original budget.

Investment Income (£-33,500)

Interest rates have increased significantly 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 2022. In future years the sum received will reduce as more crematoria introduce appropriate crematorium equipment and choose to abate. We have updated the revised budget to reflect the payment of £3,800 that has been received this financial year.

Appendix 1 contains details of the Original and Revised estimates for 2022/23, together with the Estimate for 2023/24.

3. Budget 2023/24

- 3.1 The budget has been prepared based on 1,500 cremations during the financial year. Total expenditure is projected at £1,094,730, with income of £1,077,360 and a precept of £1,000.
- 3.2 The majority of the budget has been increased by 5% and energy by 50%. The following are the main variations from the 2022/23 Revised Budget:

Salaries (+£33,450)

An increase of 4% has been built into the budget together with the annual increments, where applicable. The budget has also been increased to allow for additional cover where needed.

Grounds Maintenance (-£5,350)

No increased demand is anticipated for 2023/24, an increase of 5% has been built into the budget in line with inflation.

Maintenance Cremators (+£3,490)

The budget for 2023/24 has been based on 1,500 cremations with an additional maintenance allowance and increase of 5% built into the budget in line with general inflation provision.

Gas & Electricity (+£19,000, +£11,250)

The budget has allowed for a 50% increase in gas & electricity costs in comparison to the 2022/23 revised budget.

NNDR (+£27,860)

There has been a revaluation on Margam Crematorium that has seen the rateable value increase from £63,800 to £115,000. The budget has been increased to allow for the additional NNDR expenditure that will be incurred due to this increase.

Palm Sunday (+£780)

There are two Palm Sunday Services this financial year, the budget has been reintroduced to reflect this.

Brochures (+£1,000)

It is anticipated that brochures will be required this financial year, the budget has been increased to reflect this.

Christmas Carol Concert (+£250)

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

Provision for Capital Works (+£250,000)

A sum of £250,000 has been set aside to support capital works that will be determined later this financial year following a review by the Technical Officers and the Superintendent Registrar.

Income

The income for the financial year 2023/24 has been based on 1,500 cremations (1,490 paid). To the end of December 2022 there have been 1140 services, the total number of services carried out during the previous financial years were 1,459 in 21/22 and 1,813 in 20/21.

The budget has been based on the fee levels that were agreed at the previous meeting on 2nd December 2022. The cremation charge for adults is £635, which is the lowest charge in Wales. Appendix 2 shows the agreed fees and charges for 2023/24.

4. Reserves

The revised budget indicates a contribution of £19,270 to the general reserve, with a balance of £891,049 projected at 31st March 2023; this figure will fluctuate and will be updated to take account of the year end position. The estimated balance for 31st March 2024 is projected to decrease by £215,800 to £675,249.

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 2022/23 and 2023/24 giving a projected balance at 31st March 2024 of £900,000.

5. Recommendations

It is recommended that:

- The Revised Budget 2022/23 is agreed by the Committee (including the refund of £100,000 to the constituent authorities).
- The Budget for 2023/24 is agreed by the Committee.
- The Committee confirms the precept to be levied for 2023/24:
 - Neath Port Talbot County Borough Council - £553
 - Bridgend County Borough Council - £447
- The projected position in relation to the Reserves be noted.

6. Reasons for Proposed Decision

To set the 2023/24 budgets 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 agreed fees and charges for 2023/24.

List of Background Papers

Margam Crematorium Financial Records.

Officer Contact

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Margam Crematorium Budget Estimates

Actual		Original	Revised	Original
2021/22		Estimate	Estimate	Estimate
£	Expenditure	2022/23	2022/23	2023/34
		£	£	£
	Employees			
252,123	Salaries & Wages	245,000	276,350	309,800
32,513	Organists fees	42,500	41,000	42,500
203	Staff Training & other employee costs	1,000	750	770
	Premises			
63,006	Grounds maintenance	63,890	86,100	80,750
23,221	Buildings/Maintenance	19,990	24,380	25,600
60,240	Maintenance Cremators	65,110	69,560	73,050
22,695	Gas	28,350	38,000	57,000
19,123	Electricity	21,000	22,500	33,750
627	Water	770	770	810
34,133	Non Domestic Rates	34,820	34,140	62,000
13,275	Cleaning	13,370	13,370	14,040
	Supplies & Services			
1,898	Printing & Stationery	5,000	2,710	2,860
2,317	Telephones	2,140	2,090	1,940
4,758	Insurance	5,060	5,060	5,310
	- Travel and Subsistence	200	-	200
	- Conference fees	1,190	650	1,250
62	Car Allowance	350	100	350
57,622	Support Services	58,780	58,830	61,180
470	Audit Fees	1,040	3,040	1,040
1,145	Licences	1,190	1,150	1,210
596	Floral Decoration	610	630	660
3,003	IT Equipment & website	3,700	3,330	3,500
	- Brochures	-	-	1,000
1,867	Equipment	1,680	1,500	1,580
3,867	Urns & Caskets	5,080	7,000	5,300
0	Palm Sunday	390	-	780
1,756	Entries in Book of Remembrance	2,500	1,800	2,250
12,996	Medical Referees	14,320	13,500	14,180
1,223	Clothing	1,880	2,100	2,210
1,662	Subscriptions	1,580	1,600	1,680
27,725	Multi-media system	30,000	29,000	30,150
6,862	Memorials and Benches	3,930	5,500	5,780
	- Christmas Carol Service	250	-	250

Margam Crematorium Budget Estimates

Actual		Original Estimate	Revised Estimate	Original Estimate
2021/22		2022/23	2022/23	2023/34
£	Expenditure	£	£	£
	Capital Costs			
23,800	Provision for Capital Works	100,000	100,000	250,000
674,788	Gross Expenditure	776,670	846,510	1,094,730
£	Income	£	£	£
-880,139	Cremation Fees	-919,330	-919,330	-946,150
-5,902	Urns & Caskets	-5,000	-6,280	-5,000
-1,164	Book of Remembrance	-6,000	-2,900	-3,500
-36,354	Media Services income	-35,000	-33,500	-34,500
-43,705	Memorials Income	-30,000	-33,000	-30,000
-301	Bulb Donations	-50	-40	-50
0	Palm Sunday Donations	-80	-	-160
-24,328	Miscellaneous Income	-25,000	-30,000	-25,000
-2,884	Investment income	-1,500	-35,000	-30,000
-4,413	CAMEO refund	-2,000	-3,800	-3,000
-999,190	Gross Income	-1,023,960	-1,063,850	-1,077,360
-324,402	Net spend before reserves	-247,290	-217,340	17,370
	Dividend payment to Local Authorities			
55,300	Neath Port Talbot dividend	55,300	55,200	55,300
44,700	Bridgend dividend	44,700	44,800	44,700
-224,402	Net Spend after Dividend payment	-147,290	-117,340	117,370
	Transfers to/-from Reserves			
125,101	General Reserve	48,550	19,270	-215,800
100,000	Cremators Renewals Reserve	100,000	100,000	100,000
301	Bulb Fund Reserve	50	-930	50
0	Palm Sunday Reserve	-310	0	-620
1,000	Net position funded by Authorities	1,000	1,000	1,000
	Funding from Joint Authorities Contributions			
-553	Neath Port Talbot	-553	-552	-553
-447	Bridgend	-447	-448	-447
0	Final Position after precept	0	0	0
1,459	Number of Cremations	1,500	1,500	1,500

Margam Crematorium Budget Estimates

Schedule of Precept Payments	Neath Port Talbot	Bridgend	Total Precept
	£	£	£
2022/23	552	448	1,000
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 February 2023

Margam Crematorium	£649	(incl. of cert. contain & organ)
Coychurch Crematorium, Bridgend	£746	(incl. of cert. and organist)
Llanelli Crematorium (Private)	£950	(incl. of certif. and organist)
Narberth	£749	(incl. of cert. contain & organ)
Swansea Crematorium	£765	(incl. of cert. contain & organ)

Reserves	2021/22	2022/23	2023/34
	Actual	Projected	Estimate
	£	£	£
Memorial Bulb Account	Cr 6,634	Cr 5,704	Cr 5,754
Palm Sunday Reserve	Cr 4,434	Cr 4,434	Cr 3,814
General Reserve	Cr 871,779	Cr 891,049	Cr 675,249
Cremator Renewals Reserve	Cr 700,000	Cr 800,000	Cr 900,000
	Cr 1,582,847	Cr 1,701,187	Cr 1,584,817

Margam Crematorium – Fees and charges

General	2022/23	2023/24
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	£648.50
[bii] Aged over 17 years, without certificate of cremation	£617.00	£635.00
[c] Additional charge for Saturday cremation	£346.00	£356.00
[d] Double cremation (2 adults at one service)	£1,246.00	£1,282.00
[e] Cremation only at 9am (weekdays only)	£517.00	£455.00
[f] Memorial service	£175.00	£180.00
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
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 – Fees and charges

Remembrance	2022/23	2023/24
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 – Fees and charges

Remembrance (continued)	2022/23	2023/24
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
Media Charges	2022/23	2023/24
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