

BUDGET MONITORING PERIOD 5

MEETING: CHESTERFIELD AND DISTRICT JOINT
CREMATORIUM COMMITTEE

DATE: 18th September, 2017

REPORT BY: BEREAVEMENT SERVICES MANAGER
CLERK & TREASURER

FOR PUBLICATION:

BACKGROUND PAPERS FOR PUBLIC REPORTS:

TITLE: Budget Monitoring Report Period 5

LOCATION: Accountancy Section

1.0 PURPOSE OF REPORT

1.1 To report the budget monitoring position as at the end of August 2017.

2.0 RECOMMENDATIONS

2.1 That the report be noted.

3.0 PERIOD 5 BUDGET MONITORING

3.1 Appendix A shows the budget monitoring for period 5. The original budget was approved at the 12th December 2016 meeting, but does not include the carry forwards of £45,110 approved at the 26th June 2017 meeting.

There is currently a favourable profiled variance of £62,490,
Details of the variances from the profiled budgets are shown below:

- **Employee costs** there is an over spend of £4,413 caused by staff acting up for the Crematorium Manager and increased

overtime during the summer period.

- **Premises costs** are under profile by £9,131 this consists of:
 - General routine repairs – under spend £2,503
 - Cremator repairs - under spend £12,469, however £9,250 of this relates to an accrual for a disputed invoice from 2016/17 which is still not resolved leaving a general underspend of £3,219. It should be noted that significant repairs to the cremators are currently being undertaken with an estimated cost of £10,087
 - General grounds maintenance – under spend of £3,563 however this relates to revenue projects on the service improvement plan that have not commenced i.e. work to rose beds and external areas/paths
 - Utilities – under spend £749
 - Business Rates – over spend £15,743 caused by the revaluation of the valuation list. This is the first revaluation since 2010 and has previously been discussed at Joint Board. It is understood that an appeal is being considered
 - Minor miscellaneous items – under spend £81.

- **Transport** costs are under profile by £1,235, mainly on car allowances and fuel for machinery.

- **Supplies & Services** costs are under profile by £7,100 this consists of:
 - Medical Referee Fees – over spent by £1,073 caused by an increase in the number of cremations compared to target (see income paragraph below)
 - Organist Fees – under spent by £1,849 however there is a corresponding variance on income (see below)
 - General Supplies & Services – underspend of £6,324 in other areas.

- **Income** is over profile by £49,437, this consists of:
 - Cremation fees (inc. Medical Referees & Mercury Abatement) – over profile by £50,081, this is due to an increase of approximately 63 more cremations than budgeted for
 - All Memorial Income – over profile by £2,533
 - Organist fees – under profile by £3,371 but is partly offset by reduced payments to organists (see supplies & services above)
 - Other Income – over profile by £194.

3.2 In conclusion at this stage it is anticipated that the bottom line outturn for the year will come in significantly above the original budget.

4.0 Chapel Refurbishment Project

4.1 This project is nearing its completion with the total amount paid out so far being £151k. There is some work still to be finished/paid for e.g. refurbishment of public conveniences, and presently total expenditure is projected at £187k however a final decision also needs to be made regarding the re-surfacing of the area near the chapel exit.

5.0 NEW CREMCO

5.1 Advice was sort from the Local Government Association (LGA) as regards other Council's forming and operating a separate company for Crematorium services. The LGA had no data or policies and very few Council's had gone down this route. This is not a matter that at the time had any national issues. We will therefore look to do our own research and monitor developments.

6.0 RECOMMENDATIONS

6.1 That the report be noted.

7.0 REASONS FOR THE RECOMMENDATIONS

7.1 To keep the Joint Committee informed about the financial performance of the Crematorium.

Decision information

Key decision number	N/A
Wards affected	All
Links to Council Plan priorities	To provide value for money services

Document information

Report author	Contact number/email
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Background documents	

These are unpublished works which have been relied on to a material extent when the report was prepared.

This must be made available to the public for up to 4 years.

Annexes to the report

Annexe A	Budget monitoring report to period 5
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