

North Devon Crematorium Joint Committee

Report Date: 4th November 2022

Topic: Crematorium Performance Monitoring Qtr 2 2022/2023

Report by: Treasurer

1. INTRODUCTION

1.1. This report presents the financial performance information for April to September 2022/23.

2. RECOMMENDATIONS

2.1. It is recommended that the performance for April to September 2022/23 be noted.

3. REASONS FOR RECOMMENDATIONS

3.1. To inform Members of the financial performance for April to September 2022/23.

4. REPORT

4.1. A summary of the revenue expenditure and income for the period April to September is shown below together with the original and profiled budgets. Also shown is the projected outturn and projected outturn variance.

	Original Budget 2022/23	Profiled Budget (Apr-Sep)	Actual (Apr-Sep)	Variance (Under) / Over	Projected Outturn	Projected Outturn Variance
	£	£	£	£	£	£
Premises	188,370	94,185	119,101	24,916	251,708	63,338
Transport	750	375	90	(285)	358	(392)
Supplies & Services	215,500	107,750	86,306	(21,444)	218,690	3,190
Support & Employees	332,130	166,065	153,910	(12,155)	331,641	(489)
Total Expenditure	736,750	368,375	359,407	(8,968)	802,397	65,647
Fees & Charges	1,163,150	581,575	627,969	46,394	1,209,544	46,394
Sales	85,680	42,840	35,641	(7,199)	71,283	(14,397)
Bank Interest	650	325	484	159	969	319
CAMEO*	3,500	1,750	0	(1,750)	3,500	0
Total Income	1,252,980	626,490	664,094	37,604	1,285,296	32,316
Equip Replace Res	100,000	50,000	50,000	0	100,000	0
Distribution NDC	249,740	124,870	124,870	0	249,740	0
Distribution TDC	166,490	83,245	83,245	0	166,490	0
Surplus/(Deficit)	0	0	46,572	46,572	(33,331)	(33,331)

*Crematoria Abatement of Mercury Emissions Organisation

- 4.2. Qtr 2 is showing expenditure £8,968 under the profiled budget and income is £37,604 higher than profiled budget giving a total net variance of £46,572 surplus. The projections for the year are predicting expenditure £65,647 over budget and income £32,316 higher than budget producing a net variance of £33,331 deficit (£30,530 deficit reported Qtr 1).
- 4.3. **Premises** – Spend in Qtr 2 and projected full year are both higher than budget and this is due to the increase utility costs, which has been reported at previous Joint Committee meetings. This is predominantly gas but also electricity costs. We have signed up to a new gas contract which has reduced the ongoing costs but they are still significantly over budget.
- 4.4. **Supplies and Services** – The underspend for Qtr 2 relates to various underspends and the timings of paying some annual invoices.
- 4.5. **Central Support/ Employees** – The Qtr 2 underspend relates to a member of staff reducing to part time and the timing of filling a vacancy. Also the 2022/23 pay settlement has not yet been paid. The full year underspend will be reduced by the use of agency staff to cover the part time officer and the pay award being paid.
- 4.6. **Income** – Fees and charges are showing increased income, due to the higher number of services in Qtr 1. Memorial sales is lower than the budget.
- 4.7. The receipt from CAMEO has not yet been received for 2022/23 but it is anticipated that the budgeted £3,500 will be received.
- 4.8. If the projected outturn does materialise there will be a deficit of £33,331. Whilst closing the accounts for 2021/22 £42,461 was placed into a Budget Management Reserve which will be available to fund the deficit.
- 4.9. It was mentioned at previous Joint Committee meeting's that we may need to increase the cremation fee mid year to mitigate the increase in the fuel prices. As mentioned above we don't feel we need to at this stage. But if energy prices remain at the current levels the fee will need to increase for 2023/24 budget.

5. RESOURCE IMPLICATIONS

5.1. Reserves & Balances. The current amounts held by the Joint Crematorium Committee and projected balances are:

	Capital Funding Reserve	Equipment Replacement Reserve	Budget Management Reserve	General Reserve
	£	£	£	£
Opening Balance 1 st April 22	384,267	595,480	42,461	100,000
Contribution in year	0	100,000	0	0
2022/23 Revenue Deficit	0	0	(33,331)	0
Closing Balance 31st March 23	384,267	695,480	9,130	100,000

5.2. The Capital Funding Reserve was set up to accumulate funds for capital projects at the Crematorium. The balance will be available for Phase B (Garage/Memorial Hall).

The Equipment Replacement Reserve was set up to build up funds to replace the cremators and filtration equipment at the end of their useful life, and also to provide the funding for hearth replacements and cremator re-lining when required. It is anticipated that there will be sufficient funds available when required but this will be continually monitored.

The Budget Management Reserve was created last year and the funds will be available to help mitigate some of the increased utility costs in 2022/23.

The Working Balance has been maintained at £100,000, which is the level recommended taking into account of the financial risks associated with operating the Crematorium.

6. EQUALITIES ASSESSMENT

6.1. There are no equality implications anticipated as a result of this report. An Equality Impact Assessment has been completed



7. ENVIRONMENTAL ASSESSMENT

7.1. There are not any environmental implications as a result of this report, as the purpose of this report is to update members of the financial activity of the North Devon Crematorium Joint Committee for the 2022/2023 financial year.

8. CONSTITUTIONAL CONTEXT

8.1. The North Devon Council and Torridge District Council Joint Crematorium Committee Agreement.

9. STATEMENT OF CONFIDENTIALITY

This report contains no confidential information or exempt information under the provisions of Schedule 12A of 1972 Act.

10. BACKGROUND PAPERS

None.

11. CORPORATE PRIORITIES

The North Devon Council and Torridge District Council Corporate Priorities have been considered in the drafting of the report.

12. STATEMENT OF INTERNAL ADVICE

The author (below) confirms that advice has been taken from all appropriate Councillors and Officers: Author Mark Knight Crematorium Accountant; Date 21st October 2022