



North Devon Crematorium Joint Committee

Report Date: 3rd February 2023

Topic: Crematorium Budget 2023/2204

Report by: Treasurer

1. INTRODUCTION

- 1.1. This report forecasts the final estimated position for 2022/23 and recommends the budgets for 2023/2024 for consideration by the Joint Committee.

2. RECOMMENDATIONS

- 2.1. Approve the basic cremation charge of £810 or any other amount as deemed appropriate by the Joint Committee for 2023/2024 as detailed in paragraph 4.4.
- 2.2. Approve the 2023/2024 Budgets as set out in paragraph 4.1 of the report.
- 2.3. Approve the other fees and charges as detailed in paragraph 4.6 and Appendix B.
- 2.4. Approve the distribution of surpluses for 2022/23 of £416,230 to the constituent authorities as set out in 4.9. £249,740 to North Devon Council and £166,490 to Torrige District Council.
- 2.5. Approve the transfer of £100,000 to the Equipment Replacement Reserve.

3. REASONS FOR RECOMMENDATIONS

The Joint Committee to approve the budgets for 2023/2024.

4. REPORT

- 4.1.

| | Actual 2021/2022 | Budget 2022/2023 | Probable 2022/2023 | Budget 2023/2024 |
|--------------------------|---------------------|---------------------|-----------------------|---------------------|
| | £ | £ | £ | £ |
| Premises | 183,384 | 188,370 | 249,206 | 249,010 |
| Transport | 221 | 750 | 171 | 500 |
| Supplies & Services | 182,839 | 215,500 | 214,956 | 211,980 |
| Support & Employees | 308,286 | 332,130 | 326,047 | 366,610 |
| Total Expenditure | 674,730 | 736,750 | 790,380 | 828,100 |
| Fees & Charges | 1,151,906 | 1,163,150 | 1,219,254 | 1,254,650 |
| Sales | 74,495 | 85,680 | 74,647 | 79,680 |
| Bank Interest | 225 | 650 | 2,838 | 7,000 |
| CAMEO* | 4,202 | 3,500 | 3,883 | 3,000 |
| Miscellaneous | 2,593 | 0 | 0 | 0 |
| Total Income | 1,233,421 | 1,252,980 | 1,300,622 | 1,344,330 |
| Equip Replace Res | 100,000 | 100,000 | 100,000 | 100,000 |
| Distribution NDC | 249,740 | 249,740 | 249,740 | 249,740 |
| Distribution TDC | 166,490 | 166,490 | 166,490 | 166,490 |
| Surplus/(Deficit) | 42,461 | 0 | (5,988) | 0 |

*Crematoria Abatement of Mercury Emissions Organisation

- 4.2. The probable estimate for 2022/2023 predicts a deficit of £5,988 after the surplus distribution is made to the two constituent authorities, this can be funded from the Budget Management Reserve.
- 4.3. No general inflationary increase has been applied to the 2023/2024 expenditure budgets. However, all budgets have been reviewed and set in line with current activity and anticipated future spend, in particular gas and electricity budgets have been increased significantly. Further to the removal of the Medical Referee function from April 2023 this budget has been significantly reduced. However, a residual budget has been maintained for any implementation costs or any additional Crematorium costs that may still be required.
- 4.4. Due to the increase utility and salary costs it is proposed to increase the cremation fee to £810 for 2023/2024. The proposed charge represents an increase of 8%. The current prices for neighbouring crematoria are detailed in Appendix A of this report for information.
- 4.5. For the purpose of the 2023/2024 budget the estimated number of cremations is 1,525 and the budget has been set based on this number of cremations at the standard Cremation charge rate of £810. However, in

reality some of these services will be direct cremations chargeable at a lower rate and some will be double services chargeable at a higher rate.

- 4.6. The proposed fees and charges for 2023/2024 are attached in Appendix B. Fees and charges have been increased by 5% or other amount's as considered appropriate by the Crematorium Manager. Webcast/Tribute Services are proposed to be set at the recommended retail price advised by the supplier, even though many crematoria inflate these costs. The current fees charged for 2022/2023 have been included for comparison.
- 4.7. The proposed prices include the reduction in the Direct Cremation charge and the discounted rate for North Devon and Torrige residents as included in the Managers report.
- 4.8. The 2023/2024 budget allows for £416,230 to be distributed to the constituent authorities, this is held at the same level as previous years.
- 4.9. It is proposed that the surpluses to be distributed in respect of 2022/2023 are £249,740 to North Devon Council and £166,490 to Torrige District Council.
- 4.10. The budget allows for a transfer to the Equipment Replacement Reserve of £100,000 at the end of the 2023/2024 financial year.
- 4.11. A working balance of £100,000 would be maintained, which is sufficient in light of the risks facing the Crematorium.

5. RESOURCE IMPLICATIONS

- 5.1. Reserves & Balances. The projected funds available in the Capital and General Reserves are detailed below:

| | Capital Funding Reserve | Equipment Replacement Reserve | Budget Management Reserve | General Reserve | Total |
|------------|-------------------------------|-------------------------------------|---------------------------------|--------------------|-----------|
| | £ | £ | £ | £ | £ |
| March 2022 | 384,267 | 595,480 | 42,461 | 100,000 | 1,122,208 |
| March 2023 | 384,267 | 695,480 | 36,473 | 100,000 | 1,216,220 |
| March 2024 | 384,267 | 795,480 | 36,473 | 100,000 | 1,316,220 |

- 5.2. These figures include funding the projected deficit identified in 4.1 above of £5,988 from the Budget Management Reserve.
- 5.3. The Capital Funding Reserve was set up to fund capital projects within the crematorium. The remaining balance will be available for the Phase B (Garage/Memorial Hall).
- 5.4. The Equipment Replacement Reserve has been established to set aside resources to ensure that sufficient funds are available when the cremators and filtration equipment reach the end of their useful life, and also to provide



the funding for hearth replacements and cremator re-linings when required. The level and contributions to the reserves will be monitored to ensure the reserve is adequate to cover future needs

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 set the budget of the North Devon Crematorium Joint Committee for the 2023/2024 financial year.

8. CONSTITUTIONAL CONTEXT

8.1. The North Devon Council and Torrige 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 Torrige 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 16th January 2023.