



Wednesday, 6 January 2021

Dear Sir/Madam

A meeting of the Bramcote Bereavement Services Joint Committee will be held on Thursday, 14 January 2021 via Microsoft Teams, commencing at 6.00 pm.

Should you require advice on declaring an interest in any item on the agenda, please contact the Monitoring Officer at your earliest convenience.

Yours faithfully

Chief Executive

To: Members of the Bramcote Bereavement Services Joint Committee

A G E N D A

1. APOLOGIES

To receive any apologies and notification of substitutes.

2. DECLARATIONS OF INTEREST

Members are requested to declare the existence and nature of any disclosable pecuniary interest and/or other interest in any item on the agenda.

3. MINUTES

(Pages 1 - 2)

To approve the minutes of the previous meeting held on 22 October 2020.

4. CREMATION NUMBERS AND OTHER UPDATES

(Pages 3 - 4)

To provide the Joint Committee with the latest update on cremation numbers and other aspects of Bramcote Crematorium.

5. REVENUE ESTIMATES 2020/21 AND 2021/22 (Pages 5 - 20)

To seek approval of the proposed revenue budget for the financial year 2021/22, together with the revised estimate for the current year, in accordance with the service objective of providing efficient arrangements for funeral directors and clergy which meet the need of their service users, at a reasonable cost.

6. MEDIUM TERM FINANCIAL STRATEGY TO 2024/25 (Pages 21 - 28)

To seek approval of a medium term financial strategy for the Bramcote Crematorium through to 2024/25 in accordance with the service objective of providing efficient arrangements for funeral directors and clergy which meet the need of their service users, at a reasonable cost.

7. VIRTUAL CHRISTMAS SERVICE OF REMEMBRANCE 2020 (Pages 29 - 30)

To provide members of the Joint Committee with a report on the Virtual Christmas Service of Remembrance 2020. This is part of providing professional, compassionate and sensitive bereavement services.

8. SCHEDULE OF MEETINGS

18 March 2021 - Bramcote Crematorium
17 June 2021 - Bramcote Crematorium (Annual Meeting)

The Joint Committee is asked RESOLVE that the proposed schedule of meetings is approved.

BRAMCOTE BEREAVEMENT SERVICES JOINT COMMITTEE

THURSDAY, 22 OCTOBER 2020

Broxtowe Borough Council:

Councillors S J Carr (Chair)

T Hallam (substitute)

R I Jackson

Erewash Borough Council:

Councillors C Hart

G Hickton

W Major

An apology for absence was received from Councillor M Radulovic MBE.

10 **DECLARATIONS OF INTEREST**

There were no declarations of interest.

11 **MINUTES**

The minutes of the meeting held on 25 June 2020 were confirmed as a correct record.

12 **CREMATION NUMBERS AND OTHER UPDATES**

The Joint Committee were provided with the latest update on cremation numbers and a general update including the Covid-19 response.

It was noted that there had been an increase for the service during the COVID-19 pandemic during March, April and May. It was noted that cremation numbers had since returned to normal.

13 **POTENTIAL FOR OTHER SERVICES - SANDWELL CREMATORIUM**

The Joint Committee considered the potential for other services at Bramcote Crematorium. These included the potential for a café and a pet crematorium. It was noted that these options required financial investigation.

14 SCHEDULE OF MEETINGS

The Joint Committee noted the proposed dates of the Bramcote Bereavement Joint Services Committee. These were:

14 January 2021 - Bramcote Crematorium

18 March 2021 - Bramcote Crematorium

17 June 2021 - Bramcote Crematorium (Annual Meeting)

RESOLVED that the proposed schedule of meetings is approved.

15 EXCLUSION OF PUBLIC AND PRESS

RESOLVED that, under Section 100A of the Local Government Act, 1972, the public and press be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A of the Act.

16 POTENTIAL LAND SALE / REDEVELOPMENT ADJACENT TO THE CREMATORIUM SITE

The Joint Committee noted the confidential report.

Report of the Strategic Director

CREMATION NUMBERS AND OTHER UPDATES

1. Purpose of report

To provide the Joint Committee with the latest update on cremation numbers and other aspects of Bramcote Crematorium.

2. Background and Detail

At its meeting of January 2020 Joint Committee noted and requested the following:

“Concern was raised that the number of cremations was lower than anticipated which created a budget shortfall. RESOLVED that a detailed report on cremation numbers ... be brought to the Joint Committee.”

<u>Month</u>	<u>2014/15</u>	<u>2015/16</u>	<u>2016/17</u>	<u>2017/18</u>	<u>2018/19</u>	<u>2019/20</u>	<u>2020/21</u>
April	249	310	262	190	228	190	302
May	233	229	231	230	251	230	283
June	206	299	246	253	198	212	188
July	236	233	213	200	178	196	178
August	234	210	201	181	201	194	179
September	233	219	233	198	153	175	182
October	261	236	212	207	191	207	203
November	268	237	255	221	221	210	222
December	298	295	257	235	196	202	
January	309	261	315	298	273	272	
February	321	305	315	269	241	204	
<u>March</u>	<u>323</u>	<u>300</u>	<u>263</u>	<u>263</u>	<u>217</u>	<u>240</u>	
TOTAL	3171	3134	3003	2745	2548	2532	1737

It can be seen that COVID 19 had some impact on increased funeral numbers in March this year and a significant impact in April and May. However, funeral numbers at Bramcote Crematorium have returned to more comparable levels from June onwards.

The appendix also has information on: -

- Building fabric update
- Bereavement software
- Projected Cremation

Recommendation

The Joint Committee is asked to NOTE the report.

Background papers

Nil

Building fabric update

- Current capacity for mourners is 30 in the larger Serenity Chapel and 20 in the smaller Reflection Chapel. At the time of writing funeral numbers are restricted by law to a maximum of 30 people.
- The £40,000 allocated for roof repairs in 2020/21 will be spent before the financial year end.

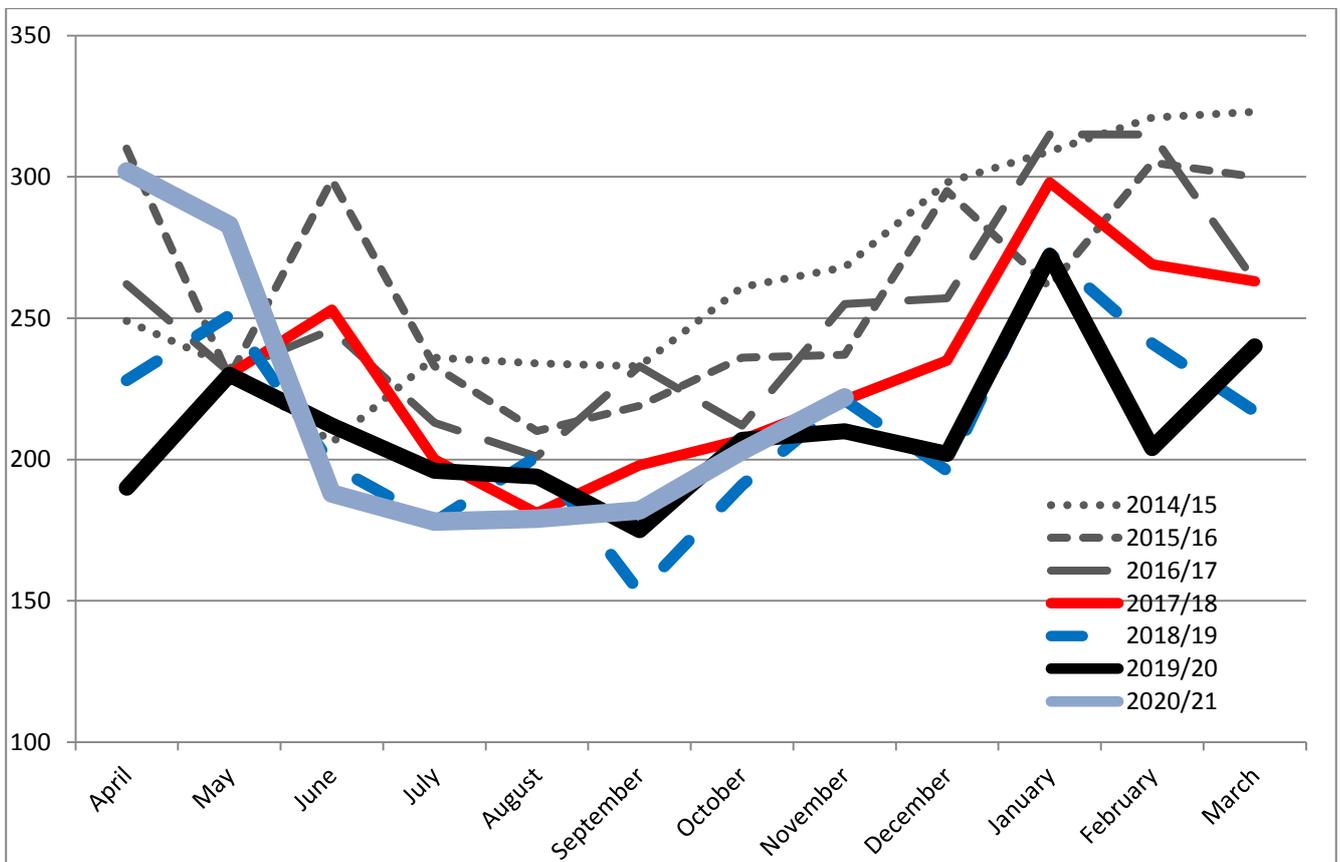
Bereavement software

The tendering exercise has now completed and awarded to Manuscripti. It is anticipated that testing of the software will commence late January 2021 with a target to be fully installed and operational from September 2021.

Projected Cremation

Based on the current numbers it is likely that the number of cremations for 2020/21 will be in line with the number predicted. Therefore, the financial distribution to each authority should also be in line with level predicted.

The graph below shows the levels of cremations per month.



Joint Report of the Deputy Chief Executive and Strategic Director

REVENUE ESTIMATES 2020/21 AND 2021/22

1. Purpose of report

To seek approval of the proposed revenue budget for the financial year 2021/22, together with the revised estimate for the current year, in accordance with the service objective of providing efficient arrangements for funeral directors and clergy which meet the need of their service users, at a reasonable cost.

2. Background

The proposals for the 2020/21 revised estimate and the estimates for 2021/22 are given in the attached appendices together with the actual outturn for 2019/20. The Joint Committee is asked to approve the detailed estimates, development items, allowances for inflation, fees and charges increases and the distribution to the two constituent authorities.

Recommendation

The Joint Committee is asked to RESOLVE that:

- 1. The revised estimate for 2020/21 and the base estimate for 2021/22 as submitted at appendix 2 be approved.**
- 2. An amount of £8,800 be provided to cover inflation during 2020/21.**
- 3. An amount of £45,000 be provided to cover capital developments during 2021/22 as outlined in appendix 3 of the report.**
- 4. The fees and charges as detailed in appendix 4 be implemented.**
- 5. An amount of £400,000 be distributed to each of the constituent authorities in 2021/22.**

Background papers

Nil

APPENDIX 1

1. Introduction

Details of the proposed revenue budget for the 2021/22 financial year, together with the actual outturn for 2019/20 and the revised estimate for the current year, are attached at appendix 2 for consideration by the Joint Committee. Base estimates for 2021/22 shown in Appendix 2 contain inflationary increases for a potential April 2021 pay award (5.2) and changes in fees and charges (4.1 & 4.2) detailed for approval within this report.

2. Actual Outturn 2019/20

The Crematorium Revenue balance at 31 March 2020 was £99,287 as opposed to £312,723 at 31 March 2019. This was due primarily to a distribution of £500,000 to each of the two constituent authorities in 2019/20 as agreed by the Joint Committee on 10 January 2019 compared to a distribution of £400,000 to each of the constituent authorities in 2018/19 as agreed by the Joint Committee on 11 January 2018.

3. Revised Estimate 2020/21

The below table summarises the total estimated revenue income and expenditure for 2020/21 against the base budget 2020/21 as agreed by Joint Committee on 16 January 2020:

	Base 2020/21 (£)	Revised 2020/21 (£)
Income	(1,910,200)	(1,910,200)
Expenditure	1,120,450	1,147,287
Distribution	600,000	600,000

The revised estimate 2020/21 includes capital developments carried forward from 2019/20 of £55,505 as approved by the Joint Committee on 25 June 2020.

The expected income for cremations in 2020/21 is unchanged with cremation numbers for the year assumed to be 2,450 as when the budget was set. An update on this and other performance matters can be found in another report on this agenda.

The proposed distribution to each of the two constituent authorities in 2020/21 is £300,000 as agreed by the Joint Committee on 16 January 2020.

4. Base Estimate 2021/22 - Income

4.1. Cremation Fees

The estimates for 2021/22 are based upon 2,450 adult cremations and 50 direct cremations. These are the same estimated number of adult and direct cremations as used in the production of the 2020/21 budget and are considered to be prudent estimates.

The proposed charge is as follows:

Cremation of the body of a person of 18 years and over (within or outside area)	£730
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Bramcote Crematorium now offer Direct Cremations as approved by the Joint Committee on 17 October 2019.

Direct Cremation of the body of a person of 18 years and over (within or outside area)	£500
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The proposed fees for 2021/22 are the same as those approved for 2020/21. It is not considered appropriate to increase fees at this stage due to the impact of the pandemic upon bereaved families.

It is RECOMMENDED that the Joint Committee approve a cremation fee for persons of eighteen years and over of £730 with effect from 1 April 2021 and a Direct Cremation fee of £500.

4.2. Other Fees and Charges

As set out above, it is proposed that all other fees and charges in 2021/22 are maintained at the same level as in 2020/21. These include the fees for all current memorials as well as memorialisation items, urns and caskets, deposits of cremated remains and miscellaneous services. The proposed charges for 2021/22 are set out in appendix 4 and reflect those of other crematoria.

It is RECOMMENDED that the Joint Committee approve the other fees and charges as detailed in appendix 4 with effect from 1 April 2021.

5. Base Estimate 2021/22 - Expenditure**5.1. Employees**

The estimate for employee costs has decreased by £18,182 in 2021/22 (when compared to 2020/21 revised estimate). This is due to a number of staff reducing their hours and assumptions that new appointees to vacant posts will commence at the bottom of the scale for their posts.

The Spending Review 2020 announced by the Chancellor of the Exchequer on 25 November 2020 stated that “in order to protect jobs and ensure fairness, pay rises in the public sector will be restrained and targeted in 2021/22”. Public sector workers earning less than £24,000 will receive a minimum £250 increase and the Government will pause pay increases in 2021/22 for the rest of the public sector.

An estimate of 2% (£7,210) has been made in the salaries base budget in respect of the pay award due to employees from 1 April 2021. However, those staff earning in excess of £24,000 will not receive this should the announcement above be confirmed.

5.2. Inflation

Expert advice suggests an allowance for inflation on utilities is necessary an additional £8,800 has been included in the budget for this. Small allowances have been built into the base budget for unavoidable increases in certain items whilst there is an anticipated reduction of £6,390 in NNDR and water costs.

5.3. Developments 2021/22 and beyond

The base budget shown at appendix 2 reflects the provision necessary to maintain the current level of operation. Developments funded from revenue are also included in the base budget for 2021/22.

The provisional development proposals for 2021/22 through to 2023/24 are included in appendix 3. These are incorporated into a medium term financial strategy that is included elsewhere on this agenda.

6. Revenue Account Surplus

If all the matters referred to in Sections 2 to 4 above are accepted, the forecast position at the end of 2020/21 would be as follows:

	£
Balance Brought Forward 31 March 2020 (appendix 2)	(99,287)
Net (Increase)/Decrease in balance for 2020/21 (appendix 2)	(756,024)
Distribution Estimate	600,000
Revenue Account Surplus 31 March 2021	<u>(255,311)</u>

The minimum recommended balance is £100,000 to safeguard crematorium balances from the potential impact of new crematoria in the local area and the effect on cremation numbers.

Given the level of estimated revenue account surplus at 31 March 2021, it is proposed at this stage to distribute a total of £800,000, split equally between Broxtowe and Erewash Borough Councils, in 2021/22. With no transfer to the Repairs and Renewal reserve in 2021/22, this would leave a balance, if all assumptions were realised, of £202,126 at 31 March 2022.

Appendix 2

<u>Actual</u>	<u>Description</u>	<u>Revised</u>	<u>Base</u>
<u>2019/20</u>		<u>2020/21</u>	<u>2021/22</u>
<u>£</u>		<u>£</u>	<u>£</u>

Comprehensive Income & Expenditure Statement

Income			
(1,685,005)	Fees and Charges	(1,814,100)	(1,814,100)
(19,079)	Entries in Book of Remembrance	(19,000)	(19,000)
(1,378)	Weekend Scattering of Ashes	(1,200)	(1,200)
(13,760)	Cremation Fees- Hospital Bodies	(10,000)	(10,000)
(5,400)	Pamela Cottage Rent	(5,400)	(5,400)
(15,849)	Other Income	(6,000)	(6,000)
(456)	Donations Income	(500)	0
(48,060)	Memorialisation Income	(40,000)	0
(1,612)	Vending Drinks Sales	(2,000)	(2,000)
(15,756)	Visual Tributes Income	(12,000)	(11,000)
(1,806,355)	Total Income	(1,910,200)	(1,868,700)

Expenditure			
EMPLOYEE EXPENSES			
411,288	Salaries	389,730	371,548
3,495	Training	2,500	2,500
PREMISES RELATED EXPENSES			
55,884	Repairs & Maintenance – General	50,500	50,000
16,840	Repairs & Maintenance – Cremators	75,000	75,000
11,543	Mercury Abatement – Factivate	11,000	11,000
154	Legionella Testing	200	200
0	Electrical Testing	0	200
10,190	Trade Refuse Collection	10,700	11,130
57,576	Fuel and Light	64,000	72,800
114,588	Rates and Water	117,600	111,210
2,207	Cleaning Materials	2,500	2,500
1,470	Window Cleaning	1,000	1,500
TRANSPORT RELATED EXPENSES			
1,333	Travelling Expenses	1,200	1,200
686,567	Balance carried down	725,930	710,788

686,567 Balance brought down Page 10 **725,930** **710,788**

	SUPPLIES AND SERVICES		
10,765	Equipment, Tools and Materials	7,000	7,000
0	Contingency	10,000	10,000
2,154	Vending Machines	2,100	2,100
28,705	Service Contracts	14,000	14,000
1,731	Clothing	2,500	2,500
8,385	Printing and Stationery	4,500	5,272
5,370	Book of Remembrance	7,500	7,500
1,019	Open Day	1,000	1,000
2,447	Service of Remembrance	2,500	2,500
3,739	Telephones	6,050	0
1,500	Consultancy	0	0
2,433	Postages	3,000	2,362
(1,200)	Audit Fees	1,500	1,500
2,288	Bank Charges	2,000	2,000
9,991	Music System	13,600	14,000
47,853	Medical Referee Fees	47,000	47,000
736	Security Patrol	80	80
12,399	Miscellaneous Music Costs	10,000	1,000
375	CCTV	650	10,000
665	Subscriptions	1,000	1,000
1,323	Other Expenses	150	150
15,932	Insurances	16,700	16,140
1,098	Conference Expenses	500	500
2,575	Environmental Protection Act	2,800	3,000
0	Software Maintenance	5,330	6,000
49,557	Memorialisation Account	5,000	0
3,866	Ash Boxes	0	0
	THIRD PARTY PAYMENTS		
64,194	Grounds Maintenance Contract	28,540	31,175
	CENTRAL DEPARTMENTAL AND TECHNICAL SUPPORT SERVICES		
116,724	Central Support Recharges	117,820	154,318
1,083,190	Balance carried down	1,038,750	1,052,885
1,083,190	Balance brought down	1,038,750	1,052,885

	CAPITAL FINANCING COSTS		
152,418	Capital Charges	84,537	84,537
0	Developments	0	0
1,235,608	Total Expenditure	1,123,287	1,137,422
(570,747)	COST OF SERVICE – Continuing Operations	(786,913)	(731,278)
	Financing and Investment Income and Expenditure		
18,693	Interest and Investment Income	24,000	24,000
	<u>Distribution to Constituent Authorities</u>		
500,000	Broxtowe Borough Council	300,000	400,000
500,000	Erewash Borough Council	300,000	400,000
	Other Comprehensive Income and Expenditure		
0	Revaluation of Fixed Assets	0	0
447,945	Total Comprehensive Income and Expenditure	(162,913)	92,722

Movement In Reserves Statement

	Adjustments between accounting & funding basis under regulation		
(94,000)	IAS 19 Pension Costs	0	0
(152,418)	Depreciation and Impairment	(84,537)	(84,537)
85,525	Direct Revenue Financing	110,000	45,000
	<u>Transfer to/(from) Earmarked Reserves</u>		
(69,286)	Repairs and Renewals Reserve	50,000	0
(4,787)	Memorialisation Reserve	(68,574)	0
456	Donations Reserve	0	0
213,436	(Increase)/Decrease in Balance for the year	(156,024)	53,185
312,723	Bramcote Crematorium Balance Brought Forward	(99,287)	(255,311)
(99,287)	Bramcote Crematorium Balance Carried Forward	(255,311)	(202,126)

DONATIONS RESERVE

EXPENDITURE		
0	Expenditure in Year	0 0
INCOME		
(456)	Donations	(500) 0
(456)	(Surplus)/Deficit in Year	(500) 0
(5,749)	Balance Brought Forward	(6,200) (6,700)
(6,205)	Balance Carried Forward	(6,700) (6,700)

MEMORIALISATION ACCOUNT

EXPENDITURE		
52,847	Expenditure in Year (including admin)	5,000 0
INCOME		
(48,060)	Income – Fees & Charges	(40,000) (0)
4,787	(Surplus)/Deficit in Year	(35,000) 0
(38,361)	Balance Brought Forward	(33,574) 0
0	Transfer to/(from) Reserves	68,574 (0)
(33,574)	Balance Carried Forward	0 0

REPAIRS & RENEWALS RESERVE

EXPENDITURE		
72,664	Payments in Year	0 0
INCOME		
(0)	Contributions in Year	(50,000) 0
(3,378)	Investment Interest	0 0
(3,378)	TOTAL INCOME	(50,000) 0
69,286	(Surplus)/Deficit in Year	(50,000) 0
(201,135)	Balance Brought Forward	(131,849) (181,849)
(131,849)	Balance Carried Forward	(181,849) (181,849)

APPENDIX 3

Developments 2021/22 and beyond2021/22 proposals

<u>Scheme</u>	<u>Estimated costs</u>
Roof Repairs (Phase 2)	£40,000
Capital Salaries	£5,000
TOTALS	£45,000
Funded by:	
Revenue	£45,000

2022/23 proposals

<u>Scheme</u>	<u>Estimated costs</u>
Drainage/Parking	£60,000
TOTALS	£60,000
Funded by:	
Revenue	£30,000
Repairs & Renewals Reserve	£30,000

2023/24 proposals

<u>Scheme</u>	<u>Estimated costs</u>
TOTALS	
Funded by:	
Repairs & Renewals Reserve	
Revenue	

APPENDIX 4

SUMMARY OF CHARGES**BRAMCOTE BEREAVEMENT SERVICES**

	Approved Charges 2020/21 £	Proposed Charges 2021/22 £
Part 1 <u>Cremation Fee</u>		
To Include:		
Cremation Fee	730	730
Medical Referee's Fee		
Use of Music Facilities		
Scattering of Cremated Remains (Monday to Friday)		
 <u>For the cremation of the body of:</u>		
A Person below the age of Eighteen	Nil	Nil
A person Eighteen years and over	730	730
School of Anatomy cadaver	516	516
Body part	49	49
Direct Cremation	500	500
 Part 2 <u>Urns and Caskets</u>		
Urns	46	46
Caskets	103	103
Bio Box	5	5
Polytainers	5	5
White cremation Box	5	5
Small white cremation box	5	5
Donation Box	3	3
 Part 3 <u>Miscellaneous Fees and Charges</u>		
Extended Service Fee / Witness Charge	76	76
Non cancellation fee (administration charge)	93	93
Use of chapel for memorial service/committal	100	100
Additional charge for weekend/bank holiday scattering	25	25
Scattering of cremains from another Crematoria	65	65
Weekend/bank holiday surcharge for same day cremation	260	260
Additional charge for weekend/bank holiday use of chapel	95	95

	Approved Charges 2020/21 £	Proposed Charges 2021/22 £
Part 3		
<u>Miscellaneous Fees and Charges Cont'd</u>		
Temporary deposit per month (first month free)	35	35
Part 4		
<u>Wesley Media Visual Tributes</u>		
Administration Fee	15	15
Per Photograph / Image Used	3	3
Per Minute of Video Used	5	5
DVD or USB Copy of the Visual Tribute	25	25
 <u>Wesley Media Recording of Service</u>		
Audio Recording Link	56	30
 <u>Wesley Media Webcast</u>		
Webcast of service	65	30
Link of the webcast	56	30
 <u>Wesley Media Visual Tributes – Urgent Service Cost</u>		
The following prices are for Visual Tributes request made after the 48 hour cut-off period.		
Up to 5 images plus a song from our central library		
£130.00		
Up to 20 images plus a song from our central library		
£170.00		
Up to 40 images or 5 mins of video plus a song from our central library		
£200.00		
 <u>Memorials and Inscriptions</u>		
Part 5		
<u>Entries in Book of Remembrance (including VAT)</u>		
For each 2 line entry	76	76
For each 5 line entry	123	123
For each 5 line entry & motif	193	193
For each 8 line entry	199	199
For each 8 line entry & motif	268	268
 <u>Digital Display (including VAT)</u>		
Additional swipe card	5	5
Extra page (each)	55	55

For each 2 line entry	103	103
For each 5 line entry	125	125
For each 5 line entry & motif	194	194
For each 8 line entry	176	176
For each 8 line entry & motif	245	245

Approved Charges 2020/21 £	Proposed Charges 2021/22 £
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Part 5 Memorials and Inscriptions Cont'dMemorial Plaques (including VAT)

Wall Plaque - 10 Years Lease	530	530
Wall Plaque plus metal posy vase	624	624
Wall Plaque Renewal (10 Years)	318	318

Bench Plaque - 10 Years Lease	530	530
Bench Renewal (10 Years)	318	318

Rose Plaque - 10 Years Lease	530	530
Rose Plaque Renewal (5 Years)	189	189
Rose Plaque Renewal (10 Years)	318	318

Barbican Plaque - 10 Years Lease	530	530
Bench Renewal (10 years)	318	318

Reflection Garden Wall Plaque - 10 Years Lease	530	530
Reflection Garden Wall Plaque Renewal (10 years)	318	318

New/Upgrade memorial (Granite plaques)	105	105
Replacement Wall Plaque	123	123
Replacement Rose Plaque	123	123
Replacement Bench Plaque	123	123

Columbarium Charges (including VAT)Level A (top)

5 year lease	840	840
10 year lease	1,260	1,260
25 year lease	2,000	2,000

Level B

5 year lease	840	840
10 year lease	1,260	1,260
25 year lease	2,000	2,000

Level B (Plaque Only)

5 year lease	670	670
10 year lease	1,000	1,000

25 year lease	1,600	1,600
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Approved Charges 2020/21 £	Proposed Charges 2021/22 £
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Part 5 Memorials and Inscriptions Cont'dLevel C

5 year lease	760	760
10 year lease	1,130	1,130
25 year lease	1,800	1,800

Level C (Plaque Only)

5 year lease	610	610
10 year lease	900	900
25 year lease	1,440	1,440

Level D

5 year lease	670	670
10 year lease	1,000	1,000
25 year lease	1,600	1,600

Level D (Plaque Only)

5 year lease	540	540
10 year lease	800	800
25 year lease	1,280	1,280

5 year renewal	551	551
10 year renewal	992	992
First 80 letters on plaque	Included	Included
Additional letters (beyond first 80)	2	2
Photo on plaque (7"x5")	102	102
Metal flower container	40	40
Other plaque designs/various ash containers	Poa	Poa

Mulberry tree & Wall of Hearts Outside 5 Years

Mulberry Motif	160	160
	20	20

Mulberry renewable 5 year lease	80	80
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Mulberry replacement Leaf	60	60
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	<u>Childrens Columbarium Charges (including VAT)</u>	
	<u>Plaque & Ashes</u>	
	5 Year Lease	250 250
	10 Year Lease	500 500
	25 Year Lease	750 750
	50 Year Lease	1300 1300
	<u>Renewal</u>	
	5 Years	115 115
	10 Years	230 230
	25 Years	380 380
	50 Years	480 480
	<u>Wall of Hearts Remembrance Room</u>	
	Wall of Hearts 5 Year Heart	210 210
	Wall of Hearts 5 Year Heart motif	20 20
	Wall of Hearts 5 Year renewable	90 90
	Wall of Hearts 5 Year Replacement	60 60
	<u>Granite Mushroom Plaques (including VAT)</u>	
Part 5	10 Year Lease	220 220
	10 Year Renewal	110 110
	<u>Private Graves</u>	
	Transfer of grave rights (simple)	40 40
Part 6	Transfer of grave rights (complex)	65 65
	Exhumation of Ashes	204 209
	Renewal of lease for 99 years	311 318

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Joint Report of the Deputy Chief Executive and Strategic Director

MEDIUM TERM FINANCIAL STRATEGY TO 2024/25

1. Purpose of report

To seek approval of a medium term financial strategy for the Bramcote Crematorium through to 2024/25 in accordance with the service objective of providing efficient arrangements for funeral directors and clergy which meet the need of their service users, at a reasonable cost.

2. Detail

The existence of a periodically reviewed medium term financial strategy is regarded as a key component of sound corporate governance in the public sector. In addition, the external auditors have previously commented upon the need for such a strategy.

The appendix sets out the proposed strategy for the next four years, including the basis of any broad assumptions used to produce the forecast.

Figures and assumptions used in this strategy are based upon the estimates reported elsewhere on this agenda.

3. Summary

Schedule 2 to the appendix summarises the financial forecast through to 2024/25. It demonstrates that all anticipated expenditure can continue to be met whilst maintaining a level of distribution of at least £400,000 to each constituent authority. General balances will be maintained above the minimum recommended level of £100,000 throughout the period.

Recommendation

The Joint Committee is asked to RESOLVE that the medium term financial strategy for Bramcote Crematorium be approved.

Background papers

Nil

BRAMCOTE CREMATORIUM FINANCIAL STRATEGY 2020/21 TO 2024/25**1. Purpose**

The purpose of this Strategy is to:

- provide indicative financial projections through to 2024/25 which can be used to inform the Joint Committee's decision making and budget setting process.
- provide a document for use by the Joint Committee which can assist in the development of policies and planning future initiatives.
- enable the Joint Committee to have a wider appreciation of the overall financial standing of the crematorium.

2. Background

Strategies of this nature are by definition indicative and subject to change, particularly in the later years. The Strategy starts with a base year of 2020/21, and schedule 1 provides a commentary on the robustness of the assumptions and calculations made in preparing the budgets for 2021/22, 2022/23, 2023/24 and 2024/25.

3. Detailed Projections

The figures for the period 2021/22 through to 2024/25 are summarised in schedule 2. In formulating the projections, a number of assumptions have been made and these are described in more detail below. In essence, the strategy essentially takes forward budget plans proposed for 2021/22 and then incorporates only known service commitments and changes. As with the normal budget setting process, the basic underlying assumption is that current levels of service will be maintained with the distributions to each of the constituent authorities adjusted to maintain the minimum general end of year balances above £100,000.

In summary, schedule 2 shows that in future years the distribution to Broxtowe and Erewash Borough Councils is projected to remain at or greater than £400,000 during the period of the strategy.

4. Assumptions Made

4.1 Base Expenditure Levels

Base levels are built up from the budget for 2020/21 and assume a similar level of service as used when formulating the budget.

4.2 Developments

The proposed development programme for 2021/22 to 2023/24, as presented within the budget report elsewhere on this agenda, has been included.

4.3 Inflation

The Spending Review 2020 announced by the Chancellor of the Exchequer on 25 November 2020 stated that “in order to protect jobs and ensure fairness, pay rises in the public sector will be restrained and targeted in 2021/22”. Public sector workers earning less than £24,000 will receive a minimum £250 increase and the Government will pause pay increases in 2021/22 for the rest of the public sector.

An estimate of 2% has been made in the salaries base budget in respect of the pay award due to employees from 1 April 2021 with a similar estimate made for the following years throughout the strategy.

Other budgets have been determined based on current usage, trends and anticipated need for the coming years, applying inflation where necessary.

4.4 Contingency

A contingency of £10,000 for unexpected expenditure has been incorporated into the figures for 2021/22 through to 2024/25.

4.5 Increases in Fees

Whilst the budget for 2021/22 includes no fee increase (subject to approval), the strategy assumes a fee increase of 2.5% per annum from 2022/23 through to 2024/25 and that this has no impact upon the number of cremations each year. In practice, this will be influenced by factors such as the demand for cremations and the fees charged by other crematoria in the local area.

5. Distribution Levels and Balances

The advice of the Treasurer is that balances of at least £100,000 should be retained on the crematorium’s revenue reserve to provide available funds to deal with major contingencies and the potential impact on cremation numbers of new crematoria in the local area. The projected reserves in schedule 2 show that, after allowing for the distribution to constituent authorities, the balances are forecast to be maintained above this level for the period of this strategy.

Whilst the approved distribution to each constituent authority in 2020/21 is £300,000, Schedule 2 shows that, after taking into account all the factors described above, the total distribution can be maintained at or above £400,000 during the remaining years of the strategy.

6. Sensitivity to Change

Local government and local government finance are subject to an almost ever-changing environment and pressure for improvements in services. As such the figures, particularly for later years in the strategy, can be vulnerable to significant change. Apart from new initiatives and service developments that are as yet unknown, the most vulnerable areas are felt to be:

- Inflation allowances. Pay awards beyond April 2021 are still to be negotiated. Each 1% increase from the 2% built into the strategy would add approximately £3,600 per annum to annual spending levels, which would become cumulative depending on when or if they occurred.
- Cremation numbers. This strategy has assumed that demand for the crematorium will remain at 2,450 cremations in future years. A variation of 50 cremations from this level would change gross income by £36,500.
- Increase in cremation fees. Should cremation numbers start to rise again each 1% increase in numbers equates to an additional £18,141 per annum, which would become cumulative if it occurred in the earlier years of the strategy.

RISK ASSESSMENT - APPROVED REVENUE BUDGET 2020/211. Employee Expenses

Around a third of the crematorium's gross expenditure relates to employees, including pay, national insurance and pensions. The crematorium operates within an approved establishment and the respective budget heading is based on this establishment.

The pay award for 2021/22 is still awaiting confirmation. However, salaries figures for 2021/22 onwards have a 2% annual pay award assumption built in.

Risk assessment – MEDIUM RISK

2. Other Running Expenses

Nearly half of the Joint Committee's gross expenditure is in this area which includes repairs and maintenance, rates and utilities, purchase of supplies and services, printing, postages and telephones. These cost areas are tightly controlled and where possible central contracts are put in place (e.g. purchase of gas and electricity).

For the purposes of this strategy, an allowance of 2% has been made in 2022/23 to 2024/25 for the effects of price inflation on unavoidable items of expenditure, such as business rates, cremator repairs, trade refuse collection and telephone bills. The same allowance of 2% per annum has been included for electricity and gas prices. No other price inflation has been included.

Additional budget has been built in to the strategy from 2020/21 onwards to pay for an increasing number of repairs to the ageing cremators. There will be a requirement to replace the cremators at a future date and this will be incorporated within the strategy once the life of the present cremators is known and the cost of replacement cremators has been determined.

No further unforeseen excessive cost pressures are known of at this stage and it is anticipated that running costs can be contained within overall available budgets.

Risk assessment – LOW RISK

3. Income - Fees and Charges

The majority of the Joint Committee's income is derived from cremation fees. At present only a small proportion of revenue is received other income such as entries into the book of remembrance. Therefore, the setting of cremation fees remains the key risk area.

The assumption is for cremation numbers to remain at 2,450 throughout the remaining period of this strategy. There is a risk that if cremation numbers fall below the budgeted amount this could impact distribution levels, with a variation of 50 cremations from the budget resulting in a change in income of up to £36,500 with very little impact on associated costs.

Risk assessment – HIGH RISK

This strategy has assumed no increase in the level of fee increases proposed for 2021/22. However, an increase of 2.5% per annum has been assumed for each year from 2020/23 thorough to 2024/25. Each additional 1% increase above those allowed for would generate an additional £18,141 for distribution, but any significant increase could have an impact on demand for services.

Risk assessment – MEDIUM RISK

4. Memorialisation scheme

Memorialisation expenditure and income was no longer ring fenced from 1 April 2020 and is now included in the Crematorium's revenue account. However, there will still be a requirement to monitor memorialisation expenditure and income to ensure that this does not reduce crematorium balances.

Risk assessment – MEDIUM RISK

5. Reserves

Based on the budget proposals, the level of revenue balances is estimated at around £319,000 by the end of 2024/25. The balance on the repairs and renewals reserve, which is earmarked for specific schemes, is expected to be in the region of £181,850 by the end of this strategy period.

Advice produced by the Chartered Institute of Public Finance and Accountancy indicates that reserves should be held for three main purposes:

- As a working balance to help cushion the impact of uneven cash flows and avoid unnecessary temporary borrowing - part of the revenue reserve.
- As a contingency to cushion the impact of unexpected events or emergencies – revenue reserves.
- As a means of building up funds to meet known or predicted liabilities - referred to as earmarked reserves – repairs and renewals.

The Joint Committee currently has one material earmarked reserve, namely that relating to repairs and renewals. The Repairs and Renewals Reserve covers equipment such as cremators and cremulators, as well as major building repairs such as flat roof replacement. As far as possible this reserve is used to meet significant repair demands without recourse to the two constituent authorities. An examination of the likely demands on this reserve in future years has been made and indications are that the current level of the reserve is adequate for future foreseeable demands.

Given that the Repairs and Renewals Reserve is effectively earmarked for future provision, there is an increased emphasis on ensuring that an adequate level of general reserves is maintained to meet unforeseen circumstances.

Guidance from the former Audit Commission indicated that, it would expect to see general reserves at least equal to 5% of an authority's net operating expenditure in a 'good' council. The Treasurer advises that for such as this Joint Committee, which has a very high levels of income compared to other classes of authority, the reference to net operating expenditure is not appropriate since any "target" should reflect the risk to income and expenditure levels separately. In the light of this risk assessment and the medium term financial strategy as proposed, the Treasurer advises that, in his opinion, revenue balances should remain at or above £100,000.

Risk assessment – MEDIUM RISK

SCHEDULE 2

	<u>2020/21</u>	<u>2021/22</u>	<u>2022/23</u>	<u>2023/24</u>	<u>2024/25</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Base Expenditure (Net)	(787)	(731)	(735)	(753)	(788)
Development Programme	110	45	30		
Inflation Allowance			8	8	8
Contingency			10	10	10
Increase in Fees and Charges			(46)	(47)	(49)
(Surplus) / Deficit in Year	<u>(677)</u>	<u>(686)</u>	<u>(733)</u>	<u>(782)</u>	<u>(819)</u>
Balance brought forward	(99)	(255)	(202)	(196)	(239)
Distribution to Constituent Authorities	600	800	800	800	800
Interest Expenditure & Income	24	24	24	24	24
Depreciation	(85)	(85)	(85)	(85)	(85)
(Drawdown)/Transfer to R&R reserve	50				
(Drawdown)/Transfer to Memorialisation reserve	(68)				
Revenue Account Balance	<u>(255)</u>	<u>(202)</u>	<u>(196)</u>	<u>(239)</u>	<u>(319)</u>

Report of the Strategic Director

VIRTUAL CHRISTMAS SERVICE OF REMEMBRANCE 20201. Purpose of the report

To provide members of the Joint Committee with a report on the Virtual Christmas Service of Remembrance 2020. This is part of providing professional, compassionate and sensitive bereavement services.

2. Background

Each year Bramcote Crematorium holds at least one Service of Remembrance. This is to provide comfort and reassurance to the bereaved; promote the crematorium, bereavement services and its work; and to gain valuable customer feedback at a time when it is appropriate to do so.

Due to COVID- 19 the Christmas Service of Remembrance 2020 was a virtual pre-recorded service. Further information on the Virtual Christmas Service of Remembrance 2020 is shown in the appendix.

3. Financial Implications

The cost of providing the Virtual Service of Remembrance 2020 was approximately £1300. This was higher than the previous year. The increased spend was incurred on items such as hiring the services of commercial video recording company and a professional singer. The cost was contained within existing budgets.

Recommendation

The Joint Committee is asked to NOTE this report.

Background papers

Nil

APPENDIX

Annual Christmas Service of Remembrance 2020 (Virtual)

The annual Christmas Service of Remembrance was pre-recorded due to COVID- 19 and then published online through the Bramcote Bereavement Services Website. The service was available from the 11th December 2020 to 3rd January 2021 inclusive.

The service was very different this year and recorded to the same standard of our attended service of remembrance. Staff lighted candles in memory of loved ones and loved one's names were read out during the service.

The service itself was led by Rachel Snowball with performances of Christmas songs sung by Shannon O'Donnell.

Unfortunately, The Memory Christmas Tree was unable to go into the book of Remembrance Room this year due to COVID-19.

We advise that all donation this year goes to Survivors of Bereavement by Suicide. Customers can go onto their website to make their donation.