

## 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:

	<b>Base 2020/21 (£)</b>	<b>Revised 2020/21 (£)</b>
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

**Actual**  
**2019/20**  
**£**

**Description**

**Revised**  
**2020/21**  
**£**

**Base**  
**2021/22**  
**£**

**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)
<b>(1,806,355)</b>	<b>Total Income</b>	<b>(1,910,200)</b>	<b>(1,868,700)</b>

**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
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**686,567** **Balance carried down** **725,930** **710,788**

**686,567** **Balance brought down** **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
<b>1,083,190</b>	<b>Balance carried down</b>	<b>1,038,750</b>	<b>1,052,885</b>
<b>1,083,190</b>	<b>Balance brought down</b>	<b>1,038,750</b>	<b>1,052,885</b>

	<b>CAPITAL FINANCING COSTS</b>		
152,418	Capital Charges	84,537	84,537
0	Developments	0	0
<b>1,235,608</b>	<b>Total Expenditure</b>	<b>1,123,287</b>	<b>1,137,422</b>
<b>(570,747)</b>	<b>COST OF SERVICE – Continuing Operations</b>	<b>(786,913)</b>	<b>(731,278)</b>
	<b>Financing and Investment Income and Expenditure</b>		
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
	<b>Other Comprehensive Income and Expenditure</b>		
0	Revaluation of Fixed Assets	0	0
<b>447,945</b>	<b>Total Comprehensive Income and Expenditure</b>	<b>(162,913)</b>	<b>92,722</b>

**Movement In Reserves Statement**

	<b>Adjustments between accounting &amp; funding basis under regulation</b>		
(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
	<b><u>Transfer to/(from) Earmarked Reserves</u></b>		
(69,286)	Repairs and Renewals Reserve	50,000	0
(4,787)	Memorialisation Reserve	(68,574)	0
456	Donations Reserve	0	0
<b>213,436</b>	<b>(Increase)/Decrease in Balance for the year</b>	<b>(156,024)</b>	<b>53,185</b>
312,723	Bramcote Crematorium Balance Brought Forward	(99,287)	(255,311)
<b>(99,287)</b>	<b>Bramcote Crematorium Balance Carried Forward</b>	<b>(255,311)</b>	<b>(202,126)</b>



**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 £
<b>Part 1 <u>Cremation Fee</u></b>		
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
 <b>Part 2 <u>Urns and Caskets</u></b>		
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
 <b>Part 3 <u>Miscellaneous Fees and Charges</u></b>		
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 £
<b>Part 3</b>		
<b><u>Miscellaneous Fees and Charges Cont'd</u></b>		
Temporary deposit per month (first month free)	35	35
<b>Part 4</b>		
<b><u>Wesley Media Visual Tributes</u></b>		
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
 <b><u>Wesley Media Visual Tributes – Urgent Service Cost</u></b>		
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		
<b>£130.00</b>		
Up to 20 images plus a song from our central library		
<b>£170.00</b>		
Up to 40 images or 5 mins of video plus a song from our central library		
<b>£200.00</b>		
 <b><u>Memorials and Inscriptions</u></b>		
<b>Part 5</b>		
<b><u>Entries in Book of Remembrance (including VAT)</u></b>		
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
 <u>Miniature Books (including VAT)</u>		

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'd**Memorial 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

Approved  
Charges  
2020/21  
£

Proposed  
Charges  
2021/22  
£

**Part 5 Memorials and Inscriptions Cont'd**

Level 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  
Mulberry replacement Leaf 60 60

	<u>Childrens Columbarium Charges (including VAT)</u>	
	<u>Plaque &amp; 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>	
<b>Part 5</b>	10 Year Lease	220 220
	10 Year Renewal	110 110
	<u>Private Graves</u>	
	Transfer of grave rights (simple)	40 40
<b>Part 6</b>	Transfer of grave rights (complex)	65 65
	Exhumation of Ashes	204 209
	Renewal of lease for 99 years	311 318