

Joint report of the Treasurer and the Executive Director

FINANCIAL PERFORMANCE MANAGEMENT UPDATE

1. Purpose of report

To advise the Joint Committee on the latest financial performance levels for Bramcote Crematorium for 2023/24.

2. Recommendation

The Joint Committee is asked to NOTE the report.

3. Detail

The appendix sets out financial performance for period to April 2023 to January 2024, including the latest outturn projections, compared with the annual budget and the revised budget for the corresponding period.

4. Financial Implications

The comments from the Head of Finance Services were as follows:

The financial implications are included in the report narrative and appendices.

5. Legal Implications

The comments from the Head of Legal Services were as follows:

There are no direct legal implications that arise from this report.

6. Human Resources Implications

There were no comments from the Human Resources Manager.

7. Union Comments

There were no Union comments in relation to this report.

8. Climate Change Implications

There are no further climate change issues in this report.

9. Data Protection Compliance Implications

There are no Data Protection issues in relation to this report.

10. Equality Impact Assessment

As there is no change to policy an equality impact assessment is not required.

11. Background Papers - Nil

APPENDIX

BUDGET UPDATE – 31 JANUARY 2024

Budget / Indicator	Revised Estimate 2023/24	Profiled Budget 31/01/24	Actual/ Committed 31/01/24	Variance to Estimate	Latest Projection 2023/24	Comments
Key Budgets:						
Employee Related Expenses (including Salaries and Agency)	538,500	448,790	400,629	(48,161)	495,000	Revised budget includes the cost of the restructure agreed by Joint Committee. The additional cost of maternity cover and an agency worker to support the team has been offset by other vacancies during the year.
Repairs and Maintenance - General and Cremators	135,000	112,508	88,321	(24,187)	115,000	Fewer repairs required to date in 2023/24 and spend has reduced accordingly.
Development – Consultancy	20,000	16,668	156	(16,512)	20,000	One-off development budget for consultancy advice on tender specification for new cremators with the cost being met from revenue reserves. The project will continue into 2024/25 so any remaining budget will be carried forward. Project meetings taking place including representatives from both Erewash and Broxtowe.
Development – Resurfacing	60,000	50,004	0	(50,004)	60,000	New development for the resurfacing of some pathways on site. Any underspent budget may need to be carried forward into 2024/25.
Development – Car Park	29,500	24,586	2,373	(22,213)	29,500	One-off development budget to improve the car park and drainage including surface repairs, patching and relining. Any underspent budget may need to be carried forward into 2024/25.
Development – Cremator	160,000	133,344	0	(133,344)	160,000	New development for the project management costs for the replacement cremator. The project will continue into 2024/25 so any remaining budget will be carried forward.

Budget / Indicator	Revised Estimate 2023/24	Profiled Budget 31/01/24	Actual/ Committed 31/01/24	Variance to Estimate	Latest Projection 2023/24	Comments
Fuel, Light and Water	172,000	143,348	123,375	(19,973)	191,000	Actual spend can be affected by the timing of bills. Gas prices under the extended ESPO agreement have risen by 175% from April 2023. Based on previous usage the estimated cost will be £148k in 2023/24. Ongoing efforts to reduce energy costs with revised working practices, however in winter this is slightly offset by additional energy consumption to warm the office space.
Business Rates	138,000	132,686	137,921	5,235	138,000	Business rates bill paid for 2023/24.
Other Premises Related Expenses (incl. Trade Refuse)	31,800	26,506	14,836	(11,670)	31,800	Outturn expected to be in line with estimates.
Materials and Equipment	7,000	5,834	7,425	1,591	7,000	Outturn is slight over the budget.
Book of Remembrance and Other Memorialisation Costs	35,000	29,168	14,967	(14,201)	22,500	Lower spend anticipated with the death rate down 5.63%.
Medical Referee Fees	47,000	39,170	35,072	(4,098)	47,000	Outturn expected to be in line with estimates.
Other Supplies and Services	161,800	134,850	103,765	(31,085)	149,730	Outturn expected to be lower than estimates.
Grounds Maintenance	35,900	0	0	0	35,900	Year-end internal recharge. It is likely that outturn will be higher when factoring in pay inflation and fuel costs.
Income:						
Cremation Fees Income	(1,924,400)	(1,603,794)	(1,469,384)	134,410	(1,880,000)	Target of 2,450 adult cremations and 50 direct cremations may not be achieved due to the death rate being down by 5.63% in year compared to same period in 2022/23. Along with the continued effort to maintain and improve market share, the uplift in cremation fees applied from January 2024 will mitigate the impact of falling numbers.
Memorialisation Income (including visual tributes, book of remembrance and others)	(113,500)	(94,592)	(94,548)	44	(95,500)	Outturn expected to be lower than the estimates, which is offset by the reduced cost.

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Other Income (including rent income, miscellaneous income and vending receipts)	(19,900)	(16,586)	(30,441)	(13,855)	(20,700)	Outturn expected to be broadly in line with estimates.