

**Central Durham Crematorium Joint
Committee**

31 January 2024

2024/25 Revenue and Capital Budgets



Joint Report of

**Alan Patrickson, Corporate Director of Neighbourhoods and Climate
Change**

**Paul Darby, Corporate Director of Resources and Treasurer to the Joint
Committee**

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report sets out for Members' consideration proposals with regards to the 2024/25 revenue and capital budgets for the Central Durham Crematorium.

Executive Summary

- 2 The 2024/25 budget has been developed with the Bereavement Services Manager, taking into account the proposed Fees and Charges set out in an earlier report, the updated 2023/24 forecast outturn position and known expenditure pressures in the coming year.

Recommendation(s)

- 3 It is recommended that members of the Joint Committee note and approve the revenue and capital budget proposals contained within the report (as set out at Appendix 2).
- 4 It is also recommended that Members note the forecast level of reserves at 31 March 2025 (also set out at Appendix 2).

Revenue Budget Proposals 2024/25

- 5 The proposed 2024/25 revenue budget is shown at Appendix 2, together with the forecast position with regards to the reserves of the Central Durham Crematorium at 31 March 2025. Members should note that the main changes from the 2023/24 budget are as follows:

Employees

- 6 The 2024/25 budget has been increased by **£16,505**. This takes into account the 2023/24 and 2024/25 pay awards.

Premises

- 7 The base budget has increased by **£156,568** next year. The main reasons for this increase are as follows:
- The repairs and maintenance budgets have been adjusted to reflect the Service Asset Management Plan works scheduled for 2024/25 in line with the Service Asset Management Plan approved at the September meeting. The net result of the removal of the 2023/24 works schedule and the inclusion of the 2024/25 requirements is a year on year increase in the base budget of **£107,081**. Provision for the following works is included in the 2024/25 budget:

➤ Re-decoration works x 1	£25,000
➤ Carry out re-lining of hearths x 1	£5,400
➤ Carry out replacement of carpets	£20,000
➤ Commission study for roof and gutter repairs	£50,000
➤ Carry out improvements to increase chapel capacity	£25,000
➤ Removal of redundant radiators in chapel	£4,000
 - There has been a collective increase of **£25,925** on grounds maintenance, and cremator abatement and equipment servicing budgets to reflect current costs.
 - The ongoing increase in rates has resulted in the rates budget for 2024/25 being increased by **£23,872**.
 - General cleaning has decreased by **(£310)**.

Supplies and Services

- 8 The supplies and services budget has been increased by **£19,556** next year. The main changes are as follows:

- The BACAS (Burial and Cremation Administration System) licence budget is increasing by **£20,783** due to the movement to a new system which will incur more costs for processes such as data transfer.
- The Public BOR Visual Reference System and Wesley Music System service budgets have increased by **£1,773** to reflect current costs.

Support Service Costs

- 9 The 2024/25 budget factors in the proposed increase of **£2,060** in the SLA for the provision of Support Services, as detailed in the Item 7 report.

Income

- 10 The income budget has been increased by **(£182,866)** the major changes are as follows:
- An element of prudence has again been factored into the income budget proposal for next year. The projected outturn as at 31 December 2023 assumes an increase of 386 cremations against the 2023/24 budgeted number of 2,200. In preparing the 2024/25 budget the estimated number of cremations has been kept at 2,200. Along with the proposal to increase the cremation charges to £825 (inclusive of medical referee fees) the cremation fee income budget has increased by **(£66,000)**.
 - The miscellaneous income budget has been increased by **(£11,500)** due to a large over-achievement in 2023/24. Income from EV charging points and the coffee machine started to come into miscellaneous income in the current year and will be ongoing, so this has been reflected in the budget for 2024/25.
 - The interest budget has increased by **(£103,366)** reflecting rising interest rates.
 - Other income budgets such as plaques and columbaria are over-achieving so budgets have been increased by **(£2,000)**.
- 11 Should cremation numbers be maintained in line with those projected for the current year, or indeed return to levels experienced in previous years, then there would be an additional surplus generated again next year.

Capital Budget Proposals 2024/25

- 12 The proposed 2024/25 capital budget, shown in the table overleaf, will be financed through utilising reserves and is in line with investment requirements outlined in the Service Asset Management Plan and also the Bereavement Manager's report as agreed by the Committee at the September 2023 meeting.

Redevelopment Works	SAMP Cost £
Installation of resin pathway around top of memorial garden	18,730
Purchase and install resomation system / building extension	1,500,000
Total	1,518,730

Surplus Redistribution

13 As detailed in the Budget Strategy Report to the Joint Committee in September 2023, the surplus redistribution to Durham County Council and Spennymoor Town Council has increased for 2024/25:

- Durham County Council - £745,000
- Spennymoor Town Council - £186,250

Earmarked Reserves

- 14 The net transfer from the Masterplan Memorial Garden Reserve next year is budgeted to be £13,730 to cover the capital works mentioned earlier in the report.
- 15 The transfer to the Small Plant Reserve next year is budgeted in line with the 2023/24 level at £2,000.
- 16 The revenue transfer to the Cremator Reline Reserve next year is budgeted at £25,000.
- 17 After consideration of all the above factors, £1,511,919 is budgeted to transfer from the Major Capital Works reserve. In line with the CDCJC Reserve Policy a transfer to the General Reserve of £54,860 is required in order to maintain a general reserve of 30% of the Joint Committees income budget. £1,500,000 is also required to part fund the capital programme in 2024/25 due to Resomation works which are planned to start in year. These are offset by a contribution from the revenue surplus of £42,941 which results in a budgeted net transfer from the Major Capital Works reserve of £1,511,919. The projected balance for the Major Capital Works reserve at the end of 2024/25 is £80,357, as shown in Appendix 2.
- 18 The estimated earmarked reserves and balances of the Central Durham Crematorium Joint Committee at 31 March 2025, taking into account the 2023/24 Quarter 3 budgetary control report and the proposed transfers to/from earmarked reserves in the 2024/25 budget are as follows:

Appendix 1 - Implications

Legal Implications

The Central Durham Crematorium Joint Committee is required to set a balanced budget and the budget proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Finance

The proposed budget for the Central Durham Crematorium is included at Appendix 2, with an explanation of year on year changes set out in the body of the report.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC

Equality and Diversity/Public Sector Impact Duty

The income proposals set out in this report are based on a harmonised fees and charges policy with the Mountsett Crematorium and provide equity of treatment/access across County Durham. An equality Impact assessment screening has been undertaken which has revealed no issues.

Climate Change

There are no specific climate change impacts associated with this report.

Human Rights

None specific to this report.

Crime and Disorder

There are no Crime and Disorder implications associated with this report.

Staffing

The employee budget provides for 9 members of staff.

Accommodation

None.

Risk

The budgets take into account the 2023/24 forecast outturn position and all known expenditure pressures and opportunities for efficiencies in the coming year. The budget also takes into consideration one off expenditure requirements for 2024/25. Knowledge of these pressures and requirements such ensure that risk is minimised.

Pricing sensitivity is essential to assess the competitiveness and reputation of the Central Durham Crematorium in the current economic climate. There has been a prudent assumption in terms of the number of cremations undertaken next year, and the strong reputation of the CDCJC, should ensure risk is minimised with regards to the achievement of the income budgets.

Procurement

None.