

**Central Durham Crematorium Joint
Committee**

29 January 2025

**Financial Monitoring Report – Position
at 31/12/24, with Projected Revenue and
Capital Outturn at 31/03/25**



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 provides members of the Central Durham Crematorium Joint Committee with details of the provisional outturn position for 2024/25 and the projected level of reserves and balances at 31 March 2025.

Executive summary

- 2 This report sets out details of income and expenditure in the period 1 April 2024 to 31 December 2024, together with a forecast revenue and capital outturn position for 2024/25, highlighting areas of over / underspends against the approved budgets at a service expenditure analysis level.
- 3 The report also details the funds and reserves of the Joint Committee at 1 April 2024 and forecast final position at 31 March 2025, taking into account expenditure to date and forecasts to the year end.
- 4 The projected revenue outturn is a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £1,225,945 against a budgeted surplus of £1,060,741, which is £165,204 more than the budgeted position.
- 5 In line with the CDCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of £71,360 is required from the Major Capital Works Reserve. A

contribution from the revenue surplus to the Major Capital Works Reserve of (£262,695), results in a net transfer to the Major Capital Works Reserve of (£191,335).

- 6 The retained reserves of the CDCJC at 31 March 2025 are forecast to be £1,996,364 along with a General Reserve of £652,760, giving a forecast total reserves and balances position of £2,649,124 at the year end.

Recommendation(s)

- 7 It is recommended that Members note the April to December 2024 financial monitoring report and associated provisional revenue and capital outturn positions at 31 March 2025, including the projected year position with regards to the reserves and balances of the Joint Committee.

Background

- 8 Scrutinising the financial performance of the Central Durham Crematorium is a key role of the Joint Committee. Regular (quarterly) budgetary control reports are prepared by the Treasurer and aim to present, in a user friendly format, the financial performance in the year to date together with a forward projection to the year end. Routine reporting and consideration of financial performance is a key component of the Governance Arrangements of the Central Durham Crematorium

Financial Performance

- 9 Budgetary control reports, incorporating outturn projections, are considered by Neighbourhoods and Climate Change Management Team on a quarterly basis. The County Council's Corporate Management Team also considers regular budgetary control reports, with quarterly reports being considered by Cabinet / Overview and Scrutiny Committee. The outturn projections for the Central Durham Crematorium are included within this report.
- 10 The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The following table highlights the provisional revenue outturn financial performance of the Central Durham Crematorium.

Subjective Analysis (Type of Expenditure)	Base Budget 2024/25 £	Year to Date Actual April – December £	Forecast Outturn 2024/25 £	Variance Over/ (Under) £
Employees	368,044	235,125	338,599	(29,445)
Premises	520,012	346,333	556,567	36,555
Transport	2,800	1,062	2,800	0
Supplies & Services	167,088	121,571	192,927	25,839
Agency & Contracted	10,961	5,506	11,007	46
Capital Charges	0	0	0	0
Central Support Costs	46,220	0	46,220	0
Gross Expenditure	1,115,125	709,597	1,148,120	32,995
Income	(2,175,866)	(1,400,767)	(2,374,065)	(198,199)
Net Income	(1,060,741)	(691,170)	(1,225,945)	(165,204)
Transfer to / (from) Reserves				
- Masterplan Memorial Garden	5,000	0	5,000	0
- Major Capital Works	97,491	0	262,695	165,204
- Cremator Reline Reserve	25,000	0	25,000	0
- Small Plant	2,000	0	2,000	0

Distributable Surplus	(931,250)	0	(931,250)	0
80% Durham County Council	745,000	745,000	745,000	0
20% Spennymoor Town Council	186,250	186,250	186,250	0

	Balance @ 1 April 2024 £	Transfers to Reserve £	Transfers From Reserve £	Balance @ 31 March 2025 £
Central Durham Crematorium Earmarked Reserves				
General Reserve	(581,400)	(1,002,610)	931,250	(652,760)
Masterplan Memorial Garden	(54,726)	(5,000)	18,730	(40,996)
Major Capital Works	(1,513,874)	(262,695)	71,360	(1,705,208)
Cremator Reline Reserve	(207,755)	(25,000)	0	(232,755)
Small Plant	(15,405)	(2,000)	0	(17,405)
Total	(2,373,159)	(1,297,305)	1,021,340	(2,649,124)

Explanation of Significant Variances between Original Budget and Forecast Outturn

11 As can be seen from the table above, the projected revenue outturn is indicating a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of **£1,225,945** against a budgeted surplus of **£1,060,741**, which is **£165,204** more than the budgeted position.

12 The following section outlines the reasons for any significant budget variances by subjective analysis (type of expenditure) area:

13.1 Employees

The outturn shows a forecast underspend of **(£29,445)**, in relation to employee costs. The reasons for this are identified below:

- Staffing costs are forecast to underspend by **(£29,445)**, mainly due to a member of staff leaving, which has resulted in reduced pay.

13.2 Premises

The outturn shows a forecast overspend of **£36,555** in relation to premises costs. The reasons for this are identified below:

- Utilities are forecast to underspend by **(£16,072)** due to an overestimation of the budgets since the global increase in the cost of gas and electricity. These budgets have been reduced for the 2025/26.
- One-off SAMP re-decoration works are showing an overspend of **£585** due to the actuals being slightly higher than expected when setting the budget.
- One-off SAMP works for the removal of redundant radiators have been completed at a lower cost than budgeted, therefore showing an underspend of **(£2,667)**.
- One-off SAMP works for improvements to increase the chapel capacity have been completed at a lower cost than estimated, therefore this budget is forecast to underspend by **(£16,889)**.
- Buildings maintenance is forecast to overspend by **£39,000** due to ventilation and air con works, and dampness issues which needed resolving.
- Rates are forecast to overspend by **£28,252**. The increased rates charges are due to the 2024 revaluation of non-domestic premises by the Valuation Office Agency.
- Other premises costs such as burglar alarm maintenance and general cleaning are forecast to overspend by **£4,346**.

13.3 *Supplies and Services*

The outturn shows a forecast overspend of **£25,839** in relation to supplies and services costs. The reasons for this are identified below:

- Due to the projected increase in cremations (highlighted later within the income section of the report), medical referee expenditure is projected to overspend by **£5,671**.
- Public BOR Visual Reference System is forecast to overspend by **£7,860** due to the delivery and installation of a new VRS display podium.
- Customer CDs DVDs and Web Casting is forecast to overspend by **£5,000** due to increased demand.
- Other general office costs such as purchase of urns, postage and sundries are forecast to overspend by **£7,308**.

13.4 Income

An increase in income of **(£198,199)** from the 2024/25 budget is included within the outturn forecasts. The reasons for this are identified below:

- The outturn includes an increase of 133 cremations compared to the budget, totalling increased income to budget of **(£186,000)**. The outturn allows for a total of 2,333 cremations against a budgeted 2,200 during 2024/25.
- Income from visual tributes, plaques, webcasting and use of the chapel is expected to collectively overachieve by **(£7,240)**.
- Interest received is forecast to overachieve by **(£4,959)**. Rising interest rates in previous years had resulted in a large overachievement of income, however in the current year the rates have begun to drop. This has been taken into account for the 2025/26 budget setting.

13 Capital Programme

The table overleaf highlights the capital outturn of the Central Durham Crematorium:

	Base Budget 2024/25 £	Revised Budget 2024/25 £	Year to Date Actual April - Dec £	Forecast Outturn 2024/25 £	Variance to Revised Budget Over/ (Under) £
Re-development Works					
Installation of resin pathway around memorial garden	18,730	18,370	0	18,730	0
Total	18,730	18,730	0	18,730	0

- The installation of resin pathway around memorial garden is expected to be completed within 2024/25, however it has been delayed due to weather conditions.

The cost of the re-development works is being financed from the Masterplan Memorial Garden reserve.

14 Earmarked Reserves

In line with the CDCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of £71,360 is required from the Major Capital Works Reserve. A

contribution from the revenue surplus of (£262,695), results in a net transfer to the Major Capital Works Reserve of (£191,335).

The retained reserves of the CDCJC at 31 March 2025 are forecast to be £1,996,364 along with a General Reserve of £652,760, giving a forecast total reserves and balances position of £2,649,124 at the year end.

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Appendix 1: Implications

Legal Implications

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Finance

Full details of the year to date and projected outturn financial performance of the Central Durham Crematorium are included within 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 Equality Duty

None.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The projected outturn has been produced taking into consideration the spend to date, trend data and market intelligence, and includes an element of prudence. This, together with

the information supplied by the Bereavement Services Manager, should mitigate the risks associated with achievement of the forecast outturn position.

Procurement

None.