

MANSFIELD AND DISTRICT CREMATORIUM JOINT COMMITTEE

COMMITTEE MEETING

Meeting to be held in the Council Chamber, Ashfield District Council Offices, Urban Road, Kirkby in Ashfield, NG17 8DA.

Monday, 10 December 2018 at 10.00 am

Members:-

| | |
|------------------------------------|---|
| Ashfield District Council | Councillor T Hollis Councillor R Sears-Piccavey (Chairman) Councillor H Smith |
| Mansfield District Council | Executive Mayor K Allsop Councillor M Barton A Tristram |
| Newark & Sherwood District Council | Councillor Mrs L Hurst Councillor D Payne Councillor Mrs M Dobson |

AGENDA

| Item | | Page No. |
|------|--|-----------|
| 1. | Apologies for Absence | |
| 2. | Declarations of interest by Members and Officers | |
| 3. | Declarations of intent to record the meeting | |
| 4. | Minutes of the previous meeting | 3 - 4 |
| 5. | Matters Arising | |
| 6. | The future image of Mansfield and District Crematorium | 5 - 7 |
| 7. | Changes to working hour and services | 8 - 16 |
| 8. | Financial Management Review April-October 2018 | 17 - 47 |
| 9. | Annual Review of Fees and Charges for 2019/2020 | 48 - 55 |
| 10. | Revenue and Capital Budget 2019/2020- 2021/2022 | 56 - 65 |
| 11. | Appointment of Clerk to the Joint Committee | To Follow |

12. Any Other Business
13. Date of Next Meeting

Monday 11 February 2019, 10am, Mansfield District Council Offices.

Distribution

Councillors:

| | |
|------------------------------------|---|
| Ashfield District Council | Councillor Mrs C. Butler Councillor T. Brown Councillor D. Davis |
| Mansfield District Council | Executive Mayor Kate Allsop Councillor M. Barton Councillor A. Tristram |
| Newark & Sherwood District Council | Councillor D.R. Payne Councillor Mrs M. Dobson Councillor Mrs L. Hurst |

Officers:

Kirsty Cole - Clerk to the Committee (Newark & Sherwood District Council)
Mick Andrews – Treasurer (Mansfield District Council)
Martyn Saxton – Director- Place and Wellbeing (Mansfield District Council)
Wendy Gregson (Mansfield District Council)
Sally Curtis - Director and Registrar (Mansfield and District Crematorium)
Craig Bonar- Director of Resources and Business Transformation (Ashfield District Council)
Justine Wells-Principal Accountant (Ashfield District Council)
Helen Bayne - Democratic Services Assistant (Newark & Sherwood District Council)

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Mansfield and District Crematorium Joint Committee** held in the Civic Suite, Castle House, Newark and Sherwood District Council on Monday, 17 September 2018 at 10.00 am.

PRESENT: Councillor R Sears-Piccavey (Chairman)

Councillor Mrs L Hurst, Councillor D Payne, Councillor M Barton,
Councillor A Tristram, Councillor T Hollis and Councillor H Smith

APOLOGIES FOR ABSENCE: Councillor Mrs M Dobson and Executive Mayor K Allsop

1723 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

There were no declarations of interest.

1724 MINUTES OF THE PREVIOUS MEETING

The Joint Committee considered the minutes of the meeting held on 25 May 2018.

AGREED that the minutes of the meeting held on 25 May 2018 be approved as a correct record and signed by the Chairman.

1725 FINANCIAL MANAGEMENT REVIEW REPORT

The Joint Committee considered the Financial Management Review report for the period 1 April to 31 August 2018, detailing the income and expenditure incurred to 31 August 2018 and the variances expected at year end. The Treasurer highlighted variances due to employee expenses, premises related expenses and variances in supplies and services. Members noted that the forecasted surplus stood at £800, 308.

The Treasurer reported that the replacement of cremator abatement equipment had been deferred until the next financial year. It was acknowledged that this would impact on the ability to undertake abated cremations and as such CAMEO would have to be used in order to purchase additional tradable mercury abated cremations. However, it was proposed that the VAT liability in respect of the capital expenditure would be spread across the three constituent authorities, subject to their agreement, in the same ratio as income distribution and this would mean that Mansfield District Council would not exceed their VAT exemption limit. There would be no actual capital contribution required from the constituent authorities as the cost would be met in full from reserves. A leasing option could be considered rather than a capital purchase but in that event the Joint Committee would have to meet on-going revenue costs.

The Committee discussed the throughput of the crematorium from the respective constituent authority areas, and the impact of surrounding crematoria. There was general agreement that further branding and advertising could be considered to help improve income generation, and the Director and Registrar confirmed that she was working with Ashfield District Council's Commercialisation Team. A report would be

brought to the next meeting of the Joint Committee.

Members of the Joint Committee suggested working with funeral directors to encourage them to use the Crematorium, and ensuring that high standards at the Crematorium were maintained. It was suggested that the Crematorium might be featured in the NSDC publication 'The Voice' to increase awareness of the facility in the Newark and Sherwood area.

AGREED (unanimously) that

- i). The financial information provided in appendix 1 and table 3 be noted;
- ii) The revenue budget increase of £55,000 identified in 3.1.3 to be financed from General Reserves be approved; and
- iii) The capital budget increase of £5,135 identified in 3.2.5 be approved.

1726 ANY OTHER BUSINESS

The Christmas Service would be held at the Crematorium on Saturday 8 December, 2018.

1727 DATE OF NEXT MEETING

The next meeting would be held on Monday 10 December 2018, 10am, at the offices of Ashfield District Council.

Meeting closed at 10.32 am.

Chairman

**Report of Director & Registrar of Joint Crematorium Committee
To
Mansfield and District Joint Crematorium Committee
On
10 December 2018**

Mansfield & District Crematorium – the future image of

1. SUMMARY

1.1 This report discusses the proposal to modernise the service and create a new public image.

2. RECOMMENDATIONS

To be resolved:

- i). That re-branding of the crematorium is an essential move to ensure that we are in line with our neighbouring competition, promoting a fresher and more polished image.
- ii). That a stand alone website and social media presence is to be adopted.
- iii). That the adoption of the 'Forget me not' be approved.
- iv). That the re-branding includes simplifying the name by which we are known.
- v). That approval be given to hold an 'Open Day' during the warmer months of 2019 to help promote the crematorium.
- vi). That £2000 be set aside from existing budgets to promote the new brand.

3. BACKGROUND

- 3.1 Since its conception in 1959 and opening in 1960 the crematorium has gone by the name of Mansfield & District Crematorium and operated very much under the auspices of being a Local Authority owned establishment with a Local Authority image.
- 3.2 As a result of new, predominantly privately owned, competition and changes in the bereaved families expectations of what services we provide we have looked at what is currently being offered within Nottinghamshire and Derbyshire with the aim at building on that to meet not only the bereaved family's needs but also those of funeral directors, ministers, officiants and other users of our services.
- 3.3 There is also the opportunity of looking not only at our fees and charges but also whether we are providing the right services at the right times to meet local need as well as encouraging up-take of the service.
- 3.4 Company name

We are officially listed as Mansfield & District Crematorium, however very few people use the 'and district' and certainly when looking at what service sheets appear for funerals it is apparent that most people know us as 'Mansfield Crematorium'.

Whilst there is an historic argument to stick with 'Mansfield & District Crematorium' there is also a need to consider how easily people identify with us and how they would search for us so in order to re-define ourselves it raises the question as to whether it is necessary to

remain as 'Mansfield & District Crematorium' or adopt a shortened version or an entirely different name.

- 3.5 We currently have no official image and as an improvement to the service and for promotional purposes it would be beneficial to adopt a symbol and colour that could be incorporated in our letterheads, website, ID's etc – it is therefore suggested that we adopt the 'Forget-me-not' as there is currently no crematorium using it within the area and it is a sentiment that is appropriate for the service we provide.
- 3.6 We currently utilise the Mansfield District Council website as a point of contact and information. In order to bring us up to date and in line with neighbouring crematoria, both publicly owned and privately, it would be most beneficial to have a standalone website which has the ability to be linked to the individual constituent authorities and enables us to develop the service with regards to payments and other services.
- 3.7 The new website would be easier to use and find with its own domain name.
- 3.8 A Social Media site but with administration control.
- 3.9 The aim would be to adopt a new image and ensure it was in place for 1st April 2019 to tie in to the new fees and charges launch and then embed the image one day during the warmer weather whereby we would propose to hold an 'Open Day' with the opportunity of allowing people to view our establishment, ask questions and hopefully invite trades persons to demonstrate their skills/services together with light refreshments and promotional material.

4. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

| Risk | Risk Assessment | Risk Level | Risk Management |
|---|---|------------|--|
| Financial – that any re-branding might have a negative impact. | That in depth analysis of neighbouring crematorium data and services has been studied to enable tailoring of the service. | Low | The proposals are in line with the Joint Crematorium Committees corporate priorities |
| Reputational – That the proposed changes damage the reputation of the Joint Crematorium Committee | Work has been undertaken to establish what the competition is and where the bereaved wish the service to go through utilising customer feedback forms and funeral directors/clergy comments | Low | The proposals are in line with the Joint Crematorium Committees corporate priorities |

5. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

6. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

- (a) Relevant Legislation: No direct impact
- (b) Human Rights: It is not considered that individual human rights will be infringed.
- (c) Equality and Diversity: No direct impact.

- (d) Climate change and environmental sustainability: The Environmental Permitting (England and Wales) Regulations 2017 – the Environmental Protection (England) (Crematoria Mercury Emissions Burden Sharing Certifications) Direction 2010.
- (e) Crime and Disorder: No direct impact.
- (f) Budget / Resources: The income anticipated from the proposals will be included in the 2019/2020 revenue budgets and the Capital Fund Reserve. The impact of any amendments will be assessed.

CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium and discussed with transformation at both Ashfield and Mansfield District Councils and the Treasurer.

8 BACKGROUND PAPERS

Comparison fees and charges and services provided by neighbouring crematoria .

| | | |
|---------------|---|--------------------------|
| Report Author | - | Sally Curtis |
| Designation | - | Director & Registrar |
| Telephone | - | 01623 463429 |
| E-mail | - | scurtis@mansfield.gov.uk |

**Report of Director & Registrar of Joint Crematorium Committee
To
Mansfield and District Joint Crematorium Committee
On
10 December 2018**

CHANGES TO WORKING HOURS AND SERVICES

1. SUMMARY

- 1.1 This report discusses the proposed move to extended services and amended practices at the crematorium

2. RECOMMENDATIONS

To be resolved:

- i). That a change to opening hours at weekends to 4pm finish time is approved with effect from 1st April 2019 together with the two late night finishes with a review after a year to decide on whether to expand the service or not.
- ii). That changes to the current funeral times on offer are made as described with effect from 1st April 2019 together with the amended charging policy.
- iii) That no charges are made for cremation purposes until the deceased reaches 16 years of age at time of death.
- iv) That the Director and Registrar has discretion to utilise service times as and when necessary for any unusual requests to ensure best revenue options for the service.

3. BACKGROUND

- 3.1 Over the past 10 years there has been a gradual influx of new crematoria opening on our boundaries that have provided us with new competition.
- 3.2 As a result of this competition and changes in the bereaved families expectations of what services we provide we have looked at what is currently being offered within Nottinghamshire and Derbyshire with the aim at building on that to meet not only the bereaved family's needs but also those of funeral directors, ministers, officiants and other users of our services.

3.3 There is also the opportunity of looking not only at our fees and charges but also whether we are providing the right services at the right times to meet local need as well as encouraging up-take of the service.

3.4 Hours of operation

Operationally we currently offer 108 service times per week based around two chapels, 45 minute intervals and a 5.5 day/week service as indicated below.

From a quality of funeral experience this is becoming more of an issue especially with regards to the smaller chapel which only has one entrance/exit as often the next service is queuing up to enter as the previous service is leaving.

One way of helping alleviate some of this would be to move to hour long slots but still with the requirement for ministers/officiants to stick to a 30 minute long service time (they would still have the option of booking an additional slot if they wished for a longer service) but this would give bereaved families more time outside the chapel rather than feeling hurried.

This new proposal would see us providing 102 services slots per week.

Table 1

| Currently offered Monday – Friday Newstead Chapel (small) | Proposed Times Monday Wednesday Friday | Proposed Times Tuesday Thursday | Currently Offered Saturday | Proposed Times Saturday |
|---|--|---------------------------------|----------------------------|-------------------------|
| 9.15 | 8.30 | 8.30 | 9.15 | 9.00 |
| 10.00 | 9.15 | 9.15 | 10.00 | 10.00 |
| 10.45 | 10.00 | 10.00 | 10.45 | 11.00 |
| 11.30 | 11.00 | 11.00 | 11.30 | 12.00 |
| 12.15 | 12.00 | 12.00 | | |
| 1.00 | 1.00 | 1.00 | | |
| 1.45 | 2.00 | 2.00 | | |
| 2.30 | 3.00 | 3.00 | | |
| 3.15 | 4.00 | 4.00 | | |
| 4.00 | | 5.00 | | |

| Currently offered Monday – Friday Thoresby Chapel (Large) | Proposed Times Monday Wednesday Friday | Proposed Times Tuesday Thursday | Currently Offered Saturday | Proposed Times Saturday |
|---|--|---------------------------------|----------------------------|-------------------------|
| 8.45 | 8.45 | 8.45 | | |
| 9.30 | 9.30 | 9.30 | 9.30 | 9.15 |
| 10.15 | 10.15 | 10.15 | 10.15 | 10.15 |
| 11.00 | 11.15 | 11.15 | 11.00 | 11.15 |

| | | | | | |
|-------|-------|-------|--|-------|-------|
| 11.45 | 12.15 | 12.15 | | 11.45 | 12.00 |
| 12.30 | 1.15 | 1.15 | | | |
| 1.15 | 2.15 | 2.15 | | | |
| 2.00 | 3.15 | 3.15 | | | |
| 2.45 | 4.15 | 4.15 | | | |
| 3.30 | | 5.15 | | | |

- 3.5 The proposal would be to utilise the early morning slots for direct cremation (no service just delivery of the coffin with no mourners) or allow those slots to be used by families wishing not to spend as much at a 45 minute interval but then have prime time slots at an hour long interval. This would also allow us to start up earlier so more productive use of cremation time.
- 3.6 For those funeral directors who would still wish to utilise a prime time for direct cremation then the fee would be elevated from the early morning time fee to acknowledge the prime time.
- 3.7 Within the proposal and after listening to members of the public it is proposed to open later on two evenings a week both as far as funeral services are concerned and also the office. This will allow for people who are unable to access our service during normal office hours to deal directly with a member of staff and also to view the Book of Remembrance which would also be open until 6pm.
- 3.8 In an emergency it would be easy to revert back to allow for more throughput however currently we are operating at less than 50% capacity during the year.
- 3.9 Table 2 shows how Fees would be applied

| Period | Description | Fee charged |
|-------------------------------|---|--|
| 45 minute early morning slots | Utilised for low cost services or direct cremation | £450 |
| Hour long slots | Utilised for normal funeral services whether committal or full. | Proposed cremation fee |
| 5pm and 5.15pm slots | Utilised for normal funeral services whether committal or full. | Proposed cremation fee (no surcharge) |
| Hour long slots | Utilised for direct cremation | £600 but allow the Director and Registrar discretion to utilise the additional time space for more than one delivery if there is a |

| | | |
|-----------------------|---|---|
| | | need – this would increase the revenue for that period. |
| Saturday services | Utilised for normal funeral services whether committal or full. | A £100 surcharge on the normal cremation fee would apply. |
| For extended services | Utilised for normal funeral services whether committal or full. | A £150 fee to cover additional time (as currently charged) |
| Use of chapel | for memorial/funeral service where final disposal is elsewhere | A £250 hire fee for rental of the chapel, use of hymn books, facilities, music systems etc. |

The Direct cremation fee of £600 would also be utilised as the cremation fee for when there is a multiple funeral where the full fee would be applicable for the first cremation but a reduced fee would apply for subsequent services held at the same time.

3.10 Strew by appointments have always been undertaken as part of the cremation cost if the cremation took place at Mansfield, however this does impact on staff time . On occasion families either do not attend or arrive late or early which means a re-deployment of staff from duties they are currently undertaking. It is therefore proposed that a nominal fee of £10 be charged for every strew by appointment time a funeral director or family books where the cremation is with Mansfield and a £10 fee charged on top of the administration fee for those cremations that have taken place elsewhere.

3.11 Amended weekend opening.

Currently the crematorium is open to the public and manned 365 days per year.

Table 3

| | |
|---|--------------|
| Winter Opening Hours – Saturdays (1 October – 28 February) | 8.30am – 4pm |
| Winter Opening Hours – Sundays (1 October – 28 February) | 10am – 4pm |
| Summer Opening Hours – Saturdays (1 March – 30 September) | 8.30am – 5pm |
| Summer Opening Hours – Sundays (1 March – 30 September) | 10am – 5pm |

The office is open to the public on a Saturday morning 8.30am – 12.30pm and there is someone in the office on a Sunday 10am – 12.30pm – the rest of the time is utilised in undertaking jobs that cannot be done during a normal working week due to noise or mess.

It is proposed to move all Opening Hours to the Winter hours i.e. Saturdays 8.30am – 4pm and Sundays 10am – 4pm therefore providing a saving of 30 hours overtime for Saturdays and 30 hours for Sundays across the year which would help off-set any additional overtime caused by opening later during the two days of the week.

4. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

| Risk | Risk Assessment | Risk Level | Risk Management |
|---|---|------------|--|
| Financial – that alterations in the pricing policy could have a detrimental affect on crematorium budgets | That in depth analysis of neighbouring crematorium data and services has been studied to enable tailoring of the service. | Low | The proposals are in line with the Joint Crematorium Committees corporate priorities |
| Reputational – That the proposed changes damage the reputation of the Joint Crematorium Committee | Work is undertaken to review all UK crematoria fees and annual increases and as well as those Crematoria operating within our region. | Low | The proposals are in line with the Joint Crematorium Committees corporate priorities |

5. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

6. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

- (a) Relevant Legislation: No direct impact
- (b) Human Rights: It is not considered that individual human rights will be infringed.
- (c) Equality and Diversity: No direct impact.
- (d) Climate change and environmental sustainability: The Environmental Permitting (England and Wales) Regulations 2017 – the Environmental Protection (England) (Crematoria Mercury Emissions Burden Sharing Certifications) Direction 2010.
- (e) Crime and Disorder: No direct impact.
- (f) Budget / Resources: The income anticipated from the proposals will be included in the 2019/2020 revenue budgets and the Capital Fund Reserve. The impact of any amendments will be assessed.

7 CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium.

8 BACKGROUND PAPERS

Comparison fees and charges and services provided by neighbouring crematoria are attached.

| | | |
|---------------|---|--|
| Report Author | - | Sally Curtis |
| Designation | - | Director & Registrar |
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CREMATION FEES 2018 - 2019 COMPARISON

| MANSFIELD | BABWORTH | WILFORD HILL | AMBER VALLEY | GEDLING | SHERWOOD FOREST | BRAMCOTE | CHESTERFIELD |
|-----------|----------|--------------|--------------|---------|-----------------|----------|--------------|
|-----------|----------|--------------|--------------|---------|-----------------|----------|--------------|

AGE/DESCRIPTION

| | | | | | | | | |
|-----------------------------------|-------|------|------|------|-----|------|-----|-----|
| STILLBORN/NVF | 60 | | | | | | | |
| 1 | 60 | | | | | | | |
| 2 | 60 | | | | | | | |
| 3 | 60 | | | | | | | |
| 4 | 60 | | | | | | | |
| 5 | 60 | | | | | | | |
| 6 | 60 | | | | | | | |
| 7 | 60 | | | | | | | |
| 8 | 60 | | | | | | | |
| 9 | 60 | | | | | | | |
| 10 | 60 | | | | | | | |
| 11 | 60 | | | | | | | |
| 12 | 686 | | | | | | | |
| 13 | 686 | | | | | | | |
| 14 | 686 | | | | | | | |
| 15 | 686 | | | | | | | |
| 16 | 686 | 740 | 709 | | | 990 | 678 | |
| 17 | 686 | 740 | 709 | | 645 | 990 | 678 | |
| 18 | 686 | 740 | 709 | 799 | 645 | 990 | 678 | 730 |
| OVER 18 | 686 | 740 | 709 | 799 | 645 | 990 | 678 | 730 |
| ADULT FEE WITH MED REF | 704.5 | 740 | 709 | 799 | 645 | 990 | 678 | 730 |
| ADULT FEE WITH ENVIRONMENTAL LEVY | 704.5 | 803 | 709 | 799 | 695 | 990 | 678 | 730 |
| SURCHARGE SAT 9 - 11 | | 953 | 1003 | 1040 | 845 | 1485 | 920 | 810 |
| SURCHARGE SAT 12 | | 1053 | N/A | 1040 | 895 | 1485 | 920 | 810 |
| SUNDAY | N/A | 1228 | N/A | N/A | 995 | 1980 | 920 | N/A |

Agenda Page 15

| | | | | | | | | |
|---|-------|-----|-----|------|-----|-----|-----|-----|
| 5PM SLOT WEEKDAYS | | | | 1040 | | | | |
| ADDITIONAL TIME FEE | 150 | 150 | N/A | 130 | 100 | 495 | 70 | 180 |
| CHAPEL USE ONLY (MEMORIAL OR SERVICE ELSEWHERE) | 150 | 250 | N/A | 300 | 200 | 495 | 97 | 225 |
| FRIDAY SERVICES - surcharge | | | 100 | | | | | |
| DIRECT CREMATION (NO SERVICE) | 554.5 | N/A | 500 | 640 | N/A | 499 | N/A | N/A |

ADDITIONAL SERVICES CHARGED FOR

| | | | | | | | | |
|--|------|----|-----|-----|-----|----|----|------------------|
| STREW FROM AWAY | 60 | | 122 | | FOC | | 59 | 50 |
| WITNESSED STREW | | | 45 | 55 | | | | 20 |
| USE OF ORGAN | 43.5 | | | 44 | | | | FOC -FD PROVIDES |
| PALLBEARER | | 15 | | FOC | 15 | 27 | | 45 |
| WEEKEND STREW | | | 166 | | 20 | | 22 | |
| NON CANCELLATION | | | 36 | 100 | | | 86 | |
| OVER 30 MINS LATE ARRIVAL OF CORTEGE | | | 198 | | | | | |
| LATE ARRIVAL OF PAPERWORK | | | 119 | | | | | |
| WITNESSED CHARGE | | | 137 | | | | | |
| CHANGED TIME | | | | 35 | | | | |
| OVER-RUN IF FOLLOWING CORTEGE AFFECTED | | | | 300 | | | | |
| FEE TO SPLIT REMAINS | | | | | | 33 | | |
| DUPLICATE CREMATION CERTIFICATE | | | | | | 24 | | |

**Report of Treasurer of Joint Crematorium Committee
To
Mansfield and District Joint Crematorium Committee
On
10 December 2018**

**FINANCIAL MANAGEMENT REVIEW
1 APRIL 2018 TO 31 OCTOBER 2018**

1. SUMMARY

- 1.1 This report shows the forecasted year end position for the 2018/2019 financial year for the Joint Crematorium as at 31 October 2018.

2. RECOMMENDATION

To be resolved:

- i). The financial information provided in appendix 1 and table 3 is for noting only.

3. BACKGROUND

- 3.1 Summary Forecast Financial Position - see appendix 1

Table 1 below summarises the income and expenditure incurred to 31 October 2018 and the variances expected at year end. Further explanations are provided below where there are significant variances between the forecasted outturn position and the budget.

Table 1

| CREMATORIUM | FULL YEAR | | | 1 April 2018 to 31 October 2018 |
|---|-------------------|-------------------|----------------|---------------------------------|
| | Budget | Forecast | Variance | Actuals |
| Description | | | | |
| Employee Costs | 379,896 | 376,707 | -3,189 | 221,458 |
| Premises Related Expenses | 423,995 | 405,604 | -18,391 | 205,629 |
| Transport Related Expenditure | 300 | 300 | 0 | 114 |
| Supplies and Services | 176,423 | 223,512 | 47,089 | 62,213 |
| Support Services | 61,435 | 61,435 | 0 | 8,815 |
| Depreciation & Impairment | 106,610 | 98,972 | -7,638 | 98,972 |
| Revenue Gross Expenditure | 1,148,659 | 1,166,530 | 17,871 | 597,200 |
| Rev Gross Income | -1,859,047 | -1,818,822 | 40,225 | -923,720 |
| Revenue Gross Income | -1,859,047 | -1,818,822 | 40,225 | -923,720 |
| Net Cost of Service | -710,388 | -652,292 | 58,096 | -326,520 |
| Interest Income | -1,860 | -4,000 | -2,140 | 0 |
| Depreciation to be Reversed | -106,610 | -126,271 | -19,661 | -126,271 |
| Impairment to be Reversed | 0 | 27,299 | 27,299 | 27,299 |
| CAMEO Non Abatement Fee from General Reserve | 0 | -55,000 | -55,000 | 0 |
| 3% Cremation Fee Increase to Capital Fund | 46,550 | 45,600 | -950 | 0 |
| 2017/2018 Carryforward Budgets from General Reserve | -28,000 | -28,000 | 0 | 0 |
| Below Net Cost of Service | -89,920 | -140,372 | -50,452 | -98,972 |
| Net (-) Surplus | -800,308 | -792,664 | 7,644 | -425,493 |
| | | | | |
| CREMATORIUM CAPITAL | FULL YEAR | | | 1 April 2018 to 31 October 2018 |
| Description | Budget | Forecast | Variance | Actuals |
| Capital New Land Infrastructure | 0 | 5,315 | 5,315 | 0 |
| Capital Gross Expenditure | 0 | 5,315 | 5,315 | 0 |

3.1.1 Employee Expenses total forecasted variance (£3,000)

There are currently two vacancies at the Crematorium, one technician post and one clerical assistant post. These vacant posts are expected to be filled by February 2019. Officers have been working overtime to cover vacancies and rotas which incur additional overtime, national insurance and superannuation costs.

In September 2018, the Director and Registrar took a report to the Head of Pad Service to change the establishment of the Crematorium. The changes approved were to increase a clerical administration post by 12 hours per week and to delete one of the technician posts and replace this with a gardener/relief technician post, this is an increase in employee costs of £6,915 per annum. Table 1 and Appendix 1 reflect the vacancy savings offset by the additional pro rata costs for the changes to the establishment.

3.1.2 Premises Related Expenses total forecasted variance (£18,000)

Insurance premiums and business rates annual invoice were lower than budget estimates (£4,000). Utility forecasts for electricity and gas have been reduced (£14,000); this is based on current usage and the total expenditure for the previous financial year. The utility forecasts will be monitored to reflect and changes in usage and/or prices from suppliers.

Budget realignments were processed in October 2018 to meet operational priorities. £10,000 of budget has been moved from Repairs and Maintenance Fixed Plant Cremators to Repairs and Maintenance Buildings for electrical works. £10,000 has been moved from Books/Publications to Grounds Maintenance for works to erect a boundary fence around the additional land purchased last year. £3,000 has been moved from Printing to Advertising for re-branding and promotional/advertising..

3.1.3 Supplies and Services Expenses total forecasted variance £47,000

Due to the problems with the abatement equipment, the 50% target for abated cremations is not expected to be met this financial year. The Mansfield & District Crematorium will have to purchase tradable mercury abated cremations (tmac's) from the CAMEO scheme to meet the 50% target. The current forecast for 2018/2019 is £55,000, in Sept 2018 the JCC approved for this spend to be financed from General Reserves.

Other forecast budget reductions totalling (£8,000) have been identified, the main savings being no additional external audit fees, no conference expenses this year, reduced bookings for the organist and reduction in medical fee costs based on forecasted lower number of cremations in year, offset by an adhoc fee to the District Valuation Service for a revaluation report.

As detailed in 3.1.2 above, budgets have been realigned between Books/Publications and Grounds Maintenance and between Printing and Advertising.

3.1.4 Depreciation and Impairment total forecasted variance (£8,000)

Due to the land purchases and car park works the crematorium was revalued by the District Valuation Service during October 2018. Please see Appendix 4 for a copy of the asset valuation report.

The new valuation shows the crematorium valued at £2,403,319 an increase of £452,519 from the 2016/2017 valuation of £1,950,800. The land has increased by the historic purchase cost for the additional 2 tranches of land acquired, one for the car park extension and the most recent for strewing land. The revaluation will change the annual depreciation charge from £106,610 to £126,271 per annum. Accounting adjustments have been made to reflect the revaluation increase in the crematorium accounts.

3.1.5 Income total forecasted variance £40,000

When comparing the number of cremations between April and October 2018 to previous years, there is currently a reduction in throughput of 100 cremations, as shown in table 2. The total number of cremations for 2017/2018 was 2,514 and the current years budgets are based on 2,450 cremations. Based on the current reduction of 100 the forecast for the number of cremations expected during 2018/2019 has been reduced by 50 from 2,450 to 2,400. This reduction impacts directly on the cremation fee income

reducing the forecasted income by £34,300. Medical fee income and expenditure will both reduce by £925 to reflect the throughput reduction.

The income from the organist is forecast to reduce by £5,000.

3.1.6 Below Net Cost of Service total forecasted variance (£50,000)

Interest income has been increased by (£2,000) due to the £750,000 capital spend being deferred to 2019/2020. (£55,000) will be moved from the general usable reserve to finance the forecasted non abatement fees from CAMEO.

Accounting adjustments for depreciation and impairment totalling £8,000 reverse the impact on the income and expenditure statement and move these transactions to the balance sheet.

At the December 2017 JCC meeting it was agreed to increase the cremation fees by 5% plus an additional 3% in 2018/2019, with the income from the additional 3% fee increase to be transferred to the Capital Fund Reserve at the financial year end. Due to the reduction in the forecasted number of cremations the 3% fee income transfer to the capital fund will reduce by (£1,000)

3.1.7 The number of cremations carried out between 1 April 2018 and 31 October 2018 1,274, a decrease of 100 (7.3%) compared to 1,374 over the same period in 2017/2018. Table 2 below compares the April to October number of cremations for the last 4 years.

Table 2

| Period | Ashfield | Mansfield | Newark & Sherwood | Out of Area | Total |
|---------------------|-----------------|------------------|------------------------------|--------------------|--------------|
| April 2018-Oct 2018 | 465 | 483 | 66 | 260 | 1274 |
| April 2017-Oct 2017 | 480 | 548 | 95 | 251 | 1374 |
| April 2016-Oct 2016 | 457 | 533 | 143 | 311 | 1444 |
| April 2015-Oct 2015 | 471 | 460 | 120 | 336 | 1387 |

Appendix 2 shows the number of cremations and the percentage of the split between Ashfield District Council, Mansfield District Council, Newark and Sherwood District Council and Outside of the Joint Committee area. A graph showing these proportions is attached in appendix 3.

3.2 Balance Sheet Review – Table 3 below shows the balance sheet as at 31 October 2018.

Table 3

| Mansfield & District Joint Crematorium | | |
|---|------------------------------|------------------------|
| Balance Sheet as at 31 October 2018 | | |
| 31 March 2018 | | 31 October 2018 |
| £ | | £ |
| 1,993,480 | Property, Plant & Equipment | 2,277,048 |
| 1,993,480 | Long Term Assets | 2,277,048 |
| 243,519 | Short Term Debtors | 169,280 |
| 1,607,129 | Cash and Cash Equivalents | 1,293,190 |
| 1,850,648 | Current Assets | 1,462,470 |
| -813,671 | Short Term Creditors | 0 |
| -12,288 | Provisions | -12,288 |
| -825,959 | Current Liabilities | -12,288 |
| -1,223,000 | Net Pension Liability | -1,223,000 |
| -1,223,000 | Long Term Liabilities | -1,223,000 |
| 1,795,169 | Net Assets | 2,504,230 |
| | Financed by: | |
| 764,707 | Capital Fund | 764,707 |
| 0 | Surplus/(deficit) in year | 425,493 |
| 299,901 | General Reserve | 299,901 |
| 1,064,608 | Usable Reserves | 1,490,101 |
| 97,413 | Revaluation Reserve | 248,177 |
| 1,896,067 | Capital Adjustment Accounts | 2,028,871 |
| -1,262,919 | Pension Reserve | -1,262,919 |
| £730,561 | Unusable Reserves | 1,014,129 |
| 1,795,169 | Total Reserves | 2,504,230 |

3.2.1 Long Term Assets – The long term assets for 2018/2019 reflect the asset valuation report. This reflects the new valuation of £2,403,319 less the annual depreciation of £126,271.

3.2.2 Current Assets

Short Term Debtors - Total outstanding at 31 October 2018 was £169,280.

Ageing Summary:

| Month invoice raised: | Amount Due £ |
|-----------------------------------|---------------------|
| ○ October (Current month) | 111,519 |
| ○ September (1 month overdue) | 40,466 |
| ○ August (2 months overdue) | 3,566 |
| ○ May and earlier (3 months plus) | 13,729 |
| ○ TOTAL | 169,280 |

These debtor invoices relate to monies due from funeral directors.

Between the 1 November 2018 and 27 November 2018, £118,893 of the above short term debtors have been repaid.

Cash and Cash Equivalents – The main changes relate to the payment of the 2017/2018 allocated surplus to each authority, accrued creditor payments to suppliers and the revenue surplus calculated up to 31 October 2018 on the revenue accounts.

3.2.3 Current Liabilities

Short Term Creditors – There are no short term creditors at 31 October 2018. However, at the financial year end the outstanding creditors will be calculated based on the invoices relating to the 2018/2019 accounts that have not yet been paid and the net surplus due to the 3 authorities.

Provisions – At the financial year end the value required for this provision will be recalculated based on the age of outstanding debtor invoices.

3.2.4 Long Term Liabilities

Net Pension Liability – This will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme.

3.2.5 Usable Reserves

Capital Fund – The capital budget for 2018/2019 was set at £750,000 for replacement cremator abatement equipment. It has been agreed by the constituent authorities to defer these works to 2019/2020. There is a final retention payment due this financial year for the works undertaken on the car

park infrastructure undertaken during 2017/2018 to be financed from the capital fund of £5,135.

The forecast capital fund usable reserve balance at 31 March 2019 is £805,172 as detailed in table 4 below.

Table 4

| | | |
|--|--|-----------------|
| Capital Fund Balance Brought Forward 1 April 2018 | | £764,707 |
| Add estimated income from 3% cremation fee increase based on 2,400 cremations | | £45,600 |
| Less estimated expenditure Sept 2018-March 2019 for the retention due on the car park infrastructure works | | -£5,135 |
| Capital Fund Forecasted Balance as at 31 March 2019 | | £805,172 |

General Reserve – At the end of 2017/2018 budget carry-forwards were approved totalling £28,000. The carry-forward budgets were included in the general reserve increasing the closing balance of this reserve to £299,901 at the end of the last financial year. These carry-forward budgets are now included in the 2018/2019 budgets.

As identified in 3.1.3, fees are expected to be incurred during 2018/2019 from CAMEO for the purchase of tmac's, the costs are forecast at £55,000 to be financed from the general reserve.

The forecasted balance of the general reserve at the end of this financial year is £216,901, as detailed in table 5 below.

Table 5

| | | |
|---|----------|-----------------|
| General Reserve Balance Brought Forward 1 April 2018 | | £299,901 |
| <u>Less Estimated Expenditure Sept 2018 to March 2019</u> | | |
| CAMEO Non Abatement Fees | -£55,000 | |
| Equipment budget for video streaming | -£22,000 | |
| Printing budget | -£6,000 | -£83,000 |
| General Reserve Forecasted Balance as at 31 March 2019 | | £216,901 |

3.2.6 Unusable Reserves

Revaluation reserve – This reserve contains the gains arising from increases in the valuation of the crematorium buildings and cremators less accounting adjustments for historic cost differences. The balance sheet changes in this reserve reflect the recent revaluation transactions.

Capital Adjustment Account – This reserve includes the depreciation and impairment charges for the crematorium. Following the revaluation accumulative depreciation is written out, impairment adjustments processed as required to reflect the new valuation and the new level of depreciation is charged to the reserve.

Pension Reserve - This will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme.

3.3 The position at 31 October 2018 is a surplus of £425,493, see appendix 1.

The year-end forecast position to 31 March 2019 is a surplus of £792,664, compared to the budgeted surplus of £800,308, which is a reduction of £7,644. This is mainly due to the forecasted number of cremations reducing from 2,450 to 2,400 in the current financial year.

3.3.1 As approved at the December 2017 JCC meeting, the surplus distribution will not exceed the budgeted surplus of £800,308 and that any additional surplus will be transferred to the General Reserve for future planned preventative works.

3.3.2 Table 6 below shows the forecast surplus payments to each authority based on the current forecast surplus and the usage to date by area.

Table 6

| District | April 2018- August 2018 No. of Cremations | April 2018 - August 2018 Usage Percentage | Forecast Surplus £792,664 split |
|-------------------|--|--|--|
| Ashfield | 465 | 45.86% | £ 363,500 |
| Mansfield | 483 | 47.63% | £ 377,571 |
| Newark & Sherwood | 66 | 6.51% | £ 51,594 |
| TOTAL | 1,014 | 100.00% | £ 792,664 |

3.4 VAT Implications

The section 151 officers from the constituent authorities have agreed that the expenditure incurred on the Capital Abatement works in 2019/2020 should be allocated across each authority on the annual throughput basis. This approach will require each authority to include this in their Partial Exemption assessment for the purposes of VAT. Mansfield District Council's tax consultants advised that written consent should be obtained from HM Revenue and Customs (HMRC) as this is a change to the current practice. A request has been submitted to HMRC on 8 November 2018.

4. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

| Risk | Risk Assessment | Risk Level | Risk Management |
|------------------------------------|--|-------------------|---|
| Financial forecasts are inaccurate | A number of the Joint Crematorium's budgets are dependent on external factors and influences which cannot be accurately forecast | Medium | The budgetary management system is in place whereby finance and budget officers meet to discuss issues surrounding the budgets. |

5. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

6. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

(a) Relevant Legislation: The accounts are produced in accordance with the requirements of the Accounts and Audit Regulations 2015. The format reflects the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2017/2018 and the Service Accounting Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This is supported by the International Financial Reporting Standards (IFRS).

The audit is carried out in accordance with the Accounts and Audit Regulations 2015.

(b) Human Rights: No impact

(c) Equality and Diversity: No impact.

(d) Climate change and environmental sustainability: No impact.

(e) Crime and Disorder: No impact.

(f) Budget / Resources: This report is to note the out-turn position on the Joint Crematorium Account and the balances on the Reserve funds.

7. CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium.

8. BACKGROUND PAPERS

None.

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Designation - Senior Finance Advisor
Telephone - 01623 463305
E-mail - wgregson@mansfield.gov.uk

| | | | | Appendix 1 |
|--|----------------|----------------|----------------|---------------------------------------|
| REVENUE CREMATORIUM | Full Year | | | 1 April 2018 to 31 October 2018 |
| Description | Budget | Forecast | Variance | Expenditure |
| | £ | £ | £ | £ |
| Salaries Basic Pay | 275,549 | 257,900 | -17,649 | 147,762 |
| Salaries Overtime | 18,000 | 23,000 | 5,000 | 12,245 |
| Salaries National Insurance | 20,859 | 22,100 | 1,241 | 12,582 |
| Salaries Superannuation | 46,017 | 49,100 | 3,083 | 28,302 |
| Salaries Vacancy Savings | -5,136 | 0 | 5,136 | 0 |
| Superann Additional Allowances | 1,147 | 1,147 | 0 | 89 |
| Pension Deficit Lump Sum | 19,960 | 19,960 | 0 | 19,960 |
| Occupational Health Services | 500 | 500 | 0 | 0 |
| Training Expenses Staff | 3,000 | 3,000 | 0 | 518 |
| Employee Related Expenditure | 379,896 | 376,707 | -3,189 | 221,458 |
| Repair/Maintenance Buildings | 32,667 | 32,667 | 0 | 11,017 |
| Grounds Maintenance General | 30,440 | 30,440 | 0 | 10,480 |
| EPA Testing | 1,500 | 1,200 | -300 | 0 |
| Repair/Maintenance Fixed Plant Cremators | 127,600 | 127,600 | 0 | 30,610 |
| Electricity | 45,000 | 43,000 | -2,000 | 16,329 |
| Gas | 55,000 | 43,000 | -12,000 | 15,629 |
| Rent of Premises | 159 | 159 | 0 | 159 |
| Business Rates | 90,629 | 87,902 | -2,727 | 87,902 |
| Sewage/Water Rates | 20,000 | 20,000 | 0 | 16,994 |
| Insurance | 16,000 | 14,636 | -1,364 | 14,636 |
| Cleaning Materials | 5,000 | 5,000 | 0 | 1,872 |
| Premises Related Expenditure | 423,995 | 405,604 | -18,391 | 205,629 |
| Car Allowances | 300 | 300 | 0 | 114 |
| Transport Related Expenditure | 300 | 300 | 0 | 114 |
| Equipment Acquisitions | 22,000 | 22,000 | 0 | 0 |
| Furniture Acquisitions | 4,000 | 4,000 | 0 | 883 |
| Hire Vending Machines | 600 | 600 | 0 | 308 |
| Light Plant and Tools | 5,000 | 5,000 | 0 | 1,678 |
| Bio Boxes | 4,000 | 4,000 | 0 | 2,682 |
| Office Machinery Repair/Maintenance | 0 | 64 | 64 | 64 |
| Office Machinery Replacement | 1,000 | 936 | -64 | 0 |
| Uniforms | 3,500 | 3,500 | 0 | 360 |
| Books & Publications | 2,000 | 2,000 | 0 | 0 |
| Printing | 6,000 | 6,000 | 0 | 1,062 |
| Stationery | 6,000 | 6,000 | 0 | 2,337 |
| Advertising Other | 4,650 | 4,650 | 0 | 1,693 |
| Fees and Allowances | 0 | 500 | 500 | 0 |
| Waste Collection Skips | 1,500 | 1,500 | 0 | 0 |
| Medical Referee Fees | 45,325 | 44,400 | -925 | 23,884 |
| Payments to Local Authorities | 4,000 | 4,000 | 0 | 417 |
| External Audit Fees | 2,000 | -2,000 | -4,000 | -2,000 |
| Software Licences | 9,180 | 8,240 | -940 | 8,240 |
| Mobile Phones | 100 | 0 | -100 | 0 |
| Postages | 4,500 | 4,500 | 0 | 1,769 |
| Telephones | 6,800 | 6,500 | -300 | 2,313 |
| Conference Expenses | 1,000 | 0 | -1,000 | 0 |
| Subscriptions | 2,346 | 2,200 | -146 | 1,170 |
| Book of Remembrance Inscriptions | 8,922 | 8,922 | 0 | 4,238 |
| Other Expenses General | 500 | 500 | 0 | 0 |
| Memorial Plaques | 11,500 | 11,500 | 0 | 2,542 |
| Organist Fees | 20,000 | 19,000 | -1,000 | 8,574 |
| CAMEO Non Abatement Fees | 0 | 55,000 | 55,000 | 0 |
| Supplies & Services Expenditure | 176,423 | 223,512 | 47,089 | 62,213 |

| | | | | Appendix 1 |
|--|-------------------|-------------------|----------------|---------------------------------------|
| REVENUE CREMATORIUM | Full Year | | | 1 April 2018 to 31 October 2018 |
| Description | Budget | Forecast | Variance | Expenditure |
| | £ | £ | £ | £ |
| Head of Service | 6,636 | 6,636 | 0 | 0 |
| Human Resources | 7,737 | 7,737 | 0 | 0 |
| Payroll | 2,413 | 2,413 | 0 | 1,150 |
| Accountancy | 7,219 | 7,219 | 0 | 0 |
| BSU Creditors | 3,683 | 3,683 | 0 | 0 |
| Customer Support Unit Telephony | 688 | 688 | 0 | 0 |
| Customer Support Unit Reception | 30 | 30 | 0 | 0 |
| Debtors | 2,312 | 2,312 | 0 | 0 |
| Internal Audit | 3,016 | 3,016 | 0 | 0 |
| Postal Services | 4 | 4 | 0 | 0 |
| IT GIS | 1,610 | 1,610 | 0 | 0 |
| IT Network | 11,398 | 11,398 | 0 | 0 |
| Design Services | 5,422 | 5,422 | 0 | 293 |
| Waste & Litter Collection | 6,987 | 6,987 | 0 | 7,185 |
| Environmental Health | 450 | 450 | 0 | 0 |
| Risk Management | 780 | 780 | 0 | 0 |
| Telephone Recharges | 1,050 | 1,050 | 0 | 188 |
| Support Services | 61,435 | 61,435 | 0 | 8,815 |
| Depreciation | 106,610 | 126,271 | 19,661 | 126,271 |
| Impairment | 0 | -27,299 | -27,299 | -27,299 |
| Depreciation and Impairment | 106,610 | 98,972 | -7,638 | 98,972 |
| Revenue Gross Expenditure | 1,148,659 | 1,166,530 | 17,871 | 597,200 |
| Book of Remembrance Inscriptions | -24,970 | -24,970 | 0 | -13,899 |
| Crematorium Containers | -200 | -200 | 0 | -200 |
| Crematorium Memorials | -45,631 | -45,631 | 0 | -25,209 |
| Organist | -32,000 | -27,000 | 5,000 | -12,542 |
| Cremation Fees | -1,680,700 | -1,646,400 | 34,300 | -848,542 |
| Medical Fees | -45,325 | -44,400 | 925 | -23,328 |
| Recharges to Cemeteries | -30,221 | -30,221 | 0 | 0 |
| Revenue Gross Income | -1,859,047 | -1,818,822 | 40,225 | -923,720 |
| Net Cost of Service | -710,388 | -652,292 | 58,096 | -326,521 |
| Interest Income | -1,860 | -4,000 | -2,140 | 0 |
| Depreciation to be Reversed | -106,610 | -126,271 | -19,661 | -126,271 |
| Impairment to be Reversed | 0 | 27,299 | 27,299 | 27,299 |
| 3% Cremation Fee Increase Income to Capital Fund | 46,550 | 45,600 | -950 | 0 |
| CAMEO Non Abatement Fees from General Reserve | 0 | -55,000 | -55,000 | 0 |
| 2017/2018 Carryforward Budget from General Reserve | -28,000 | -28,000 | 0 | 0 |
| Below Net Cost of Service Sub Total | -89,920 | -140,372 | -50,452 | -98,972 |
| Net Surplus | -800,308 | -792,664 | 7,644 | -425,493 |
| | | | | |
| CAPITAL CREMATORIUM | Full Year | | | 1 April 2018 to 31 October 2018 |
| Description | Budget | Forecast | Variance | Expenditure |
| | £ | | | £ |
| New Land Infrastructure | 0 | 5,135 | 5,135 | 0 |
| Grand Total | 0 | 5,135 | 5,135 | 0 |

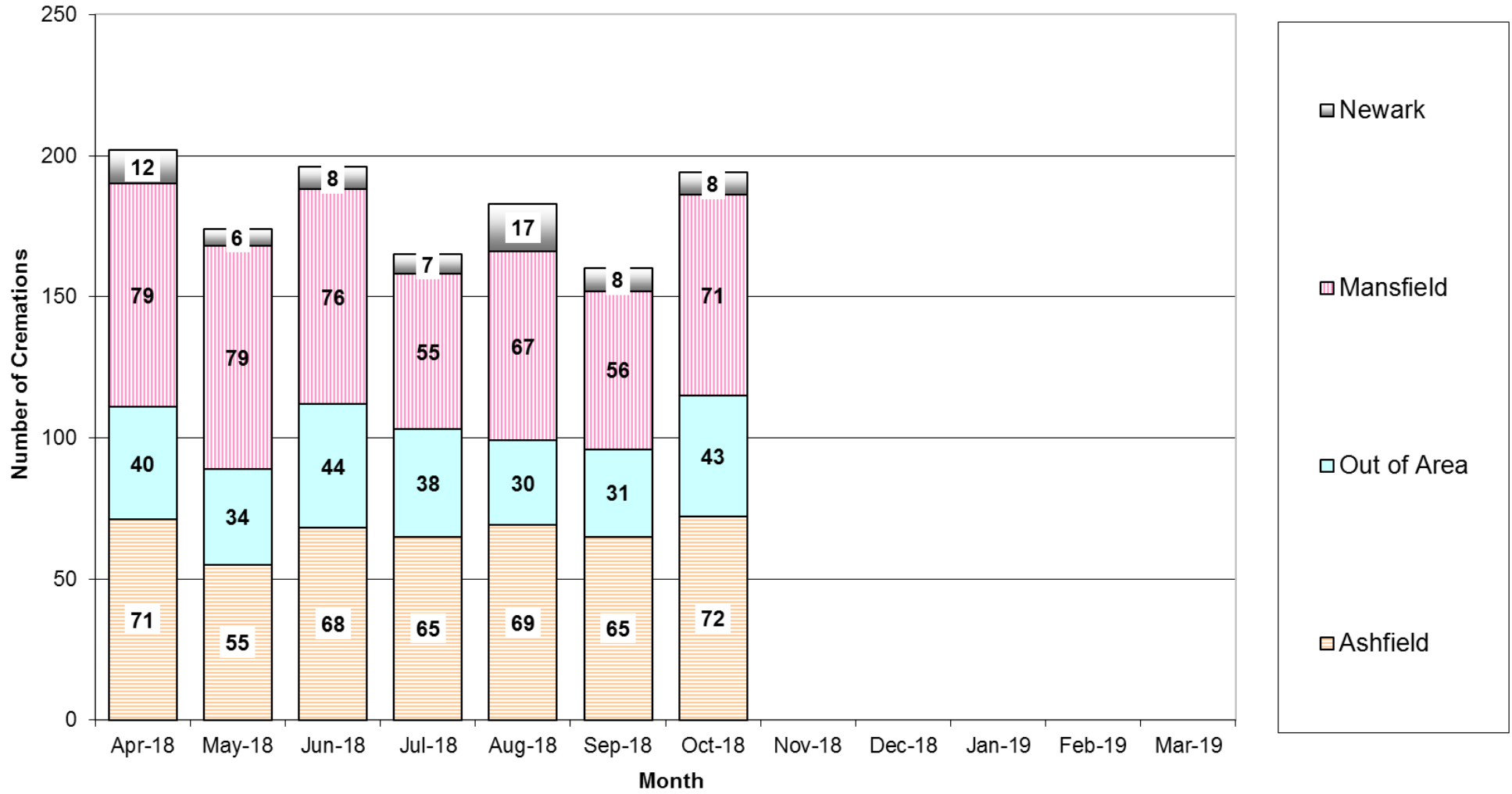
Appendix 2

Number of Cremations by Area - 2018/2019

| Month | Ashfield | % | Mansfield | % | Newark | % | Out of Area | % | TOTAL |
|--------|------------|------------|------------|------------|-----------|-----------|-------------|------------|-------------|
| Apr-18 | 71 | 35% | 79 | 39% | 12 | 6% | 40 | 20% | 202 |
| May-18 | 55 | 32% | 79 | 45% | 6 | 3% | 34 | 20% | 174 |
| Jun-18 | 68 | 35% | 76 | 39% | 8 | 4% | 44 | 22% | 196 |
| Jul-18 | 65 | 39% | 55 | 33% | 7 | 4% | 38 | 23% | 165 |
| Aug-18 | 69 | 38% | 67 | 37% | 17 | 9% | 30 | 16% | 183 |
| Sep-18 | 65 | 41% | 56 | 35% | 8 | 5% | 31 | 19% | 160 |
| Oct-18 | 72 | 37% | 71 | 37% | 8 | 4% | 43 | 22% | 194 |
| Nov-18 | | | | | | | | | |
| Dec-18 | | | | | | | | | |
| Jan-19 | | | | | | | | | |
| Feb-19 | | | | | | | | | |
| Mar-19 | | | | | | | | | |
| | 465 | 36% | 483 | 38% | 66 | 5% | 260 | 20% | 1274 |

Appendix 3

Mansfield & District Crematorium - Cremations 2018/2019



**Asset Valuation
Report for Mansfield
District Council
Civic Centre
Chesterfield Road
South
Mansfield
NG19 7BH**

Report for:
Christina White BSc MRICS RICS
Registered Valuer
Senior General Practice Surveyor
Property Services
Mansfield District Council

Prepared by:
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Senior Surveyor - DVS
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James.c.mclearon@voa.gsi.gov.uk

Case Number: 1691376
Client Reference: *

Date: October 2018

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Asset Valuation For Mansfield District Council Valuation Report

1. Introduction

- 1.1 I refer to your instructions of 27/09/18 and my terms of engagement dated 08/10/18 which confirms our understanding of your requirements.

In accordance with these requirements, this Valuation Report has been prepared for the purpose of providing valuations for financial reporting purposes of those properties held by Mansfield District Council, which qualify as non-current assets.

- 1.2 Where a building is either listed or is in a conservation area, this will be identified in any individual report or on the valuation schedules.
- 1.3 To avoid an unduly lengthy report, descriptions of the individual properties have not been included unless otherwise indicated.

2. Date of Valuation

The date of valuation is 1st April 2018.

3. Confirmation of Standards

- 3.1 The valuations will be made for capital accounting purposes in accordance with International Financial Reporting Standards (IFRS) as applied to the United Kingdom public sector and interpreted by the current CIPFA Code of Practice for Local Authority Accounting, as applicable from 1st April 2015.

They also accord with the professional standards of the Royal Institution of Chartered Surveyors: RICS Valuation – Global Standards 2017 and the RICS Valuation - Professional Standards UK (January 2014, revised April 2015), commonly known together as the Red Book, in so far as they are consistent with the IFRS standards and CIPFA interpretation.

Compliance with the RICS professional standards and valuation practice statements gives assurance also of compliance with the International Valuations Standards (IVS). RICS UKVS 1.11 refers, requiring that valuations for financial reporting purposes of properties forming part of the estate of a local authority body are undertaken in accordance with the CIPFA Code of Practice. Any departure from these Standards agreed with you is highlighted below.

- 3.2 The valuations supplied have been prepared specifically to meet financial reporting requirements and should not be used in any other context.

- 3.3 Unless otherwise stated, the assumption has been made that the properties valued will continue to be in the occupation of the Local Authority for the foreseeable future having regard to the prospect and viability of the continuance of that occupation.

4. Agreed Departures from the RICS Professional Standards

- 4.1 The following agreed departures from the RICS Standards are noted below:

The Instant Building approach has been adopted, as required by HM Treasury for the UK public sector in general and by CIPFA for Local Authorities in particular (Code of Practice 4.1.2.6). Therefore no building periods, nor consequential finance costs, have been reflected in the costs applied when the DRC approach is used.

5. Basis of Value

The basis of value applied is as follows:

5.1 In Use (Operational) Assets

- 5.1.1 For each asset occupied and used by you in the delivery of services for which you have either a statutory or a discretionary responsibility, the basis of valuation required since 1st April 2015 has been Current Value in existing use, as defined in the CIPFA Code of Practice and the adaptation which it makes to IAS 16. Current Value has regard to the service potential that an asset provides in support of the entity's service delivery. The measurement approaches used to arrive at the Current Value of in use assets are, for non-specialised operational assets, Existing Use Value (EUV) as defined at UKVS 1.3, and for specialised operational assets Depreciated Replacement Cost (DRC) in accordance with UKVS 1.15 and UKGN 2.

- 5.1.2 Existing Use Value (EUV) is defined by the RICS at UKVS 1.3 as:

'The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion, assuming that the buyer is granted vacant possession of all parts of the asset required by the business, and disregarding potential alternative uses and any other characteristics of the asset that would cause its market value to differ from that needed to replace the remaining service potential at least cost.'

- 5.1.3 Existing Use Value (EUV) therefore ignores any element of hope value for an alternative use, any value attributable to goodwill and any possible increase in value due to special investment or financial transactions which would leave the owner with a different interest from the one which is to be valued.

However, it includes any value attributable to any possibilities of extensions or further buildings on undeveloped land or redevelopment of existing buildings (all for the existing use) providing such construction can be undertaken without major interruption to the continuing business.

- 5.1.4 The assumption has been made that the properties valued will continue to be held by you for the foreseeable future having regard to the prospect and viability of the continuance of that occupation.
- 5.1.5 It is recognised that you require being aware of whether the highest and best use of an asset differs from its current value use. Where the Current Value of an asset for accounting purposes is considered materially different from Market Value (reflecting potential alternative uses including land as a redevelopment site), then as agreed, the Market Value has been stated to be significantly 'Above', 'Same' or 'Below' Current Value. This is most likely to arise in connection with a specialised property where a DRC approach has been used. The purpose of this is to help inform your asset management plans and strategies.

Where any such alternative Market Value figure is supplied in this context, it should be noted that it is indicative only and solely for the purposes of informing estate management decisions. No account has been taken of issues such as reducing the service potential, or disruption, and the associated costs that would be incurred in achieving that alternative use. Such a figure is derived from local Valuer knowledge of prevailing values in the area and from information readily available in office records, with no formal planning enquiries undertaken nor investigations made into market demand, redevelopment costs and conversion costs. Should a future disposal be proposed, specific full valuation advice on the disposal ought first to be sought, at which time detailed planning enquiries and investigations would be undertaken.

5.2 Assets 'Held for Sale'

- 5.2.1 An asset (or disposal group) is classified as 'held for sale' if its carrying amount will be recovered principally through a sale transaction rather than through continuing use and if it meets the tightly defined qualifying criteria detailed in IFRS 5 (paras 6 to 12). Identification of such assets is a matter for the Chief Finance Officer, with assistance from the valuer where required.
- 5.2.2 You have informed us that there are no properties that fall into these categories.
- 5.2.3 An asset which is 'held for sale' does not require to be depreciated.
- 5.2.4 For indicative accounting purposes only, a separate estimate of the likely costs to sell (at their present value), expressed as a % figure, is supplied where required.
- 5.2.5 The Code requires the valuer to also state the market value of a Held for Sale Asset valued to Fair Value if for any reason that market value is different from the Fair Value.

5.3 Surplus Assets which do not qualify as Held for Sale

Under the CIPFA Code of Practice, assets which do not qualify as Held for Sale but which are surplus and were most recently held for their service potential are valued to Fair Value under IFRS 13

As surplus non-Held for Sale assets require to be depreciated, their value has been apportioned between land and building, with provision of a remaining life.

5.4 Investment Assets

IAS 40 defines investment property as property which is held by the owner (or by a lessee under a finance lease) to earn rentals, or for capital appreciation or both.

Investment property is valued to Fair Value as defined by IFRS 13, and equates to being the Market Value of the legal interest held.

6. Methods of Value

6.1 Non-Specialised Assets

6.1.1 For those properties where there is market-based evidence to support the use of EUV to arrive at Current Value (e.g. a residence, office or industrial property) the **comparative method of valuation** has been adopted.

6.1.2 Where a non-specialised property has been valued using the comparative method of valuation, the total value has been apportioned between its residual amount (the land) and depreciable amount (the remainder, effectively the building). Remaining life information has also been provided for the building. It is emphasised that these are informal apportionments produced solely for the purposes of depreciation accounting and do not represent formal valuations of the land and building elements. They should not be relied upon for any other purpose (RICS UK appendix 4, paragraph 4.3).

6.2 Specialised Assets

6.2.1 For those properties where there is no market-based evidence to support the use of EUV to arrive at Current Value, the Depreciated Replacement Cost (DRC) approach has been used. These are properties which are rarely sold in the market, except by way of a sale of the business or entity of which it is part, due to uniqueness arising from its specialised nature and design, its configuration, size, location or otherwise. For specialised properties, the land and building parts have been valued separately and when combined these figures give the asset's total value. To assist you, the report provides these figures in both their combined and separate forms.

6.2.2 Where depreciated replacement cost (DRC) is used, the valuer has had regard to RICS UKGN 2, titled '*Depreciated Replacement Cost (DRC) Method of Valuation for Financial Reporting*', as supplemented by Treasury guidance.

6.2.3 RICS UKGN 2 para 2.3 defines DRC as:

'The current cost of replacing an asset with its modern equivalent asset less deductions for physical deterioration and all relevant forms of obsolescence and optimisation.'

6.2.4 It is confirmed that where DRC is used, the modern equivalent asset (MEA) principle has been applied; it being the underlying use for which the asset is being used that determines the valuation treatment.

- 6.2.5 For each specialised property, the Gross Replacement Cost (GRC) of providing a new modern equivalent asset has been assessed. This GRC has then been adjusted to reflect obsolescence to arrive at a Net Replacement Cost (also known as Depreciated Replacement Cost – DRC) which reflects the remaining service potential of the actual asset.
- 6.2.6 An estimate of the Remaining Economic Life of each asset has been provided
- 6.2.7 It is confirmed that no deductions or other adjustments have been made in DRC calculations in respect of capital based Government grants.
- 6.2.8 Where the DRC method of valuation is adopted, external works have been deemed to include below ground drainage, hardstandings, formal landscaping, site fencing and walls, all services on site, distribution and incoming supplies, and minor buildings as appropriate.
- 6.2.9 All DRC figures supplied are inclusive of professional fees but exclude finance charges, in accordance with CIPFA guidance.
- 6.2.10 VAT: The figures for specialised assets valued using the DRC approach are all exclusive of VAT, unless otherwise agreed with you in respect of a property, and specifically stated in this report.
- 6.2.11 Normally, land associated with buildings valued to DRC has been assessed to Current Value, interpreted as Existing Use Value, having regard to the cost of purchasing a notional replacement site in the same locality, equally suitable for the existing use and of the same size. Where the use is too specialised to categorise in market terms, regard has been had to the range of uses prevailing in the locality of the actual site. With regard to the site on which the modern equivalent asset would be situated, the Valuer sought your views and considered in discussion with you whether the actual site remains appropriate, in accordance with section 7 of UKGN 2.

You confirmed that the actual site remains appropriate. You also instructed me that your accountants have advised that the land should be valued on an historic cost basis as a community asset. You have also advised of the purchase of 2 additional plots of land for £27,360 and £255,900, which are herewith included in the valuation at cost.

7. Leases

- 7.1 IAS 17 requires all leases to be classified as at their inception date as either finance leases or operating leases, with the land and building parts of a lease being subject to separate classification. Under IFRS, classification is the responsibility of the client, with the valuer providing assistance where required. You have supplied us with details of the classifications made.
- 7.2 A finance lease is defined as a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. An operating lease is defined as a lease which is not a finance lease.

- 7.3 Unless otherwise indicated in the report in respect of specific properties, the land elements of any property leases have been classified as operating leases.
- 7.4 **Lessee of an operating lease:** A lessee's interest in an operating lease does not constitute a non-current asset and does not require being valued. However any identified tenant's improvements which may qualify as capital expenditure undertaken by you to an asset held under an operating lease may require a valuation. You have advised us that there are no instances where such a valuation is required.
- 7.5 **Lessee of a finance lease:** The valuation supplied is the Current Value of the leased property as at the valuation date. This is not the value of the interest in the lease but the underlying market value for existing use of the property (i.e. its freehold existing use value, ignoring any leases), reflecting the presumption of a finance lease that it transfers substantially all the risks and rewards incidental to ownership of an asset.
- 7.6 **Lessor of an operating lease:** The valuation treatment of property where you are the lessor of an operating lease has been discussed with you. Such property held solely to earn rentals or for capital appreciation or for both has been classified as an investment property under IAS 40 and valued accordingly. Property identified and agreed with you in discussion that is used to facilitate the delivery of services, including delivering broader public services, has been valued to Fair Value, interpreted as the Existing Use Value of the underlying property ignoring the existence of the operating lease.
- 7.7 **Lessor of a finance lease:** For properties where you are the lessor of a finance lease, a valuation is not normally required as the asset will be recognised by accountants on your balance sheet as the right to receive lease payments. Where a residual value exists in the part of the lease treated as a finance lease, this has been provided.

8. Heritage Assets

- 8.1 Heritage assets are properties with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.
- 8.2 Non-operational heritage assets – defined as those which are held primarily for the above purpose, rather than for operational purposes – have, after identification of them in discussion with you, been valued having regard to FRS 30, where valuation is practicable. Valuations may be made by any method that is appropriate and relevant. Any such properties have been identified in the report, together with their respective values and notes of the methods used to produce the valuations and reference to any significant limitations on these particular valuations. Any heritage assets for which it is not possible to produce a valuation have been discussed with you so you can consider whether you have historic cost information which you can apply to these properties.
- 8.3 Any operational heritage assets (those that, in addition to being held for their characteristics as part of the nation's heritage, are also used by you for other activities or to provide other services) have been approached in the same way as other assets of that general type in accordance with IFRS requirements, notwithstanding their historical or other heritage qualities.

9. Private Finance Initiative (PFI) Assets

Assets identified by you as qualifying as PFI assets have been valued to Current Value in existing use. Where the asset is a specialised asset and the Fair Value cannot be determined by reference to market based evidence, the Depreciated Replacement Cost (DRC) approach has been used.

10. Assets in Course of Construction

Assets classified by you as Assets in Course of Construction have been included by you at their cost in the accounts and therefore no valuation will be supplied by me for these assets, except in the case of land.

11. Minor User Rights

Where a property owned by you is subject to minor user rights, the property has been treated as wholly operational with the minor user right ignored.

Where you enjoy a minor user right to occupation, the right to occupation has been treated as an operating lease which does not qualify as a non-current asset and does not require to be valued.

12. Infrastructure Assets

Infrastructure Assets are fixed assets which are inalienable and upon which expenditure is recoverable only by continued use of the asset. As they are included in the accounts at their historic cost, less depreciation where appropriate, no valuation has been supplied for these assets.

13. Community Assets

These are assets that are held in perpetuity and that have no determinable useful life. As they are included in the accounts at their historic cost, less depreciation where appropriate, no valuation has been supplied for these assets. However where you identified that a community asset contains within its boundaries properties or parts of properties which are used for operational purposes, these properties or parts of properties have been valued.

14. Component Accounting

- 14.1 IAS 16 requires componentisation of the depreciable amount to be considered and applied as appropriate where material. Components with cost which is significant in relation to the total cost of the asset require to be depreciated separately, although it is permissible to group together for depreciation charge calculation purposes those significant parts which have similar remaining useful lives. A body may also as a policy

decision elect to require the separate identification of selected components whose costs are not significant or remaining useful lives different.

- 14.2 The depreciable amounts of the assets valued in this report have been componentised having regard to IFRS, CIPFA and RICS guidance on the matter and in accordance with our discussions with you regarding your specific componentisation requirements.
- 14.3 In accordance with Mansfield District Council componentisation policy and discussion with the Client, a component split between the structure, the cremators (special installations) and the land has been undertaken.

15. Special Assumptions

As per instruction from the Client the land value is included on an historic cost basis as a community asset.

16. Nature and Source of Information Relied Upon

In addition to relying upon VOA held records and information, I have assumed that all information provided by, or on behalf of you, in connection with this instruction is correct without further verification – for example, details of tenure, tenancies, planning consents, etc.

My advice is dependent upon the accuracy of this information and should it prove to be incorrect or inadequate, the accuracy of my valuation may be affected:

- Details of plots of land purchased and creation of additional car parking.

17. Extent of Investigation, Survey Restrictions and Assumptions

An assumption in this context is a limitation on the extent of the investigations or enquiries undertaken by the valuer. The following agreed assumptions have been applied in respect of your instruction, reflecting restrictions to the extent of our investigations.

- As agreed with you, no inspection of the property was undertaken and the advice and valuation has been prepared on a 'desk-top basis'; i.e. it is provided on the basis of 'restricted information'.
- No detailed site survey, building survey or inspection of covered, unexposed or inaccessible parts of the property was undertaken. The Valuer has had regard to the apparent state of repair and condition, and assumed that inspection of those parts not inspected would neither reveal defects nor cause material alteration to the valuation, unless aware of indication to the contrary. The building services have not been tested and it is assumed that they are in working order and free from defect. No responsibility can therefore be accepted for identification or notification of property or services' defects that would only be apparent following such a detailed survey, testing or inspection.

- It has been assumed that good title can be shown and that the property is not subject to any unusual or onerous restrictions, encumbrances or outgoings. Original documents of title and lease documentation have not been read.
- It has been assumed that the property and its value are unaffected by any statutory notice or proposal or by any matters that would be revealed by a local search and replies to the usual enquiries, and that neither the construction of the property nor its condition, use or intended use was, is or will be unlawful or in breach of any covenant.
- Valuations include that plant that is usually considered to be an integral part of the building or structure and essential for its effective use (for example building services installations), but exclude all machinery and business assets that comprise process plant, machinery and equipment unless otherwise stated and required.
- It has been assumed that no deleterious or hazardous materials or techniques were used in the construction of the property or have since been incorporated. However where an inspection was made and obvious signs of such materials or techniques were observed, this will be drawn to your attention and captured in this report.
- No access audit has been undertaken to ascertain compliance with the Equality Act 2010 and it has been assumed that the premises are compliant unless stated otherwise in this report.
- No environmental assessment of the property (including its site) and neighbouring properties has been provided to or by the VOA, nor is the VOA instructed to arrange consultants to investigate any matters with regard to flooding, contamination or the presence of radon gas or other hazardous substances. No search of contaminated land registers has been made. However, where an inspection was made and obvious signs of contamination or other adverse environmental impact were visible this will have been advised to you, further instructions requested and the observations captured in this report. Where such signs were not evident during any inspection made, it has been assumed that the property (including its site) and neighbouring properties are not contaminated and are free of radon gas, hazardous substances and other adverse environmental impacts. Where a risk of flooding is identified during any inspection made, or from knowledge of the locality, this will be reported to you. The absence of any such indication should not be taken as implying a guarantee that flooding can never occur.
- No allowances have been made for any rights obligations or liabilities arising from the Defective Premises Act 1972.

18. Mineral Stability

The property is not in an underground mining area and a Mining Subsidence Report has not been obtained.

19. Date of Inspection

As agreed with you, the property has not been inspected.

20. Taxation

20.1 In preparing this Report, no allowances have been made in the valuations for notional taxation.

20.2 No additions have been made for Stamp Duty Land Tax (SDLT).

21. Acquisition and Disposal Costs

21.1 It is confirmed that no notional directly attributable acquisition costs have been applied, nor any deduction made for expected directly attributable selling costs, to the Current Value and Fair Value figures provided in this report.

21.2 For indicative accounting purposes only to assist you in the application of notional directly attributable acquisition costs, where material, to Current Values in existing use and deduction of such costs for properties where the basis of valuation is Fair Value, we are of the opinion that the notional directly attributable acquisition costs would be represented by the application of a 2% addition in respect of each property valued to Current Value and a 2% deduction for each property valued to Fair Value.

For the avoidance of doubt, it is confirmed that these estimated percentages do not include any allowance for Stamp Duty Land Tax or any other direct or indirect taxes that may be payable on either an acquisition or disposal.

22. Fair Value Hierarchy and Level of Inputs

Where an asset is valued to Fair Value, IFRS 13 requires the valuer to make additional disclosures regarding the valuation technique applied to measure the Fair Value and the nature of the inputs to that valuation technique, having regard to the fair value hierarchy prescribed at paras 76 to 90 of IFRS 13.

It is confirmed that the valuation technique applied in respect of all the Fair Value figures contained in this report was the **market approach**. The market approach is described at paras B5 to B7 of IFRS 13; it uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets.

The inputs to this technique constitute **Level 2 inputs** in each instance. Level 2 inputs are inputs that are observable for the asset, either directly or indirectly. The inputs used took the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

23. Opinion of Value

23.1 I am of the opinion that the aggregate value for accounting purposes of the properties detailed on the accompanying schedules, comprising operational assets both specialised and non-specialised, finance leases, investment properties, assets held for sale and surplus assets, is fairly stated at:

£ 2,403,319 (Two Million, four hundred and three thousand, three hundred and nineteen pounds)

The figures do not include any negative values.

This total figure does not include social housing valued to EUV-SH, which will be the subject of a separate report where you have instructed the valuation of such assets.

23.2 This total value may be apportioned as follows:

a) **Non-specialised Property**, valued to Current Value, applying EUV

Nil

b) **Specialised Property**, valued to Current Value, applying DRC

£ 2,403,319 (Two Million, four hundred and three thousand, three hundred and nineteen pounds)

| Mansfield District Council Componentisation | DRC | RL |
|---|------------------|-----------|
| Structure | 1,038,750 | 24 |
| Cremator (special installations) | 1,078,870 | 13 |
| Land | 285,699 | |
| Total | 2,403,319 | 18 |

c) **Property classified as Investment Property**, valued to Fair Value

Nil

d) **Property classified as Held for Sale**, valued to Fair Value

Nil

e) **Property classified as Surplus Assets**, valued to Fair Value

Nil

22.3 The value of assets either classified as PFI property or held under a Finance Lease is captured at a) or b) above, depending upon whether the asset has been valued to Current Value using EUV or DRC. These properties are individually identified on the schedules.

23.4 All prices or values are stated in pounds sterling.

24. Restrictions on Disclosure and Publication

24.1 The client will neither make available to any third party or reproduce the whole or any part of the report, nor make reference to it, in any publication without our prior written approval of the form and context in which such disclosure may be made.

You may wish to consider whether this report contains Exempt Information within the terms of paragraph 9 of Schedule 12A to the Local Government Act 1972 (section 1 and Part 1 of Schedule 1 to the Local Government (Access to Information Act 1985) as amended by the Local Government (access to Information) (Variation) Order 2006.

24.2 We will do all that we can to keep any information gathered or produced during this assignment confidential. The Freedom of Information Act 2000 or Environmental Information Regulations 2004, and subordinate legislation, may apply to some or all of the information exchanged between yourself and the Valuation Office Agency under this engagement. Therefore the Valuation Office Agency's duty to comply with the Freedom of Information Act may necessitate, upon request, the disclosure of information provided by you unless an exemption applies.

The Valuation Office Agency undertakes to make reasonable endeavours to discuss the appropriateness of disclosure, or the applicability of any exemptions allowed by the Act, with you prior to responding to any third party requests. However, the Valuation Office Agency reserves the right to comply with its statutory obligations under the Act in such manner as it deems appropriate.

The Valuation Office Agency requires you to make all reasonable endeavours to discuss with us the appropriateness of disclosure, or the applicability of any exemptions allowed by the Act, prior to your responding to any third party requests for information provided to you by the Valuation Office Agency.

25. Limits or Exclusions of Liability

Our valuation is provided for your benefit alone and solely for the purposes of the instruction to which it relates. Our valuation may not, without our specific written consent, be used or relied upon by any third party, even if that third party pays all or part of our fees, directly or indirectly, or is permitted to see a copy of our valuation report. If we do provide written consent to a third party relying on our valuation, any such third party is deemed to have accepted the terms of our engagement.

None of our employees individually has a contract with you or owes you a duty of care or personal responsibility. You agree that you will not bring any claim against any such individuals personally in connection with our services.

In particular, the asset valuation figures must not be used for insurance valuation purposes as there are significant differences between the way asset valuation figures are arrived at and the approach adopted for insurance valuations.

26. Identity of Responsible Valuer and their Status

- 26.1 It is confirmed that the valuation has been carried out by a RICS Registered Valuer, acting in the capacity of an external valuer, who has the appropriate knowledge and skills and understanding necessary to undertake the valuation competently, and is in a position to provide an objective and unbiased valuation.

The lead valuer responsible is James McLearn and their contact details are as stated above in the letterhead.

- 26.2 In accordance with the requirements of the RICS standards, the VOA has checked that no conflict of interest arises before accepting this instruction. It is confirmed that I am unaware of any previous conflicting material involvement and am satisfied that no conflict of interest exists.

27. Public Interest Disclosures Required by RICS

- 27.1 Having regard to the requirements of PS 2, it is confirmed that the Valuation Office Agency has been carrying out asset valuations for Mansfield District Council continuously for 2 years.
- 27.2 James McLearn has not previously been the signatory to the valuations provided for this purpose.
- 27.3 Rotation: It is recognised that use of the same individual valuer over a long period of time could lead to over familiarity with the client and the property, and if unchecked could lead to insufficient questioning of the factors affecting the valuation, as well as perceptions that the valuer's objectivity could be compromised.

Our internal project management and quality assurance policy & practices are designed to address and mitigate such risks. We also recognise that clients do like continuity and therefore do not put a specific limit on the number of years an individual can sign a report, always subject to the client's agreement and satisfaction.

- 27.4 It is confirmed that this report does not include any properties acquired by Mansfield District Council within the 12 months preceding the date of valuation where the Valuation Office Agency negotiated that purchase on your behalf.
- 27.5 It is confirmed that the proportion of the total fees payable by Mansfield District Council during the preceding year relative to the total fee income of the Valuation Office Agency during the preceding year is very minimal and not material.

28. Further Information

If you require any further information or advice relating to this report or the properties valued herein, please contact James McLearn, the contact details of which are on the covering page of this report

A handwritten signature in blue ink, appearing to read 'J. McLearn', is written over a light blue horizontal line.

MRICS Surveyor
RICS Registered Valuer
DVS

**Report of Treasurer of Joint Crematorium Committee
To
Mansfield and District Joint Crematorium Committee
On
10 December 2018**

ANNUAL REVIEW OF FEES AND CHARGES FOR 2019/2020

1. SUMMARY

- 1.1 This report shows the proposed fees and charges to be introduced from 1 April 2019 to 31 March 2020.

2. RECOMMENDATIONS

To be resolved:

- i). That the proposed cremation fee as shown in table 2 be introduced from 1 April 2019 to 31 March 2020 be approved. The fee proposed for 2019/2020 is £738.50, which is an increase of £34 (5%) on the 2018/2019 cremation fee.
- ii). That the proposed cremation fees as shown in table 2 for 2020/2021 and 2021/2022 be approved in principle. The fees proposed are: 2020/2021 £774.50 and for 2021/2022 £812.50.

3. BACKGROUND

- 3.1 The fees and charges as set out in Appendix 1 show the proposed fees and charges for 1 April 2019 to 31 March 2020. Appendix 1 includes the changes detailed in the Director and Registrar's report "Changes to Working Hours and Services".
- 3.2 In 2018/2019 the main cremation fee was increased by 8%. The 8% increase comprised of a 5% increase in income that was retained within the revenue accounts and an additional 3% increase in income being transferred into the capital fund to finance future works to the crematorium building and major assets. This additional 3% increase in fees was approved by the committee for 2018/2019 only.
- 3.3 The options for adjusting fees and charges comprise:
- Increase to cover a general inflationary increase
 - Increase to cover a specific inflationary increase
 - Increase or decrease to achieve the Committee's priorities
 - Change to reflect market conditions
 - Change to reflect actual cost of service

- Change to generate additional real income

Where there has been a change in the level of fees and charges, the basis (as per the above list) has been identified in Appendix 1.

- 3.4 Charges are generally rounded to the nearest 50 pence or £1. This is particularly relevant where customers pay in cash.
- 3.5 The fees and charges put forward have been used in calculating the proposed budgets for 2019/2020 and changes to this would result also in changes to those budgets.
- 3.6 Inflation levels (as measured by The Consumer Price Index (CPI)) reduced from 2.9% at August 2017 to 2.4% at September 2018. However, the Bank of England's target remains at 2% for 2018/2019.
- 3.7 The Office of Budget Responsibility (OBR) has seen growth slowing from 1.9% in 2016 to 1.7% in 2017. They expect growth to slow further forecasting 1.5% in 2018 and 1.3% in 2019 and 2020 before slightly increasing to 1.4% and 1.5% in 2021 and 2022 respectively. The impact of Brexit when the UK leaves the EU in March 2019 might result in changes being made to these forecasts.
- 3.8 Table 1 below compares the 2018/2019 adult cremation fees including the medical fee for the crematoria in our region and the number of cremations undertaken in the 2016 and 2017 calendar years:

Table 1

| Crematorium | Adult Cremation Fee including Medical Fee for 2018/2019 | Number of Cremations 2016 | Number of Cremations 2017 |
|------------------------------------|--|----------------------------------|----------------------------------|
| Bramcote | £678.00 | 2,973 | 2,762 |
| Gedling (opened Jan 17) | £695.00 | 0 | 998 |
| Mansfield | £704.50 | 2,588 | 2,501 |
| Wilford Hill - Nottingham | £709.00 | 2,181 | 1,839 |
| Chesterfield | £730.00 | 2,178 | 2,339 |
| Amber Valley - Swanwick | £799.00 | 1,190 | 1,346 |
| Babworth - Retford (opened Aug 18) | £803.00 | 0 | 0 |
| Grantham | £975.00 | 1,094 | 1,154 |
| Sherwood Forest - Ollerton | £990.00 | 1,177 | 1,131 |
| TOTAL Number of Cremations | | 13,381 | 14,070 |

Within the local area the Mansfield and District Crematoria is the third lowest in price for an adult cremation fee including medical fee for 2018/2019. The graph in Appendix 2 compares the cremation fees including medical fees for 2018/2019 for local crematoria.

3.9 Data obtained from the Cremation Society as at 1 January 2018 states that of the 291 Crematoria in the UK, Mansfield is the forty sixth lowest in price for a basic cremation (forty fifth lowest at 1 January 2017).

3.10 Table 2 below shows the recommended increase for basic cremation fees by 5% from 2019/2020 to 2021/2022, as detailed in the Revenue and Capital Budget 2019/2020 to 2021/2022 report.

Table 2

| | Approved | | Proposed 5% increase | | Estimate assuming 5% increase | |
|----------------------|---------------|---------------|----------------------|---------------|-------------------------------|--|
| | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | | |
| | £ | £ | £ | £ | | |
| Cremation fee | 686.00 | 720.00 | 756.00 | 794.00 | | |
| Medical referees fee | 18.50 | 18.50 | 18.50 | 18.50 | | |
| TOTAL FEE | 704.50 | 738.50 | 774.50 | 812.50 | | |

3.11 The basic cremation and medical referee's fee for an adult cremation proposed for 2019/2020 is £738.50, which is an increase of £34 (5%) on the 2018/2019 approved fee.

3.12 Table 3 below shows alternative percentage increases to the basic adult cremation fee for 2019/2020 and the additional forecasted income that the higher percentage increases would generate.

Table 3

| | Percentage increases to the 2018/2019 Cremation Fee | | | | | |
|---|---|----------------|----------------|----------------|----------------|----------------|
| | 5% | 6% | 7% | 8% | 9% | 10% |
| Basic Adult Cremation Fee | £720.00 | £727.00 | £734.00 | £741.00 | £747.50 | £754.50 |
| Medical Fee | £18.50 | £18.50 | £18.50 | £18.50 | £18.50 | £18.50 |
| TOTAL Cremation Fee | £738.50 | £745.50 | £752.50 | £759.50 | £766.00 | £773.00 |
| Forecasted Number of Cremations | 2400 | 2400 | 2400 | 2400 | 2400 | 2400 |
| Forecasted Cremation Fee Income | £1,772,400 | £1,789,200 | £1,806,000 | £1,822,800 | £1,838,400 | £1,855,200 |
| Forecasted Additional Income if % Rise Increased | - | £16,800 | £33,600 | £50,400 | £66,000 | £82,800 |

3.13 The income received from the basic cremation and medical referee's fees for the financial years 2015/2016 to 2018/2019 (forecast) is shown in table 4 below:

Table 4

| Year | Basic Adult Cremation and Medical Fees | Number of Cremations April to March per annum | Income Received | Annual Increase | Annual Increase |
|--------------------|--|---|-----------------|-----------------|-----------------|
| 2015/2016 | £583.50 | 2,492 | £1,449,861 | -£86,189 | -5.6% |
| 2016/2017 | £623.50 | 2,623 | £1,628,338 | £178,477 | 12.3% |
| 2017/2018 | £653.50 | 2,501 | £1,635,260 | £6,923 | 0.4% |
| 2018/2019 forecast | £704.50 | 2,400 | £1,690,800 | £55,540 | 3.4% |

Please note that the income received figures and number of cremations data in table 4 are for all the different cremation fees available and not just the basic adult cremation fees.

- 3.14 Table 5 below shows the basic cremation fee plus medical fee proposed for 2019/2020 to 2021/2022 and the forecast income. The number of cremations forecast from 2019/2020 onwards has been reduced from 2,450 to 2,400 per annum to reflect current throughput data.

Table 5

| Year | Basic Adult Cremation Fee including Medical Fee Proposed | Increase in Cremation Fee | Number of Cremations | Annual Income Forecast |
|-----------|--|---------------------------|----------------------|------------------------|
| 2019/2020 | £738.50 | £34 | 2,400 | £1,772,400 |
| 2020/2021 | £774.50 | £36 | 2,400 | £1,858,800 |
| 2021/2022 | £812.50 | £38 | 2,400 | £1,950,000 |

- 3.15 During January to December 2017 Mansfield & District Crematorium carried out 2,501 cremations, ranking it the thirtieth highest of the 291 Crematoria operating throughout the UK (Twenty fourth highest in 2016).

4. OPTIONS AVAILABLE

Amendments to the proposed fees and charges can be suggested. However, the impact on the proposed revenue and capital budgets for 2019/2020 – 2021/2022 and the reserves of the JCC needs to be considered.

5. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

| Risk | Risk Assessment | Risk Level | Risk Management |
|--|--|------------|--|
| Financial -That the figures contained within the proposed fees and charges are inaccurate | That the calculations have been made incorrectly. There is a great deal of work involved in bringing the information together and errors may occur | Medium | A quality check is undertaken throughout the process and errors identified. |
| Reputational – That the proposed fees damage the reputation of the Joint Crematorium Committee | Work is undertaken to review all UK crematoria fees and annual increases and as well as those Crematoria operating within our region. | Low | The proposals are in line with the Joint Crematorium Committees corporate priorities |

6. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

7. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

- (a) Relevant Legislation: No direct impact
- (b) Human Rights: It is not considered that individual human rights will be infringed.
- (c) Equality and Diversity: No direct impact.
- (d) Climate change and environmental sustainability: The Environmental Permitting (England and Wales) Regulations 2017 – the Environmental Protection (England) (Crematoria Mercury Emissions Burden Sharing Certifications) Direction 2010.
- (e) Crime and Disorder: No direct impact.
- (f) Budget / Resources: The income anticipated from the proposed fees and charges will be included in the 2019/2020 revenue budgets and the Capital Fund Reserve. The impact of any amendments will be assessed.

8. CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium.

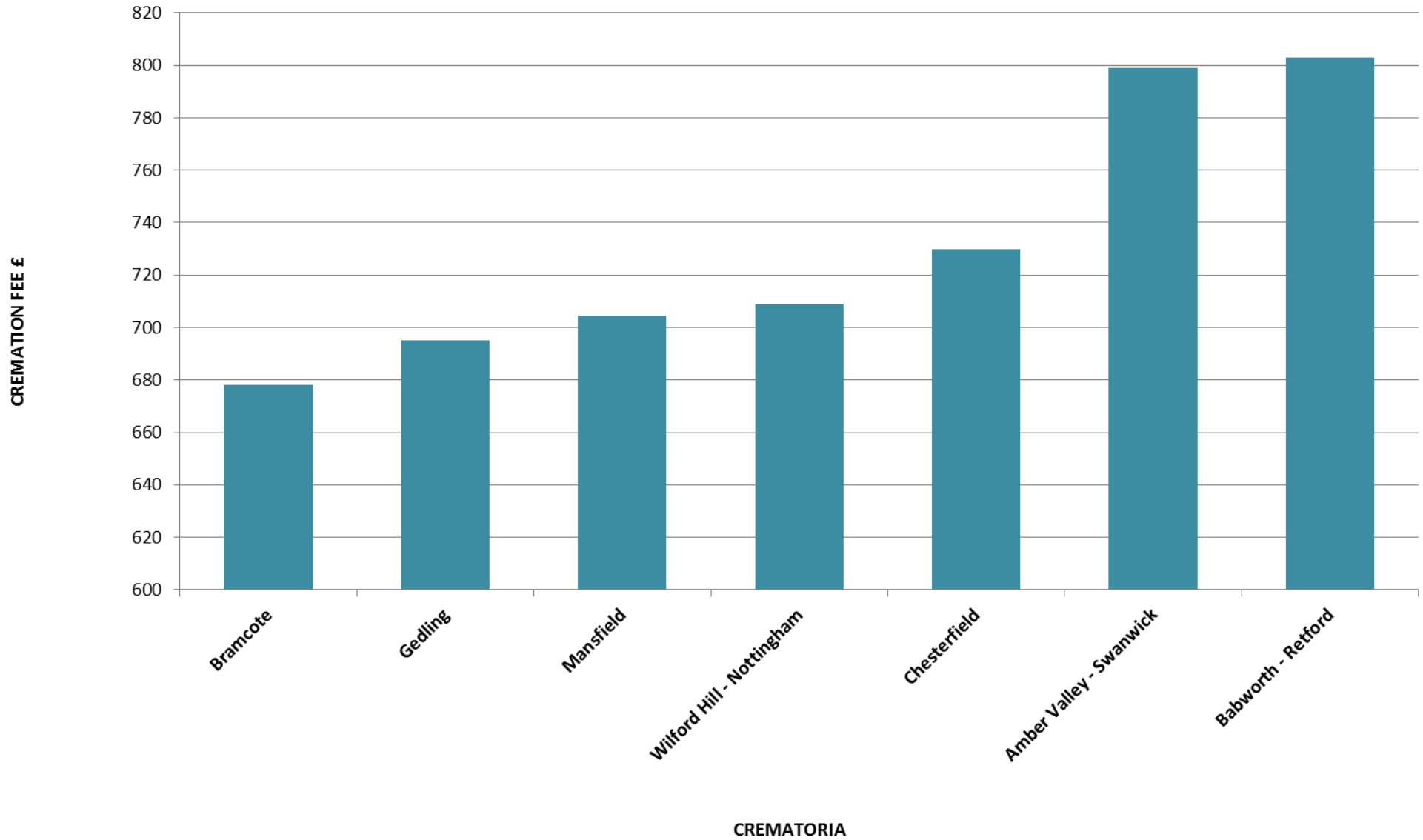
9. BACKGROUND PAPERS

Comparison fees and charges and number of cremations carried out have been obtained from the Cremation Society.

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Cremation Fees including Medical Fees - April 2018 to March 2019

Appendix 2



| MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE | APPROVED FEES AND CHARGES FROM 1 APRIL 2018 TO 31 MARCH 2019 | | | | INFLATION INCREASE 2019/2020 | | PROPOSED FEES AND CHARGES FROM 1 APRIL 2019 TO 31 MARCH 2020 | | | | | | | Appendix 1 |
|---|--|----------|-----------|-----------|------------------------------|--------------------|--|-----------|-----------|--------|-------------------|----------------------|----------------------------|--------------------------------------|
| | TOTAL FEE | NET | VAT @ 20% | TOTAL FEE | 2.0% | INFLATED TOTAL FEE | NET | VAT @ 20% | TOTAL FEE | VAT | Proposed Increase | Impact on Net Income | Basis of Increase Approved | Comments |
| CREMATION FEES | £ | £ | £ | £ | £ | £ | £ | £ | £ | | £ | % | £ | £ |
| For the Cremation: | | | | | | | | | | | | | | |
| (i) of the body of a person whose age at the time of death exceeds 16 years. This is for an hour long funeral held at peak time on a weekday. | 635.00 | 686.00 | - | 686.00 | 13.72 | 699.72 | 720.00 | 0.00 | 720.00 | EXEMPT | 34.00 | 5.0% | 34.00 | To achieve the Committees priorities |
| (ii) surcharge for a Saturday Service | - | - | - | - | - | - | 100.00 | 0.00 | 100.00 | EXEMPT | - | - | - | To reflect market conditions |
| (iii) of the body of a person whose age at the time of death exceeds 16 years. Multiple Funerals - Where more than one funeral will take place in the same chapel. This is the fee for the second/third etc. coffins only. This is for an hour long funeral held at peak time on a weekday. | - | - | - | - | - | - | 600.00 | 0.00 | 600.00 | EXEMPT | - | - | - | To reflect market conditions |
| (iv) of the body of a person whose age at the time of death exceeds 16 years. This is for a 45 minute funeral held at off peak times on a weekday. | - | - | - | - | - | - | 450.00 | 0.00 | 450.00 | EXEMPT | - | - | - | To achieve the Committees priorities |
| (v) of the body of a person whose age at the time of death exceeds 16 years. This is a direct cremation fee, with no service and no attendances at peak time on a weekday. | - | - | - | - | - | - | 600.00 | 0.00 | 600.00 | EXEMPT | - | - | - | To achieve the Committees priorities |
| (vi) of the body of a person whose age at the time of death exceeds 16 years. This is a direct cremation fee 45 minute funeral, with no service and no attendances at off peak time on a weekday. | - | - | - | - | - | - | 450.00 | 0.00 | 450.00 | EXEMPT | - | - | - | To achieve the Committees priorities |
| (vii) of foetal remains, the body of a still born child or of a child whose age at the time of death does not exceed 12 years | 59.00 | 60.00 | - | 60.00 | 1.20 | 61.20 | 0.00 | 0.00 | 0.00 | EXEMPT | -60.00 | -100.0% | - 60.00 | To reflect market conditions |
| Each cremation is subject to: | | | | | | | | | | | | | | |
| A Medical Referees charge | 18.50 | 18.50 | - | 18.50 | 0.37 | 18.87 | - | 0.00 | - | EXEMPT | -18.50 | -100.0% | - | |
| The above Cremation Fees include: | | | | | | | | | | | | | | |
| •The use of the service chapel | | | | | | | | | | | | | | |
| •All attendances after the coffin has been placed on the catafalque | | | | | | | | | | | | | | |
| •Preparation and dispersal of cremated remains within the crematorium grounds or the provision of a bio box if taken away | | | | | | | | | | | | | | |
| •The provision of recorded music | | | | | | | | | | | | | | |
| •A cremation certificate, is supplied for all cremated remains removed from the crematorium | | | | | | | | | | | | | | |
| MISCELLANEOUS CREMATION FEES | £ | £ | £ | £ | £ | £ | £ | £ | £ | | £ | % | £ | £ |
| The use of Crematorium organ and organists fee (use of organ 1/3 of fee - organists fee 2/3 of fee) | 42.00 | 43.50 | - | 43.50 | 0.87 | 44.37 | 45.00 | 0.00 | 45.00 | EXEMPT | 1.50 | 3.4% | 1.50 | To reflect market conditions |
| Reduction of cremation fee if no service and no attendances required | - 150.00 | - 150.00 | - | - 150.00 | -3.00 | - 153.00 | 0.00 | 0.00 | 0.00 | EXEMPT | -150.00 | 100.0% | - 150.00 | To reflect market conditions |
| The use of the Chapel for an extended services/or additional time fee | 100.00 | 150.00 | - | 150.00 | 3.00 | 153.00 | 150.00 | 0.00 | 150.00 | EXEMPT | 0.00 | 0.0% | - | To reflect market conditions |
| The use of of the Chapel only (memorial or service elsewhere) | - | - | - | - | - | - | 250.00 | 0.00 | 250.00 | EXEMPT | - | - | - | To reflect market conditions |
| The use of a Video link | 100.00 | 150.00 | - | 150.00 | 3.00 | 153.00 | 0.00 | 0.00 | 0.00 | EXEMPT | -150.00 | -100.0% | - 150.00 | To reflect market conditions |
| The Strewing of remains cremated from elsewhere - administration fee | 55.00 | 60.00 | - | 60.00 | 1.20 | 61.20 | 60.00 | 0.00 | 60.00 | EXEMPT | 0.00 | 0.0% | 0.00 | To reflect actual cost of service |
| The Strewing of remains cremated from elsewhere - appointment fee | - | - | - | - | - | - | 10.00 | 0.00 | 10.00 | EXEMPT | - | - | - | To reflect market conditions |
| Retention of cremated remains - fee per month | 22.00 | 22.00 | - | 22.00 | 0.44 | 22.44 | 22.00 | 0.00 | 22.00 | EXEMPT | 0.00 | 0.0% | - | To reflect market conditions |
| Register Search - fee per year searched | 12.00 | 10.00 | 2.00 | 12.00 | 0.24 | 12.24 | 10.00 | 2.00 | 12.00 | SR | 0.00 | 0.0% | - | To achieve the Committees priorities |

| MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE | APPROVED FEES AND CHARGES FROM 1 APRIL 2018 TO 31 MARCH 2019 | | | INFLATION INCREASE 2019/2020 | | PROPOSED FEES AND CHARGES FROM 1 APRIL 2019 TO 31 MARCH 2020 | | | | | | | Appendix 1 | | |
|--|--|--------|-----------|------------------------------|-------|--|--------|-----------|-----------|--------|-------------------|----------------------|--|--|---|
| | TOTAL FEE | NET | VAT @ 20% | TOTAL FEE | 2.0% | INFLATED TOTAL FEE | NET | VAT @ 20% | TOTAL FEE | VAT | Proposed Increase | Impact on Net Income | Basis of Increase Approved | Comments | |
| CONTAINERS | | | | | | | | | | | | | | | |
| The supply of an additional bio box if required | 12.00 | 15.00 | - | 15.00 | 0.30 | 15.30 | 15.00 | 0.00 | 15.00 | EXEMPT | 0.00 | 0.0% | - To generate additional income | a bio box is given with every set of cremated remains removed but occasionally families require a further container. | |
| The fee to split cremated remains including biodegradable tube | - | - | - | - | - | - | 15.00 | 0.00 | 15.00 | EXEMPT | - | - | - To reflect market conditions | This is a new fee to split cremated remains including the supply of a biodegradable tube | |
| The supply of a mini keepsake urn | - | - | - | - | - | - | 25.00 | 0.00 | 25.00 | EXEMPT | - | - | - To generate additional income | This is a new fee for the purchase of mini keepsake urns | |
| A Standard casket | 40.00 | 40.00 | - | 40.00 | 0.80 | 40.80 | 40.00 | 0.00 | 40.00 | EXEMPT | 0.00 | 0.0% | - To achieve the Committees priorities | to be phased out once current stock has gone as no up-take | |
| An Infant casket | 20.00 | 20.00 | - | 20.00 | 0.40 | 20.40 | 20.00 | 0.00 | 20.00 | EXEMPT | 0.00 | 0.0% | - To achieve the Committees priorities | | |
| COLUMBARIUM VAULTS | | | | | | | | | | | | | | | |
| For the Interment of cremated remains only: | | | | | | | | | | | | | | | |
| 10 year lease | 500.00 | 425.00 | 85.00 | 510.00 | 10.20 | 520.20 | 433.33 | 86.67 | 520.00 | SR | 10.00 | 2.0% | 8.33 | To cover general inflation | |
| Renewal of 10 year lease | 250.00 | 212.50 | 42.50 | 255.00 | 5.10 | 260.10 | 216.67 | 43.33 | 260.00 | SR | 5.00 | 2.0% | 4.17 | To cover general inflation | |
| Double plaque/new plaque or 2nd Interment | 175.00 | 212.50 | 42.50 | 255.00 | 5.10 | 260.10 | 216.67 | 43.33 | 260.00 | SR | 5.00 | 2.0% | 4.17 | To reflect actual cost of service | |
| MEMORIALS | | | | | | | | | | | | | | | |
| CARDS: | | | | | | | | | | | | | | | |
| Book of Remembrance: | | | | | | | | | | | | | | | |
| Entries in Book of Remembrance - fee per line | 22.00 | 20.83 | 4.17 | 25.00 | 0.50 | 25.50 | 21.25 | 4.25 | 25.50 | SR | 0.50 | 2.0% | 0.42 | To reflect market conditions | the only permanent memorial |
| Digital Book of Remembrance: | | | | | | | | | | | | | | | |
| Swipe card | 14.00 | 12.50 | 2.50 | 15.00 | 0.30 | 15.30 | 12.92 | 2.58 | 15.50 | SR | 0.50 | 3.3% | 0.42 | To reflect market conditions | market conditions are based on competition. |
| Additional pages for Digital Book of Remembrance | 40.00 | 34.17 | 6.83 | 41.00 | 0.82 | 41.82 | 35.00 | 7.00 | 42.00 | SR | 1.00 | 2.4% | 0.83 | To reflect market conditions | |
| Photos for Digital Book of Remembrance | 40.00 | 34.17 | 6.83 | 41.00 | 0.82 | 41.82 | 35.00 | 7.00 | 42.00 | SR | 1.00 | 2.4% | 0.83 | To reflect market conditions | |
| Miniature Book of Remembrance: | | | | | | | | | | | | | | | |
| Miniature Book of Remembrance + minimum of 2 lines inscription | 60.00 | 58.33 | 11.67 | 70.00 | 1.40 | 71.40 | 59.58 | 11.92 | 71.50 | SR | 1.50 | 2.1% | 1.25 | To reflect actual cost of service | |
| Fee per extra line | 14.00 | 12.50 | 2.50 | 15.00 | 0.30 | 15.30 | 12.92 | 2.58 | 15.50 | SR | 0.50 | 3.3% | 0.42 | To reflect actual cost of service | |
| Memorial Card: | | | | | | | | | | | | | | | |
| Memorial card and minimum of 2 lines inscription | 26.00 | 25.00 | 5.00 | 30.00 | 0.60 | 30.60 | 25.42 | 5.08 | 30.50 | SR | 0.50 | 1.7% | 0.42 | To reflect actual cost of service | |
| Fee per extra line | 14.00 | 12.50 | 2.50 | 15.00 | 0.30 | 15.30 | 12.92 | 2.58 | 15.50 | SR | 0.50 | 3.3% | 0.42 | To reflect actual cost of service | |
| VASE BLOCKS: | | | | | | | | | | | | | | | |
| 10 year lease | 275.00 | 237.50 | 47.50 | 285.00 | 5.70 | 290.70 | 242.50 | 48.50 | 291.00 | SR | 6.00 | 2.1% | 5.00 | To reflect market conditions | |
| Renewal of 10 year lease | 137.50 | 118.75 | 23.75 | 142.50 | 2.85 | 145.35 | 121.25 | 24.25 | 145.50 | SR | 3.00 | 2.1% | 2.50 | To reflect market conditions | |
| Double plaque or new inscription | 110.00 | 118.75 | 23.75 | 142.50 | 2.85 | 145.35 | 121.25 | 24.25 | 145.50 | SR | 3.00 | 2.1% | 2.50 | To reflect market conditions | |
| BRONZE KERB PLAQUE | | | | | | | | | | | | | | | |
| 5 year lease | 160.00 | 137.50 | 27.50 | 165.00 | 3.30 | 168.30 | 140.42 | 28.08 | 168.50 | SR | 3.50 | 2.1% | 2.92 | To reflect market conditions | |
| Renewal of 5 year lease | 80.00 | 68.33 | 13.67 | 82.00 | 1.64 | 83.64 | 69.58 | 13.92 | 83.50 | SR | 1.50 | 1.8% | 1.25 | To reflect market conditions | |
| Double plaque or new inscription | 90.00 | 76.67 | 15.33 | 92.00 | 1.84 | 93.84 | 78.33 | 15.67 | 94.00 | SR | 2.00 | 2.2% | 1.66 | To reflect market conditions | |
| MEMORIAL TREE WITH A 10 YEAR LEASE | | | | | | | | | | | | | | | |
| With a wooden backed perspex plaque | 370.00 | 316.67 | 63.33 | 380.00 | 7.60 | 387.60 | 322.92 | 64.58 | 387.50 | SR | 7.50 | 2.0% | 6.25 | To reflect market conditions | |
| Renewal, refurbishment or double inscription on a new plaque | 100.00 | 87.50 | 17.50 | 105.00 | 2.10 | 107.10 | 89.17 | 17.83 | 107.00 | SR | 2.00 | 1.9% | 1.67 | To reflect market conditions | |
| Renewal of 10 year lease | 185.00 | 154.17 | 30.83 | 185.00 | 3.70 | 188.70 | 157.50 | 31.50 | 189.00 | SR | 4.00 | 2.2% | 3.33 | To reflect market conditions | |
| MEMORIAL ROSE BUSH OR FLOWING SHRUB WITH A 5 YEAR LEASE | | | | | | | | | | | | | | | |
| With a perspex plaque with backing | 210.00 | 179.17 | 35.83 | 215.00 | 4.30 | 219.30 | 182.92 | 36.58 | 219.50 | SR | 4.50 | 2.1% | 3.75 | To reflect market conditions | |
| Renewal of 5 year lease | 105.00 | 89.58 | 17.92 | 107.50 | 2.15 | 109.65 | 91.25 | 18.25 | 109.50 | SR | 2.00 | 1.9% | 1.67 | To reflect market conditions | |
| Renewal, refurbishment or double inscription on a new plaque | 100.00 | 87.50 | 17.50 | 105.00 | 2.10 | 107.10 | 89.17 | 17.83 | 107.00 | SR | 2.00 | 1.9% | 1.67 | To reflect market conditions | |
| MEMORIAL ROSE BED | | | | | | | | | | | | | | | |
| Renewal of 5 year Lease | 370.00 | 308.33 | 61.67 | 370.00 | 7.40 | 377.40 | 314.58 | 62.92 | 377.50 | SR | 7.50 | 2.0% | 6.25 | To reflect market conditions | |
| Renewal, refurbishment or double inscription on a new plaque | 100.00 | 87.50 | 17.50 | 105.00 | 2.10 | 107.10 | 89.17 | 17.83 | 107.00 | SR | 2.00 | 1.9% | 1.67 | To reflect market conditions | |
| MEMORIAL BENCHES | | | | | | | | | | | | | | | |
| 5 year lease | 310.00 | 266.67 | 53.33 | 320.00 | 6.40 | 326.40 | 272.08 | 54.42 | 326.50 | SR | 6.50 | 2.0% | 5.41 | To reflect market conditions | |
| renewal of 5 year lease | 155.00 | 133.33 | 26.67 | 160.00 | 3.20 | 163.20 | 135.83 | 27.17 | 163.00 | SR | 3.00 | 1.9% | 2.50 | To reflect market conditions | |
| Renewal, refurbishment or double inscription on a new plaque | 100.00 | 87.50 | 17.50 | 105.00 | 2.10 | 107.10 | 89.17 | 17.83 | 107.00 | SR | 2.00 | 1.9% | 1.67 | To reflect market conditions | |

**Report of Treasurer of Joint Crematorium Committee
To
Mansfield and District Joint Crematorium Committee
On
10 December 2018**

REVENUE AND CAPITAL BUDGET 2019/2020 – 2021/2022

1. SUMMARY

- 1.1 This report details the revised revenue and capital budgets for 2019/2020 and 2020/2021 and the proposals for 2021/2022.

2. RECOMMENDATIONS

To be resolved:

- i). That the proposed revenue and capital budgets for 2019/2020 are approved.
- ii). That the proposed revenue budgets for 2020/2021 and 2021/2022 are approved in principle.

3. BACKGROUND

- 3.1 The proposed budgets for 2019/2020 and 2020/2021 and those originally approved are detailed in Appendix 1 along with the estimates for 2021/2022 for consideration by the Joint Committee.
- 3.2 A review of the budgets for 2020/2021 onwards will take place prior to the setting of the revenue budgets in 2019, in order to identify future savings and efficiencies.
- 3.3 Table 1 below summarises the revenue budget information provided in Appendix 1.

Table 1

| Crematorium | 2018/2019 | 2019/2020 | | 2020/2021 | | 2021/2022 |
|--|--------------------|--------------------|------------------------------|--------------------|------------------------------|--------------------|
| | | Approved Budget | Budget Approved in Principle | Projected Budget | Budget Approved in Principle | Projected Budget |
| Employee Expenses | £379,896 | £393,316 | £408,492 | £405,591 | £427,547 | £435,524 |
| Premises Expenses | £423,995 | £418,945 | £405,776 | £422,830 | £413,454 | £417,736 |
| Transport Expenses | £300 | £306 | £306 | £312 | £312 | £318 |
| Supplies and Services | £176,423 | £159,340 | £169,501 | £159,809 | £159,813 | £148,446 |
| Support Services | £61,435 | £60,550 | £60,100 | £61,646 | £61,303 | £62,525 |
| Depreciation | £106,610 | £106,610 | £126,271 | £106,610 | £126,271 | £126,271 |
| GROSS EXPENDITURE | £1,148,659 | £1,139,067 | £1,170,446 | £1,156,798 | £1,188,700 | £1,190,820 |
| Income | -£1,830,686 | -£1,868,898 | -£1,880,719 | -£1,958,602 | -£1,967,319 | -£2,059,936 |
| Income Recharges | -£30,221 | -£31,314 | -£33,108 | -£32,117 | -£33,726 | -£34,357 |
| GROSS INCOME | -£1,860,907 | -£1,900,212 | -£1,913,827 | -£1,990,719 | -£2,001,045 | -£2,094,293 |
| NET COST OF SERVICE | -£712,248 | -£761,145 | -£743,381 | -£833,921 | -£812,345 | -£903,473 |
| BELOW NET COST OF SERVICE ADJUSTMENTS | -£88,060 | -£106,610 | -£126,271 | -£106,610 | -£126,271 | -£126,271 |
| NET SURPLUS | -£800,308 | -£867,755 | -£869,652 | -£940,531 | -£938,616 | -£1,029,744 |

3.4 Following a detailed review of income and expenditure there have been some adjustments made to the budgets which were approved in principle for 2019/2020 and 2020/2021 by the Joint Committee on 15 December 2017. The main changes are as follows:

3.4.1 Employee expenses have increased by £15,176 in 2019/2020 and increased by £21,956 in 2020/2021. The increases mainly relate to the crematorium establishment changes approved in September 2018, annual salary increases, grading increment payments and revised superannuation forecasts relating to the next Nottinghamshire County Council pension triennial valuation due in 2020/2021.

3.4.2 Premises expenses have been reduced by £13,169 in 2019/2020 and by £9,376 in 2020/2021. A review of premises costs has been undertaken and savings identified for gas, insurance, cleansing materials and business rates. This review was based on actual costs incurred over the last 3 years, business rate rating changes and invoices received during 2018/2019. The budget remains unchanged for repair and maintenance for fixed

plant/cremators and will be reviewed after the abatement equipment works have been completed in 2019/2020.

- 3.4.3 Supplies and services budget have increased by £10,161 in 2019/2020 and by £4 in 2020/2021. A budget of £20,000 has been included in 2019/2020 for CAMEO non abatement fees as the CAMEO scheme covers the period January – December 2019. Charges are expected from January 2019 until the abatement works are completed during 2019/2020 financial year. The books/publications budget has been reviewed and will change from an annual budget of £6,000 to a £10,000 budget required in 2020/2021 then only every four years.
- 3.4.4 Mansfield District Council is streamlining the process for recharging support services. Two demand led recharges for Design Services fees and Waste/Litter Collection will remain whilst the remaining services are combined into a central corporate overhead recharge. Overall the projected budget is £450 lower in 2019/2020 and £343 lower in 2020/2021.
- 3.4.5 Due to the fixed asset revaluation of the Crematorium this year the depreciation budget has increased by £19,661. This is due to the increase in the value of the crematorium buildings and fixed plant. This increase will not impact on the revenue surplus as this is an accounting transaction that is reversed through the below net cost of service charges in the accounts. A further revaluation will be required after the abatement equipment works are completed in 2019/2020 and any further changes to the depreciation calculation will be reflected in next year's budget setting review.
- 3.4.6 There is an increase in income of £11,821 in 2019/2020 and £8,717 in 2020/2021. The main increase is for cremation fee income. The annual throughput has been reduced by 50 from 2,450 to 2,400; however the proposed fee increase is 5% on the current 2018/2019 fee increasing the fee from £686.00 to £720.00 for weekly peak time cremations. Other increases include higher bank interest rate income and administration fee generation from ADC and MDC for burial of the destitute works. This is partially offset by reduced forecasts for income from inscriptions, memorials, organist and medical fees based on current income levels and the proposed reduction in annual throughput.
- 3.4.7 The recharge to Cemeteries for Crematorium staff's time has been reviewed in line with the changes to staff salaries. This has resulted in an increase of £1,794 in 2019/2020 and £1,609 in 2020/2021.
- 3.4.8 The capital budget for 2019/2020 has been set at £750,000; this is for the works to the abatement equipment that was deferred from 2018/2019.
- 3.5 The usable reserves of the JCC have been reviewed, as follows:
- 3.5.1 The general reserve forecasted balance at the end of the 2018/2019 financial year is £216,901.

3.5.2 The capital fund forecasted balance at the end of 2018/2019 financial year is £805,172.

3.5.3 Table 2 below shows the forecast balance of usable reserves after the budgeted capital works for 2019/2020 have been completed:-

Table 2

| | |
|---|-------------------|
| General Reserves | £216,901 |
| Capital Fund | £805,172 |
| Forecast Balance Usable Reserves 31 March 2019 | £1,022,073 |
| Less Capital Budget 2019/2020 | £750,000 |
| Forecast Balance Usable Reserves 31 March 2020 | £272,073 |

3.6.4 By using the capital fund and unallocated general reserves to finance the £750,000 capital programme for abatement equipment works, this will reduce the usable reserves to £272,073.

Currently there are no planned major capital works for 2020/2021 and 2021/2022. Consideration needs to be given to how the JCC accumulate sufficient usable reserves for major capital works in future years.

At the December 2017 meeting the JCC approved that any revenue surplus in excess of the budgeted surplus is transferred to usable reserves, however this will vary from year to year and this transfer will only occur if throughput estimates and budgets forecasts targets are achieved. Approval was also given for the 2018/2019 cremation fee to be increased by 8% rather than the proposed 5%, the additional income from the further 3% increase being transferred to usable reserves; this was only approved for the 2018/2019 financial year. It was also agreed that ADC's commercialism team in conjunction with the Director and Registrar undertake a review of revenue expenditure as an alternative to increasing cremation fees to generate usable reserve funds. The outcome of these recommendations and a further planned preventative works review needs to be undertaken to determine the future major capital expenditure budget requirements for 2022/2023 onwards, so that financing options can be included in next year's budget setting report.

3.7 VAT Implications

As reported to the JCC previously, any significant expenditure incurred by the Crematorium on PPW or capital works could potentially have an impact on Mansfield District Council's VAT liability. The £750,000 capital abatement works would cause a breach in MDC's 5% partial exemption limit, which would result in approximately £350,000 in irrecoverable VAT being re-paid to HM Revenue and Customs (HMRC), for which there is no budget. The section 151 officers from the constituent authorities have agreed that the expenditure incurred on the capital abatement works in 2019/2020 should be allocated across each authority on the annual

throughput basis. This approach will require each authority to include this in their partial exemption assessment for the purposes of VAT. Mansfield District Council's tax consultants advised that written consent should be obtained from HMRC as this is a change to the current practice. A request has been submitted to HMRC on 8 November 2018.

4. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

| Risk | Risk Assessment | Risk Level | Risk Management |
|--|---|------------|--|
| Financial - That the figures contained within the proposed budgets for income and expenditure are inaccurate. | That the calculations have been made incorrectly. There is a great deal of work involved in bringing the information together and errors may occur. | Medium | A quality check is undertaken throughout the process and error identified. |
| Reputational | That the proposed budgets damage the reputation of the Joint Crematorium Committee. | Low | The proposed budgets are reviewed by the Director/Registrar and Treasurer to the Mansfield and District Crematorium prior to recommendation to the Joint Crematorium Committee. The proposals are in line with the Joint Crematorium Committee corporate priorities. |
| That capital expenditure is not spent in accordance with the proposed capital budgets and will impact on the partial exemption calculation of the constituent authorities. | That the Crematorium has not budgeted for the resources to pay for additional expenditure if the 5% partial exemption calculation for any of the constituent authorities is exceeded. | Medium | Regular updates from the Director and Registrar of the Mansfield and District Crematorium are received on the capital budgets and any likely changes to these are highlighted on a timely basis for consideration of the impact on the partial exemption calculations. |

5. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

6. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

(a) Relevant Legislation:

The JCC's budget adheres to the following legislation:

- Local Government Act 1972
- Local Government Finance Act 1972
- Local Government Finance Act 1988
- Local Government and Housing Act 1989
- Local Authorities (Functions and Responsibilities) (England) Regulations 2000
- The Local Authorities (Capital Finance and Accounting)(England) Regulations 2003
- Regulation 3 of the Local Audit (Smaller Authorities) Regulations 2015.

(b) Human Rights: No impact

(c) Equality and Diversity: No impact.

(d) Climate change and environmental sustainability: The Environmental Permitting (England and Wales) Regulations 2017 – the Environmental Protection (England) (Crematoria Mercury Emissions Burden Sharing Certifications) Direction 2010.

(e) Crime and Disorder: No impact.

(f) Budget/Resources : Contained within the body of this report

7. CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium.

8. BACKGROUND PAPERS

None.

| | |
|---------------|-----------------------------|
| Report Author | - Wendy Gregson |
| Designation | - Senior Finance Advisor |
| Telephone | - 01623 463305 |
| E-mail | - wgregson@mansfield.gov.uk |

BASE BUDGET WORKING PAPERS - 2019/2020 - 2021/2022 - Mansfield Crematorium

REVENUE

| Account Description | 2018/2019 Latest Approved Budget | 2019/2020 | | | | 2020/2021 | | | | 2021/2022 | | | |
|---------------------------------------|-------------------------------------|----------------------------------|---------------------|----------------------|---------------------|----------------------------------|---------------------|----------------------|---------------------|----------------------------------|---------------------|----------------------|---------------------|
| | | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget |
| Salaries Basic Pay | £275,549 | £285,989 | £11,273 | £0 | £297,262 | £293,906 | £10,467 | £0 | £304,373 | £293,906 | £16,498 | £0 | £310,404 |
| Salaries Overtime | £18,000 | £18,000 | £0 | £0 | £18,000 | £18,000 | £0 | £0 | £18,000 | £18,000 | £0 | £0 | £18,000 |
| Salaries National Insurance | £20,859 | £22,279 | £1,008 | £0 | £23,287 | £23,351 | £896 | £0 | £24,247 | £23,351 | £1,706 | £0 | £25,057 |
| Salaries Superannuation | £46,017 | £47,760 | £21,843 | £0 | £69,603 | £49,082 | £31,623 | £0 | £80,705 | £49,082 | £32,853 | £0 | £81,935 |
| Vacancy Savings | -£5,136 | -£5,340 | £0 | -£213 | -£5,553 | -£5,495 | £0 | -£197 | -£5,692 | -£5,495 | -£314 | £0 | -£5,809 |
| Superannuation Additional Allowances | £1,147 | £1,168 | £0 | £0 | £1,168 | £1,189 | £0 | £0 | £1,189 | £1,189 | £23 | £0 | £1,212 |
| Pension Deficit Lump Sum | £19,960 | £19,960 | £0 | -£19,960 | £0 | £22,058 | £0 | -£22,058 | £0 | £22,058 | £0 | -£22,058 | £0 |
| Occupational Health Services | £500 | £500 | £0 | £0 | £500 | £500 | £0 | £0 | £500 | £500 | £0 | £0 | £500 |
| Training Expenses Staff | £3,000 | £3,000 | £0 | £0 | £3,000 | £3,000 | £0 | £0 | £3,000 | £3,000 | £0 | £0 | £3,000 |
| Apprenticeship Levy | £0 | £0 | £1,225 | £0 | £1,225 | £0 | £1,225 | £0 | £1,225 | £0 | £1,225 | £0 | £1,225 |
| EMPLOYEE EXPENSES | £379,896 | £393,316 | £35,349 | -£20,173 | £408,492 | £405,591 | £44,211 | -£22,255 | £427,547 | £405,591 | £51,991 | -£22,058 | £435,524 |
| Repair/Maintenance Buildings | £32,667 | £23,120 | £0 | £0 | £23,120 | £23,582 | £0 | £0 | £23,582 | £23,582 | £0 | £0 | £23,582 |
| Grounds Maintenance General | £30,440 | £20,440 | £0 | £0 | £20,440 | £20,440 | £0 | £0 | £20,440 | £20,440 | £0 | £0 | £20,440 |
| EPA Testing | £1,500 | £1,500 | £0 | £0 | £1,500 | £1,500 | £0 | £0 | £1,500 | £1,500 | £0 | £0 | £1,500 |
| Repair/Mce Fixed Plant Cremators | £127,600 | £144,272 | £0 | £0 | £144,272 | £147,257 | £0 | £0 | £147,257 | £147,257 | £0 | £0 | £147,257 |
| Electricity | £45,000 | £45,900 | £0 | £0 | £45,900 | £46,818 | £0 | £0 | £46,818 | £46,818 | £936 | £0 | £47,754 |
| Gas | £55,000 | £56,100 | £0 | -£8,100 | £48,000 | £57,222 | £0 | -£8,262 | £48,960 | £57,222 | £0 | -£7,283 | £49,939 |
| Rent of Premises | £159 | £159 | £0 | £0 | £159 | £159 | £0 | £0 | £159 | £159 | £3 | £0 | £162 |
| Business Rates | £90,629 | £100,626 | £0 | -£10,941 | £89,685 | £98,258 | £0 | -£6,790 | £91,468 | £98,258 | £0 | -£5,007 | £93,251 |
| Sewage/Water Rates | £20,000 | £5,508 | £7,492 | £0 | £13,000 | £5,948 | £7,312 | £0 | £13,260 | £5,948 | £7,577 | £0 | £13,525 |
| Insurance | £16,000 | £16,320 | £0 | -£820 | £15,500 | £16,646 | £0 | -£836 | £15,810 | £16,646 | £0 | -£520 | £16,126 |
| Cleaning Materials | £5,000 | £5,000 | £0 | -£800 | £4,200 | £5,000 | £0 | -£800 | £4,200 | £5,000 | £0 | -£800 | £4,200 |
| PREMISES EXPENSES | £423,995 | £418,945 | £7,492 | -£20,661 | £405,776 | £422,830 | £7,312 | -£16,688 | £413,454 | £422,830 | £8,516 | -£13,610 | £417,736 |
| Car Allowances | £300 | £306 | £0 | £0 | £306 | £312 | £0 | £0 | £312 | £312 | £6 | £0 | £318 |
| TRANSPORT EXPENSES | £300 | £306 | £0 | £0 | £306 | £312 | £0 | £0 | £312 | £312 | £6 | £0 | £318 |
| Equipment Acquisitions | £22,000 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| Furniture Acquisitions | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 |
| Hire Vending Machines | £600 | £600 | £0 | £0 | £600 | £600 | £0 | £0 | £600 | £600 | £0 | £0 | £600 |
| Light Plant and Tools | £5,000 | £5,000 | £0 | -£1,000 | £4,000 | £5,000 | £0 | -£1,000 | £4,000 | £5,000 | £0 | -£1,000 | £4,000 |
| Bio Boxes | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 |
| Rodent Control | £0 | £0 | £450 | £0 | £450 | £0 | £450 | £0 | £450 | £0 | £450 | £0 | £450 |
| Office Machinery Repair & Maintenance | £0 | £0 | £100 | £0 | £100 | £0 | £100 | £0 | £100 | £0 | £100 | £0 | £100 |
| Office Machinery Replacement | £1,000 | £1,000 | £0 | -£100 | £900 | £1,000 | £0 | -£100 | £900 | £1,000 | £0 | -£100 | £900 |
| Uniforms | £3,500 | £3,500 | £0 | £0 | £3,500 | £3,500 | £0 | £0 | £3,500 | £3,500 | £0 | £0 | £3,500 |
| Books & Publications | £2,000 | £6,000 | £0 | -£6,000 | £0 | £6,000 | £4,000 | £0 | £10,000 | £6,000 | £0 | -£6,000 | £0 |
| Printing | £6,000 | £9,000 | £0 | £0 | £9,000 | £9,000 | £0 | £0 | £9,000 | £9,000 | £0 | £0 | £9,000 |

| Account Description | 2018/2019 | 2019/2020 | | | | 2020/2021 | | | | 2021/2022 | | | |
|--------------------------------------|------------------------|-------------------------------|------------------|-------------------|-------------------|-------------------------------|------------------|-------------------|-------------------|-------------------------------|------------------|-------------------|-------------------|
| | Latest Approved Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget |
| Stationery | £6,000 | £6,000 | £0 | £0 | £6,000 | £6,000 | £0 | £0 | £6,000 | £6,000 | £0 | £0 | £6,000 |
| Advertising Other | £4,650 | £1,800 | £0 | £0 | £1,800 | £1,800 | £0 | £0 | £1,800 | £1,800 | £0 | £0 | £1,800 |
| Waste Collection Skips | £1,500 | £1,500 | £0 | £0 | £1,500 | £1,500 | £0 | £0 | £1,500 | £1,500 | £0 | £0 | £1,500 |
| Medical Examination Fees | £45,325 | £45,325 | £0 | £-925 | £44,400 | £45,325 | £0 | £-925 | £44,400 | £45,325 | £0 | £-925 | £44,400 |
| Payments to Local Authorities | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 | £4,000 | £0 | £0 | £4,000 |
| External Audit fee | £2,000 | £2,000 | £0 | £-2,000 | £0 | £2,000 | £0 | £-2,000 | £0 | £2,000 | £0 | £-2,000 | £0 |
| Software Licences | £9,180 | £9,364 | £0 | £-364 | £9,000 | £9,551 | £0 | £-551 | £9,000 | £9,551 | £0 | £-551 | £9,000 |
| Mobile Phones | £100 | £100 | £0 | £-100 | £0 | £100 | £0 | £-100 | £0 | £100 | £0 | £-100 | £0 |
| Postages | £4,500 | £4,500 | £0 | £-1,000 | £3,500 | £4,500 | £0 | £-1,000 | £3,500 | £4,500 | £0 | £-1,000 | £3,500 |
| Telephones | £6,800 | £6,900 | £0 | £-400 | £6,500 | £7,000 | £0 | £-370 | £6,630 | £7,000 | £0 | £-237 | £6,763 |
| Conference Expenses | £1,000 | £1,000 | £0 | £0 | £1,000 | £1,000 | £0 | £0 | £1,000 | £1,000 | £0 | £0 | £1,000 |
| Subscriptions | £2,346 | £2,393 | £0 | £0 | £2,393 | £2,440 | £0 | £0 | £2,440 | £2,440 | £0 | £0 | £2,440 |
| Book of Remembrance Inscriptions | £8,922 | £9,128 | £0 | £0 | £9,128 | £9,028 | £0 | £0 | £9,028 | £9,028 | £0 | £0 | £9,028 |
| External Legal Expenses | £0 | £0 | £1,500 | £0 | £1,500 | £0 | £1,500 | £0 | £1,500 | £0 | £0 | £0 | £0 |
| Other Expenses General | £500 | £500 | £0 | £0 | £500 | £500 | £0 | £0 | £500 | £500 | £0 | £0 | £500 |
| Memorial Plaques | £11,500 | £11,730 | £0 | £0 | £11,730 | £11,965 | £0 | £0 | £11,965 | £11,965 | £0 | £0 | £11,965 |
| Organist Fees | £20,000 | £20,000 | £0 | £0 | £20,000 | £20,000 | £0 | £0 | £20,000 | £20,000 | £0 | £0 | £20,000 |
| CAMEO Non Abatement Fees | £0 | £0 | £20,000 | £0 | £20,000 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| SUPPLIES & SERVICES | £176,423 | £159,340 | £22,050 | £-11,889 | £169,501 | £159,809 | £6,050 | £-6,046 | £159,813 | £159,809 | £550 | £-11,913 | £148,446 |
| Corp Leadership Team | £6,636 | £6,774 | £0 | £-6,774 | £0 | £6,878 | £0 | £-6,878 | £0 | £6,878 | £0 | £-6,878 | £0 |
| Human Resources | £7,737 | £7,930 | £0 | £-7,930 | £0 | £8,099 | £0 | £-8,099 | £0 | £8,099 | £0 | £-8,099 | £0 |
| Payroll | £2,413 | £2,449 | £0 | £-2,449 | £0 | £2,475 | £0 | £-2,475 | £0 | £2,475 | £0 | £-2,475 | £0 |
| Accountancy/Financial Systems | £7,219 | £7,322 | £0 | £-7,322 | £0 | £7,440 | £0 | £-7,440 | £0 | £7,440 | £0 | £-7,440 | £0 |
| BSU Creditors | £3,683 | £3,747 | £0 | £-3,747 | £0 | £3,804 | £0 | £-3,804 | £0 | £3,804 | £0 | £-3,804 | £0 |
| Customer Support Telephony | £688 | £700 | £0 | £-700 | £0 | £713 | £0 | £-713 | £0 | £713 | £0 | £-713 | £0 |
| Customer Support Face to Face | £30 | £30 | £0 | £-30 | £0 | £31 | £0 | £-31 | £0 | £31 | £0 | £-31 | £0 |
| Debtors | £2,312 | £2,343 | £0 | £-2,343 | £0 | £2,375 | £0 | £-2,375 | £0 | £2,375 | £0 | £-2,375 | £0 |
| Internal Audit | £3,016 | £1,081 | £0 | £-1,081 | £0 | £1,102 | £0 | £-1,102 | £0 | £1,102 | £0 | £-1,102 | £0 |
| Postal Services | £4 | £4 | £0 | £-4 | £0 | £4 | £0 | £-4 | £0 | £4 | £0 | £-4 | £0 |
| IT GIS | £1,610 | £1,689 | £0 | £-1,689 | £0 | £1,740 | £0 | £-1,740 | £0 | £1,740 | £0 | £-1,740 | £0 |
| IT Network/Development | £11,398 | £11,522 | £0 | £-11,522 | £0 | £11,751 | £0 | £-11,751 | £0 | £11,751 | £0 | £-11,751 | £0 |
| Design Services | £5,422 | £5,530 | £0 | £0 | £5,530 | £5,641 | £0 | £0 | £5,641 | £5,641 | £109 | £0 | £5,750 |
| Waste/Litter Collection | £6,987 | £7,127 | £0 | £0 | £7,127 | £7,270 | £0 | £0 | £7,270 | £7,270 | £145 | £0 | £7,415 |
| Environmental Health | £450 | £450 | £0 | £-450 | £0 | £450 | £0 | £-450 | £0 | £450 | £0 | £-450 | £0 |
| Risk Management | £780 | £802 | £0 | £-802 | £0 | £823 | £0 | £-823 | £0 | £823 | £0 | £-823 | £0 |
| Telephone Recharges | £1,050 | £1,050 | £0 | £-1,050 | £0 | £1,050 | £0 | £-1,050 | £0 | £1,050 | £0 | £-1,050 | £0 |
| Central Corporate Overheads | £0 | £0 | £47,443 | £0 | £47,443 | £0 | £48,392 | £0 | £48,392 | £0 | £49,360 | £0 | £49,360 |
| SUPPORT SERVICES | £61,435 | £60,550 | £47,443 | £-47,893 | £60,100 | £61,646 | £48,392 | £-48,735 | £61,303 | £61,646 | £49,614 | £-48,735 | £62,525 |
| Depreciation | £106,610 | £106,610 | £19,661 | £0 | £126,271 | £106,610 | £19,661 | £0 | £126,271 | £106,610 | £19,661 | £0 | £126,271 |
| DEPRECIATION & IMPAIRMENT | £106,610 | £106,610 | £19,661 | £0 | £126,271 | £106,610 | £19,661 | £0 | £126,271 | £106,610 | £19,661 | £0 | £126,271 |
| TOTAL EXPENDITURE | £1,148,659 | £1,139,067 | £131,995 | £-100,616 | £1,170,446 | £1,156,798 | £125,626 | £-93,724 | £1,188,700 | £1,156,798 | £130,338 | £-96,316 | £1,190,820 |

| Account Description | 2018/2019 | 2019/2020 | | | | 2020/2021 | | | | 2021/2022 | | | |
|------------------------------------|------------------------|-------------------------------|------------------|-------------------|--------------------|-------------------------------|------------------|-------------------|--------------------|-------------------------------|------------------|-------------------|--------------------|
| | Latest Approved Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget |
| Book of Remembrance Inscriptions | -£24,970 | -£25,469 | £663 | £0 | -£24,806 | -£25,978 | £676 | £0 | -£25,302 | -£25,978 | £170 | £0 | -£25,808 |
| Cremation Containers | -£200 | -£200 | £0 | £0 | -£200 | -£200 | £0 | £0 | -£200 | -£200 | £0 | £0 | -£200 |
| Cremation Memorials | -£45,631 | -£46,544 | £1,919 | £0 | -£44,625 | -£47,475 | £1,958 | £0 | -£45,517 | -£47,475 | £1,047 | £0 | -£46,428 |
| Organist | -£32,000 | -£32,640 | £5,640 | £0 | -£27,000 | -£33,295 | £6,295 | £0 | -£27,000 | -£33,295 | £6,295 | £0 | -£27,000 |
| Cremation Fees | -£1,680,700 | -£1,715,000 | £0 | -£13,000 | -£1,728,000 | -£1,800,750 | £0 | -£13,650 | -£1,814,400 | -£1,800,750 | £0 | -£104,850 | -£1,905,600 |
| Interest Income | -£1,860 | -£3,720 | £0 | -£3,968 | -£7,688 | -£5,579 | £0 | -£921 | -£6,500 | -£5,579 | £0 | -£921 | -£6,500 |
| Medical Fees | -£45,325 | -£45,325 | £925 | £0 | -£44,400 | -£45,325 | £925 | £0 | -£44,400 | -£45,325 | £925 | £0 | -£44,400 |
| Misc Income Admin Fees | £0 | £0 | £0 | -£4,000 | -£4,000 | £0 | £0 | -£4,000 | -£4,000 | £0 | £0 | -£4,000 | -£4,000 |
| INCOME | -£1,830,686 | -£1,868,898 | £9,147 | -£20,968 | -£1,880,719 | -£1,958,602 | £9,854 | -£18,571 | -£1,967,319 | -£1,958,602 | £8,437 | -£109,771 | -£2,059,936 |
| Recharges to Cemeteries | -£30,221 | -£31,314 | £0 | -£1,794 | -£33,108 | -£32,117 | £0 | -£1,609 | -£33,726 | -£32,117 | £0 | -£2,240 | -£34,357 |
| INCOME RECHARGES | -£30,221 | -£31,314 | £0 | -£1,794 | -£33,108 | -£32,117 | £0 | -£1,609 | -£33,726 | -£32,117 | £0 | -£2,240 | -£34,357 |
| TOTAL INCOME | -£1,860,907 | -£1,900,212 | £9,147 | -£22,762 | -£1,913,827 | -£1,990,719 | £9,854 | -£20,180 | -£2,001,045 | -£1,990,719 | £8,437 | -£112,011 | -£2,094,293 |
| NET COST OF SERVICE | -£712,248 | -£761,145 | £141,142 | -£123,378 | -£743,381 | -£833,921 | £135,480 | -£113,904 | -£812,345 | -£833,921 | £138,775 | -£208,327 | -£903,473 |
| Depreciation Reversal | -£106,610 | -£106,610 | £0 | -£19,661 | -£126,271 | -£106,610 | £0 | -£19,661 | -£126,271 | -£106,610 | £0 | -£19,661 | -£126,271 |
| Carry Forward from General Reserve | -£28,000 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| 3% Fee Income to Capital Fund | £46,550 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| BELOW NET COST OF SERVICE | -£88,060 | -£106,610 | £0 | -£19,661 | -£126,271 | -£106,610 | £0 | -£19,661 | -£126,271 | -£106,610 | £0 | -£19,661 | -£126,271 |
| NET SURPLUS | -£800,308 | -£867,755 | £141,142 | -£143,039 | -£869,652 | -£940,531 | £135,480 | -£133,565 | -£938,616 | -£940,531 | £138,775 | -£227,988 | -£1,029,744 |
| CAPITAL | | | | | | | | | | | | | |
| Account Description | 2018/2019 | 2019/2020 | | | | 2020/2021 | | | | 2021/2022 | | | |
| | Latest Approved Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget | Base Budget Appr.in Principle | Budget Additions | Budget Reductions | Projected Budget |
| Cremator and Abatement Equipment | £0 | £750,000 | £0 | £0 | £750,000 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |
| GROSS CAPITAL EXPENDITURE | £0 | £750,000 | £0 | £0 | £750,000 | £0 | £0 | £0 | £0 | £0 | £0 | £0 | £0 |

