

SUBJECT:	REVENUE BUDGET – REVISED 2015/16 AND ORIGINAL 2016/17
REPORT OF:	Treasurer of Chilterns Crematorium Joint Committee – Jim Burness
RESPONSIBLE OFFICER	Jim Burness
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WARD/S AFFECTED	All

Purpose of Report

1. This report sets out the proposed Chilterns Crematorium Revised Revenue Budget for 2015/16 and Original Revenue Budget for 2016/17.

RECOMMENDATIONS

That the Joint Committee approves the revised Revenue Budget for 2015/16 and the Original Revenue Budget for 2016/17, subject to any revisions it wishes to make.

2. The table below provides a summary comparison between the revised and original budget for 2015/16 and the original budget for 2016/17.

	2015/16 Original £ (OB1)	2015/16 Revised £ (RB)	Movement (RB – OB1) £	2016/17 Original £ (OB2)	Movement (OB2- OB1) £
Revenue Expenditure	901,900	863,010	(38,890)	843,060	(58,840)
Income	(1,896,840)	(1,972,800)	(75,960)	(1,968,600)	(71,760)
Revenue(Surplus)/ Deficit	(994,940)	(1,109,790)	(114,850)	(1,125,540)	(130,600)
Less Capital Expenditure	3,473,561	186,474	(3,287,087)	4,148,840	675,279
(Surplus)/ Deficit for year	2,478,621	(923,316)	3,401,937	3,023,300	544,679

3. Detailed Revenue Budget information is attached as an **Appendix 1**.
4. The following assumptions and points should be noted:
 - a) Salaries and associated expenses. A 1% pay award has been applied for 2016/17. A review of staff's terms and conditions to follow that of Chiltern DC is due to be carried out in 2016/17 but figures have been calculated on current pay conditions.
 - b) Organists fees. These have been paid directly by Funeral Directors since 2005 therefore budget no longer required.

- c) Maintenance of Buildings. The revised budget reflects external decoration of the Milton Chapel and associated buildings (£27,000). The refurbishment of the on-site bungalow kitchens for £15,000 has been deferred until 2016/17.
- d) Maintenance of Grounds. A smaller contingency has been required this current year. In 2016/17 an additional £8,000 is required to replace an existing 20 year old grass cutting machine.
- e) Maintenance of Cremators. Additional annual emission testing fees of £2,000 and the purchase of a second hand standby Cremulator (ash processing machine) for £5,000 have been necessary this year. Although the cremators are reliable and in good operational condition, they are now 18 years old and will start to incur some additional unplanned repair costs.
- f) Gas. A change of supplier has resulted in a lower rate.
- g) Furniture, Fittings and IT. Additional budget is required in 2016/17 for proposed pew cushions in the Hampden chapel and replacement of the original wooden chairs with padded chairs in the balcony.
- h) Consultants fees. The fee to opt to tax the land to be developed at the new crematorium has been deferred from 2014/15 to this current year.
- i) Vending Stock and Maintenance. Higher expenditure in 2015/16 due to the replacement of the two vending machines of £5,600 and restocking with new ingredients.
- j) Printing and Stationery. As there is sufficient stock of memorial leaflets there is no need for a reprint in 2016/17 (current reprint costs of up to £1,500 for 5000). However there will no longer be a print facility in house at CDC so external printers will be utilised.
- k) Books and Publications. Higher than usual expenditure in 2015/16 due to the replacement of all the funeral service books in both chapels.
- l) Telephones. The 15/16 budget has been reduced to take account of overpayments from October 2014. The Lync telephone system has been deferred until 2016/17.
- m) Conference expenses. Not utilised in 2015/16.
- n) Courses/seminars. Emergency first aid training refresher courses due 2016/17.
- o) Plaques. Additional budget is required to purchase the new stone memorial Sanctum 2000 approved by the Joint Committee at the last meeting (start-up costs of £5,000).
- p) Memorial seats. No budget required in 2015/16 since none have been purchased.
- q) Wesley Music Service. The new audio-visual systems installed in both chapels were under budget for 2015/16 hence the slight reduction in this year.
- r) Vat provision. Adjusted in line with budgets.
- s) Bank charges. There was free banking until the end of June 2015 following a change of banker thereafter budget required.
- t) Chiltern DC recharges. Recharges are from Chiltern District Council for the support they provide ie. Finance, IT, HR, Legal
- u) Cremation Fee. The number of cremations to be carried out in 2015/16 is slightly higher than anticipated so both revised and original estimates allow for 3,300 cremations. An increase of 2% re Cremation fee has been applied for 2016/17.
- v) Abatement credits Each year more crematoria will fit abatement plant so the estimate to claim surcharges from unabated cremations is hard to predict.

- w) Bank and interest. External investments (£3.5million) are due back March/November 2016 so will receive a lower rate at Barclays Bank ready for the new build project.
5. Capital expenditure has been adjusted in accordance with the rolling nature of the projects. These are detailed in the Capital Programme Report.
6. The following table shows the forecast (surplus) / deficit allocation by Authority:

Council	Actual Balance 31.3.2015	Apportionment 2015/16 Revised Budget	Estimated Balance 31.3.2016	Apportionment 2016/17 Original Budget	Estimated Balance 31.3.2017
	£	£	£	£	£
AVDC	(1,318,020)	(303,907)	(1,621,927)	995,110	(626,817)
Chiltern	(1,262,440)	(237,127)	(1,499,567)	776,447	(723,120)
Wycombe	(1,890,902)	(382,282)	(2,273,184)	1,251,743	(1,021,441)
Totals	(4,471,362)	(923,316)	(5,394,678)	3,023,300	(2,371,378)
	Surplus	Surplus	Surplus	Deficit	Surplus

7. When considering the accumulated surplus there will always be the need to maintain a prudent level of reserves in the order of £500k to:
- Provide a working balance for its operations
 - Provide for financial risk of loss of income for whatever reasons
 - Contingency for any emergency works to the building or plant.

Background Papers: None