

# LLWYDCOED CREMATORIUM JOINT COMMITTEE

12<sup>th</sup> March 2024

## REPORT OF THE TREASURER

### MATTERS REPORTED FOR DECISION

#### BUDGET MONITORING REPORT FOR 2023/24 AND DRAFT REVENUE ESTIMATES FOR 2024/25

##### 1.0 PURPOSE OF THE REPORT

1.1 This report provides Members with an update on the 2023/24 Budget Monitoring position and the Draft Revenue Estimates for 2024/25.

##### 2.0 RECOMMENDATIONS

2.1 It is recommended that:

- Members note the report;
- Members note the 2023/24 Budget Monitoring position (Appendix 1);
- Members approve the Draft Revenue Estimates for 2024/25 (Appendix 1); and
- Members note the Audited Annual Return for the year ended 31<sup>st</sup> March 2023 (Appendix 2).

##### 3.0. BUDGET MONITORING REPORT 2023/24

3.1 Appendix 1 gives details of the approved budget, actual expenditure to 29<sup>th</sup> February 2024 and projected outturn figures for 2023/24.

3.2 **Expenditure for 2023/24 is projected to be £914,212 against a budget of £868,170 – a projected overspend of £46,042.**

3.3 The main expenditure variances are as follows: -

- Employees - £19,512 projected overspend due to additional cover required as a result of temporary staff absence.
- Premises - £9,117 projected overspend due to increased Non-Domestic Rates as a result of an updated revaluation and additional repairs and maintenance costs, partly off-set by lower than budgeted utility costs.
- Supplies & Services - £11,009 projected overspend mainly due to increased costs of live streaming of services.
- Central Support Costs - £6,404 projected overspend due to updated support requirements for the year.

3.4 **Operating income for 2023/24 is projected to be £1,121,155 against a budget of £1,218,170, showing a shortfall of income of £97,015.**

3.5 Projections for cremation fees have been made based on actuals to date and an estimated number of cremations for the remainder of the financial year and will be monitored closely through to year-end.

3.6 **Investment costs (one-off) identified to date are projected to be £27,000 across the following areas:**

- £10k – CCTV systems work; and
- £17K – underground fibre link (broadband).

3.7 **Summary position for 2023-24**

	£
<b>General reserves brought forward 1<sup>st</sup> April 2023</b>	<b>1,347,313</b>
Projected Net Revenue contribution to reserves in 2023/24	226,943
Investment Costs	-27,000
Redistribution to Joint Authorities	-350,000
<b>Projected General Reserves 31<sup>st</sup> March 2024</b>	<b><u>1,197,256</u></b>

#### 4.0 **DRAFT REVENUE ESTIMATES 2024/25**

4.1 The Draft Revenue Estimates 2024/25 are also shown in Appendix 1.

4.2 **Proposed operational expenditure is £854,710 compared with an approved budget of £868,170 in 2023/24.**

- **Employees budget £275,200** - this provides for a full establishment for the full year and a budgeted pay award for the 2024/25 financial year. It also includes a budget to cover the gardening and grass cutting function.
- **Premises budget £304,980** – the budget includes forecasted decreases in gas and electricity charges and also the cost of cremator maintenance.
- **Transport budget £1,000.**
- **Supplies & Services budget £113,350.**
- **Central Support Cost budget £160,180** – includes management and administration support costs based on estimated time apportionment.

4.3 **Proposed operational income is £1,209,090 compared with an approved budget of £1,218,170 in 2023/24** – the budget is based on updated assumptions in respect of income levels taking into account the anticipated challenging operating environment for next financial year.

## **5.0 AUDITED ANNUAL RETURN FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2023**

- 5.1 The draft Annual Return for the Year Ended 31<sup>st</sup> March was authorised at the 27<sup>th</sup> June 2023 Joint Committee meeting.
- 5.2 The external audit process has now been completed and the Audited Annual Return for the year ended 31<sup>st</sup> March 2023 is shown in Appendix 2.
- 5.3 No issues were identified as part of the audit process therefore the attached audited return is shown for information only.

## **6.0 SUMMARY**

- 6.1 The Budget Monitoring position will be dependent upon the final 2023/24 position and any further capital expenditure to be incurred to the year-end 31<sup>st</sup> March 2024.
- 6.2 The Draft Revenue Estimates 2024/25 propose an operating surplus of £354,380 and anticipated investment income of £20,000.
- 6.3 It was agreed at the Joint Committee meeting of 10<sup>th</sup> December 2019 that there would be an £350,000 Annual Redistribution of the General Reserve to the respective Authorities.
- 6.4 The net contribution to reserves in 2024/25 is estimated at £24,380. This will be kept under on-going review during the year as part of ensuring a sustained contribution to reserves over the long term.
- 6.5 Based on the 2023/24 Budget Monitoring Report and the Draft Revenue Estimates 2024/25 the estimated General Reserve Balance at the end of 2024/25 would be **£1,221,636**, noting that at this stage this does not consider any capital works that may be identified to be undertaken during 2024/25.
- 6.6 The General Reserves are required to fund further capital expenditure as part of the ongoing delivery of the service and the projected position is considered to be at a prudent level as at 31<sup>st</sup> March 2024.
- 6.7 The level of General Reserves will be monitored closely as part of the robust budget monitoring arrangements in place and updates will be reported to the Joint Committee at appropriate intervals during 2024/25.

**LOCAL GOVERNMENT ACT 1972**

**As amended by**

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL**

**LLWYDCOED CREMATORIUM JOINT COMMITTEE**

**12<sup>th</sup> March 2024**

**Report of the Treasurer to Llwydcoed Crematorium**

**LIST OF BACKGROUND PAPERS**

**Ref:**

Item - Budget Monitoring Report 2023/24  
& Draft Revenue Estimates 2024/25

**Contact Officer**

Steve Preddy  
(01443 680644)