



NOTICE OF MEETING

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MONDAY, 11 DECEMBER 2017 AT 2.00 PM

**CONFERENCE ROOM A (THE DUISBURG ROOM) -
PORTSMOUTH CIVIC OFFICES**

Telephone enquiries to John Haskell, Clerk to the Joint Committee
023 9283 4057

(NB This Agenda should be retained for future reference with the Minutes of this meeting.

The agenda, minutes and non-exempt reports are available to view on-line at www.portchestercrematorium.org)

Membership of the Joint Committee - 2017/18:

Gosport Borough Council

Councillor Alan Scard
Councillor June Cully

Havant Borough Council

Councillor Tony Briggs
Councillor David Guest

Fareham Borough Council

Councillor Keith Evans
Councillor Susan Bell

Portsmouth City Council

Councillor Frank Jonas (Chairman)
To be notified

A G E N D A

- 1 Apologies for Absence**
- 2 Declarations of Members' Interests**
- 3 Minutes of the Meeting held on 18 September 2017 (Pages 5 - 8)**

4 Matters Arising from the Minutes not specifically referred to on the Agenda

5 Clerk's Items

The Clerk to the Joint Committee will report on any matters requiring attention.

6 Finance Strategy and Budget for 2018/19 (Pages 9 - 14)

The Finance Strategy was last approved by Members in December 2016, setting out the principles on which the strategy has been compiled, together with risks and other aspects of the financial management framework that the Crematorium operates in.

The attached report from the Treasurer encloses an updated Finance Strategy which provides a clear overview of the Joint Committee's financial framework and provides added assurance to the Joint Committee and to the constituent authorities that sound and effective arrangements are in place to manage the Crematorium's finances.

RECOMMENDED (1) that the Finance Strategy 2018/19, attached as Appendix A to the report, be approved;

(2) that the Finance Strategy 2018/19 be sent to the four constituent authorities to note for their information.

7 Revenue Budget Report - 2018/19 (Pages 15 - 26)

The purpose of the attached report from the Treasurer is to set out the revenue budget and repairs and renewals programme for 2017/18 and 2018/19, together with a review of fees and charges. The revised capital works programme for 2017/18 and future years has also been included for consideration at Appendix E to the report.

RECOMMENDED (a) That the capital works programme as detailed in Appendix E be approved;

(b) That the Joint Committee approves one of the two options for proposed cremation fees and other charges as set out in Appendices B & C from 1 April 2018;

(c) That the proposed revenue account estimates as set out in Appendix A to the report be approved subject to the Joint Committee's decisions in respect of recommendations a & b above;

(e) That the Joint Committee considers writing to the Leader of each constituent authority to advise them of the annual payment to be received from the Portchester Crematorium Joint Committee in 2017/18 and the reduction in 2018/19.

8 Building Works Programme (Pages 27 - 28)

Report from the Property Manager in consultation with the Engineer and Surveyor attached.

RECOMMENDED that the Joint Committee notes the contents of the report.

9 North Chapel Refurbishment (Pages 29 - 30)

Report from the Property Manager attached.

10 Manager and Registrar's Report (Pages 31 - 34)

(a) General Report attached

(b) Monitoring Register of Public Comments

(c) Any other items of topical interest

11 Horticultural Consultant's Report - Grounds Maintenance (Pages 35 - 36)

Report from the Horticultural Consultant on grounds maintenance attached.

12 Retirement of the Engineer and Surveyor and the Deputy Engineer and Surveyor

Presentation to Mr Terry Garvey (Engineer and Surveyor) and Mr Mark Pam (Deputy Engineer and Surveyor) to mark their retirement after 34 years and 7½ years' service respectively.

13 Date of Next Meeting - Monday 19 March 2018 at 2pm in Fareham

1 December 2017

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Agenda Item 3

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MINUTES OF THE MEETING of the Joint Committee held at the Public Services Plaza, Havant on Monday 18 September 2017 at 2.00 pm.

Present

Fareham Borough Council

Councillor Susan Bell

Gosport Borough Council

Councillor June Cully
Councillor Alan Scard

Havant Borough Council

Councillor Tony Briggs
Councillor David Guest

Portsmouth City Council

Councillor Frank Jonas (Chairman)

Apologies for Absence (AI 1)

Councillor Keith Evans (Fareham BC); Councillor Rob New (Portsmouth CC); Terry Garvey (Engineer and Surveyor), and Mark Pam (Deputy Engineer & Surveyor).

744 Declarations of Members' Interests (AI 2) – None

745 Minutes of the Meeting held on 26 June 2017 (AI 3)

RESOLVED that the minutes of the meeting held on the 26 June 2017 be signed as a correct record.

746 Matters Arising from the Minutes not specifically referred to on the Agenda (AI 4) - None

747 Clerk's Items (AI 5)

(a) Recycling of Metals Scheme – Charitable Nomination

The Clerk reported that following consultation with members Naomi House Children's Hospice had been nominated to receive an award under the metals recycling scheme operated by the Institute of Cemetery and Cremation Management. He was pleased to report that an award of £5,000 had now been received for presentation to Naomi House.

NOTED

748 Building Works Programme (AI 6)

(TAKE IN REPORT OF THE ENGINEER AND SURVEYOR)

RESOLVED that the contents of the report be noted.

749 North Chapel Refurbishment (AI 7)

(TAKE IN REPORT OF THE ENGINEER AND SURVEYOR)

Arising from questions, members were advised that there would be a further report to the Joint Committee at the December meeting, which would include examples of linked individual chairs, progress with the refurbishment scheme generally, and procurement arrangements.

RESOLVED that the report be noted.

750 Manager and Registrar's Report (AI 8)

(a) General Statistical Report

(TAKE IN REPORT OF THE MANAGER AND REGISTRAR)

The Manager and Registrar again updated members on the increasing popularity of early morning 'walk through' funerals.

RESOLVED that the report be received and noted.

(b) Environmental Issues

Arising from his statistical report and in response to questions the Manager and Registrar referred to the levels of energy used which were largely determined by the regulatory requirements of cremation. The possibility of utilising waste heat in the heating of buildings (and minimise the overall consumption of gas) had previously been identified within the Crematorium's current Development Plan, which had been approved by members. Provision had already been made to achieve this subject to some further engineering works that would be required.

RESOLVED that the relevant officers' report back to a future meeting on the further works required including costings to fully implement utilising waste heat in the heating of the Crematorium.

(c) Any other items of topical interest – public comments register

The Manager and Registrar reported that since June 2017 the following main comments had been received -

- An email of thanks for an informative 'behind the scenes' tour of the crematorium;
- A thank you card for being looked after when taken poorly during a service;

- A complainant was advised that Post 82 was not overgrown but in full growth and would be pruned in a few months;
- A complainant that posies had been removed prematurely was advised that gardeners clear dead flowers on a weekly basis;
- A telephone call thanking a member of staff for patience in choosing a location and scattering of ashes;
- A complaint that no member of staff was available (due to other commitments) to show a member of the public the garden area;
- A written apology was made following a complaint that a CD was not available at the start of a service, due to a misunderstanding between the funeral director and chapel attendant;
- A complainant that items had been allegedly removed from a garden store was advised of the system in operation for holding items removed from the grounds;
- A complaint about an overgrown shrub on the North Border was passed to the Horticultural Consultant for consideration.

RESOLVED that the report be noted with interest

751 Horticultural Consultant's Report (AI 9)

(TAKE IN REPORT OF THE HORTICULTURAL CONSULTANT)

In submitting his report the Horticultural Consultant drew particular attention to the theft of equipment from the garage used by the contractor and the action taken to protect the building.

RESOLVED that the report be received and approved.

752 Retirement of Engineer and Surveyor & Deputy Engineer and Surveyor to the Joint Committee (AI 10)

(TAKE IN REPORT OF THE CLERK)

In submitting his report the Clerk explained the arrangements to record formally the service given by both the Engineer and Surveyor and his deputy.

RESOLVED (1) that the Joint Committee places on record its grateful thanks to Terry Garvey for his 34 years' service as Engineer and Surveyor and to Mark Pam for his 7½ years' service as Deputy Engineer and Surveyor to the Joint Committee, and wishes them both a long and happy retirement.

(2) that it be noted that for the future Fareham Borough Council's Property Manager (Ian Cousins) will report direct to the Joint Committee in respect of Crematorium building works, capital equipment and maintenance programmes and related matters.

753 Portchester Crematorium Grounds Maintenance Contract (AI 11)

Before considering this item the Joint Committee -

RESOLVED that the public be excluded from the meeting during consideration of appendices 1 & 2 to the report because it is likely that if members of the public were present there would be disclosure to them of 'exempt information' within paragraph 3 of Part 1 of Schedule 12A of the Local Government Act 1972.

(TAKE IN REPORT OF THE CLERK)

The Clerk explained that the purpose of his report was to advise on the tenders received and a recommendation for the provision of horticultural grounds maintenance services when the current contract ends on the 31 December 2017.

Richard Lock, Senior Procurement Professional at Portsmouth City Council gave a detailed explanation of the procedure and process that had been followed to invite and evaluate the tenders received, the details of which were described in his report (Exempt Appendix 1) to the Clerk's open report.

Members gave consideration to the report and appendices, and following questions which were answered by officers it was -

RESOLVED (1) that having considered the evaluation of the tenders received, as set out in the exempt appendix 1 to the Clerk's Report, the contract for horticultural and grounds maintenance services from 1 January 2018 be awarded to Tenderer D;

(2) that Portsmouth City Council on behalf of the Joint Committee be authorised to enter into the contract and complete the necessary legal documentation.

754 Date of Next Meeting (AI 12)

RESOLVED that the next meeting be held at 2pm on Monday 11 December 2017 in Portsmouth

The meeting concluded at 2.45 pm

Chairman

JH/me
18 September 2017
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Agenda Item 6



Report to Portchester Crematorium Joint Committee

Date: **11 December 2017**

Report of: **Treasurer to the Joint Committee**

Subject: **FINANCE STRATEGY AND BUDGET FOR 2018/19**

SUMMARY

At its meeting on 12 December 2016, the Joint Committee approved the Finance Strategy and the revenue budget for 2017/18.

The Finance Strategy for 2018/19 has been prepared and is attached as appendix A of this report, for the Joint Committee's consideration.

The updated Finance Strategy provides a clear overview of the Joint Committee's financial framework and provides added assurance to the Committee and to the constituent authorities that sound and effective arrangements are in place to manage the Crematorium's finances.

Subject to approval, the Finance Strategy will be sent to the constituent authorities. Any comments received from them in response to the strategy will be brought back to the Joint Committee and, if appropriate, incorporated into the strategy when it is reviewed again.

RECOMMENDATIONS

- (a) That the Finance Strategy 2018/19, attached as Appendix A to this report, be approved;
- (b) That the Finance Strategy 2018/19 be sent to the constituent authorities to note.

PORTCHESTER CREMATORIUM JOINT COMMITTEE

FINANCE STRATEGY AND BUDGET FOR 2018/16

INTRODUCTION

1. The Portchester Crematorium was opened on 27 September 1958 and is the fifth busiest crematorium in England. It is managed by a Joint Committee of eight councillors, two from each of the constituent authorities of Fareham, Gosport, Havant and Portsmouth.
2. The key financial policies of the Joint Committee are set out in the Portchester Crematorium Development Plan – a document that is revisited and reviewed approximately every two years, supported by approved Financial Regulations.
3. The current Development Plan was approved by the Joint Committee on 20 March 2017 and covers the period from 2017 to 2022.

FINANCIAL MANAGEMENT

4. The main focus of prudent financial management is the Joint Committee's Finance Strategy, the overall objective of which is to structure and manage the Joint Committee's financial resources to ensure that they match and support the achievement of the Joint Committee's objectives.
5. At the same time the strategy must ensure that the requirement to set a balanced budget is fully met and that the Joint Committee is able to respond to year-on-year changes and short-term service delivery issues.
6. This can be difficult to achieve when faced with increasing expenditure and one main source of income that is directly affected by fluctuations in the mortality rate and increased local competition.
7. To overcome these difficulties there are a number of fundamental principles that are followed by the Joint Committee and which form the basis of the Finance Strategy.

THE FUNDAMENTAL POLICIES

8. These fundamental and long-standing policies (set out in the following paragraph) on which the Joint Committee's Finance Strategy is based are subject to annual review as part of the budget process:
 - (i) Sufficient reserves and provisions will continue to be made to ensure that:
 - (a) no precept will be required from the constituent authorities within the foreseeable future and;
 - (b) all anticipated capital works can be funded from revenue income.

- (ii) That subject to (i) above, an optimum annual contribution be available for re-distribution to each of the constituent authorities.
9. The distribution of the annual contribution in this way is effectively recognition of the significant original investment by each of the authorities in the Crematorium. These payments also assist them indirectly to support their own cemeteries and bereavement services.

TREASURY MANAGEMENT

10. The function of treasury management is to support the funding of the Joint Committee's planned capital works, which should be funded from revenue income. To earmark resources for this purpose any surplus funds are invested with Fareham Borough Council at 0.25% below base rate.

FINANCIAL PLANNING

11. The financial planning process supports the preparation of this Finance Strategy and gives the necessary flexibility to allow the Joint Committee to consider objectives and priorities, as well as the maintenance of service standards and the scope for improvements where necessary, but at the same time seeking to minimise the increase in the overall net budget and the fees and charges for cremation.
12. The Finance Strategy, revenue budget and capital programme are the subject of a report to the Joint Committee by the Treasurer each December.

BUDGETARY CONTROL AND REPORTING

13. An essential pre-requisite of good financial management is to ensure that everyone with responsibility for the control of budgets has access to up to date information on the budgets for which they are responsible to inform their decision making and ensure that strict control of budgets is maintained.
14. Budgets are monitored by the Finance staff on a weekly basis and significant variances are brought to the attention of the appropriate officer and to the Treasurer.
15. Budgetary control information is provided to the Treasurer on a daily basis in respect of revenue expenditure and monthly in respect of capital expenditure.

BUDGET RESPONSIBILITIES

16. Responsibility for budgets rests formally with the Joint Committee but there are arrangements in place as part of the Constitution that delegates certain responsibilities to the officers.

Joint Committee

17. The Joint Committee has the general responsibility for setting the policy and budget framework and must ensure the following:
- Spending plans are approved in accordance with the projected resources of the Joint Committee;
 - Approved revenue budgets, capital programmes and the level of fees and charges are in accordance with the Finance Strategy;
 - Supplementary estimates are only approved after consideration of the Joint Committee's overall financial position.

The Appointed Officers

18. The Appointed Officers have general responsibility for the preparation of the detailed estimates of expenditure and income and the proposed fees and charges are prepared within the context of the Finance Strategy for approval by the Joint Committee.
19. They must also ensure that expenditure is only incurred if it forms part of the revenue budget or capital programme and that the overall revenue budget and capital programme are not exceeded.
20. Any decision to reallocate revenue or capital budgets from one service to another should not exceed the virement rules.

THE OVERALL FINANCIAL POSITION

21. Adherence to these fundamental policies means that the Joint Committee is in a strong financial position and able to meet all planned expenditure from income. Since 1999-2000 the Joint Committee has achieved sufficient surpluses to allow an amount to be distributed to each of the constituent authorities.
22. Since December 2013 the operating environment of Portchester Crematorium has significantly changed, with the opening of 'The Oaks', a private crematorium facility in the district of East Hampshire, very close to the border with the borough of Havant. Cremation numbers have fallen, but have remained stable over the past three years with only minor fluctuations that are to be expected.

	Cremations				
	2012/13	2013/14	2014/15	2015/16	2016/17
Cremations at nil charge (under 16)	22	27	22	26	20
Walk through cremations					80
Total cremations	<u>4,080</u>	<u>3,933</u>	<u>3,389</u>	<u>3,214</u>	<u>3,324</u>
	<u>4,102</u>	<u>3,960</u>	<u>3,411</u>	<u>3,240</u>	<u>3,424</u>

23. The budget setting report for 2018/19 will take account of cremation numbers being experienced and the increased amount of Business Rates payable since 2017/18 and the impact on the level of payment to the constituent authorities. The amount proposed to pay the authorities in 2018/19 will increase to £150,000, a level not seen since 2014/15.

THE CAPITAL POSITION

24. To ensure that sufficient resources are in place to finance all anticipated capital works, an annual contribution is made out of revenue income to the Committee's Capital Works Fund.
25. The Capital Works Fund as at 1 April 2017 was £1,669,358. In order to replenish the Capital Works Fund to levels that will meet future demands of the crematorium a budgeted contribution to the Capital Works Fund of £350,000 will be included in the budget for 2018/19.
26. The Joint Committee also approves annually a programme of repairs and renewal work. To finance this expenditure an annual contribution is made from revenue income to the Repairs and Renewals Fund to ensure that these works are fully funded. The Repairs and Renewals Fund as at 1 April 2017 was £202,591. The programme of works for 2018/19 will include the completion of updating works to the North Chapel. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2018/19 will be increased by £20,000 to £100,000.

THE REVENUE POSITION

27. It is the Joint Committee's policy to maintain a significant Revenue Reserve in order to deal with fluctuations in revenue income and expenditure that are outside of the Joint Committee's control.
28. The principal fluctuations are variations in the number of cremations and increased external competition.
29. The Revenue Reserve is an accumulation of budget surpluses from previous years and was £144,590 as at 1 April 2017, being 5.9% of gross expenditure for 2016/17.
30. It is prudent to maintain the level of this reserve at over £100,000.

FINANCIAL RISK ASSESSMENT

31. Each year the revenue budget is prepared on a going-concern basis, taking account of current and previous year's activity as well as changes that are known to occur in the future that will have a bearing on the forecast for the financial year ahead. Changes in the crematorium's operating environment that impact on the current revenue budget are taken into account as part of the revised budget preparation.

32. The revenue reserve provides a small retained resource to meet unforeseen costs or changes in activity. Measures are also considered throughout the year in order to preserve the Joint Committee's income streams and keep costs to a minimum.

SUMMARY

33. Historically, Portchester Crematorium has always strived to provide the best quality of service that it can and to achieve this, the Joint Committee is committed to the maintenance of high standards in relation to both staff performance and to the maintenance, repair and improvement of the Crematorium infrastructure.
34. In addition increases in cremation charges have been kept to a minimum with the current charge being the lowest in Hampshire and well below the national average.
35. The principles of financial management set out in the Finance Strategy continue to support the achievement of these aims and objectives by ensuring that the Joint Committee remains in a strong financial position, able to meet all planned expenditure from income.

Agenda Item 7



Report to Portchester Crematorium Joint Committee

Date: **11 December 2017**

Report of: **Treasurer to the Joint Committee**

Subject: **REVENUE BUDGET 2018/19**

SUMMARY

This report sets out the revenue budget for 2017/18 and 2018/19, together with the repairs and renewals and capital fund contributions for 2017/18 and 2018/19 and a review of fees and charges for 2018/19. The current capital works programme for future years has also been included for information.

RECOMMENDATIONS

- (a) That the capital works programme as detailed in Appendix D be noted;
- (b) That the Joint Committee the for proposed cremation fees and other charges as set out in Appendices B and C from 1 April 2018;
- (c) That the proposed revenue account estimates as set out in Appendix A be approved subject to the Joint Committee's decisions in respect of the recommendations (a & b) above.
- (d) That the Joint Committee considers writing to the Leader of each constituent authority to advise them of the annual payment to be received from the Portchester Crematorium Joint Committee in 2017/18 and 2018/19.

INTRODUCTION

1. The Joint Committee has in place a co-ordinated finance strategy that allows the consideration of availability of resources to finance both capital and revenue at the same time. There are a number of fundamental principles that are followed by the Joint Committee which form the basis of the finance strategy which are:
 - (i) Sufficient reserves and provisions will continue to be made to ensure that:
 - (a) no precept will be required from the constituent authorities within the foreseeable future and;
 - (b) all anticipated capital works can be funded from revenue income
 - (ii) That subject to (i) above, an optimum annual contribution be available for re-distribution to each of the constituent authorities.
2. This report has been prepared following the finance strategy principles so that members of the Joint Committee can consider in detail the financial position of Portchester Crematorium in the current year and the anticipated position in 2018/19.
3. Detailed information is set out in the various appendices to this report which cover the following:
 - Appendix A - Revised revenue budget for 2017/18 and the revenue budget for 2018/19;
 - Appendix B - Optional charges 2018/19;
 - Appendix C - Cremation fees 2018/19;
 - Appendix D - Capital works programme and funding;

BASE REVENUE BUDGET 2017/18

4. The original revenue budget for 2017/18 was set to a breakeven level, and prepared on a projected outturn basis with an allowance for price increases included within the various budget heads as appropriate.

BUDGET ISSUES

5. Since December 2013 the operating environment of Portchester Crematorium has significantly changed, with the opening of 'The Oaks', a private crematorium facility in the district of East Hampshire, very close to the border with the borough of Havant. Cremation numbers have fallen, but have remained stable over the past three years with only minor fluctuations that are to be expected.

	Cremations				
	2012/13	2013/14	2014/15	2015/16	2016/17
Cremations at nil charge (under 16)	22	27	22	26	20
Walk through cremations					80
Total cremations	4,080	3,933	3,389	3,214	3,324
	4,102	3,960	3,411	3,240	3,424

6. This budget setting report for 2018/19 will take account of cremation numbers being experienced and the increased amount of Business Rates payable since 2017/18 and the impact on the level of payment to the constituent authorities.

REVISED BUDGET 2017/18

7. The revised budget has been set to a break-even level. The budget variations are shown in the following table, and explained further below.

	Actuals 2016/17	Base Estimate 2017/18	Revised Estimate 2017/18	Variation
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	258,195	261,700	270,200	8,500
PREMISES RELATED EXPENDITURE	466,444	620,500	614,700	-5,800
SUPPLIES AND SERVICES	222,157	233,200	237,500	4,300
CAPITAL CHARGES	323,727	335,000	323,800	-11,200
SPECIAL EXPENDITURE	1,197,616	1,080,000	1,085,000	5,000
GROSS EXPENDITURE	2,468,139	2,530,400	2,531,200	800
GROSS INCOME	2,468,139	2,530,400	2,531,200	-800

8. Premises related expenditure has decreased overall by £5,800; from £620,500 to £614,700. The budgets for rent and cleaning have increased by £3,000 and the budget for gas has been decreased by £11,800. The budget of £115,000 set against repairs and renewals expenditure has not been adjusted for this financial year as the full handover for this area of responsibility takes place. This expenditure budget is fully offset by the use of the Repairs and Renewals Fund reserve to finance these works so there is no overall effect on the revenue budget deficit / surplus.
9. Supplies and services related expenditure has increased overall by £4,300; from £233,200 to £237,500. The budget for recharges from Portsmouth City Council in respect of horticultural consultancy has increased and Medical Referees fees are set in line with estimated cremation numbers.
10. Within Special Expenditure the budget for payment to the constituent authorities has been increased by £40,000. To ensure that sufficient resources are in place to finance all anticipated capital works, an annual contribution is made out of revenue income to the Committee's Capital Works Fund. As at 1 April 2017 the opening balance of this fund was £1,669,358. In order to replenish the Capital Works Fund to levels that will meet future demands of the crematorium the budget of £350,000 will be maintained for 2017/18 onwards.
11. The Joint Committee also approves annually a programme of repairs and renewal work. To finance this expenditure an annual contribution is made from revenue income to the Repairs and Renewals Fund to ensure that these works are fully funded. The Repairs and Renewals Fund as at 1 April 2017 was £202,591. The programme of works for 2018/19 will include the completion of updating works to the North Chapel. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2017/18 will be maintained at the same level as 2016/17 at £80,000.
12. Gross income has increased overall by £800; from £2,530,400 to £2,531,200. The impact on revenue income to the crematorium has been closely monitored since

2014/15 through to the 2017/18 financial year to date and the number of cremations in 2017/18 to date is slightly below that of the 2016/17 financial year. A projected figure of 3,200 has been used for both 2017/18 and 2018/19.

BASE BUDGET 2018/19

13. The base budget for 2018/19 has been set to a breakeven level. The budget variations are shown in the following table, and explained further below.

	Actuals 2016/17	Base Estimate 2017/18	Base Estimate 2018/19	Variation
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	258,195	261,700	270,200	8,500
PREMISES RELATED EXPENDITURE	466,444	620,500	631,500	11,000
SUPPLIES AND SERVICES	222,157	233,200	240,800	7,600
CAPITAL CHARGES	323,727	335,000	323,600	-11,400
SPECIAL EXPENDITURE	1,197,616	1,080,000	1,125,000	45,000
GROSS EXPENDITURE	2,468,139	2,530,400	2,591,100	60,700
GROSS INCOME	2,468,139	2,530,400	2,591,100	60,700

14. Premises related expenditure has increased overall by £11,000; from £620,500 to £631,500. The budgets for rent and cleaning have increased by £3,000 and the budget for NDR has been increased by £5,000. The budget of £115,000 set against repairs and renewals expenditure has not been adjusted for this financial year as the full handover for this area of responsibility takes place. This expenditure budget is fully offset by the use of the Repairs and Renewals Fund reserve to finance these works so there is no overall effect on the revenue budget deficit / surplus.
15. Supplies and services related expenditure has increased overall by £7,600; from £233,200 to £240,800. The budget for recharges from Portsmouth City Council in respect of horticultural consultancy has increased and the recharge from Fareham Borough Council has increased to take account of additional work within the Property Services team. Medical Referees fees are set in line with estimated cremation numbers.
16. Within Special Expenditure the budget for payment to the constituent authorities has been increased by £60,000. To ensure that sufficient resources are in place to finance all anticipated capital works, an annual contribution is made out of revenue income to the Committee's Capital Works Fund. As at 1 April 2017 the opening balance of this fund was £1,669,358. In order to replenish the Capital Works Fund to levels that will meet future demands of the crematorium the budget of £350,000 will be maintained for 2018/19.
17. The Joint Committee also approves annually a programme of repairs and renewal work. To finance this expenditure an annual contribution is made from revenue income to the Repairs and Renewals Fund to ensure that these works are fully

funded. The Repairs and Renewals Fund as at 1 April 2017 was £202,591. The programme of works for 2018/19 will include the completion of updating works to the North Chapel. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2018/19 will be increased by £20,000 to £100,000.

18. Gross income has increased overall by £800; from £2,530,400 to £2,531,200. The impact on revenue income to the crematorium has been closely monitored since 2014/15 through to the 2017/18 financial year to date and the number of cremations in 2017/18 to date is slightly below that of the 2016/17 financial year. A projected figure of 3,200 has been used for both 2017/18 and 2018/19.

REVIEW OF FEES & CHARGES

19. The optional charges are set out in Appendix B to this report, with considered increases proposed against Book of Remembrance and Memorial Cards charges. Charges are rounded to the nearest pound for ease of cash handling and it is proposed that these are increased from 1 April 2018.
20. The cremation fees are set out in Appendix C to this report, with a £20 increase proposed for 2018/19, equating to 3.36%. The fee level of £615 is still below the 2017 average cremation fee for the UK of £735.70, and the 2017 average cremation fee for Hampshire of £784. The table below shows a comparison of the 2016 fees with the nearest crematoria:

Chichester	£999
Southampton	£740
Eastleigh	£845
Portchester	£595
Havant	£785

21. The walk through cremation service is now well established with 81 services to November 2017. It is proposed to maintain the current fee of £400 in order to retain the current level of demand.

FINANCIAL RISK ASSESSMENT

22. The revenue budget has been prepared based on a going-concern basis, taking account of current and previous year's activity as well as changes that are known to occur in the current and next financial year.
23. The Revenue Reserve is an accumulation of budget surpluses from previous years and was £144,590 as at 1 April 2017, being 5.9% of gross expenditure for 2016/17. In accordance with the Finance Strategy for 2018/19 it is prudent to maintain the level of this reserve at over £100,000 in order to provide a small retained resource to meet unforeseen fluctuations in revenue income and expenditure that are outside of the Joint Committee's control. Measures are also considered on an on-going basis in order to preserve the Joint Committee's income streams and keep costs to a minimum. After taking into account the revised estimates for this year, and the proposed charges for 2018/19, the balance of the General Fund Revenue Reserve will not be increased.
24. The repairs and renewals programme is fully funded from an earmarked fund and as at 1 April 2017 the opening balance was £202,591. The programme of works for 2018/19 will include the completion of updating works to the North Chapel. Therefore

the budgeted contribution to the Repairs and Renewals Fund for 2018/19 will be will be increased by £20,000 to £100,000.

25. The 6 year capital programme, from 2017/18 to 2022/23, totals £3,140,000. The programme is set out as being fully funded from the existing Capital Works Fund balance of £1,669,358 plus annual contributions over the life of the programme totalling £2,100,000. This demonstrates that the programme is heavily reliant on continued revenue contributions to the Capital Works Fund so that the programme of work can be fulfilled along with required reactive capital expenditure for mechanical equipment to maintain the crematory function. Wherever possible, steps will be taken to strengthen the Capital Works Fund balance, for example, where underspends occur in the year.

CONCLUSION

26. This report includes various amendments to the budgets which, together with the proposed increase in fees and charges, will ensure that the Joint Committee remains in a strong financial position and that sufficient reserves are built up to cover any future budget shortfall.

APPENDICES

APPENDIX A – Revenue account for the year ended 31 March 2018 and 2019

APPENDIX B – Optional charges

APPENDIX C – Cremation fees

APPENDIX D – Capital works programme

Reference Papers

- (a) Report of the Treasurer to the Portchester Crematorium Joint Committee 'Revenue Budget 2016-17' - 12 December 2016.
- (b) Report of the Treasurer to the Portchester Crematorium Joint Committee 'Annual Return For The Financial Year Ended 31 March 2017' – 26 June 2017

Andrew Wannell, CPFA
Treasurer to the Joint Committee
Civic Offices, Fareham

For further information on this report, contact Kate Busby, 01329 824685

REVENUE ACCOUNT FOR THE YEAR ENDING 31 MARCH 2019

	Actual 2016/17 £	Base Estimate 2017/18 £	Revised Estimate 2017/18 £	Base Estimate 2018/19 £
CREMATION FEE		595	595	615
EMPLOYEES				
SALARIES	197,052.38	201,000	205,600	205,500
SALARIES OVERTIME	3,426.23	3,500	3,500	3,500
NATIONAL INSURANCE	16,836.16	17,000	17,500	17,500
SUPERANNUATION	38,342.16	40,000	42,400	42,500
FIRST AID ALLOWANCE	192.00	200	200	200
STAFF TRAINING	475.00	0	1,000	1,000
STAFF ADVERTISING	1,871.38	0	0	0
TOTAL EMPLOYEES	258,195.31	261,700	270,200	270,200
PREMISES				
R & M OF BUILDINGS	9,090.17	25,000	25,000	25,000
REPAIRS AND RENEWALS	45,467.70	115,000	115,000	115,000
FIRE RISK ASSESSMENT	785.20	0	0	0
R & M OF FIXED PLANT	88,522.50	85,000	85,000	85,000
R&M OF GROUNDS	67,327.77	70,000	70,000	70,000
R&M OF GARDEN IMP.SCHEME	0.00	1,500	1,500	1,500
ELECTRICITY	32,696.79	36,000	36,000	36,000
GAS	56,911.93	73,000	61,200	73,000
RENTS - GENERAL PAYABLE	11,554.04	11,500	14,500	14,500
NATIONAL NON-DOMESTIC RATES	135,681.00	188,200	188,200	193,200
WATER CHARGES - SUPPLY (PWC)	832.27	1,000	1,000	1,000
SEWERAGE & ENV. CHARGES (SWS)	504.60	500	500	500
FIRE PRECAUTION APPLIANCES	357.97	400	400	400
CONTRACT CLEANING	3,047.50	0	3,000	3,000
CLEANING MATERIALS	218.98	400	400	400
TOILET REQUISITES	5,485.28	5,000	5,000	5,000
REMOVAL OF WREATHS	7,959.99	8,000	8,000	8,000
TOTAL PREMISES	466,443.69	620,500	614,700	631,500
SUPPLIES AND SERVICES				
FURNITURE & EQUIPMENT PURCHASE	3,624.23	3,000	3,000	3,000
MATERIALS (OPERATIONAL)	87.69	100	100	100
FURNITURE & EQUIPMENT MAINTENA	6,230.25	6,000	6,000	6,000
FURNITURE & EQUIPMENT SA	1,295.00	1,300	1,300	1,300
PROTECTIVE CLOTHING & UNIFORMS	1,209.41	1,600	1,600	1,600
LAUNDRY	10.96	100	100	100
BOOKS AND PUBLICATIONS	1,312.30	400	400	400
EXTERNAL PRINTING	1,843.80	3,000	3,000	3,000
STATIONERY	1,866.77	1,500	1,500	1,500
BOOK OF REMEMBRANCE	14,611.36	23,000	23,000	23,000
MEMORIALS CARDS	4,848.23	5,000	5,000	5,000
CONSULTANTS FEES	4,415.00	1,500	1,500	1,500
ADMIN.EXPENSES - FAREHAM	18,466.00	20,000	20,000	24,000
ADMIN.EXPENSES - PORTSMOUTH	11,868.21	9,500	12,000	12,000
MEDICAL REFEREES FEES	61,632.00	55,800	57,600	56,900

- 8 -

ORGANISTS FEES	14,974.26	16,000	16,000	16,000
ENVIRONMENTAL LICENSE	739.00	0	0	0
PEST CONTROL	485.55	500	500	500
GRAPHIC DESIGN	240.00	500	500	500
POSTAGES	1,471.73	1,200	1,200	1,200
TELEPHONES	2,559.65	4,000	4,000	4,000
COMPUTER SOFTWARE	4,680.27	5,000	5,000	5,000
WEB CAST SERVICES	1,060.00	1,000	1,000	1,000
SUBSISTANCE EXP - EMPLOYEES	508.65	700	700	700
COURSES/CONFRENCES (EMPLOYEES)	0.00	500	500	500
GRANTS AND SUBSCRIPTIONS	1,527.31	2,500	2,500	2,500
MISC INSURANCES - PREMIUM	14,916.55	17,000	17,000	17,000
ADVERTISING	0.00	500	500	500
NON RECLAIMABLE VAT	44,285.93	50,000	50,000	50,000
BANK CHARGES	1,387.20	2,000	2,000	2,000
SPECIAL EXPENDITURE	0.00	0	0	0
TOTAL SUPPLIES AND SERVICES	222,157.31	233,200	237,500	240,800

CAPITAL FINANCING COSTS

DEPRECIATION	323,727.00	335,000	323,800	323,600
TOTAL CAPITAL FINANCING COSTS	323,727.00	335,000	323,800	323,600

SPECIAL EXPENDITURE

CONTRIBUTION TO CAPITAL FUND	415,571.32	350,000	350,000	350,000
PENSION INTEREST COSTS	69,000.00	110,000	75,000	75,000
CONTRIBUTION TO R & R FUND	193,044.50	80,000	80,000	100,000
PAY TO CONSTITUENT AUTHORITIES	520,000.00	540,000	580,000	600,000
TOTAL SPECIAL EXPENDITURE	1,197,615.82	1,080,000	1,085,000	1,125,000

GROSS EXPENDITURE

2,468,139.13	2,530,400.00	2,531,200	2,591,100
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INCOME

CONTRIB.FROM GARDEN IMP.FUND	0.00	-1,500	-1,500	-1,500
CAMEO TMAC INCOME	-28,148.04	0	0	0
SALE OF MEMORIAL CARDS	-6,728.29	-8,000	-7,000	-7,000
CREMATION FEES	-1,893,440.00	-1,856,000	-1,904,000	-1,968,000
BOOK OF REMEMBRANCE	-52,483.34	-54,200	-54,200	-52,200
ORGANISTS FEES	-36,282.52	-38,000	-38,000	-36,700
WEB BROADCASTING	-1,850.00	-2,000	-2,000	-2,000
COSTS RECOVERED	0.00	0	0	0
MISCELLANEOUS FEES & CHARGES	-7,120.00	-7,000	-7,000	-7,000
INTEREST ON INVESTMENTS	-3,762.66	-3,500	-3,500	-3,500
BANK INVESTMENT ACCOUNT	-129.58	-200	-200	-200
RETURN ON PENSION FUND ASS	-44,000.00	-50,000	-50,000	-50,000
CAPITAL CHARGE - ASSET RENTS	-323,727.00	-335,000	-323,800	-323,000
MOVEMENT ON PENSIONS RESERVE	-25,000.00	-60,000	-25,000	-25,000
EXP.FINANCED FROM RESERVES	-45,467.70	-115,000	-115,000	-115,000

GROSS INCOME

-2,468,139.13	-2,530,400	-2,531,200	-2,591,100
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NET EXPENDITURE

0.00	0	0	0
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PORTCHESTER CREMATORIUM JOINT COMMITTEE

OPTIONAL CHARGES

	Charges <u>2017/18</u> £	Proposed Charges <u>2018/19</u> £	% <u>Increase</u>
<u>BOOK OF REMEMBRANCE (INC. VAT)</u>			
Single entry (2 lines)	51.00	52.00	1.96
Double entry (5 lines)	84.00	86.00	2.38
Double entry with badge or crest	134.00	136.00	1.49
Treble entry (8 lines)	114.00	117.00	2.63
Treble entry with badge or crest	164.00	167.00	1.83
 <u>MEMORIAL CARDS (INC. VAT)</u>			
Single entry (2 lines)	37.00	38.00	2.70
Double entry (5 lines)	44.00	45.00	2.27
Double entry with badge or crest	94.00	95.00	1.06
Treble entry (8 lines)	50.00	51.00	2.00
Treble entry with badge or crest	100.00	101.00	1.00
 <u>USE OF ORGAN (INC. VAT)</u>			
Use of Organ	32.00	33.00	3.13
Services of Organist	32.00	33.00	3.13
Services of Organist	22.00	23.00	4.55
 <u>OTHER</u>			
Scattering of ashes from other Crematoria	54.00	55.00	1.85
Temporary retention of cremated remains	13.00	14.00	7.69

PORTCHESTER CREMATORIUM JOINT COMMITTEE

CREMATION FEES

	Number of Cremations 2016/17	Existing Charge 2016/17 £	Proposed Charge 2018/19 £	% Increase
A young person whose age at the time of death did not exceed 16 years	20	No charge	No charge	
A person whose age at the time of death exceeded 16 years	3,324	595	615	3.36
Walk through cremation	80	400	400	None

PORTCHESTER CREMATORIUM JOINT COMMITTEE

CAPITAL WORKS PROGRAMME

	Revised Budget 2017/18	Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23
	£	£	£	£	£	£
Balance of Fund as at 1.4.2017	1,669,358	1,879,358	2,229,358	2,579,358	2,929,358	279,358
Advance during year	350,000	350,000	350,000	350,000	350,000	350,000
	2,019,358	2,229,358	2,579,358	2,929,358	3,279,358	629,358
Less Applications						
Cremator Furnace Relining	90,000					
Hearth Replacement	50,000					
Replacement cremator programme					3,000,000	
	140,000	0	0	0	3,000,000	0
Balance of Fund	1,879,358	2,229,358	2,579,358	2,929,358	279,358	629,358

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REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE

ON: 11 DECEMBER 2017

**REPORT OF: IAN COUSINS PROPERTY MANAGER IN CONSULTATION
WITH THE ENGINEER AND SURVEYOR**

SUBJECT: BUILDING WORKS REPORT

2015/16

Ref	Item Description	Status	Budget £	Anticipated Cost £	Variation £	Commentary
1510	Crematory/Committal areas	Works commenced	9,000	9,000	0	Existing tiles to be patch repaired. Works being undertaken in conjunction with item 1705

2016/7

Ref	Item Description	Status	Budget £	Anticipated Cost £	Variation £	Commentary
1705	Internal Redecoration – Charge & Cremation Room	Works commenced	3,000	3,000	0	Works in progress.

2017/18

Ref	Item Description	Status	Budget £	Anticipated Cost £	Variation £	Commentary
1802	North Chapel refurbishment	Design	205,000	205,000	0	See separate report
1803	Office refurbishment	Design	4,000	4,000	0	Design works underway.

1804	Roofing Programme	Works identified	500	2,000	-1,500	Minor works only identified
1806	Paving Works cleaning and repointing	Ongoing programme	2,000	2,000	0	Continuation from 2016/7. No major works identified

Note - Items previous reported as completed are not shown

Recommendation
That the report be noted

Agenda Item 9



**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE –
11 DECEMBER 2017**

**REPORT OF: IAN COUSINS PROPERTY MANAGER IN CONSULTATION WITH THE
ENGINEER AND SURVEYOR**

SUBJECT: NORTH CHAPEL REFURBISHMENT

1.0 Purpose of this Report

1.1 To update the Committee on the progress of the North Chapel Refurbishment scheme.

2.0 Introduction

2.1 At the meeting of the Joint Committee on 26 June 2017 a report was received setting out a preliminary design concept and advising on logistical issues to enable the project to proceed. This included the appointment of RBA Architects Ltd, (RBA), to head a design team together with other appropriate professional support.

3.0 Scheme progress

3.1 RBA have been working with the appointed lighting consultant artec3 to develop a lighting proposal that omits both the proposed high-level windows and the existing window in the end wall. Their proposal will now provide consistent lighting levels and will form part of the final design.

3.2 After consultation by the Manager and Registrar examples have been obtained of chairs that could provide flexible and fixed seating arrangements. These sample chairs will be available for inspection shortly at the Crematorium office.

3.3 The Procurement process will be managed by Portsmouth City Council in a similar way to that for the previous works for the South Chapel. It is expected to have completed this process in the spring of 2018 with the works planned to commence in the summer.

4.0 Recommendation

4.1 That the report be noted.

**Ian Cousins
Property Manager**

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Agenda Item 10

REPORT TO: PORTCHESTER CREMATORIUM JOINT
COMMITTEE – 11th DECEMBER 2017



REPORT BY: MANAGER AND REGISTRAR

STATISTICS

1. MONTHLY COMPARISON

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
SEPT	246	224	263	249
OCT	270	236	253	251
NOV	244	257	278	280*

2. TOTAL CREMATIONS

	<u>YEAR</u>	<u>TO END NOVEMBER</u>
2014	3356	3087
2015	3329	3068
2016	3355	3067
2017	-	3075*

3. DISPOSAL OF REMAINS

Ashes received from other Crematoria.....	40
i) Total disposals within grounds.....	248
ii) Remains removed from crematorium.....	432
iii) Retained.....	43
TOTAL	723 **

Scattered % Removed %

4. GAS CONSUMPTION

Total gas consumption (cu.m.).....	58018
Total cremations.....	723
Average gas consumption (cu.m.).....	80

* Correct at 24th November

** To end 24th November

JAMES CLARK
MANAGER & REGISTRAR
24TH NOVEMBER 2017

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Portchester Crematorium Complaints and Compliments Log – Month – September - November 2017

Date	Author & Address (if given)	Email Letter (LP) Personal Visit (PV)	Summary of Complaint or Compliment	Date of Reply	Summary of Response & Action Agreed/Required	Review Date
05/09/2017	Mrs D P (Address redacted)	Letter	Compliments in appreciation of everyone's efforts – The interior of the buildings are understated and tasteful. The serene gardens are beautifully maintained and the water feature peaceful and very appropriate.	N/A	N/A	N/A
12/09/2017	Mrs Y (Address redacted)	Letter	Lack of staff available and notices within the grounds but found the gardener who assisted. Was also looking for a vase to place in the garden.	12/09/2017	Staff were available on this day and if came to the office would have been able to assist. Enclosed a garden plan of the location the lady was looking for and pointed out the opening times and garden policies regarding vases.	N/A
12/09/2017	Anonymous	Telephone	Gentlemen requested pruning and weeding Left of Cloister 26 post by gardeners hut as unable to place flowers because overgrown in this area.	N/A	Explained that this may be due to the weather and time of year and pruning was currently taking place but would pass the information onto the gardeners to take a look. Emailed to Ashleigh 12/9/2016	N/A

14/09/2017	Mr DH	Email	Thanking staff for kind and sympathetic way staff dealt with his mother's funeral and allowing for an extended service.	N/A	N/A	N/A
19/10/17	Mrs R	Telephone Followed up with letter	Liked the service for 12.30 on 13 th October but didn't like the chapel (south), felt it was in need of refurbishment complained couldn't see organ and there was a blinking light and a loose bit of skirting board.		Thanked her and explained chapel fully refurbished and would check the other points she raised. Checked chapel couldn't find anything wrong	
19/10/17	Unknown	Telephone	Lady complaining she wasn't told last December that there was a time limit for getting a B of R entry back for inscribing. Missed deadline of August (8Months) Long phone call eventually abruptly ended, handled sensitively by staff in my presence.		Patient response to call, lady not willing to listen, apology made for any misunderstanding	
20?/10/17	Email	Staplefords Funeral director	Complained gardener started his mower next to mourners viewing flowers and watching balloons		Passed to Ashley who will speak with him	
13/11/2017	Mr LR	Email	Sent Mr Roberts copy of book of remembrance which I (shirl) re-wrote for him & spent time explaining location of his father , received email thanking me for my help		N/A	N/A
24/11/17	Mrs BB	Letter	Wrote concerned that her flowers she placed in the location are being removed prematurely		Wrote back sympathising and advised leaving a small note in case other families are moving them	

Agenda Item 11



Horticultural consultant's report to the Crematorium Joint Committee - December 2017

It is a busy time in the grounds at the moment with leaf clearances additional grass cuts, rose pruning and mulching.

In addition to these regular tasks we have planted some bulbs under the beech trees to the north of the site. There are three types of cyclamen which will give spring and summer displays. Approximately 1000 bulbs were planted in these locations.

The summer bedding was removed and the spring flowering bulbs and plants were planted in October, they should look really good in March, April and May.

The new contract with Brighstone is now in place and ready to commence in January 2018. Brighstone are well underway with mobilisation. New tools and machinery are arriving on site daily in advance of the new contract.

The new apprentice has been appointed and is already working on site his formal training commences next year, he is keen and learns quickly.

Brighstone the grounds contractor continue to work well and I am very pleased with their work and the progress with mobilisation for the new contract.

Ashley Humphrey, Horticultural consultant to PCJC.

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