



NOTICE OF MEETING

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MONDAY 10 DECEMBER 2018 AT 2.00 PM

**NORTH CHAPEL, PORTCHESTER CREMATORIUM, UPPER
CORNWAY LANE, FAREHAM**

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 - 2018/19

Gosport Borough Council

Councillor June Cully
Councillor Kathleen Jones

Havant Borough Council

Councillor Tim Pike
Councillor Leah Turner

Fareham Borough Council

Councillor Keith Evans
Councillor Simon Martin (Chairman)

Portsmouth City Council

Councillor Dave Ashmore
Councillor Jeanette Smith

AGENDA

- 1 Apologies for Absence**
- 2 Declarations of Members' Interests**

3 Minutes of the Meeting held on 17 September 2018 (Pages 5 - 8)

Attached

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 2019/20 (Pages 9 - 14)

The Finance Strategy was last approved by Members in December 2017, 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 2019/20, attached as Appendix A to the report, be approved;

(2) that the Finance Strategy 2019/20 be sent to the four constituent authorities to note for their information.

7 Revenue Budget Report - 2019/20 (Pages 15 - 26)

The purpose of the attached report from the Treasurer is to set out the revenue budget for 2018/19 and 2019/20, together with the repairs and renewals and capital fund contributions for 2018/19 and 2019/20 and a review of fees and charges for 2019/20. The current capital works programme for future years has also been included for information.

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

(b) That the Joint Committee approves the proposed cremation fees and other charges as set out in Appendices B & C from 1 April 2019;

(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;

(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 2019/19 and the reduction in 2019/20.

8 Building Works Programme (Pages 27 - 28)

Report from the Property Manager attached.

RECOMMENDED that the contents of the report be noted.

9 North Chapel Refurbishment (Pages 29 - 30)

Report from the Property Manager attached.

RECOMMENDED that the contents of the report be noted.

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.

RECOMMENDED that the report be received and noted.

12 Date of Next Meeting – Monday 25 March 2019 at 2pm in Fareham

JH/me
29 November 2018
106101218a

This page is intentionally left blank

Agenda Item 3

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MINUTES OF THE MEETING of the Joint Committee held in the Civic Offices, Civic Centre Plaza, Havant on Monday 17 September 2018 at 2.00 pm.

Present

Fareham Borough Council

Councillor Keith Evans
Councillor Simon Martin (Chairman)

Gosport Borough Council

Councillor June Cully

Havant Borough Council

Councillor Tim Pike
Councillor Leah Turner

Portsmouth City Council

Councillor Dave Ashmore

Joint Committee Membership & Introductions

The Clerk reported that since the previous meeting, Havant BC had appointed Councillors Tim Pike and Leah Turner to the Joint Committee. The newly appointed members were welcomed to the meeting.

Apologies for Absence (AI 1)

Councillor Jeanette Smith (Portsmouth CC), and Councillor Kathleen Jones (Gosport BC) – both engaged on other council business.

791 Appointment of Vice-Chairman (AI 2)

RESOLVED that Councillor Tim Pike (Havant Borough Council) be appointed Vice Chairman of the Joint Committee meeting for the municipal year 2018/19.

792 Declarations of Members' Interests (AI 3) – None

793 Minutes of the Meeting held on 25 June 2018 (AI 4)

RESOLVED that the minutes of the meeting held on the 25 June 2018 be signed as a correct record.

794 Matters Arising from the Minutes not specifically referred to on the Agenda (AI 5) –

(a) Recycling Metal Scheme – Charitable Nomination

The Manager & Registrar reported that following the request from the Institute of Cemetery and Cremation Management the Macmillan Nurses had been nominated under the metals recycling scheme, and an award of £5,000 had now been made.

795 Clerk's Items (AI 6) - None

796 North Chapel Refurbishment (AI 7)

(TAKE IN REPORT OF THE PROPERTY MANAGER)

The Property Manager gave members a short presentation on the key points of the refurbishment scheme which included –

- Introducing wooden cladding to the walls, similar to that used in the South Chapel;
- Removal of the existing ceiling in order to increase the volume of the chapel and create a more spacious appearance by realigning the ceiling into the roof space;
- Provision of low energy feature lighting similar to that used in the South Chapel;
- Reorientation of the catafalque in the committal area;
- Removal of the wooden pews and their replacement with linked individual chairs, some with arms.

Arising from the report, the Property Manager updated members and answered questions from members on the successful tender and the arrangements for implementation of the works programme, which was currently scheduled to start on the 6 October and continue until the 19 November. The initial phase would involve a two week closure of the North Chapel for major works to the ceiling and floor. During the second phase the chapel would be available three days each week, with work being undertaken at weekends, and overnight when necessary. Orders had now been placed for the timber wall cladding.

Members agreed that it would be appropriate, subject to completion of the works, to hold the next Joint Committee meeting at Portchester Crematorium, to include an opportunity for a tour of the building.

RESOLVED that the report be noted.

797 Building Works Programme (AI 8)

(TAKE IN REPORT OF THE PROPERTY MANAGER)

Arising from questions, the Property Manager explained that the various works to be undertaken would be programmed taking into account the major works to the North Chapel to ensure there were not two contractors on site at the same time.

In respect of the glazing repairs (item 1901) it was explained that this related to high level specialist glazing works in the South Chapel, including replacement of one of the large panes fronting the conservatory.

RESOLVED that the contents of the report be noted.

798 Manager and Registrar's Report (AI 9)

(a) General Statistical Report

(TAKE IN REPORT OF THE MANAGER AND REGISTRAR)

In presenting his report the Manager and Registrar gave a short presentation on the management and operation of the crematorium, including the number of cremations being undertaken annually. He also explained the statutory arrangements for continuous monitoring and sampling of emissions.

RESOLVED that the report be received and noted.

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

(TAKE IN REPORT OF THE MANAGER AND REGISTRAR)

RESOLVED that the report be noted with interest.

(c) General Data Protection Regulations

In presenting his report the Manager and Registrar also referred to the GDPR (General Data Protection Regulations) which had come into force earlier in the year. Working with Fareham BC's Data Protection team a review had been undertaken to ensure that the Crematorium was compliant in its processes and procedures with the new regulations. Some additional work was needed on some technical aspects and CCTV.

NOTED

799 Horticultural Consultant's Report (AI 10)

(TAKE IN REPORT OF THE HORTICULTURAL CONSULTANT)

In submitting his report the Horticultural Consultant displayed colour photographs of the planter troughs commemorating the 60th year of the Crematorium which had been planted with bedding plants. During the winter months the troughs would have winter bedding – mixed polyanthus.

The Horticultural Consultant was also pleased to report that the Crematorium had again received a Gold Award in the South and South East in Bloom Competition.

RESOLVED that the report be received and approved.

800 Date of Next Meeting (AI 11)

The Joint Committee will next meet at 2pm on Monday 10 December 2018 at Portchester Crematorium.

The meeting concluded at 2.35 pm

Chairman

JH/me
19 September 2018
106170918m.doc

Agenda Item 6



Report to Portchester Crematorium Joint Committee

Date: **10 December 2018**

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

Subject: **FINANCE STRATEGY AND BUDGET FOR 2019/20**

SUMMARY

At its meeting on 11 December 2017, the Joint Committee approved the Finance Strategy and the revenue budget for 2018/19.

The Finance Strategy for 2019/20 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 2019/20, attached as Appendix A to this report, be approved;
- (b) That the Finance Strategy 2019/20 be sent to the constituent authorities to note.

PORTCHESTER CREMATORIUM JOINT COMMITTEE

FINANCE STRATEGY AND BUDGET FOR 2019/20

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. The numbers of cremations for 2017/18 and the three previous financial years are set out in the table below.

	Cremation Numbers			
	2014/15	2015/16	2016/17	2017/18
Cremations at nil charge (under 16)	22	26	20	26
Walk through cremations			80	152
	3,389	3,214	3,324	3,206
Total cremations	<u>3,411</u>	<u>3,240</u>	<u>3,424</u>	<u>3,384</u>

23. The budget setting report for 2019/20 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 2019/20 will increase to £160,000.

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 2018 was £2,020,000. 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 £335,000 will be included in the budget for 2019/20.
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 2018 was £340,000. The programme of works for 2018/19 includes the completion of updating works to the North Chapel and will be a significant draw on this fund. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2019/20 will remain at £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 £149,988 as at 1 April 2018. It is prudent to maintain the level of this reserve at over £100,000.

FINANCIAL RISK ASSESSMENT

30. 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.
31. 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

32. 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.
33. 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.
34. 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: **10 December 2018**

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

Subject: **REVENUE BUDGET 2019/20**

SUMMARY

This report sets out the revenue budget for 2018/19 and 2019/20, together with the repairs and renewals and capital fund contributions for 2018/19 and 2019/20 and a review of fees and charges for 2019/20. 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 approve the proposed cremation fees and other charges as set out in Appendices B and C from 1 April 2019;
- (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 2018/19 and 2019/20.

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 2019/20.
3. Detailed information is set out in the various appendices to this report which cover the following:
 - Appendix A - Revised revenue budget for 2018/19 and the revenue budget for 2019/20;
 - Appendix B - Optional charges 2019/20;
 - Appendix C - Cremation fees 2019/20;
 - Appendix D - Capital works programme and funding;

BASE REVENUE BUDGET 2018/19

4. The original revenue budget for 2018/19 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				
	2013/14	2014/15	2015/16	2016/17	2017/18
Cremations at nil charge (under 16)	27	22	26	20	26
Walk through cremations				80	152
Total cremations	3,933	3,389	3,214	3,324	3,206
	3,960	3,411	3,240	3,424	3,384

REVISED BUDGET 2018/19

6. 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 2017/18	Base Estimate 2018/19	Revised Estimate 2018/19	Variation
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	266,705	270,200	277,700	7,500
PREMISES RELATED EXPENDITURE	529,960	631,500	630,000	-1,500
SUPPLIES AND SERVICES	221,358	240,800	236,900	-3,900
CAPITAL CHARGES	323,725	323,600	305,800	-17,800
SPECIAL EXPENDITURE	1,125,050	1,125,000	1,115,000	-10,000
GROSS EXPENDITURE	2,466,798	2,591,100	2,565,400	-25,700
GROSS INCOME	-2,472,196	2,591,100	2,565,400	-25,700

7. Premises related expenditure has decreased overall by £1,500; from £631,500 to £630,000. The budgets for cleaning have decreased by £2,500 and the budget for gas and electricity has been increased by £8,000. The budget of £115,000 set against repairs and renewals expenditure has not been adjusted for financial year as 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.
8. Supplies and services related expenditure has decreased overall by £3,900; from £240,800 to £236,900. The budget for recharges from Portsmouth City Council in respect of horticultural consultancy has increased by £1,000 and Medical Referees fees have been revised in line with estimated cremation numbers. The budget for Book of Remembrance costs has been decreased to match recent expenditure in this area.
9. 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 2018 the opening balance of this fund was £2,020,000. In order to replenish the Capital Works Fund to levels that will meet future demands of the crematorium a budget of £340,000 is included for 2018/19.
10. 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 2018 was £340,000. The programme of works for 2018/19 includes the completion of updating works to the North Chapel which will be a significant draw upon the fund. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2018/19 will be maintained at £100,000.
11. Gross income has decreased overall by £25,700; from £2,591,100 to £2,565,400. This is largely due to accounting entries required around depreciation charges. The income from organist fees has been reduced reflecting the continued fall in demand for this service.

BASE BUDGET 2019/20

12. The base budget for 2019/20 has been set to a breakeven level. The budget variations are shown in the following table, and explained further below.

	Actuals 2017/18	Base Estimate 2018/19	Base Estimate 2018/19	Variation
	£	£	£	£
EMPLOYEE RELATED EXPENDITURE	266,705	270,200	283,700	13,500
PREMISES RELATED EXPENDITURE	529,960	631,500	636,500	5,000
SUPPLIES AND SERVICES	221,358	240,800	236,900	
CAPITAL CHARGES	323,725	323,600	305,800	
SPECIAL EXPENDITURE	1,125,050	1,125,000	1,150,000	
GROSS EXPENDITURE	2,466,798	2,591,100	2,612,900	
GROSS INCOME	-2,472,196	2,591,100	2,612,900	

13. Premises related expenditure has increased overall by £5,000; from £631,500 to £636,500. The budgets for cleaning have decreased by £2,500. The budget for gas and electricity has been increased by £8,000 and the budget for NDR has been increased by £4,400. The budget of £115,000 set against repairs and renewals expenditure has not been adjusted for this financial year as 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.
14. Supplies and services related expenditure has decreased overall by £3,900; from £240,800 to £236,900. The budget for Book of Remembrance entries has been reduced in line with demand being experienced for this service. Medical Referees fees are set in line with estimated cremation numbers.
15. 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 2018 the opening balance of this fund was £2,020,000. In order to replenish the Capital Works Fund to levels that will meet future demands of the crematorium a budget of £335,000 is included for 2019/20.
16. 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 2018 was £340,000. The programme of works for 2018/19 includes the completion of updating works to the North Chapel which will be a significant draw upon the fund. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2019/20 will be maintained at £100,000.
17. Gross income has increased overall by £21,800; from £2,591,100 to £2,612,900. This increase takes account of the proposed cremation fee for 2019/20, with projected figures of 3100 cremations and 150 walk-through cremations for 2019/20.

REVIEW OF FEES & CHARGES

18. 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 2019.
19. The cremation fees are set out in Appendix C to this report, with a £15 increase proposed for 2018/19, equating to 2.44%. The fee level of £630 is still below the 2018 average cremation fee for the UK of £772.93, and the 2018 average cremation fee for Hampshire of £829. The table below shows a comparison of the 2018 fees with the nearest crematoria:

Chichester	£1,070
Southampton	£795
Eastleigh	£895
Portchester	£615
Havant	£785

20. The walk through cremation service is now well established with 152 services in 2017/18. It is proposed to maintain the current fee of £400 in order to retain the current level of demand.

FINANCIAL RISK ASSESSMENT

21. 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.
22. The Revenue Reserve is an accumulation of budget surpluses from previous years and was £149,988 as at 1 April 2018. In accordance with the Finance Strategy for 2019/20 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 2019/20, the balance of the General Fund Revenue Reserve will not be increased.
23. The repairs and renewals programme is fully funded from an earmarked fund and as at 1 April 2018 the opening balance was £340,000. The programme of works for 2018/19 includes the completion of updating works to the North Chapel which will be a significant draw on this fund. Therefore the budgeted contribution to the Repairs and Renewals Fund for 2019/20 will remain at £100,000.
24. The 5 year capital programme, from 2018/19 to 2022/23, totals £3,140,000. The programme is set out as being fully funded from the existing Capital Works Fund balance of £2,020,000 plus annual contributions over the life of the programme totalling £1,575,000. 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

25. 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 2019 and 2020

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 2017-18' - 11 December 2017.
- (b) Report of the Treasurer to the Portchester Crematorium Joint Committee 'Annual Return For The Financial Year Ended 31 March 2018' – 25 June 2018

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

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

APPENDIX A

REVENUE ACCOUNT FOR THE YEAR ENDING 31 MARCH 2020

	Actual 2017/18 £	Base Estimate 2018/19 £	Revised Estimate 2018/19 £	Base Estimate 2019/20 £
EMPLOYEES				
SALARIES	204,136.71	205,500	208,500	212,500
SALARIES OVERTIME	2,707.17	3,500	3,500	3,500
NATIONAL INSURANCE	17,340.16	17,500	18,000	19,000
SUPERANNUATION	42,329.03	42,500	46,500	47,500
FIRST AID ALLOWANCE	192.00	200	200	200
STAFF TRAINING	0.00	1,000	1,000	1,000
STAFF ADVERTISING	0.00	0	0	0
TOTAL EMPLOYEES	266,705.07	270,200	277,700	283,700
PREMISES				
R & M OF BUILDINGS	7,548.17	25,000	16,000	17,500
REPAIRS AND RENEWALS	49,930.50	115,000	115,000	115,000
FIRE RISK ASSESSMENT	161.50	0	0	0
R & M OF FIXED PLANT	85,801.36	85,000	85,000	85,000
R&M OF GROUNDS	61,994.91	70,000	70,000	70,000
R&M OF GARDEN IMP.SHEME	5,191.32	1,500	1,500	1,500
ELECTRICITY	38,227.31	36,000	42,000	42,000
GAS	61,413.78	73,000	75,000	75,600
RENTS - GENERAL PAYABLE	12,157.92	14,500	12,500	12,500
NATIONAL NON-DOMESTIC RATES	187,768.00	193,200	193,200	197,600
WATER CHARGES - SUPPLY (PWC)	995.93	1,000	1,000	1,000
SEWERAGE & ENV. CHARGES (SWS)	1,861.02	500	4,500	4,500
FIRE PRECAUTION APPLIANCES	364.02	400	400	400
CONTRACT CLEANING	4,430.50	3,000	4,500	4,500
CLEANING MATERIALS	373.63	400	400	400
TOILET REQUISITES	3,762.92	5,000	1,000	1,000
REMOVAL OF WREATHS	7,976.86	8,000	8,000	8,000
TOTAL PREMISES	529,959.65	631,500	630,000	636,500
SUPPLIES AND SERVICES				
FURNITURE & EQUIPMENT PURCHASE	6,648.27	3,000	3,000	3,000
MATERIALS (OPERATIONAL)	33.00	100	100	100
FURNITURE & EQUIPMENT MAINTENA	4,537.90	6,000	6,000	6,000
FURNITURE & EQUIPMENT SA	620.00	1,300	1,300	1,300
PROTECTIVE CLOTHING & UNIFORMS	1,086.36	1,600	1,600	1,600
LAUNDRY	30.78	100	100	100
BOOKS AND PUBLICATIONS	333.20	400	400	400
EXTERNAL PRINTING	3,740.40	3,000	3,000	3,000
STATIONERY	1,248.39	1,500	1,500	1,500
BOOK OF REMEMBRANCE	9,798.99	23,000	15,000	15,000
MEMORIALS CARDS	10,884.32	5,000	5,000	5,000
CONSULTANTS FEES	6,570.00	1,500	1,500	1,500
ADMIN.EXPENSES - FAREHAM	15,736.05	24,000	24,000	24,000
ADMIN.EXPENSES - PORTSMOUTH	12,217.14	12,000	13,000	13,000
MEDICAL REFEREES FEES	60,912.00	56,900	61,000	61,000
ORGANISTS FEES	11,851.14	16,000	14,000	14,000

ENVIRONMENTAL LICENSE	772.00	0	0	0
PEST CONTROL	509.83	500	500	500
GRAPHIC DESIGN	0.00	500	500	500
POSTAGES	1,248.07	1,200	1,200	1,200
TELEPHONES	2,602.80	4,000	4,000	4,000
COMPUTER SOFTWARE	4,774.79	5,000	5,000	5,000
WEB CAST SERVICES	1,740.00	1,000	1,500	1,500
SUBSISTANCE EXP - EMPLOYEES	703.90	700	700	700
COURSES/CONFRENCES (EMPLOYEES)	438.00	500	1,000	1,000
GRANTS AND SUBSCRIPTIONS	1,516.32	2,500	2,500	2,500
MISC INSURANCES - PREMIUM	15,571.32	17,000	17,000	17,000
ADVERTISING	0.00	500	500	500
NON RECLAIMABLE VAT	42,683.63	50,000	50,000	50,000
BANK CHARGES	1,530.07	2,000	2,000	2,000
SPECIAL EXPENDITURE	1,019.00	0	0	0
TOTAL SUPPLIES AND SERVICES	221,357.67	240,800	236,900	236,900
CAPITAL FINANCING COSTS				
DEPRECIATION	323,725.00	323,600	305,800	305,800
TOTAL CAPITAL FINANCING COSTS	323,725.00	323,600	305,800	305,800
SPECIAL EXPENDITURE				
CONTRIBUTION TO CAPITAL FUND	350,641.88	350,000	340,000	335,000
PENSION INTEREST COSTS	57,000.00	75,000	75,000	75,000
CONTRIBUTION TO R & R FUND	137,408.68	100,000	100,000	100,000
PAY TO CONSTITUENT AUTHORITIES	580,000.00	600,000	600,000	640,000
TOTAL SPECIAL EXPENDITURE	1,125,050.56	1,125,000	1,115,000	1,150,000
GROSS EXPENDITURE	2,466,797.95	2,591,100.00	2,565,400	2,612,900
INCOME				
CONTRIB.FROM GARDEN IMP.FUND	-5,191.32	-1,500	-1,500	-1,500
CAMEO TMAC INCOME	-16,517.00	0	0	0
SALE OF MEMORIAL CARDS	-5,253.31	-7,000	-7,000	-7,000
CREMATION FEES	-1,968,210.00	-1,968,000	-1,966,500	-2,013,000
BOOK OF REMEMBRANCE	-55,240.92	-52,200	-52,200	-52,200
ORGANISTS FEES	-29,744.17	-36,700	-29,700	-30,700
WEB BROADCASTING	-2,125.00	-2,000	-2,000	-2,000
MISCELLANEOUS FEES & CHARGES	-9,178.00	-7,000	-7,000	-7,000
INTEREST ON INVESTMENTS	450.81	-3,500	-3,500	-3,500
BANK INVESTMENT ACCOUNT	-461.76	-200	-200	-200
RETURN ON PENSION FUND ASS	-39,000.00	-50,000	-50,000	-50,000
CAPITAL CHARGE - ASSET RENTS	-323,725.00	-323,000	-305,800	-305,800
MOVEMENT ON PENSIONS RESERVE	-18,000.00	-25,000	-25,000	-25,000
EXP.FINANCED FROM RESERVES	0.00	-115,000	-115,000	-115,000
GROSS INCOME	-2,472,195.67	-2,591,100	-2,565,400	-2,612,900
NET EXPENDITURE	-5,397.72	0	0	0

PORTCHESTER CREMATORIUM JOINT COMMITTEE

OPTIONAL CHARGES

	Charges <u>2018/19</u> £	Proposed Charges <u>2019/20</u> £	% <u>Increase</u>
<u>BOOK OF REMEMBRANCE (INC. VAT)</u>			
Single entry (2 lines)	52.00	53.00	1.92
Double entry (5 lines)	86.00	88.00	2.33
Double entry with badge or crest	136.00	138.00	1.47
Treble entry (8 lines)	117.00	120.00	2.56
Treble entry with badge or crest	167.00	170.00	1.80
<u>MEMORIAL CARDS (INC. VAT)</u>			
Single entry (2 lines)	38.00	39.00	2.63
Double entry (5 lines)	45.00	46.00	2.22
Double entry with badge or crest	95.00	96.00	1.05
Treble entry (8 lines)	51.00	52.00	1.96
Treble entry with badge or crest	101.00	101.00	0.99
<u>USE OF ORGAN (INC. VAT)</u>			
Use of Organ	33.00	34.00	3.03
Services of Organist	33.00	34.00	3.03
Services of Organist	23.00	24.00	4.35
<u>OTHER</u>			
Scattering of ashes from other Crematoria	55.00	56.00	1.82
Temporary retention of cremated remains	14.00	15.00	7.14

PORTCHESTER CREMATORIUM JOINT COMMITTEE

CREMATION FEES

	Number of Cremations 2017/18	Existing Charge 2018/19 £	Proposed Charge 2019/20 £	% Increase
A young person whose age at the time of death did not exceed 16 years	26	No charge	No charge	
A person whose age at the time of death exceeded 16 years	3,206	615	630	2.44
Walk through cremation	152	400	400	0.00

PORTCHESTER CREMATORIUM JOINT COMMITTEE

CAPITAL WORKS PROGRAMME

	Revised Budget 2018/19	Budget 2019/20	Budget 2020/21	Budget 2021/22	Budget 2022/23
	£	£	£	£	£
Balance of Fund as at 1.4.2018	2,020,000	2,220,000	2,555,000	2,855,000	3,155,000
Advance during year	340,000	335,000	300,000	300,000	300,000
	<u>2,360,000</u>	<u>2,555,000</u>	<u>2,855,000</u>	<u>3,155,000</u>	<u>3,455,000</u>
Less Applications					
Cremator Furnace Relining	90,000				
Hearth Replacement	50,000				
Replacement cremator programme					3,000,000
	<u>140,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,000,000</u>
Balance of Fund	<u>2,220,000</u>	<u>2,555,000</u>	<u>2,855,000</u>	<u>3,155,000</u>	<u>455,000</u>

This page is intentionally left blank

**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE -
10 DECEMBER 2018**

REPORT OF: IAN COUSINS, PROPERTY MANAGER

SUBJECT: BUILDING WORKS REPORT



2017/18

Ref	Item Description	Status	Budget £	Anticipated Cost £	Variation £	Commentary
1802	North Chapel refurbishment	Design	205,000	205,000	0	See North Chapel Refurbishment report.
1803	Office refurbishment	Quotation	4,000	15,000	11,000	Works programmed for Spring 2019

2018 /19

Ref	Item Description	Status	Budget £	Anticipated Cost £	Variation £	Commentary
1901	Glazing Repairs	Ordered	25,000	25,000	Nil	Further requirements being reviewed
1902	Vestry Refurbishment	Feasibility	6,000	6,000	Nil	Works Programmed for Spring 2019
1903	Paving and Stonework Cleaning	Ongoing programme	5,000	5,000	Nil	Initial works completed
1904	Surfacing and Paving Repairs	Feasibility	6,000	6,000	Nil	Further survey work required
1905	Fencing Repairs	Feasibility	5,000	5,000	Nil	Initial works completed

1906	External Redecoration	Feasibility	3,000	3,000	Nil	To be reviewed January 2019
1907	Fire Precautions Upgrade	Feasibility	5,000	5,000	Nil	To be reviewed January 2019

Note - Items previous reported as completed are not shown

Recommendation - That the report be noted

Ian Cousins

Property Manager

*Background List of Documents –
Section 100D of the Local Government Act 1972 - None*

Agenda Item 9



**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE –
10 DECEMBER 2018**

REPORT OF: IAN COUSINS, PROPERTY MANAGER

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.

2.2 Works were tendered in a procurement process managed by Portsmouth City Council and the works awarded to the Premier Interior Systems Ltd whose tender achieved the best overall score.

3.0 Scheme progress

3.1 The works commenced on the 22nd October 2018 with the contractor generally programmed for weekends, evenings and overnight to minimise disruption. For the first couple of weeks the Chapel was closed but for the final weeks it was reopened for three days each week.

3.2 Throughout the project the contractor has worked well, tackling issues as they occurred, delivering high-quality works whilst limiting any disruption to the day to day operation of the Crematorium.

3.3 Robert Benn from RBA has been invited to the meeting to provide the Joint Committee meeting with an overview of the scheme carried out and to answer any questions.

4.0 Recommendation

4.1 That the report be noted.

**Ian Cousins
Property Manager**

This page is intentionally left blank

Agenda Item 10

REPORT TO: PORTCHESTER CREMATORIUM JOINT
COMMITTEE – 10th DECEMBER 2018



REPORT BY: MANAGER AND REGISTRAR

STATISTICS

1. MONTHLY COMPARISON

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
SEPT	224	263	249	210
OCT	236	253	251	246
NOV	257	278	280	277*

2. TOTAL CREMATIONS

	<u>YEAR</u>	<u>TO END NOVEMBER</u>
2015	3329	3068
2016	3355	3067
2017	3334	3075
2018	-	3099*

3. DISPOSAL OF REMAINS

Ashes received from other Crematoria.....	47
i) Total disposals within grounds.....	226
ii) Remains removed from crematorium.....	449
iii) Retained.....	33
TOTAL	708**

Scattered 37% Removed 63%

4. GAS CONSUMPTION

Total gas consumption (cu.m.).....	60269
Total cremations.....	708 **
Average gas consumption (cu.m).....	85

JAMES CLARK
MANAGER & REGISTRAR
28th NOVEMBER 2018

*Correct at 28th November 2018

** To end 28th November 2018

This page is intentionally left blank

Portchester Crematorium Complaints and Compliments Log – Month – Sept - Dec 2018

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
18/9/18	Mr F R	Letter	Complained plot was overgrown	18/9/18	Apologised and passed on letter to gardeners	
30/10/18	Miss D H	email	Complained about the way she felt she was treated on the phone and when visiting in person/	30/10/18	Apologised and assured her that the staff were only trying to help them come to the right decision with regard to the final disposal of remains. Ashes were eventually removed for scattering elsewhere	
21/11/18	Family of Funeral held in November	Phone + letter	Complained about the unfinished state of the chapel and felt they weren't well enough informed about its condition		Empathised with her, but pointed out that all funeral directors were told it would be unfinished and that their clients should be made aware of this fact.	
26/11/18	Mr C	Letter to the Clerk	Complained about the unfinished state of the chapel and felt they weren't well enough informed about its condition		Passed to Clerk for a response	

This page is intentionally left blank

Agenda Item 11



**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE
MONDAY 10th DECEMBER 2018**

REPORT BY: THE HORTICULTURAL CONSULTANT

CREMATORIUM GROUNDS – GENERAL UPDATE

In Ashley's absence, set out below is a brief report of ground maintenance works carried out during the last week by Brighstone Landscapes -

- Heather beds - These have undergone a refurbishment. A lot of the old tired heathers have been removed and replaced. The beds have also been weeded and a wood chip mulch applied.
- Leaf clear - complete leaf clear to the entire crematorium area has been carried out.
- Rose beds - rose reduction to the rose beds has commenced.
- The whole site has been generally tidied.

Brighstone are performing well with no issues to report.

Doug Gray
Grounds Maintenance Manager
for
Ashley Humphrey
Horticultural Consultant

*Background List of Documents –
Section 100D of the Local Government Act 1972 - None*

DG/jh
29 November 2018

This page is intentionally left blank