

REPORT TO : GREATER GWENT CREMATORIUM JOINT COMMITTEE

DATE : 24 JANUARY 2018

PURPOSE : REVIEW OF FEES AND REVENUE ESTIMATES FOR 2018/19

1. Introduction

This report outlines the draft revenue estimates for 2018/19, which are included in detail at Appendix A, and proposes cremation fee increases commencing on the 1 April 2018, in Appendix B.

2. Revenue estimates 2018/19

The draft estimates for 2018/19 outlined at Appendix A show a planned surplus of £751,002. Key factors to note are:

- Employee costs reflect a 1% increase which applies to the local government sector.
- The only inflationary increases applied are:
 - a) Energy costs 3.7%
 - b) Rates 2%
 - c) Refuse collection 8.2%
 - d) Insurances 2%

** No increase in cremation fees has been reflected in these figures, so further surpluses could be generated by an increase in fees.

3. Fee Increases 2018/19

- a) A number of options for fee increases are considered at Appendix B. Having considered the Cremation Society of Great Britain published statistics, we would recommend a fee increase of 2% at this time, which we project to increase revenues by £29,000

4. Recommendations

It is recommended that :-

- a) the estimates for 2018/19 are approved,
- b) crematorium fees are increased by 2%, excluding memorial items
- c) the increase of £2 for medical referee fees from £18 to £20 is approved
- d) a distribution of £750,000 be made, prior to the financial year end

Meirion Rushworth
Honorary Treasurer

GREATER GWENT CREMATION JOINT COMMITTEE

ESTIMATES 2018/19

	Estimate 2016/17 £	Estimate 2017/18 £	Draft Estimate 2018/19 £ (Based on no cremation fee increase)	Draft Estimate 2018/19 £ (Based on 2% cremation fee increase)
Employees	278,127	280,896	283,705	283,705
Premises	284,067	290,959	297,582	297,582
Transport	3,134	3,157	2,000	2,000
Supplies & Services	204,321	204,821	201,931	201,931
Mercury Abat.Capital Costs	110,000	110,000	110,000	110,000
Capital Financing	62,000	62,000	62,000	62,000
EXPENDITURE	941,649	951,833	957,218	957,218
INCOME	(1,763,199)	(1,820,639)	(1,646,220)	(1,675,639)
Operating (Surplus)/Deficit	(821,550)	(868,806)	(689,002)	(718,421)
Capital Charge Adjustment	(62,000)	(62,000)	(62,000)	(62,000)
(SURPLUS)/DEFICIT for year	(883,550)	(930,806)	(751,002)	(780,421)

APPENDIX B

REPORT TO : GREATER GWENT CREMATORIUM JOINT COMMITTEE

DATE : 24 JANUARY 2018

PURPOSE : TO REVIEW THE CREMATION FEES FOR 2018/19

1. INTRODUCTION

The Joint Committee received a report on the review of fees for 2017/18, in March 2017, and decided to implement an increase of 3% from 01 April 2017.

It is now necessary to review fees for the coming year in light of our recent review of fees elsewhere in the country. It is proposed that any increase in fees as a result of this report will be actioned from 01 April 2018.

2. FEES in 2017/18

The table below shows the current cremation fee in Gwent, in relation to our geographically nearest competitors.

	Basic adult Cremation fee*	TOTAL Crematorium Charges**
CARDIFF	530.00	530.00
BRIDGEND	623.00	644.00
GWENT	671.00	671.00
ABERDARE	655.00	764.00
PONTYPRIDD	655.00	655.00
HEREFORD	684.00	684.00
GLOUCESTER	810.00	810.00
BARRY	750.00	790.00
FOREST OF DEAN	845.00	845.00
LANGSTONE VALE	795.00	795.00

* Cremation fee, plus medical referee's fee and environmental surcharge

** Cremation fee plus medical referee's fee, environmental surcharge, use of chapel, music (recorded), and scattering/strewing of cremated remains

In 2016/17 Gwent was the 14th busiest crematorium out of 281 nationwide, and the busiest single chapel crematorium. It was the busiest in Wales, carrying out 12.79% of the 23,215 cremations in Wales.

Only 74 crematoria have lower cremation fees than Gwent. 209 are higher.

The 5 lowest fees nationwide are:

Belfast	Local Authority	£364.00
London (City of)	Local Authority	£407.00
South West Middlesex	Local Authority	£490.00
Greenock	Local Authority	£522.00
Cardiff	Local Authority	£530.00
West Hertfordshire	Local Authority	£540.00

and the 5 highest fees nationwide are:

Beckenham	Private	£999.00
Chichester	Private	£999.00
Crawley	Private	£999.00
Dundee	Private	£999.00
Friokheim	Private	£999.00

3. CREMATION FEES for 2018/19

The new crematorium in Langstone, opened on 20 November, and during its first month of operation, our cremation numbers were 50 lower than expected. Our cremation numbers for 2016/17 were 3013, but we are basing our fee increase projections on 2263 cremations (750 less)

The following table shows the impact of various increases in the fees

% increase	Revised Fee	Additional estimated income
1%	£678	£15,841
2%	£684	£29,419
3%	£691	£45,260
4%	£698	£61,101
5%	£705	£76,942
10%	£738	£151,621
15%	£772	£228,563
20%	£805	£303,242

4. MEDICAL REFEREE FEES 2018/19

We currently pay a fee of £18 per adult cremation. This fee was set in 2006, and has never been reviewed. Our medical referee has asked for an increase to £20 for each form signed, which seems acceptable. Based on 16/17 cremation figures, the increase would have an impact of around £6,000, which can be contained within the existing budget provision.

5. RECOMMENDATIONS

- a) To approve the 2% adult cremation fee increase. This would cover the cost of inflation and allow the Committee to maintain its level of distribution to constituent authorities.
- b) To approve the increase of £2 per form signed for medical referee fees.

Meirion Rushworth
Honorary Treasurer