

NORTH EAST SURREY CREMATORIUM BOARD**6th December, 2016****Revised Annual Budget 2016/17
and
Annual Budget 2017/18****Background**

1. In accordance with Clause 7 of the Management Agreement with Wandsworth Borough Council, the Board is required to approve the Annual Budget. Financial performance against the 2016/17 Annual Budget has been reported to the Board throughout the year and the opportunity has now been taken to review both the current year budget, and establish the budget for 2017/18.
2. Attached to this report is a statement showing the original budget, the proposed revised budget for 2016/17 and spend to date compared with this estimate. The final column indicates the proposed budget for 2017/18.

Annual Budget 2016/17

3. The revised Gross Expenditure budget for 2016/17 is £13,910 lower than the original approved budget.
4. The main reason for the reduced expenditure is the removal of the budget for the internet based music system for 2016/17 only. This budget had not been released to Wandsworth's sub-contractor, Enable Leisure and Culture, as the final decision to procure a system was only taken earlier in the year and the procurement process is still under way.
5. Energy budgets have also been reduced based on current and recent expenditure, coupled with energy efficiency measures being taken. In addition there are a number of other movements across a number of headings to reflect current expenditure patterns, including moving budget from salaries to agency costs to reflect the current management arrangements as reported in the Surveyors report.

Annual Budget 2017/18

6. The proposed Annual Budget for 2017/18 is £2,820 lower than the original budget for 2016/17. The main reasons are described below.
7. There is an increase in salary costs to allow for an anticipated pay award and for staff progression.
8. There is a reduction in energy budgets as explained above, with inflationary pressures expected to be offset by energy efficiency measures.

Support Services

9. Agreement has been reached with Wandsworth Borough Council's sub-contractor, Enable Leisure and Culture, that they will add £500 per quarter to their invoice to cover their indirect costs. This is comparable to the previous central support costs recharged into the Management Agreement budget by Wandsworth.

Recommendation

10. The Board is recommended to approve: -

- (a) the Revised Annual Budget for 2016/17, and
- (b) the Annual Budget for 2017/18.

The Town Hall,
Wandsworth High Street,
London, SW18 2PU
November, 2016

J M Stevenson
Treasurer to the Board