

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

21 January 2009

REPORT OF SUPERINTENDENT AND REGISTRAR

1. Cremations

I have to report for your information, the following statistics relating to the Crematorium for the period 1 October 2008 to 31 December 2008 inclusive:

	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	2008/2009
OCT	227 + 4*	199 + 5*	195 + 10*	177 + 3*	222	180 + 4*
	+ 11**					
NOV	194 + 7*	194 + 6*	193 + 4*	193 + 5*	200 + 3*	168
		+ 10**				
DEC	219 + 2*	194 + 5*	216 + 4*	183 + 1*	200 + 3*	200 + 5*
		+ 1**				
TOTAL	640 + 13*	577 + 16*	594 + 18*	553 + 9*	622 + 6*	548 + 9*
	+11**	+ 11**				

* = NVF ** = STs *** = BODY PARTS

Durham 238
Outside Area 310 (Listed at Appendix A)

Total 548 + 9 NVF

Recommended: Members are asked to note the report.

2. Memorial Garden - Sale of Vase Blocks and Plaques

I would wish to advise the Committee that during the period 1 October, 2008, to 31 December, 2008, inclusive, the following Vase Blocks and Memorial Plaques have been sold:

Vase Blocks 8
Large Plaques 26
Small Plaques 10

Total 44

Financial Information (Net of VAT)

Vase Blocks 3,993.10
Large Plaques 8,202.13
Small Plaques 2,005.84

Total £ 14,201.07

Recommended: Members are asked to note the report.

3. Cremation Regulations (England and Wales) 2008

On 1 January, 2009, the Cremation Regulations (England and Wales) 2008, came into effect. These Regulations cover a good deal of detail but the fundamental effects are:

- (i) All Cremation Forms that have been in use, virtually unchanged since 1902, are now replaced by New Forms 1 to 13.
- (ii) The Applicant for Cremation (or a nominated representative) may now request to view the Cremation Certificates (Forms 4 and 5).

In such instances the Registrar must arrange a meeting with the Applicant for Cremation (or his/her representative) at the Crematorium. The Applicant may then request a meeting with the Medical Referee and, in some circumstances, it is possible that the Death concerned may be referred to the Coroner.

All such instances must be recorded by the Registrar and a report sent to the Department of Justice.

The Cremation Regulations (England and Wales) 2008, were only laid before Parliament on 3 November, 2008, and so there has been very little time to prepare for the new legislation. All new Cremation Forms 1 to 13, have had to be designed (using Statutory questions) ordered and printed. A series of seminars were arranged for Monday 12 January, 2009, at Mount Oswald Golf Club where the Medical Referees and the Registrar were to explain how the new Regulations would affect Funeral Directors and Doctors, and how possible problems would be resolved. At the time of writing this report, a good number of Funeral Directors and Doctors were booked for the seminars.

The Ministry of Justice agreed a period of one month until 1 February, 2009, for the new system to be run alongside the existing one. Medical Referees will not be permitted to sign old style forms after 1 February, 2009.

The preparations for the implementation of the Cremation Regulations (England and Wales) 2008, have placed a considerable additional workload on the Crematorium Administrative Team, at an already busy time of year, and I would wish to thank them for their efforts.

Recommended: Members are asked to note the report.

4. Independent Testing of Cremators

As a condition of the operating Licence, issued by Durham City Council, under the terms of the Environmental Protection Act (1990), the Cremators are due to be Independently Tested during the period 20-22 January 2009.

The results of the tests will be reported to the Committee at the March meeting.

Recommended: Members are asked to note the report.

5. Statutory Directions to English Local Authorities: Regulations of Air Pollution from Crematoria (Minute No. 2234, 22 October 2008 refers)

The report concerning progress towards the installation of Mercury Abatement Equipment that was agreed by the Central Durham Crematorium Joint Committee on 22 October, 2008, was sent to the Crematorium Regulator as required.

As a result of the report, a Variation Notice was issued to the Crematorium under the terms of the Environmental Permitting (England and Wales) Regulations 2007, Regulation 20.

The variations to the permit are as follows:

New condition 5.7 A general condition that the operator shall use the best available techniques for preventing or, where that is not practical, reducing emissions from the installation.

New condition 5.8 Requirement to provide information on Mercury Abatement.

The next Report to the Regulator is required in April 2009.

Recommended: Members are asked to note the report.

6. **National Cremation Statistics for the Year 2008**

I attach, for information, at Appendix B, the Annual Cremation Statistics for the year 2008 which has been submitted to the Federation of British Cremation Authorities.

Recommended: Members are asked to note the report.

	OCT	NOV	DEC		OCT	NOV	DEC
AUSTRALIA				NEWCASTLE	1	1	1
				NEWTON			
BARNARD CASTLE	2		1	ACYLIFFE	5	6	6
BEAMISH				NORTHALLERTON			1
BINCHESTER				OUSTON			
BIRTLEY				RICHMOND, N.Yks			1
BISHOP AUCKLAND	19	16	18	PETERLEE	9	10	7
BISHOP MIDDLEHAM			2	SACRISTON	3	2	2
BLACKHALL		2	3	SEAHAM	7		2
BOLDON				SEATON			
BURNHOPE		1		SEDFIELD	3	4	2
CANADA				SHILDON	1	2	3
CHESTER-LE-STREET	9	5	15	SHINEY ROW			
CHESTER MOOR				SHOTTON	3	4	2
CHILTON	3	2		SOMERSET			
CONSETT		1	2	SOUTH HETTON			1
CORNSAY				SUNDERLAND			
COUNDON	4	2	1	STANHOPE	1		1
CORNWALL				STANLEY		1	
CROOK	3	11	6	STATION TOWN			1
DARLINGTON	1	1		STOCKTON			2
EASINGTON	5	4	4	SUFFOLK			
EAST RAINTON	1			SUNNYBROW		1	
EDMONDSLEY				THIRSK			
ESH				THORNLEY	2		
ESH WINNING	1			TOFT HILL			
FENCEHOUSES				TOW LAW	1		2
FERRYHILL	4	10	9	TRIMDON	2		4
FISHBURN		1		U.S.A.			
FROSTERLEY				WASHINGTON			
GATESHEAD				WEST AUCKLAND	2	1	4
				WEST			
GREAT LUMLEY	4			CORNFORTH		3	4
HAMSTERLEY				WHEATLEY HILL	2	1	
HARTLEPOOL	1			WILLINGTON	3	1	3
HASWELL	1	1		WINGATE	2		1
HETTON LE HOLE	3	1	3	WHITBY			
HIGH ETHERLEY				WOLSINGHAM			3
LANCASHIRE		1		YORK			
HORDEN	2		1				
HOUGHTON	3		2	DAILY TOTAL	127	109	126
HOWDEN	2	4					
HUNWICK	1	1					
LANCHESTER	1	1					
LANGLEY PARK	5	3					
LEYBURN	1						
LEICESTER							
LONDON							
MIDDLETON/Teasdale							
MIDDLESBROUGH	1						
MORPETH			1				
MURTON	3	3	5				
KENT		1					

Name: Durham Crematorium

S/060

NUMBER OF CREMATIONS

<u>The LAST NUMBER in your Cremation Register at 31 December 2008</u>	(a) 90894
The LAST NUMBER in your Cremation Register at 31 December 2007	(b) 88502
TOTAL CREMATIONS for the year 2008 [(a) – (b)]	(c) 2392
Add: Total Cremations SINCE OPENING to 31 December 2007	(d) 88502
TOTAL CREMATIONS to 31 December 2008 [(c) + (d)]	90894

DISPOSAL OF CREMATED REMAINS FOR THE YEAR 2005

Strew in grounds of this Crematorium	1196
Interred in grounds of this Crematorium	-
Placed in niches at this Crematorium	
Removed from this Crematorium	1196
No collectible remains obtained	-
Awaiting instructions for disposal	-
Total [Should agree with (c) above]	2392

OTHER CREMATIONS CARRIED OUT IN THE YEAR
(Not to be included in the above)

40

Number of CREMATIONS OF FOETAL REMAINS

Number of SOCIAL TERMINATIONS (identified by Hospital Number only)
Number of CREMATIONS OF BODY PARTS
under the Cremation (Amendment) Regulations 2000

1

CODE OF CREMATION PRACTICE

CITY OF DURHAM

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

21 JANUARY, 2009

REPORT OF TREASURER

1. AUDITED STATEMENT OF ACCOUNTS 2007/08

The appointed auditor to the Crematorium, BDO Stoy Hayward LLP, has completed their audit of the 2007/08 Statement of the Accounts and has issued an unqualified opinion. The auditors have, however, made three recommendations to improve internal controls and working practices:

- that the body monitored the budget at least quarterly or more frequently if required and evidences this review in the minutes
- that the body minute specifically their acceptance of Section 1 – Statement of Accounts and Section 2 – Annual Governance Statement and that the minutes record their specific answers to Section 2
- that the body review its risk assessment at least annually and before the end of the financial year and minutes this review.

A copy of the audited Statement of Accounts and the auditors report is attached at Appendix A and I would ask members to note that these issues have not been raised in previous years by the Audit Commission (the previous appointed external audit).

Recommendation

The Committee is asked to agree the recommendations by BDO Stoy Hayward LLP in their report and note the unqualified opinion on the 2007/08 Statement of Accounts.

2. RISK REGISTER

This report provides an update to the Crematorium Committee on the development of the business risk register. A copy of this is attached at Appendix B. It also details the 3 highest risks that the Crematorium must monitor and manage.

Development of the Risk Register

In April 2007, the Business Development Officer of the City of Durham Council facilitated a workshop with a number of staff from the Crematorium in order to identify risks which need to be monitored and managed in order for it to run safely and efficiently.

Risks identified at the workshop, were scored on the likelihood of the risk occurring and the impact it would have if it occurred. Control actions are then identified to minimise the likelihood and impact. An owner from the Crematorium is identified and it is their responsibilities to ensure that controls are maintained and any updates are recorded. The risks and their controls are then recorded on the corporate software system.

Risks likelihood and impact are scored on the basis of low, medium and high and this score determines the review period of the risk.

If a risk is scored as high, it is reviewed and updated quarterly.

If a risk is scored as medium, it is reviewed and updated every 6 months.

If a risk is scored as low, it is reviewed and updated on an annual basis.

The software that is used to record the risks, generates an automated reminder at the appropriate time according to the score. As Crematorium staff do not have access to the City Council network, the Business Development Officer discusses the risk and its controls with the risk owner and then updates the system on their behalf.

The entire risk register is reviewed and refreshed on an annual basis to ensure its appropriateness. The last review took place in October 2008, this was again in a workshop format attended by the Business Development Officer and members of staff from the Crematorium.

High Priority Risks

Appendix C shows an extract from the risk register for the Crematorium. This identifies all risks for the Crematorium. The 3 highest risks are currently:-

- *LGR* impacting on the ability to meet the 2012 legislative changes. This risk has been scored high due to the uncertainty associated with the establishment of a unitary County Council as the successor authority to the City of Durham. This risk is reviewed and updated on a quarterly basis.
- *LGR* – Funding on hold for improvements to the Crematorium, most notably to ensure compliance with European legislation, whilst a unitary council is established, replacing the City of Durham as 'host' authority. This risk is scored as high due to the uncertainty of the County Council plans for the future of the Crematorium. This risk is reviewed and updated on a quarterly basis.
- Impact of morale due to job evaluation and single status – this risk has been scored as medium as the risk is significant if it occurs, however if this risk is managed well by means of appropriate communication it can be controlled. This risk is reviewed and updated on a 6 monthly basis.

The two highest risks are associated with the Local Government Reorganisation which all Councils in County Durham are currently undergoing. Environmental workstreams are considering future priorities for cemeteries and crematoria within County Durham.

Health and Safety Risk Assessments

From June 2008, health and safety risk assessments have also been recorded on the risk management software in order to benefit from the automated reminder facility. This ensures that assessments are regularly reviewed and are appropriate. The central recording allows for easier tracing of assessments in the case of queries or claims.

Risk Management after 1st April 2009

When Durham County Council take over ownership of District Council functions, including Durham Crematorium, it is proposed that similar arrangements for risk management will continue.

Recommendations

The Crematorium Joint Committee is recommended:

- a) to note the progress made in developing a comprehensive risk register for the Crematorium
- b) to review, amend if necessary and approve the risk register for the Crematorium
- c) to endorse the current practice of managing the business risks of the Crematorium.



Small bodies in England

Annual return for the year ended

31 March 2008

Small relevant bodies in England with an annual turnover of £1 million or less must complete an annual return summarising their annual activities at the end of each financial year.

The annual return on the following pages is made up of four sections:

- **Sections 1 and 2** are to be completed by the person nominated by the body.
- **Section 3** will be completed by the external auditor.
- **Section 4** is to be completed by the body's internal audit provider.

The body must ensure this annual return is approved no later than 31 July 2008.

Please complete all sections highlighted in red. Do **not** leave any red box blank. Incomplete or incorrect returns may require additional external audit work and incur additional costs.

Please send the annual return, together with any additional information requested, to your appointed external auditor.

If required, your auditor will identify and ask for any documents needed for audit. Unless requested, please do **not** send any original financial records to the external auditor.

Audited and certified annual returns will be returned to the body for publication or public display of sections 1,2 and 3.

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the annual return.

It should not be necessary for bodies to contact the external auditor or the Audit Commission directly for guidance.

Section 1 – Statement of accounts

CREMATORIUM
THE CENTRAL DURHAM JOINT COMMITTEE

In completing the boxes below please explain any significant variances on a separate sheet and send this to the external auditor together with a copy of your bank reconciliation as at 31 March 2008.

	Year ending		Notes and guidance
	31 March 2007 £	31 March 2008 £	
1 Balances brought forward	1,294,305	1,730,764	Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from taxation and/or levy	0	0	Total amount of tax and/or levy received in the year.
3 (+) Total other receipts	1,098,871	1,150,636	Total receipts or income as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	(189,485)	(201,426)	Total expenditure or payments made to and on behalf of all body employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses.
5 (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).
6 (-) Total other payments	(472,927)	(1,918,560)	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	1,730,764	761,414	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6)
8 Total cash and short term investments	1,680,885	884,811 889,064	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - to agree with bank reconciliation.
9 Total fixed assets and long term assets	838,096	933,109	The recorded book value at 31 March of all fixed assets owned by the body and any other long term assets e.g. loans to third parties.
10 Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that the statement of accounts contained in this annual return presents fairly the financial position of the body and its income and expenditure, or properly presents receipts and payments, as the case may be, for the year ended 31 March 2008.

Signed by Responsible Financial Officer:

Date 05/08/2008

I confirm that these accounts were approved by the body and recorded as minute reference:

2227

Date 23/07/2008

Signed by Chair of meeting approving the accounts:

Date 05/08/2008

Section 2 – Annual governance statement

We acknowledge as the members of **THE CENTRAL DUBLIN CEMETERY JOINT COMMITTEE** our responsibility for ensuring that there is a sound system of internal control, including the preparation of the statement of accounts. We confirm, to the best of our knowledge and belief, with respect to the body's statement of accounts for the year ended 31 March 2008, that:

	Agreed – Yes or No*	*Yes means that the body:
1 we have approved the statement of accounts which has been prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices.	YES	prepared its statement of accounts in the way prescribed by law.
2 we have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	YES	made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3 we have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice which could have a significant financial effect on the ability of the body to conduct its business or on its finances.	YES	has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.
4 we have provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	YES	has during the year given all persons interested the opportunity to inspect and ask questions about the body's accounts.
5 we have carried out an assessment of the risks facing the body and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	YES	considered the financial and other risks it faces and has dealt with them properly.
6 we have maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems and carried out a review of its effectiveness.	YES	arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body and reviewed the impact of this work.
7 we have taken appropriate action on all matters raised in reports from internal and external audit.	YES	has to matters brought to its attention by internal and external audit.
8 we have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and, where appropriate have included them in the statement of accounts.	YES	disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.

This annual governance statement is approved by the body and recorded as minute reference

2227 dated **23/07/2008**

Signed on behalf of

Signed by: Chair

Date **05/08/2008**

Signed by: Clerk

Date **05/08/2008**

Note: Please provide explanations to the external auditor on a separate sheet of paper in response to matters identified and describe what actions being taken to address the weaknesses identified.

Section 3 – External auditor's certificate and opinion

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2008 of

THE CENTRAL DURHAM CEMETERY BOARD

Respective responsibilities of the body and the auditor

The body is responsible for the preparation of the accounts in accordance with the requirements of the Accounts and Audit Regulations and for the preparation of an annual return which:

- summarises the body's accounting records for the year ended 31 March 2008; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

Our responsibility is to conduct an audit in accordance with guidance issued by the Audit Commission and, on the basis of our review of the annual return and supporting information, to report whether any matters that come to our attention give cause for concern that relevant legislation and regulatory requirements have not been met.

External auditor's report

(Except for the matters reported below)* on the basis of our review, in our opinion the information contained in the annual return is in accordance with the Audit Commission's requirements and no matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met. (*delete as appropriate).

(continue on a separate sheet if required)

Other matters not affecting our opinion which we draw to the attention of the body:

(continue on a separate sheet if required)

External auditor's signature

External auditor's name

Date

Note: The auditor's signature should be in blue ink. The Audit Commission's responsibility is limited to the audit and completion of the return. It is the responsibility of the body to ensure that the information provided to the Audit Commission is accurate and complete. The Audit Commission is not responsible for the accuracy or completeness of the information provided to the Audit Commission.

Section 4 – Annual internal audit report to

THE CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2008.

Internal audit has been carried out in accordance with the body's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and, opposite, are the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the body.

	Agreed? Please choose from one of the following Yes/No/Not covered**
A. Appropriate books of account have been properly kept throughout the year.	Yes
B The body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	Yes
C The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	Yes
D The annual taxation or levy requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	N/A
E Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	Yes
F Petty cash payments were properly supported by receipts; expenditure was approved and VAT appropriately accounted for.	Yes
G Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied.	Yes
H Asset and investments registers were complete and accurate and properly maintained.	Yes
I Periodic and year-end bank account reconciliations were properly carried out.	Yes
J Year-end accounts were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with cash book, were supported by an adequate audit trail from underlying records, and, where appropriate debtors and creditors were properly recorded.	Yes

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

Name of person who carried out the internal audit:

Signature of person who carried out the internal audit:

Date: 01 07 2008

Note: If the response is 'No', please state the implications and action being taken to address any weakness identified (if applicable, state if needed).

Note: If the response is 'Not covered', please state when the next internal audit work is due in the area and mention the planned audit coverage for the next financial year. Explain any relevant separate sheets if needed.

Guidance notes on completing the 2008 annual return

- 1 Please make sure that your annual return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are approved by the body, properly initialled and an explanation for them is provided to the auditor. Annual returns containing unapproved and/or unexplained amendments will be returned unaudited.
- 2 Use the checklist provided below. Use a second pair of eyes, perhaps internal audit or the Chair, to review your annual return for completeness before sending it off to the auditor.
- 3 Please do not send the auditor any information that you are not specifically asked for. Doing so is not helpful.
- 4 Make sure that the copy of the bank reconciliation which you send to your auditor with the annual return covers all your bank accounts. If your body holds any investments, please note their value on the bank reconciliation. The auditor should be able to agree your bank reconciliation to Box 8 on the Statement of Accounts. **You must provide an explanation for any difference between Box 7 and Box 8.** More help on bank reconciliations is available in the *Practitioners' Guide**.
- 5 Please **explain fully** significant variances in the statement of accounts. Do not just send in a copy of your detailed accounts instead of this explanation. The auditor wants to know that you understand the reasons for the change. Please include a complete analysis to support your explanation. There are a number of examples provided in the *Practitioners' Guide** to assist you.
- 6 If the auditor has to review unsolicited information, or receives an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which the auditor will make a charge.
- 7 Please make sure that your statement of accounts adds up! Also please ensure that the balance carried forward from the previous year (Box 7 of 2007) equals the balance brought forward in the current year (Box 1 of 2008).
- 8 **Do not complete section 3.** This section is reserved for the external auditor who will complete it at the conclusion of their audit.
- 9 Use the *Practitioners' Guide** for guidance. This publication is regularly updated and contains everything you should need to prepare successfully for your financial year-end and the subsequent audit. Both NALC and SLCC have helplines open should you wish to talk through any problem you may encounter.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxes have been completed?	YES
	All information requested by the external auditor has been sent with this annual return? Please refer to your notice of audit.	YES
Section 1	Approval by the body confirmed by signature of Chair of meeting approving accounts?	YES
	An explanation of significant variations from last year to this year is provided?	YES
	Bank reconciliation as at 31 March 2008 agreed to Box 8?	YES
	An explanation of any difference between Box 7 and Box 8 is provided?	YES
Section 2	For any statement to which the response is 'no', an explanation is provided?	YES
Section 4	All red boxes completed by internal audit and explanations provided?	YES

*The *Practitioners' Guide* is available from mySociety, PO Box 100, London, W1A 0AB. It is available on the website www.mysociety.org. The *Practitioners' Guide* is available on the website www.mysociety.org. The *Practitioners' Guide* is available on the website www.mysociety.org. The *Practitioners' Guide* is available on the website www.mysociety.org.

**Issues Arising Report
for Central Durham Crematorium Joint
Committee
Audit for the year ended
31 March 2008**



BDO Stoy Hayward

Introduction

The following matters have been raised to draw items to the attention of Central Durham Crematorium Joint Committee . These matters came to the attention of BDO Stoy Hayward LLP during the audit of the annual return for the year ended 31 March 2008.

The audit of the annual return may not disclose all shortcomings of the systems as some matters may not have come to the attention of the auditor. For this reason, the matters raised may not be the only ones that exist.

The matters listed below are explained in further detail on the page(s) that follow;

- Minuting Approval of the Annual Return
- Risk Assessment
- Budget monitoring

The following issues have been raised to assist the body in improving their internal controls or working practices. The body is recommended to consider these but is under no statutory obligation to act upon them.

Budget monitoring

What is the issue?

The minutes of the body only evidence a comparison of actual expenditure against budget once a year.

Why has this issue been raised

The body demonstrated a lack of financial control over the spending and receipt of public money and were exposed to the risk of overspending.

What do we recommend you do?

The body must regularly review, and ensure this review of the budget against the actual income and expenditure is minuted as such. We recommend that the body monitors the budget at least quarterly or more frequently if required and evidences this review in the minutes.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England and Wales - A Practitioners Guide, NALC/OVW/SLCC

The following issues have been raised to assist the body. The body is recommended to take action on the following issues to ensure that the body acts within its statutory and regulatory framework.

Minuting Approval of the Annual Return

What is the issue?

The minutes supplied did not specifically minute the body's approval of Section 1 - Statement of Accounts, Section 2 - Annual Governance Statement and the yes/no answers to Section 2.

Why has this issue been raised

Failure to minute the approval of the Statement of Accounts and the Annual Governance Statement has exposed the body to undue risk of non adoption of the Annual Return.

The body has also failed to maintain adequate minutes of the meeting as required under Sch 12, Para 41(1) of the Local Government Act 1972.

What do we recommend you do?

The body must ensure in future years that the minutes clearly state their acceptance of Section 1 - Statement of Accounts and Section 2 - Annual Governance Statement and the minutes record their specific answers to Section 2.

It is essential that minutes clearly record the decisions of the body as they are the lawful record of the events of the meetings.

Further guidance on this matter can be obtained from the following source(s):

Local Council Administration, 7th Edition, Charles Arnold-Baker; Chapter 7

Risk Assessment

What is the issue?

The body has not undertaken a full risk assessment during the year as it relies on the arrangements of the host authority. Risk registers are reviewed monthly by the host authority's risk management working group

Why has this issue been raised

Under the Accounts and Audit Regulations the body is responsible for reviewing the risk assessment. Therefore the body is at risk of not abiding by regulation 4 (2).

What do we recommend you do?

We would recommend that the body ensures it reviews their risk assessment at least annually and before the end of the financial year and minute this review.

An example risk table is available on our extranet to assist the body in assessing and clarifying their risks. If the body decides to utilise this table then it should be reviewed in detail, modified and adapted to the bodies specific needs. If you do not have access to the internet, contact us and we can supply you with a copy.

Further guidance on this matter can be obtained from the following source(s):

Governance and Accountability in Local Councils in England and Wales - A Practitioners Guide, NALC/OVW/SLCC
Local Council Briefing, Spring 2008 - BDOSH

No other matters came to our attention.

For and on behalf of
BDO Stoy Hayward LLP
Date: 30 October 2008

Risk Reference	Risk Description	Current Controls	Action	Risk Controls	Risk Probability	Risk Impact	Risk Score	Responsible Officer	Proposed Review Date
Crem 0022	LGR impacting on the ability to meet the 2012 legislative change.	Monitoring situation. March 08 Continue to monitor - updated by A McQuillan July 08 Defra has reported that progress is not suitable to be on target for Dec 2012. They have requested that a report is made to Environmental Health on progress, expected progress and finance arrangements. reports will continue on a 6 monthly basis. if targets can not be met, the crematorium will have to enter into a burden sharing agreement at a cost of £100,000 per annum. Nov 08 Continue to monitor.	Going to investigate new equipment.	Good	High	High	9	Alan Jose	01/03/2009
Crem 0053	LGR - Funding on hold for improvements if county council take over.	None in place. July 08 Defra has reported that progress is not suitable to be on target for Dec 2012. They have requested that a report is made to Environmental Health on progress, expected progress and finance arrangements. reports will continue on a 6 monthly basis. if targets can not be met, the crematorium will have to enter into a burden sharing agreement at a cost of £100,000 per annum. communication matters continue to be sent to crematorium for information. Continually monitoring situation closely. Cameo - in existence defra have recognised this, all cremes directly subscribe to this - monitor 50% reduction in emissions	To receive weekly updates from Chief Exec from City of Durham March 08 Contact made with Chief Exec to ensure that weekly updates are sent to the Crem.	Good	High	High	9	Alan Jose	01/01/2009
Crem 0033	Impact of morale due to job evaluation and single status	Keeping staff informed of the process. Information shared at team briefings	Communication matters specifically for job evaluation. Deal effectively with the appeals process to support staff during appeals April 07 update Ongoing August 2007 Ongoing Nov 2007 Ongoing July 08 Situation ongoing, single status announcement to be made September 08. Crematorium to continue to receive communication matters from chief exec. Low morale and uncertainty is still being experienced.	Good	Medium	Medium	4	Alan Jose	01/02/2009

Crem 0010	Not understanding and implementing changes in legislation	Regular updates from professional institutes - ICCM and FBCA Subscribe to and are members of a number of external organizations Electronic updates received from a number of sources Share best practice and communicate with other crematoriums Copies of various periodicals received and circulated to staff	Continue with current controls. June 08 On going	Good	Low	High	3	Alan Jose	01/06/2009
Crem 0047	Non-Compliance with new Fire Order	Staff are aware of new order Responsible officer for the building has been identified Fire wardens in place Alarm tests undertaken each week Relevant information displayed Contract 6 monthly inspection. Auto gas control fitted in control room.	Health and Safety Officer to deliver awareness talk June 08 On going	Good	Low	High	3	Ian Ramsay	01/10/2009
Crem 0050	Violent or other assault on a Visiting Officer whilst lone working	Risk assessments carried out Procedures to follow Testing on procedures carried out Code of conduct in place Information shared at team briefings One to one training Always two members of staff working late. If there is an alarm call out - other staff are made aware. Alarm system fitted to avoid false alarms.	June 08 On going	Good	Low	High	3	Alan Jose	01/10/2009
Crem 0034	Risk Assessments and reviews not undertaken	Staff have been trained Full review undertaken Risk assessment procedures in place Risk assessments are planned in advanced H & S recommendations carried out.	Encourage a clear desk policy. Continue to undertake risk assessments as required Work station assessments to be undertaken H&S officer still to sign off Risk assessments carried out Fire risk assessments are currently underway speak to H & S regarding training in DSE.	Good	Low	Medium	2	Ian Ramsay	01/01/2009
Crem 0048	IT and power failure leading to the non delivery of the service	Business continuity plan in place Discussions undertaken with IT Alternative location available for critical function Some paper records available Regular back-ups daily and stored off-site Emergency telephone numbers list exists, all contacts shared between team.	Continue with current controls June 08 On going	Good	Low	Medium	2	Alan Jose	01/10/2009
Crem 0062	Lack of evidence for H&S claims	Corporate induction for new staff covers H&S H&S Policy is available regular H&S inspections of the building and it is all evidenced. First aiders, fire wardens and notices in place. Fire Risk Assessments are in place. Signs are above fire extinguishers, fire alarms are tested every week.	Further training and awareness to be undertaken	Good	Low	Medium	2	Alan Jose	01/10/2009
Crem 0027	Prolonged sickness absence of key staff impacting of staff morale and the ability to deliver the service	Internal policies and procedures are in place and adhered to Back to work interviews are undertaken Monitoring is undertaken Family friendly policies in place Expert advice available.	Continue with current controls Reinforce current policies	Good	Low	Low	1	Alan Jose	01/01/2009

Crem 0035	Office/admin VDUS Positioning of furniture in small office, staff bumping into corners of desks. Electrical equipment, staff using equipment, electric shock. Shelving, staff could trip over.	Furniture has been moved to give maximum space. Shelves have been checked to make sure they are secure and sturdy.	Larger office is required. Update PAT testing, procedure to staff to visually check equipment and report faults.	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0036	Office/Admin, Manual handling, staff lifting boxes (stationary etc) large files, sprains and strains.	Assistance available	Manual handling training/instruction required.	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0037	Office/Admin Tripping Hazards, staff and visitors. Step ladder (2 lung), office staff could fall.	Good house keeping walk ways kept clear at all times. Regular checks	Manual handling training/instruction required. Training/procedure for use of step ladders	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0038	Crematory Cremators, staff, visitors, fire, heat hazard. Hot apparatus, staff visitors, handling ash pans, raking down, removal of metal from remain, burns. Hydraulic lifting beir, staff trapping of fingers, limbs. Dust Transferring of cremated remains into and between containers. Noise, staff, visitors, machinery noise.	Only certified, trained personnel allowed to operate. Machinery regularly maintained and serviced. Trained operators only, allow to cool make sure other persons are at safe distance, use of protective gloves and pliers. Level tested by H & S dept. Machinery regularly maintained and serviced. Visually checked by operator. Dust cabinet with extraction fan, dust mask.	Hydraulic lifting beir- requires testing under loler regs.	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0039	outside/gardening Pathways, staff public tripping. Steps on path, staff/public tripping falls. Kerbstones, staff public tripping. Animal holes, small holes made by animals tripping hazard.	Pathways- well maintained inspected regularly, most access level regularly cleaned. Steps on path - Kept clean & tidy hands rails, safety ridge top & bottom. Level route also available Kerbstones Filled in by staff	Pot holes in drive require repair 1 stone on corner to be moved. Regular inspection and filling by staff.	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0040	Outside Gardening Hand Tools, staff and any public in vicinity. Power tools/mowers etc. Noise from the machinery Working on driveway/car park	Tools kept in locked store, used away from public, tools kept in good order, any defective tools replaced. Power tools used away from public, machinery regularly serviced, checked and maintained. All staff trained in use. Machinery regularly serviced and maintained PPE ear plugs etc available.	High Vis is to worn when delaing with traffic.	Good	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0041	COSHH - Fertilizers, insecticides, fuel etc. Fountain/pump maintenance inspection chamber. Staff manual handling, electrical equipment, chemicals. Public - trip, fall down inspection hole.	Safest products selected. Kept in locked store, no smoking signs, COSHH safety sheets available. PPE available - gloves, goggles dust mask etc. Two person task to lift cover, warn public, assist if required. PPE - rubber gloves, safety boots	No smoking sign for outside of store. Review electrical equipment in chamber COSHH data sheet required for chemicals. Manual handling course required.	Fair	Low	Low	1	Ian Ramsay	01/06/2009

Crem 0042	CCTV Screen - chapel attendant. Electrical equipment - chapel attendant electric shock. Working at heights - bleeding radiators, using ladders, fall from steps. Bleeding radiators using ladders, fall from steps. Candles on altar, staff lighting and extinguishing, burn fingers, splashes from hot wax, burns, hot wax.	PAT test electrical equipment Switch off lights, have another member of staff holding the ladders. Candle snuffer available	PAT testing requires updating. Systems of visual checks required. Procedure required, ladder training required. Ladder training required Procedure for lighting and extinguishing.	Fair	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0043	Cleaning Duties. Hazardous cleaning materials - cleaning staff chemical inhalation, skin conditions, ingestion. Vacuum cleaners - electrical hazards electric shock, flex, black to dark carpet, tripping hazard, for staff and public. Wet Floor - Staff and public slipping hazard, floors mopped at quietest times, wet floor signs displayed. Work at height - staff cleaning falls, cleaner not required to work at height, assisted by other staff who will use steps etc.	Least hazardous products used, COSHH data sheets, PPE gloves etc. PAT tested, regularly maintained and checked. Vacuum at quieter times when no public at risk. Cleaner assisted by other staff when lifting wet floor signs displayed. Cleaner not required to work at height, assisted by other staff who will use steps etc.	Update PAT testing Manual handling training required for staff Ladder training required for staff.	Good	Low	Low	1	Ian Ramsay	01/06/2009
Crem 0044	Failure of specialist equipment due to the age and condition of existing equipment	Maintenance contract, serviced every 4 months Daily log Set procedures in place Specialized trained staff available in event of failure, impact Assessment meeting undertaken Health and safety always evaluated Protocols recorded and contact details Adhoc arrangements with 3 cremes to cover long term breakdowns.	Protocols to be recorded.	Good	Low	Low	1	Stephen Tinkler	01/10/2009
Crem 0045	Loss of knowledge and ability to cover existing workload through premature staff loss	Limited job shadowing Procedure notes are available for key areas Regular communication is undertaken Work is forward planned Regular Liaison with outside bodies -ICCM and FBCA Small team therefore close communication Exit interviews are undertaken Office roles and procedure notes are completed 4 additional operators are now trained who can be called upon in times of an emergency. Adhoc arrangements with 3 other cremes - to share existing staff	Continue to develop procedure notes for all areas.	Good	Low	Low	1	Stephen Tinkler	01/10/2009

Crem 0046	Lack of evidence for inspections etc	Working papers, procedure notes stored Policies and procedures are in place, adhered to and can be evidenced. Staff are aware of the need to provide evidence and know where it is stored Systematic filing systems in place	Review current filing systems and retention of evidence Audit training to be undertaken by key staff June 08 On going	Fair	Low	Low	1	Alan Jose	01/10/2009
Crem 0049	Breakdown of Partnership leading to detrimental financial implications.	Formal partnership agreement in place Have good working relationships Member of City of Durham RMWG Options appraisal on hold at present due to decisions to be made by LGR.	June 08 On going	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0051	Disclosure of confidential information through the incorrect disposal or maintenance of this information	In a secure environment Passwords in place for electronic data. Possibility of password protection on individual documents investigated and decision has been made that not necessary as few staff have access to documents Document retention and disposal policy adhered to. Nov07 Contract with Securishread Possible back up system for archiving. Software update to be made early 2009.	Set up standard files for key data. Consider application of scanned images / workflow June 08 On going	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0052	Contractual failure in relation to projects or maintenance, leading to financial claims or losses and loss of reputation	Consultants are used - Feasibility study Undertaking options appraisal Project Managers are assigned to each project	Continue with current controls	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0054	Cash is collected and banked in a safe and timely manner.	Written procedures in place. Large sums of cash is stored max of £1000. The Treasury Accountant reconciles the income on a regular basis. Book is reconciled weekly	Continue to monitor	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0055	All amounts due have been collected. Any unpaid amounts are subject to recovery.	Schedule of income is maintained on a weekly basis and income not yet received is chased up with the relevant people. Good audit report received.	Continue to monitor	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0056	New improvement works not completed on time and within budget	Project managed by external contractor Memorial Garden completed on time and within budget. Upgrade of cremators - increased maintenance budget.	Procedures to be recorded. Improvements made to last until 2012.	Good	Low	Low	1	Alan Jose	01/10/2009
Crem 0057	Prolonged sickness absence of key staff impacting of staff morale and the ability to deliver the service	Internal policies and procedures are in place and adhered to Back to work interviews are undertaken Monitoring is undertaken Family friendly policies in place Expert advice available. Staff are very flexible - alter shifts etc. ICCM have staff who could fill positions on short term basis.	Continue with current controls Reinforce current policies.	Good	Low	Low	1	Alan Jose	01/10/2009

Crem 0058	National/regional shortage of appropriately qualified staff leading to recruitment difficulties, if any of existing establishment were to leave.	Family friendly policies Good terms and conditions Attractive professional working environment Good networking Encourage internal learning and training Building pool of trained Operators 4 Members of staff have ongoing training Dec 07 Started 4 staff with July 08 4 additional people have successfully trained as crematorium operators in case of a pandemic, there remains a shortage nationally of qualified staff - continue to monitor the situation.	Continue with current controls	Good	Low	Low	1	Alan Jose	01/04/2009
Crem 0059	Falling behind for Admin duties	Ensuring documentation received and completed on time will chase up when necessary Staff are multiskilled Work practice procedures are in place to prioritise work Undertake reality check of admin procedures. Written to previous staff regarding back up cover. Two previous members of staff could be available in case of an emergency	Continue to monitor	Good	Low	Low	1	John Collerday	01/10/2009
Crem 0060	Falling behind schedule for cremations	Work is scheduled Work until jobs are complete Any complaints are dealt with straight away Main contracts in place. Adhoc arrangements, pandemic planning route.	Continue with current controls	Good	Low	Low	1	Stephen Tinkler	01/10/2009
Crem 0061	Not understanding the impact of Equalities (inc. DDA, Access to Services, Age Legislation)	Equalities procedure and policies in place at Durham City Embedding equalities in the day to day routine business Review all documentation and see what is legally required. Undertaken an Access and Disability Assessments to baseline current position and delivered to architects for consideration in future developments Building assessed as good for DDA compliance.	Further training and awareness to be undertaken.	Good	Low	Low	1	Alan Jose	01/10/2009

Appendix C - Priority Risks for the Crematorium

Ref	Risk Description	Current Controls	Action	Risk Controls	Risk Likelihood	Risk Impact	Risk Score	Responsible Officer	Review Date
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IN PRIVATE

SOLVED:

That pursuant to Section 100.A(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting during consideration of the items listed in column 1 below, being reports of the Officers mentioned in column 2 below, on the grounds that if members of the public were present during discussion of these items, there would be disclosure to them of exempt information (as defined in Section 100.I) of the description indicated in column 3 below:

Column 1

Revenue Estimates
2009/2010

Financial Report for the
period 1 April 2008 to
30 November 2008

Column 2

Report of Treasurer

Report of Treasurer

Column 3

Para. 3
Information relating to the
financial or business affairs
of any particular person
(including the Authority
holding that information).

Para. 3
Information relating to the
financial or business affairs
of any particular person
(including the Authority
holding that information).