



Central Durham Crematorium Joint Committee

Date Wednesday 29 January 2020

Time 2.00 pm

Venue Committee Room 1A , County Hall, Durham

Business

Part A

1. Apologies for Absence
2. Substitute Members
3. Minutes of the meeting held 27 September 2019 (Pages 3 - 12)
4. Declarations of Interest, if any
5. Quarterly Performance and Operational Report: (Pages 13 - 24)
Report of the Bereavement Services Manager and Registrar.
6. Financial Monitoring Report 2019/20: Position at 31/12/19 with
Projected Outturn to 31/03/20: (Pages 25 - 34)
Joint Report of the Interim Corporate Director of Regeneration
and Local Services and the Corporate Director of Resources /
Treasurer to the Joint Committee.
7. Provision of Support Services 2020/21: (Pages 35 - 48)
Joint Report of the Interim Corporate Director of Regeneration
and Local Services and the Corporate Director of Resources /
Treasurer to the Joint Committee.
8. Fees and Charges 2020/21: (Pages 49 - 58)
Joint Report of the Interim Corporate Director of Regeneration
and Local Services and the Corporate Director of Resources /
Treasurer to the Joint Committee.
9. External Audit Arrangements 2019/20 to 2021/22:
(Pages 59 - 64)
Joint Report of the Interim Corporate Director of Regeneration
and Local Services and the Corporate Director of Resources /
Treasurer to the Joint Committee.

10. 2020/21 Revenue and Capital Budgets: (Pages 65 - 74)
Joint Report of the Interim Corporate Director of Regeneration and Local Services and the Corporate Director of Resources / Treasurer to the Joint Committee.
11. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
21 January 2020

To: **The Members of the Central Durham Crematorium Joint Committee**

Durham County Council: D Bell, J Blakey, D Brown, J Chaplow (Vice-Chair), K Corrigan, A Hopgood, P Jopling, B Kellett, H Liddle, S Quinn, A Simpson and J Stephenson

Spennymoor Town Council: N Foster (Chair), B McAloon and C Sproat

DURHAM COUNTY COUNCIL

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

At a Meeting of **Central Durham Crematorium Joint Committee** held in **County Hall, Durham** on **Friday 27 September 2019 at 2.00 pm**

Present:

Councillor J Chaplow (Chair)

Durham County Council:

Councillors D Bell, J Blakey, D Brown, A Hopgood, P Jopling, B Kellett and A Simpson

Spennymoor Town Council:

Town Councillors C Sproat

1 Apologies for Absence

Apologies for absence were received from Councillors K Corrigan, H Liddle, S Quinn, N Foster and B McAloon.

2 Substitute Members

No notification of Substitute Members had been received.

3 Minutes

The Minutes of the Annual General Meeting held on 26 June 2019 were confirmed as a correct record and were signed and initialled by the Chair.

4 Declarations of Interest

There were no Declarations of Interest submitted.

5 External Audit Annual Review of the Return for the year ended 31 March 2019

The Joint Committee considered a Joint Report of the Corporate Director of Regeneration and Local Services and the Corporate Director Resources / Treasurer to the Joint Committee relating to the External Auditors (Mazars LLP) issues Arising Report for the year ended 31 March 2019 (for copy see file of minutes).

The Head of Finance and Transactional Services, Paul Darby advised that the audit had now been concluded, adding that there had been no material weaknesses highlighted around the Joint Committee's system of internal control. He added the Auditors had made one observation as regards recording of some figures separately and this would be taken on board moving forward.

The Chair noted the positive report and thanked the Officers for their excellent work.

Resolved:

That the Joint Committee approve the Joint Committees Annual Governance and Accountability Return for the financial year ended 31 March 2019 including the External Report 2018/19 Certificate (attached at Appendix 2).

6 Quarterly Performance and Operational Report

The Bereavement Services Manager and Registrar, Graham Harrison asked Members to note the performance figures from 1 June 2019 to 31 August 2019 and the comparison to the same period for 2018, highlighting that there was a net decrease of 26 cremations year on year. It was noted there was a total of 516 for the three-month period with the June to August profile breakdown showing 165 from Durham, 23 from Spennymoor and 328 from outside of the area.

Members were asked to note that the number of memorials sold had increased slightly in comparison to the same period the previous year, with sales being £2,031 greater than the comparable period last year.

Councillors noted that for the eighth year running the Crematorium, in a joint bid with the South Road Cemetery, had achieved the Green Flag Award. It was added this was testimony to the dedication of the staff working at the Crematorium and South Road Cemetery and was in addition to the award of Gold Star Status by the Institute of Cemetery and Crematorium Management.

Members were reminded of the advertising of Relief Crematorium Attendant posts, agreed at the April meeting of the Joint Committee. The Bereavement Services Manager and Registrar noted that three applicants were shortlisted, one attended interview and that candidate had been successful. He added the remaining posts would be advertised again in the coming weeks.

The Bereavement Services Manager and Registrar reminded Members that the Crematorium had taken part in the Durham "Heritage Open Days" programme and noted it had been a very enjoyable event with around 100 attendees over the weekend.

The Bereavement Services Manager and Registrar referred Members to information as regards "water cremation" a new, greener alternative to flame cremation and noted that this was an emerging option, with Water Authorities currently looking at the implications in terms of industry trials that have taken place.

The Bereavement Services Manager and Registrar referred Members to the Service Asset Management Plan (SAMP) appended to the report which set out a number of proposed works, set out by priority: priority one; priority two; priority three; and longer-term works.

The Chair thanked the Bereavement Services Manager and Registrar and asked for comments and questions.

Councillor A Hopgood asked how ashes were obtained from water cremations and what chemicals were used. The Bereavement Services Manager and Registrar explained that there was no coffin, the body was contained within a shroud and placed in warm water and with an alkali solution which would break down the body naturally. He explained the skeleton would then remain and go through a drying process and cremulator to produce ash. He added five trials had been undertaken in the UK so far, with testing by Water Authorities to confirm whether they would be granted approval. The Head of Finance and Transactional Services noted they were already in use in the USA and were a more environmentally friendly method, with no emissions. He added it may be an option in the future, alongside the existing cremators, with water cremations being a longer process. The Bereavement Services Manager and Registrar noted around four hours for a water cremation, with a flame cremation taking around one hour.

Town Councillor C Sproat asked as regards the cost of a water cremation relative to a flame cremation. The Bereavement Services Manager and Registrar noted the costs of the equipment, with the water cremation equipment being slightly cheaper, although noting the slower rate of the process.

Councillor P Jopling asked if the water would return straight into the water course. The Bereavement Services Manager and Registrar noted while there would be a holding tank, this would be prior to treatment before return to the water system. He added the results from the Water Authorities testing was due to be reported soon.

Councillor D Brown asked if any such new equipment could be included within the existing footprint of the building or if it would require additional extension works. The Bereavement Services Manager and Registrar noted that given the size of the equipment a small extension would be required, with a space within the existing service yard having been identified as a possible location.

Councillor J Blakey asked as regards the issue of attendants handling bodies in the case of a water cremation, with no coffin being used. The Bereavement Services Manager and Registrar noted the body would be contained within a shroud and inserted into the equipment together with the shroud.

Resolved:

- (i) That the current performance of the Crematorium be noted.
- (ii) That the continued success with the Green Flag Award be noted.
- (iii) That the updated position with regards the relief Crematorium Attendants be noted.
- (iv) That the Crematorium's involvement in the Durham Heritage Open Days programme be noted.
- (v) That the potential to introduce water cremations in the future be noted.
- (vi) That content of the Service Asset Management Plan attached at Appendix 3, which will be factored into budget planning for 2020/21 and beyond be approved.

7 Financial Monitoring Report - Position at 31/08/19, with Projected Revenue and Capital Outturn at 31/03/20

The Head of Finance and Transactional Services referred Members to Financial Monitoring Report, as set out in the usual format, for the period to 31 August 2019 and with projected outturn to 31 March 2020 (for copy see file of minutes).

The Joint Committee noted that there was a projected revenue outturn surplus of £55,713 more than the budgeted position, with the reasons for the major variances set out in detail within the report.

It was added that this would be transferred to the Major Capital Works reserve for future use in terms of issues identified within the SAMP and for the eventual replacement of the cremators. It was added the contribution to earmarked reserves was less than originally budgeted, with the main reason being a number of capital schemes having been carried forward from the previous year.

Members noted a projected total reserve of approximately £1.8 Million at the year-end, giving a strong financial position.

Resolved:

That the April to August 2019 Financial Monitoring Report and associated provision revenue and capital outturn positions at 31 March 2020, including the projected year end position with regards to the reserves and balances of the Joint Committee, be noted.

8 Risk Register Update 2019/20

The Head of Finance and Transactional Services asked Members to note the Risk Register Update 2019/20 report, the Joint Committee considering updates on a six-monthly basis. Members recalled that the report set out service risk register and the health and safety risk register, with risks being regularly reviewed by the Durham County Council Risk Management Team in conjunction with the Bereavement Services Manager.

It was explained that there had been no changes in risks, with no new risks having been identified.

The Head of Finance and Transactional Services noted older records were now held securely off-site and new records were being recorded electronically to mitigate against a potential data breach and he added that approximately 70 percent of transactions were now completed via BACS, to help mitigate against potential loss of income.

Resolved:

That the updated position in relation to the Risk Register be noted.

Councillor A Simpson entered the meeting at 2.20pm

9 Internal Audit Charter

The Audit Manager, Internal Audit, Risk and Fraud, Stephen Carter referred Members to a revised Internal Audit Charter to be applied to reviews undertaken as part of the Internal Audit plan for 2019/20 (for copy see file of minutes).

Members noted that Public Sector Internal Audit Standards (PSIAS) came into effect from April 2013 and were revised in April 2017 to be in line with the Institute of Internal Auditors global International Professional Practices Framework. The Audit Manager noted there had been no recent changes to the PSIAS and therefore the Internal Audit Charter had no major revisions.

It was explained that the Charter defined the Internal Audit Service's purpose, authority and responsibility, as well as its relationship to the Joint Committee.

Resolved:

That the Central Durham Crematorium Joint Committee approve the revised Internal Audit Charter as set out at Appendix 2 to the report.

10 Annual Review of the System of Internal Audit

The Audit Manager stated that it was a requirement for the body that reviews the accounts to also have a review of the effectiveness of Internal Audit (for copy see file of minutes).

Members noted that part of the role of Durham County Council's Audit Committee was to scrutinise the performance and effectiveness of Internal Audit and had received a report at its meeting in June. It was explained that this provided assurance to the Joint Committee that the work carried out by Internal Audit was in line with best practice and the latest Public Sector Internal Audit Standards (PSIAS).

The Chair thanked the Officers for their continued hard work and noted the assurance given to the Joint Committee.

Resolved:

That the information demonstrating the efficiency and effectiveness of the Durham County Council Internal Audit Service be noted.

11 Provision of Internal Audit and Risk Management Services 2020-2023

The Audit Manager referred Members to the report setting out proposals for the continued delivery of Internal Audit and Risk Management Services for the Central Durham Crematorium Joint Committee by Durham County Council's Internal Audit service (for copy see file of minutes).

Members noted the proposed number of days providing audit services through until 2022/23, and the breakdown as set out in the proposed SLA attached at Appendix 2 to the report.

The Joint Committee was reminded that the previous report had set out the effectiveness of the service and therefore the recommendation was to enter into an SLA in respect of Audit and Risk Services.

Councillor A Hopgood noted the figures as regards fees appeared to be going down year on year and asked if this was correct. The Audit Manager noted there was an additional fee in terms of risk management as set out within the appendices. The Head of Finance and Transactional Services added that for ease of comparison the figures including the risk management fee should have read:

"2020/21 Internal Audit and Risk Management Fee - £6,500

2021/22 Internal Audit and Risk Management Fee - £6,670

2022/23 Internal Audit and Risk Management Fee - £6,840

The 2019/20 Internal Audit and Risk Management Fee is £6,250"

Resolved:

- (i) That the Service Level Agreement for the provision of Internal Audit and Risk Management Services with Durham County Council covering the next 3 financial years be approved.
- (ii) That the Annual Audit Plan and fee as set out within Schedule 2 of the Service Level Agreement be approved.

12 Budget Strategy Paper

The Head of Finance and Transactional Services reminded the Joint Committee that Members had considered a budget strategy paper in September 2017 which had looked at a possible increase in the distribution of surplus to the partner Authorities from 2018/19.

He added that the purpose of the report as set out in the agenda pack was in a similar vein, to gather the views of Members in advance of the January 2020 meeting that would look at budget proposals.

The Head of Finance and Transactional Services noted the issues that may arise in the next few years and options available. He referred Members to the section of the report that set out the capital investment at the Crematorium totalling approximately £3.7 million and the planned works for the next few years, as outlined within the SAMP. Members noted that current estimates for the replacement of the cremators was around £1 million, though the working life of the equipment was such they would likely not need replacing until around 2030. Councillors recalled that the previous works had been funded partly by reserves and partly by borrowing, and that payments in terms of the borrowing would end in 2020/21, giving an approximate £214,000 surplus from that point.

Councillor D Bell left the meeting at 2.32pm

The Head of Finance and Transactional Services reiterated that the Crematorium business plan was prudent in terms of the numbers of cremations and financial performance and set out that the £214,000 would go back into reserves. It was highlighted that as the financial position was very strong with the level of reserves already being sufficient to fund cremator replacement. He explained that accordingly there were options open to the Joint Committee in terms of: potentially reducing fees and charges; investing in the Crematorium, for example water cremation equipment; or increasing the distribution of surplus to the constituent Local Authorities.

Members noted that the proposed fee for 2020/21 was £720, the lowest in comparison with other neighbouring facilities, even with a £20 increase on the current £700 charge. The Head of Finance and Transactional Services noted that Members of the Joint Committee had been mindful in the past to ensure the affordability of the service. Members were reminded that Mounsett Crematorium Joint Committee had agreed no increase to their fees during the period when Durham Crematorium had undergone its programme of works and that there had been a harmonisation of fees between the two facilities following Local Government Reorganisation. Members were reminded of the planning permission that had been granted for a new crematorium at Castle Eden.

The Head of Finance and Transactional Services noted that the prudent assumption was for 2,200 cremations per year, noting that while it had been consistently above this number, the overachievement of income had allowed for the reserves to build back up quickly.

He referred Members to the table set out at paragraph 23 of the report, a matrix highlighting the potential additional income from a number of cremations each year and with an increase in fee, in £10 increments. It was explained that the recommendation to the Joint Committee was for an increase to £720, around 3 percent, but with a continued assumption of 2,200 cremations per year, giving an increased income of £44,000.

Members were referred to the proposed increased distributable surplus to each partner Authority and asked to consider these, and the increased fees and charges to allow for budget reports to be drafted and to review the budget strategy and surplus redistribution in three years' time in preparation for the 2023/24 budget setting year.

The Head of Finance and Transactional Services noted the recommendation and options as set out within the report and asked Members for feedback in order to be able to draft budget proposals for consideration by the Joint Committee in January.

Town Councillor C Sproat noted the fee at Coundon Crematorium was much greater than the proposed fee for Durham and asked if this was simply as Coundon was privately operated or was related to services they provided, for example the ability to take larger individuals. The Head of Finance and Transactional Services noted the works in 2012 at Durham Crematorium had made it possible for larger individuals to be accommodated. He added that Coundon was privately operated and this would be a factor in their price. Town Councillor C Sproat asked if any facility at Castle Eden would be similarly priced to Coundon. The Bereavement Services Manager and Registrar noted that it was not known, however, it was believed it would be a similar privately-operated facility.

Councillor A Hopgood noted she agreed with the increase in the distribution of surplus, however, asked as regards whether the County Council distribution could be earmarked, noting flooding issues at South Road Cemetery and whether the Joint Committee could allocate as such. The Head of Finance and Transactional Services noted that the surplus would return to the Council's Bereavement Services budget, however, it would not be for the Joint Committee to direct where that would be allocated. The Bereavement Services Manager and Registrar noted within his role he would look at issues that needed to be addressed within the wider service area.

Councillor J Blakey asked as regards "pauper's" funerals, if the County Council had a budget for this and whether numbers were increasing. The Bereavement Services Manager and Registrar noted there was a budget and numbers were increasing.

The Head of Finance and Transactional Services noted that the Bereavement Services Manager and Registrar would note Members' concerns and he asked the Joint Committee to recall the addition of direct cremations, cremations without any ceremony. He added that the information as regards the numbers of those cremations since the scheme came into operation in April 2019 could be included within the next operational report for Members' information.

Town Councillor C Sproat asked as regards the direct cremation fee and the cost of "pauper's" funeral. The Head of Finance and Transactional Services noted the direct fees were £590 for an attended cremation, £450 for an unattended cremation. He added the "pauper's" funerals were from the wider Bereavement Services budget and therefore outside of the remit of the Joint Committee. The Chair noted she recalled there was a Government scheme as regards this, the Bereavement Services Manager and Registrar noted there was a funeral expense payment for those eligible.

The Chair asked if Members agreed with the recommendation as regards a £20 increase in fee, based on the prudent assumption of 2,200 cremations per year.

Resolved:

- (i) That the report be noted.
- (ii) That the Central Durham Crematorium Joint Committee approve the proposed increase in the fees and charges, and the surplus redistribution, as identified within the report.
- (iii) That the Joint Committee review the budget strategy and surplus distribution in three years' time in preparation for the 2023/24 budget setting year.

**Central Durham Crematorium
Joint Committee****29 January 2020****Quarterly Performance and
Operational Report****Report of Graham Harrison, Bereavement Services Manager and
Registrar****Electoral division(s) affected:**

Countywide

Purpose of the Report

- 1 To provide Members of the Central Durham Crematorium Joint Committee with the quarterly update relating to performance and other operational matters.

Executive summary

- 2 This report provides Members of the Central Durham Crematorium Joint Committee with a quarterly update of performance and operational matters at the crematorium.

Recommendation(s)

- 3 It is recommended that Members of the Central Durham Joint Committee:
 - (i) Note the current performance of the crematorium.
 - (ii) Note the current situation with regards to the relief crematorium attendant's position.
 - (iii) Agree to create a full time Technical Assistant post.
 - (iv) Note the continued success with regards to the Green Flag Award.
 - (v) Note the situation with regards to Heritage open Weekend.
 - (vi) Note the updated position with regards to the recycling of metals scheme.
 - (vii) Agree to the friends of the Woodland Burial site being nominated in the next round of recycling of metals scheme.
 - (viii) Agree to St Cuthbert's Hospice providing a Christmas tree again in 2020.
 - (ix) Note the current situation with regards to the improvements to the roadway.
 - (x) Note the current situation with regards to the electricity disruption and discuss which option they wish officers to pursue.

Performance Update - Number of Cremations

- 4 The table below provides details of the number of cremations for the period 1 September to 31 December 2019 inclusive, with comparative data in the same period last year:

	2018/19	2019/20	Change
September	181 + 2*	173 + 2*	- 8 + 0*
October	195 + 3*	213 + 2*	+ 18 - 1*
November	207 + 2*	204 + 0*	- 3 - 2*
December	173 + 2*	207 + 1*	+ 34 - 1*
TOTAL	756 + 9*	797 + 5*	+ 41 - 4*

* = Non-Viable Foetus (NVF) ** = Stillborns (STs) *** = Body parts

- 5 The full profile of where families came from can be seen in Appendix 2. In summary 250 came from Durham, 46 came from Spennymoor and 501 from other areas. There have been 5 NVF cremations undertaken for the period covered by this report compared to 9 in the comparable period last year. There were 41 more cremations undertaken in the period September to December 2019 compared to the same period last year.
- 6 Members may recall that in April 2019 two new charges were introduced for cheaper cremation options, being a Direct Cremation - Attended (No service) costing £590 and a Direct Cremation - Unattended (No service) costing £450.
- 7 Between 1 April 2019 and 31 December 2019, we have carried out the following number of direct cremations:
- 0 Direct cremations - Attended (No service)
 - 9 Direct cremations - Unattended (No service)

Memorials

- 8 The table below outlines the number and value of the memorials sold in the period September to December 2019 compared to the same period the previous year.

	Sept-Dec 2018/19	Sept-Dec 2019/20		
	Number	£	Number	£
Vase Blocks	4	2,454	6	4,006
Large Plaques	18	7,446	11	4,652
Small Plaques	6	1,566	1	261
Niche	4	5,016	2	2,644
Renewal	24	3,982	35	5,322
Total	56	20,464	55	16,885

- 9 The number and value of memorials sold 55 / £16,885 compares to 56 / £20,464 in the same period last year, which is a year on year decrease of 1 memorial sold and a decrease of £3,579 in terms of revenue generated.

Operational Matters

Staffing

- 10 Members agreed at the September 2019 meeting to advertise once again for the relief Crematorium Attendant posts.
- 11 There were 4 applicants shortlisted and following interviews on 19 December 2019 we have employed two relief Crematorium Attendants. One attendant will provide cover at Mountsett Crematorium and the second attendant will cover both Mountsett and Durham Crematoria.
- 12 Members may recall that the Business Administration Apprentice began her employment on 10 September 2018 on a two-year fixed term contract, which is due to come to an end on 31 August 2020. The postholder has proven to be a valuable asset to the crematorium and is considered to be integral to the existing operation.
- 13 There are two options for Members to consider when the fixed term contact ends:
- Create a full time Technical Assistant post from September 2020 and freeze the Apprentice post. The cost of a Technical Assistant would be £26,397, which would result in additional full year costs being incurred of £9,113.
 - Replace the Business Administration Apprentice when the current post holder completes her apprenticeship in September 2020.
- 14 It is proposed that members approve the creation of a full time Technical Assistant post once the apprenticeship contract comes to an end, in order to ensure business continuity for the longer-term benefit of the crematorium. The increased costs in 2020/21 (from September 2020 to March 2021) of £5,316 has been factored into the 2020/21 revenue budget.

Green Flag Award

- 15 Members will recall from the September 2019 meeting that the Central Durham Crematorium was successful in retaining its Green Flag award for the eighth year running.

- 16 An application will be submitted for the 2020 award and progress will be reported back to future meetings. A management plan to maintain the required standards will be updated and any required works will be covered by existing budgets.

Heritage Open Weekend

- 17 Members may be aware that the Durham heritage open weekend has been running for several years and Durham Crematorium has been part of this event.
- 18 We have been asked to participate in September 2020 so once again we will be opening our doors for the general public to have guided tours to see what goes on behind the scenes.

Recycling of Metals Scheme

- 19 The recycling of metals scheme has again produced a 2nd round of surplus nationally in 2019.
- 20 The Crematorium recently received a cheque from the recycling of metals from the Institute of Cemetery and Crematorium Management to the sum of £8,000 for If U Care Share Foundation.
- 21 Arrangements were made for the cheque to be presented to If U Care Share Foundation by the Committee Chair and a photograph of the presentation, along with a letter of thanks is attached at Appendix 3.
- 22 We have been asked if a future nomination for the Woodland Burial site be put forward for the Friends of the Woodland Burial site who act as a coordinating group between the bereaved, funeral directors and the Council, offering a 24hr helpline, 365 days a year, including a Friends website, dealing with enquiries and offering advice to support the bereaved. They provide the use of the lodge for services, meetings, refreshments and on-site toilet facilities with disabled access. They endeavour to assist the bereaved, and anyone who is interested in volunteering, to become involved in the conservation, protection and development of the site.

Christmas Tree

- 23 For the ninth year running it was agreed that St. Cuthbert's Hospice could provide a Christmas tree and baubles with a facility for visitors to write a personal message and place it on the Christmas tree with a bauble. This proved to be very popular again with visitors and a number of messages were placed on the tree with a substantial amount of money being donated to St. Cuthbert's Hospice.



- 24 St. Cuthbert's Hospice has requested that they be allowed to continue to provide a Christmas tree again in 2020. The Hospice supplies the tree and decorations at no cost to the Central Durham Crematorium Joint Committee.
- 25 No other requests have been received from any organisation to place a Christmas tree at the Crematorium.

Improvements to Roadway

- 26 Members may recall that the 2019/20 Capital Programme included carrying out alterations to the existing roadway in order to allow two-way traffic to enter and exit the Crematorium safely and to alleviate the current pinch point. This work will hopefully be completed by the end of March 2020.

Electricity Disruption

- 27 Some Members may be aware that on Friday 17 January the Crematorium suffered an electrical disruption due to a cable being severed from the new housing development opposite the Crematorium. The electricity was down for several hours and a back-up generator was delivered by the electricity company, which was still on-site at the time of writing the report. It is envisaged that this will be only a short-term measure.

- 28 Members may be aware that a study with regards to the self-generation of electricity at the Crematorium was undertaken a number of years ago, however this was not progressed. Members need to be aware of the impact of this disruption and to discuss options to help mitigate the risk of further disruption in the future.
- 29 Option 1 - Investigate the electricity self-generation scheme again and bring costs and implications back to a future meeting.
Option 2 - Investigate the possibility of acquiring a backup generator and advise members of the cost.

Contact: Graham Harrison

Tel: 03000 265 606

Appendix 1: Implications

Legal Implications

There are no legal implications associated with this report

Finance

As identified in the report with regards to the position of the Income.

Consultation

Officers of Spennymoor Town Council were consulted on the contents of this report.

Equality and Diversity / Public Sector Equality Duty

There are no Equality and Diversity implications associated with this report.

Human Rights

There are no Human Rights implications associated with this report.

Crime and Disorder

There are no Crime and Disorder implications associated with this report.

Staffing

As identified in the report.

Accommodation

There are no accommodation implications associated with this report.

Risk

As identified in the report.

Procurement

There are no procurement issues associated with this report.

Climate Change

There are no climate change issues associated with this report.

Appendix 2: Breakdown of Figures

	Sep	Oct	Nov	Dec	Total Sep-Dec
Durham	55	64	66	65	250
Barnard Castle				1	1
Birtley		1	1		2
Bishop Auckland	3	4	2	9	18
Bishop Middleham		1			1
Blackhall	2	6	2	3	13
Chester Le Street	10	16	11	12	49
Chilton	2	1	2	1	6
Consett	2	2	2	1	7
Crook	4	5	7	8	24
Darlington				1	1
Easington	3	4	1	7	15
East Rainton	1	1		1	3
Esh Winning	2	2	1	1	6
Fencehouses	2	1			3
Ferryhill	6	7	6	5	24
Fishburn	1	4	2	1	8
Gateshead	1		2	4	7
Great Lumley	1		1	2	4
Hartlepool	2	1	1	1	5
Haswell			1		1
Hetton Le Hole	4	6	4	5	19
Hexham				1	1
Horden	5	4	8	1	18
Houghton	3	2	7	3	15
Howden Le Wear		1			1
Kimblesworth	1		2		3
Lanchester	1			1	2
Langley Park	2				2
Morpeth	1				1
Murton	2	4	2	5	13
New Brancepeth		1	1		2
Newcastle		1		1	2
Newton Aycliffe	1	7	4	3	15
Ouston		1	1		2
Pelton	1		1	2	4
Peterlee	8	12	13	9	42
Sacriston	3		2	3	8

	Sep	Oct	Nov	Dec	Total Sep-Dec
Scotland		1			1
Seaham	7	6	9	8	30
Sedgefield	1	4		3	8
Shildon	1		1		2
Shotton	7	5	1	5	18
South Hetton	1		1	1	3
Spennymoor	10	16	11	9	46
Stanley	1		1		2
Station Town	1	3		1	5
Stockton			1	1	2
Sunderland		3	1	1	5
Sunnybrow				1	1
Southern England			1	1	2
Thornley	2			1	3
Tow Law	1				1
Trimdon	1	4	8	5	18
Washington	3	1	1	1	6
West Auckland	2			1	3
West Cornforth		1	3	2	6
Wheatley Hill	1	2	3	2	8
Willington	4	3	2	5	14
Wingate	1	4	5		10
Wynard			1		1
Yorkshire/Lancashire		1	1	2	4
Total	173	213	204	207	797

Appendix 3: Re-cycling of metals cheque presentation



Cllr Neil Forster, chair of Durham Crematorium Joint Committee presenting a cheque for £8,000 to Dominic McDonough for If U Care Share Foundation.



DURHAM CREMATORIUM
RECEIVED
- 6 NOV 2019

Graham Harrison,
Central Durham Crematorium JC,
Durham Crematorium,
South Road,
Durham.
DH1 3TQ.

5th November 2019.

Dear Graham,

I am writing to thank you for your recent donation to If U Care Share Foundation of £8,000.00.

Donations are always gratefully received and we are so very, very grateful to you and everyone who supports us.

The money donated from the ICCM Recycling of Metals Scheme will make a difference, as well as trying to prevent another person going through the pain of losing a loved one to suicide.

If U Care Share Foundation has three main objectives: Prevention, Intervention & support of those families affected by suicide. The money you have kindly donated will help to make a difference and achieve our objectives.

Once again thanks so much for your donation.

Kind Regards,

Allison Younger
If U Care Share Foundation

27 The Close East, South Pelaw, Chester-le-Street, County Durham, DH2 2EY
T:0191 387 5661 • E:share@ifucareshare.co.uk • www.ifucareshare.com
If U Care Share Foundation charity no is 1142001

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Central Durham Crematorium Joint Committee

29 January 2020



Financial Monitoring Report – Position at 31/12/19, with Projected Revenue and Capital Outturn at 31/03/20

Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report provides Members of the Central Durham Crematorium Joint Committee with details of the updated forecast revenue and capital outturn position for 2019/20 and also the projected level of reserves and balances at 31 March 2020.

Executive summary

- 2 This report sets out details of income and expenditure in the period 1 April 2019 to 31 December 2019, together with a forecast revenue and capital outturn position for 2019/20, highlighting areas of over / underspends against the approved budgets at a service expenditure analysis level.
- 3 The report also details the funds and reserves of the Joint Committee at 1 April 2019 and forecast final position at 31 March 2020, taking into account expenditure to date and forecasts to the year end.
- 4 The projected revenue outturn is a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £785,208 against a budgeted surplus of £753,769, £31,439 more than the budgeted position.

- 5 Contributions to earmarked reserves are forecast as £179,993 less than originally budgeted, due mainly to capital schemes being carried forward from the previous year.
- 6 In line with the CDCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of £12,495 is required. This results in a net transfer from the Major Capital Works Reserve of £157,764.
- 7 The retained reserves of the CDCJC at 31 March 2020 are forecast to be £1,237,803 along with a General Reserve of £497,670, giving a forecast total reserves and balances position of £1,735,473 at the year end.

Recommendation(s)

- 8 It is recommended that Members note the April to December 2019 financial monitoring report and associated provisional revenue and capital outturn positions at 31 March 2020, including the projected year position with regards to the reserves and balances of the Joint Committee.

Background

- 9 Scrutinising the financial performance of the Central Durham Crematorium is a key role of the Joint Committee. Regular (quarterly) budgetary control reports are prepared by the Treasurer and aim to present, in a user friendly format, the financial performance in the year to date together with a forward projection to the year end. Routine reporting and consideration of financial performance is a key component of the Governance Arrangements of the Central Durham Crematorium

Financial Performance

- 10 Budgetary control reports, incorporating outturn projections, are considered by Regeneration and Local Services' Management Team on a monthly basis. The County Council's Corporate Management Team also considers regular budgetary control reports, with quarterly reports being considered by Cabinet / Overview and Scrutiny Committee. The outturn projections for the Central Durham Crematorium are included within this report.
- 11 The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The following table highlights the provisional revenue outturn financial performance of the Central Durham Crematorium.

Subjective Analysis (Type of Expenditure)	Base Budget 2019/20 £	Year to Date Actual April – December £	Forecast Outturn 2019/20 £	Variance Over/ (Under) £
Employees	258,068	198,395	266,557	8,489
Premises	256,163	227,172	301,159	44,996
Transport	1,900	2,513	3,445	1,545
Supplies & Services	127,032	81,092	132,513	5,481
Agency & Contracted	8,980	6,773	8,562	(418)
Capital Charges	213,738	6,949	213,738	0
Central Support Costs	39,250	39,250	39,250	0
Gross Expenditure	905,131	562,143	965,224	60,093
Income	(1,658,900)	(1,260,205)	(1,750,432)	(91,532)
Net Income	(753,769)	(698,063)	(785,208)	(31,439)
Transfer to / (from) Reserves				
- Masterplan Memorial Garden	5,000	0	5,000	0
- Major Capital Works	165,519	0	196,958	31,439
- Cremator Reline Reserve	25,000	0	25,000	0
- Small Plant	2,000	0	2,000	0
Distributable Surplus	(556,250)	0	(556,250)	0
80% Durham County Council	445,000	222,500	445,000	0
20% Spennymoor Town Council	111,250	83,438	111,250	0

Central Durham Crematorium Earmarked Reserves	Balance @ 1 April 2019 £	Transfers to Reserve £	Transfers From Reserve £	Balance @ 31 March 2020 £
General Reserve	(485,175)	(568,745)	556,250	(497,670)
Masterplan Memorial Garden	(61,250)	(5,000)	0	(66,250)
Major Capital Works	(1,214,157)	(196,958)	354,721	(1,056,393)
Cremator Reline Reserve	(121,455)	(25,000)	38,700	(107,755)
Small Plant	(5,405)	(2,000)	0	(7,405)
Total	(1,887,442)	(797,703)	949,671	(1,735,473)

Explanation of Significant Variances between Original Budget and Forecast Outturn

- 12 As can be seen from the table above, the projected revenue outturn is indicating a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £785,208 against a budgeted surplus of £753,769, £31,439 more than the budgeted position. This is a slight deterioration on the position reported to the committee in September, when the outturn was forecast to be £55,713 more than the budgeted position.
- 13 The following section outlines the reasons for any significant budget variances by subjective analysis (type of expenditure) area:

13.1 Employees

The updated outturn shows a forecast overspend of **£8,489**, in relation to employee costs. The reasons for this are identified below:

- Staffing costs are projected to overspend by **£8,489** due to the more overtime being worked than was budgeted. This is a result of the lack of relief crematorium attendants and an increase in cremation numbers in December.

13.2 Transport

The updated outturn shows a forecast overspend of **£1,545**, in relation to transport costs. The reasons for this are identified below:

- Transport costs are projected to overspend by **£1,545** due to additional travel required by the Apprentice for training purposes.

13.3 Premises

The outturn shows a forecast overspend of **£44,996** in relation to premises costs. The reasons for this are identified below:

- One off SAMP expenditure relating to the replacement of the organ, improvements to the wall by the book of remembrance and new paving around floral tributes have been incurred, totalling **£28,902**. These improvements were approved by Members in the SAMP report at the September 2018 meeting but were not included in the base budget for 2019/20.
- Cremator repairs and servicing is expected to overspend by **£18,394** due the repair of damaged flue pipes on cremators 1 and 3.

- Other premises costs such as utilities and building maintenance are expected to underspend by **(£2,300)**.

13.4 Supplies and Services

The updated outturn shows a forecast overspend of **£5,481** in relation to supplies and services costs. The reasons for this are identified below:

- Due to the projected increase in cremations (highlighted later within the income section of the report), medical referee expenditure is projected to overspend by **£3,313**.
- Masterplan costs are forecast to underspend by **(£3,000)** due to a cheaper supplier now being used.
- BACAS licence fees are forecast to overspend by **£2,303** due to a one off upgrade to merge the Crematorium and Bereavements systems.
- Wesley Music System and customer CD / DVD costs are forecast to overspend by **£1,738** due to increased use – this is offset by additional income.
- Other supplies and services costs such as protective clothing and computer maintenance are forecast to overspend by **£1,127**.

13.5 Income

An increase in income of **(£91,532)** from the 2019/20 budget is included within the outturn forecasts. The reasons for this are identified below:

- The outturn includes an estimated 125 cremations compared to the budget, totalling an increased income to budget of **(£87,500)**. The outturn allows for a total of 2,325 cremations against a budgeted 2,200 during 2019/20.
- Miscellaneous sales, bank interest and Book of Remembrance entries are expected to be higher than budget resulting in additional income of **(£4,032)**.

14 Capital Programme

The following table highlights the capital outturn of the Central Durham Crematorium

Redevelopment Works	Base Budget 2019/20 £	Revised Budget 2019/20 £	Year to Date Actual April - Dec £	Forecast Outturn 2019/20 £	Variance to Revised Budget Over/ (Under) £
Carry out energy improvement works	125,000	125,000	993	61,684	(63,316)
Improvements to office accommodation	0	197,144	20,850	185,825	(11,319)
Improvements to roadway	0	37,996	29,717	69,717	31,721
Improvements to boundary wall	0	25,000	0	25,000	0
Cremator reline	0	38,700	0	38,700	0
Total	125,000	423,840	51,560	380,926	(42,914)

The energy improvement works are projected to underspend by (£63,316) due to the electricity meters and cooling system not needing to be upgraded, following a full energy survey of the site.

The improvements to office accommodation was approved by Members in the SAMP report at the September 2018 meeting but was not included in the base budget and has now been included within the revised budget.

The improvements to the roadway and boundary wall were included in the 2018/19 budget but the works were not completed by the year end so the budgets were carried forward into the current year. The entrance gates were omitted from the original roadway works design and are now being carried out.

A Cremator reline on cremator 3 is required in the current year because the emissions report flagged it as an urgent repair which cannot wait until 2020/21, when it had been programmed to be carried out.

The cost of the Redevelopment Works is being financed from the Major Capital Works and Cremator Reline reserves. All the above works are expected to be completed in the current financial year.

15 Earmarked Reserves

Contributions to earmarked reserves are forecast as **£179,993** less than originally budgeted, due mainly to capital schemes being carried forward from the previous year and the inclusion of SAMP related investments that were not factored into the original budget.

In line with the CDCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of **£12,495** is required. This results in a net transfer from the Major Capital Works Reserve of **£157,764**.

The retained reserves of the CDCJC at 31 March 2020 are forecast to be **£1,237,803** along with a General Reserve of **£497,670**, giving a forecast total reserves and balances position of **£1,735,473** at the year end.

Contact:	Paul Darby Ed Thompson	Tel: 03000 261930 Tel: 03000 263481
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Appendix 1: Implications

Legal Implications

The outturn proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Finance

Full details of the year to date and projected outturn financial performance of the Central Durham Crematorium are included within the body of the report.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC.

Equality and Diversity / Public Sector Equality Duty

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The projected outturn has been produced taking into consideration the spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by the Bereavement Services Manager, should mitigate the risks associated with achievement of the forecast outturn position.

Procurement

None.

Climate Change

None.

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**Central Durham Crematorium
Joint Committee**

29 January 2020



Provision of Support Services 2020/21

Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To present for approval a proposed Service Level Agreement (SLA) for Support Service provision by Durham County Council to the Central Durham Crematorium Joint Committee for the period April 2020 to March 2021.

Executive Summary

- 2 A formal Service Level Agreement for Support Services provided by Durham County Council to the Central Durham Crematorium Joint Committee has been considered and approved by the Joint Committee for the past seven years. As part of the budget setting for 2020/21, members are now requested to consider the forthcoming years Support Services requirement.
- 3 This report sets out details of the proposed SLA for the period 1 April 2020 to 31 March 2021 to cover the following functions:
 - Management Services
 - Financial Services
 - Administration Services
 - Payroll Services
 - Human Resources Services.

Recommendation(s)

- 4 It is recommended that members consider and approve the Service Level Agreement attached at Appendix 2 (including relevant schedule) for the year 2020/21.

Service Level Agreement (SLA)

- 5 The SLA established for the provision of Support Service functions to the Joint Committee provides a commitment for both parties over the medium term. This includes the provision of management advice and attendance at Joint Committee meetings by the Head of Finance and Transactional Services, in addition to Accountancy, HR, Payroll and Administration Services.
- 6 The proposed SLA, attached at Appendix 2, has been developed in consultation with the Head of Finance and Transactional Services under the delegated responsibility of the Treasurer to the Joint Committee and reflects the nature of the current partnership, the services to be provided, the period of agreement and total estimated annual budget.
- 7 As in previous years, all work carried out directly on behalf of the Joint Committee will be recharged and the resultant budget requirement for Support Services is set out in the SLA. Details of all work to be carried out will be itemised so that costs are more transparent.
- 8 The proposed SLA considers the proportion of time spent by key staff undertaking the requirements of the Joint Committee. The proposed charge for 2020/21 is £33,810 (a 2.5% increase on the recharges levied in 2019/20). The applicable fee takes into consideration inflationary pressures such as the impact of the staff pay award.
- 9 The Support Service SLA is attached at Appendix 2 for consideration and approval by Members. Schedule 1 to the Appendix, as attached, provides a more detailed breakdown of the following functions and responsibilities:

Management Services

- Overall Support Service Management and attendance at Joint Committee Meetings.

Financial Services

- Preparation and Production of Revenue and Capital Budgets
- Budget Monitoring and Guidance
- Preparation and Production of the Joint Committees Annual Return
- Review of the Effectiveness of Internal Audit
- Creditor payments and day to day cash flow management
- Financial Appraisals and budget monitoring of Service Asset Management Plan works.

Administration Services

- Committee and Secretarial services including the remit of Clerk to the Joint Committee (providing advice and guidance to Members).

Payroll Services

- Employee crematorium salary processing.

Human Resources Services

- Provision of Health & Safety advice and guidance in compliance with relevant Health and Safety legislation
- Management and co-ordination of arrangements regarding employee relations and interaction with trade union officials
- Delivery and facilitation of staff training, recruitment and selection processes.

**Contact(s): Paul Darby
Ed Thompson**

**03000 261 930
03000 263 481**

APPENDIX 1 - Implications

Finance

With the approval of a service level agreement costs in respect of the support service will be agreed in advance for the forthcoming year (subject to any agreed inflationary increase) and will cover a number of specified functions. This means that the cost of the service is more transparent and the committee has more control over the work areas covered. Details of how costs will be factored into the Joint Committee budget and how they will be recharged are shown in the Service Level Agreement.

Staffing

There are no staffing implications associated with this report. All staff are provided from within the various functional areas of Durham County Council.

Risk

Many tasks considered within the SLA must be completed within statutory deadlines and in line with changing guidance. By ensuring such tasks are delivered by staff who are appropriately experienced, qualified and competent and who receive adequate training and supervision, any relative risk will be minimised.

Equality and Diversity/Public Sector Impact Duty

There are no Equality and Diversity implications associated with this report.

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

There are no Crime and Disorder implications associated with this report.

Human Rights

There are no Human Rights implications associated with this report.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comment / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC.

Procurement

None.

Climate Change

None.

Legal Implications

The services outlined within this report will be provided in accordance with the guidelines and legislation relevant to each function.

APPENDIX 2



Service Level Agreement

for the provision of Support Services to

**CENTRAL DURHAM CREMATORIUM JOINT
COMMITTEE**

AGREEMENT FOR THE PROVISION OF SUPPORT SERVICES

THIS AGREEMENT is made the [29th] of [January] **two thousand and twenty**
BETWEEN DURHAM COUNTY COUNCIL ("the Council") and **CENTRAL DURHAM**
CREMATORIUM JOINT COMMITTEE ("the Partnership")

1. PROVISION OF SERVICES

- 1.1. The Central Durham Crematorium Joint Committee engages the Council to provide Support Services as set out in Schedule 1 and in return for the payments as set out in Schedule 2.

2. DURATION

- 2.1. This agreement will be effective 1 April 2020 and will continue until 31 March 2021 ("the Term")

3. THE COUNCIL'S OBLIGATIONS

3.1. Services

- 3.1.1. The scope of the Support Services available to the Central Durham Crematorium Joint Committee is summarised in Schedule 1.

- 3.1.2. The Council will provide Support Services with all reasonable skill and care and in compliance with:

- The Accounts and Audit Regulations 2003 as amended by The Accounts and Audit (Amendment) (England) Regulations 2006, 2011 (Regulations)
- The Code of Practice on Local Authority Accounting in the United Kingdom
- All other relevant CIPFA guidelines, best professional practice and legislation
- The Local Government Act 2000 and other associated legislation
- All appropriate Employee and Health and Safety legislation
- The Joint Committee's relevant policies, rules, standing orders, procedures and standards. (These are the policies, rules, standing orders, procedures and standards of Durham County Council adopted by the Central Durham Crematorium Joint Committee)
- The terms and conditions of this agreement.

- 3.1.3. To ensure that the Services are delivered by such staff who are appropriately experienced qualified and competent and who receive adequate training and supervision.

3.1.4. To submit to the Joint Committee, a reconciliation of the charges for services provided during the year to be recharged to the Joint Committee in accordance with Schedule 2.

3.2. Accommodation

3.2.1. To provide at its own cost its own office accommodation, administrative support and services as may be necessary for the provision of Support Services.

3.3. Insurance

3.3.1. To ensure that adequate insurance cover is affected and maintained in respect of any property held by it for the purposes of this agreement, employee liability, public liability and liability for professional negligence.

4. THE JOINT COMMITTEE'S OBLIGATIONS

4.1. Support Services Fee Provision

4.1.1. To make available such Support Services provision as set out in Schedule 2 for the provision of agreed services for the year 2020/21 notwithstanding the contents of Schedule 2, the Support Services provision will be the subject of regular review and agreement by both parties as part of the Joint Committee's normal budget timetable. Final confirmation of the Support Services provision must be agreed no later than the 31 January in each year.

4.1.2. Both parties intend that the annual Support Services fee provision will be set at such a level as to cover the costs incurred by the Council in delivering the Central Support Functions. An indicative annual budget and time allocated to each of these areas as at the date of this agreement has been used to set the fees in Schedule 2.

4.1.3. The parties agree that, without affecting the annual Support Services fee provision and the principles set out in Schedule 2, at the Joint Committee's request;

- The percentage split between the service elements to be provided can be varied up to 10% provided always that the maximum number of days per element specified in Schedule 2 is not exceeded.
- Crematorium Joint Committee being satisfied that any such changes will not have an adverse impact on the delivery of the service provision.

4.1.4. The parties agree that all variations, other than those referred to in the clause 4.1.3 above, require the expressed written consent of both parties.

4.1.5. To pay the Council annually the payments as set out in Schedule 2. The payment principles set out in Schedule 2 will apply for the purposes of determining the payments paid to the Council by the Joint Committee.

4.2. Service Delivery

- 4.2.1. The Joint Committee is required to make arrangements for:

Allowing Council staff access to the Joint Committee's business premises if necessary at reasonable times for the provision of the Support Services.

- 4.2.1.1. The provision of suitable accommodation for the use of the Support Services on the Joint Committee's business premises, at its own cost, as may be necessary.
- 4.2.1.2. Agreed adherence to Durham County Council's Members Code of Conduct and Constitution.
- 4.2.1.3. Allowing Council staff access to all relevant assets, records (including those belonging to third parties, subject to the Joint Committee having lawful authority to do so) documents, correspondence, electronic files, software and other systems as may be necessary for the provision of the Service.
- 4.2.1.4. Allowing and facilitating where necessary direct access by the Head of Finance and Transactional Services /Principal Accountant: Environmental Services, to the Chair of the Joint Committee and the Treasurer (or his nominated representative) for the purpose of delivering the relevant services.
- 4.2.1.5. Approving the Joint Committees Annual Return, Annual Governance Statement, Revenue and Capital Budgets and all other Financial Reports.
- 4.2.1.6. Taking whatever action it considers necessary as a result of issues highlighted by the Head of Finance and Transactional Services.

5. MANAGEMENT OF THE SERVICE

- 5.1. Paul Darby, Head of Finance and Transactional Services is responsible for the overall management and delivery of the support service functions and will (under delegated responsibility) in practice fulfil the role of the Treasurer for the Joint Committee. Any queries arising from financial and other relevant reports and any general day to day enquiries about the service should be addressed to the Head of Finance and Transactional Services.

- In person at Durham County Council, County Hall, Durham
- E-mail: paul.darby@durham.gov.uk
- Telephone 03000 261930

- 5.2. The Head of Finance and Transactional Services will report to the Corporate Director of Regeneration and Local Services and to the Corporate Director of Resources and Treasurer to the Joint Committee and to the Central Durham Crematorium Joint Committee.

- 5.3. The Head of Finance and Transactional Services and the Bereavement Services Manager will meet periodically to review performance on delivering agreed services and agree any changes to the delivery of the Service. Such meetings may be attended by other such persons as either party may wish.
- 5.4. The Corporate Director of Resources at the Council is ultimately responsible for the performance and effectiveness of services provided to the Joint Committee under this agreement. Any issues concerning any aspect of the delivery of the service or terms of this agreement that can not be satisfactorily resolved with Head of Finance and Transactional Services should be referred to the Council's Corporate Director: Resources.

Contact details are:

John Hewitt, Corporate Director: Resources
Durham County Council,
County Hall, Durham
E-mail: john.hewitt@durham.gov.uk
Telephone 03000 261943

- 5.5 The Principal Accountant: Environmental Services (under delegated responsibility) will meet with the Bereavement Services Manager each financial year to consider the support service fee for the following financial year. Such meetings will be scheduled in line with the Joint Committee's annual budget setting timetable (final confirmation of the support service fee provision must be agreed no later than the 15 January in each year) and be attended by such other persons as either party may wish.
- 5.6 The Bereavement Services Manager is responsible for ensuring:
- Responses to reports are received within timescales specified.
 - Information is provided to substantiate the implementation of any recommendations when requested.
 - Co-operation with Support Services staff when required.
 - Timely contact with the Head of Finance and Transactional Services /Principal Accountant : Environmental Services.
 - Compliance with relevant Codes of Conduct and Durham County Council Policies and Procedures.

6. INFORMATION AND CONFIDENTIALITY

- 6.1 Each party will provide all information within its control necessary to enable the other to discharge its obligations under this agreement.
- 6.2 Neither party shall, without the written consent of the other party, make use of for its own purposes or disclose or allow to be disclosed to any person, (except as may be required by law or by an authorised body in evaluating

the work undertaken e.g. external audit), this Agreement or any material connected with it.

7. DATA PROTECTION AND FREEDOM OF INFORMATION

7.1. Each party will:

7.1.1. Comply with the Data Protection Act 1998

Maintain the confidentiality of personal data to which it has authorised access under the terms of this Agreement.

Take reasonable technical and organisational measures against the unauthorised or unlawful processing of personal data and against the accidental loss or destruction of or damage to personal data (including adequate back up procedures and disaster recovery systems).

Provide such assistance and/or information reasonably required by the other in connection with any requests for information received by that party under the Freedom of Information Act 2000.

8. TERMINATION

8.1 Either party may terminate the agreement before the 1 April 2020 by giving the other not less than 3 months prior written notice.

9. VARIATION

9.1. The terms of this agreement may only be varied by written agreement signed by both parties

AS WITNESSED

Signed by:.....

Duly authorised for and on behalf of **DURHAM COUNTY COUNCIL**

Date

Signed by:.....

Duly authorised for and on behalf of the
CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE.

Date

Schedule 1

The following Support Services will be provided.

Management Services

1. Monitoring and reporting of progress made in the delivery of agreed services to the Central Durham Crematorium Joint Committee.
2. Report review and presentation of all Financial and other Support Services reports to the Joint Committee.

Financial Services

3. Preparation and Production of the Annual Revenue and Capital Budgets for approval by the Central Durham Crematorium Joint Committee.
4. Review and setting of the Annual Fees and Charges taking into consideration inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc.
5. Revenue and Capital Budget Monitoring including the provision of sound financial advice.
6. Preparation of Monthly Payroll, Bank, Debtor and Creditor Reconciliations.
7. Timely processing and payment of all Central Durham Crematorium Joint Committee purchase order and direct invoices in line with BVPI 8 Regulations and Durham County Council payment terms via the SAGE system.
8. Financial Appraisals and budget monitoring of Service Asset Management Plan works.
9. Production of the Joint Committees Annual Return for the Central Durham Crematorium Joint Committee and liaison with External Audit.

Payroll Services

10. Monthly processing of all directly employed Central Durham Crematorium employee salaries and allowances.

Human Resources

11. Provision of Health and Safety Advice and guidance in compliance with the relevant Health and Safety guidelines and legislation.
12. Management and co-ordination of arrangements regarding employee relations and interaction with trade union officials.

13. Delivery and facilitation of the staff training, recruitment and selection processes.

Administration

14. Distribution of Joint Committee Papers (including electronic distribution).

15. Provision of Committee and Secretarial Services including the remit of the Clerk (providing advice and guidance on the constitutional issues and protocols) to the Joint Committee and processing any follow up requirements as appropriate.

16. Maintenance of Committee minutes and Indexing.

Advice

17. Provision of help and advice to the Bereavement Services Manager, other officers and nominated members of the Central Durham Crematorium Joint Committee on all Financial, and other Support Service function matters.

Schedule 2

BUDGET SCHEDULE

Support Service Area	2020/21
Management	
Attendance at Joint Committee Meetings	
Report Review and overall Management	
	6,700
Financial Services	
Budget Preparation including fees and charges setting	
Budget Monitoring including monthly reconciliations	
Review of the Effectiveness of Internal Audit	
Production of the Annual Return (including liaison with External Audit)	
Financial Appraisals	
	19,200
Payroll Services	
Employee payroll processing	350
Human Resources	
Health and Safety support and guidance	
Employee relations and interaction with trade unions	
Training and development facilitation	
	2,650
Administration	
Distribution of Committee Papers	
Committee and Secretarial Services	
Minute maintenance and indexing	
	4,910
Total	33,810

BASIS OF CHARGE

1. Charges in respect of the period 1 April 2020 to 31 March 2021 will be recharged to the Joint Committee using the existing methodology.
2. This SLA charge is in addition to the fixed term Audit SLA previously approved by Members on 27 September 2019 at a fixed price of £6,500 for 2020/21.

In overall terms the Support Service charge represents 2% of the gross turnover of the Joint Committee.

**Central Durham Crematorium
Joint Committee**

29 January 2020

Fees and Charges 2020/21



Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report sets out details of the proposed fees and charges for the Central Durham Crematorium for 2020/21.

Executive summary

- 2 In reviewing existing charges or setting new charges, inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc need to be fully taken into consideration.
- 3 Members of the Joint Committee will recall that following Local Government Review in 2009 the fees and charges at the Central Durham Crematorium were harmonised with the charges at Mountsett Crematorium. The cremation fees and charges were increased in 2019/20 by £20 (2%).
- 4 Background papers available

2019/20 Budget and Financial Monitoring Reports

2020/21 Budget Strategy Report – CDCJC Report – September 2019

2020/21 Budget Working Papers

Recommendation(s)

- 5 It is recommended that members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2020, which seeks to increase cremation charges by £20 (2.9%) per cremation from £700 to £720.
- 6 It is recommended that the proposed fees and charges are incorporated into the 2020/21 budget.

Fees and Charges 2020/21

- 7 The inflationary and cost pressures facing the crematorium, along with the views of the Bereavement Services Manager with regards to the local market, customer impact from any proposed increase and benchmarking data on the charges levied in other neighbouring facilities, plus the fact that the crematorium has recently undertaken major redevelopments are key factors in considering any increases for 2020/21.
- 8 The projected number of cremations in 2019/20 is 2,325 which will be 67 less than the 2,392 cremations delivered in 2018/19 and 125 more than the budgeted position of 2,200. For 2020/21 budget setting purposes it has been assumed there will be 2,200 cremations next year. This is a prudent forecast.
- 9 The current 2019/20 fees and charges for crematoria across the region, including the average charges levied is attached at Appendix 3, which indicates an average cremation fee of £806 (inclusive of medical referees fees and environmental surcharge where appropriate). Increasing the current charges by £20 will mean that the total cremation fees levied for the Central Durham Crematorium in 2020/21 (inclusive of medical referee fees) will increase to £720, which is £86 below the average charges currently levied across the region. Modest increases in the last few years have resulted in the Central Durham and Mountsett Crematoria charges now being the lowest in comparison with all other neighbouring facilities in the region.
- 10 The £20 increase in cremation fees includes an increase in cremation costs as agreed at the September committee meeting.
- 11 The table below indicates the extra income that could be received / budgeted with varying levels of assumptions on cremation numbers and fee increases. The £20 increase for 2,200 cremations is budgeted to generate an additional £44,000 income.

No of Cremations	Increase in Fees £				
	£10	£20	£30	£40	£50
2,200	£22,000	£44,000	£66,000	£88,000	£110,000
2,250	£57,500	£80,000	£102,500	£125,000	£147,500
2,300	£93,000	£116,000	£139,000	£162,000	£185,000
2,350	£128,500	£152,000	£175,500	£199,000	£222,500
2,400	£164,000	£188,000	£212,000	£236,000	£260,000
2,450	£199,500	£224,000	£248,500	£273,000	£297,500
2,500	£235,000	£260,000	£285,000	£310,000	£335,000

- 12 In terms of the charging policy for child cremations, it is proposed to retain the NIL fee. Members will see from Appendix 3 that neighbouring crematoria charges range from £0 to £47.

It is proposed to increase the following fees from 2020/21:

- Cremation Services – Off peak and Direct (attended and unattended) increase by £20.
 - Cremation Services – Saturday increase by £35.
 - Visual Tributes via Wesley Music System. The current fees only cover the price Wesley Music System charge. The fee does not include any admin work or equipment the Crematorium need to provide the service, therefore it is proposed to increase the fees.
 1. Webcast, DVD or CD increase by £12 to £48.
 2. Extra DVD increase by £12 to £34.
 3. Extra CD increase by £12 to £28.
 4. Visual tribute admin fee increase by £3 to £15.
 5. Visual tribute per photo or per minute of video increase by £2.
 - Urn boxes increase by £4 to £10. It is also proposed that urns are sold with every cremation, they are currently only available upon request.
- 13 All other fees and charges at the Crematorium are proposed to remain at the same levels as 2019/20.
- 14 A full schedule of the proposed fees and charges for the Central Durham Crematorium is shown in Appendix 2, with benchmarking comparison data shown in Appendix 3 for Members' information.

Contact:	Paul Darby	Tel: 03000 261930
	Ed Thompson	Tel: 03000 263481

Appendix 1: Implications

Legal Implications

None.

Finance

A detailed schedule of the proposed fees and charges for the Central Durham Crematorium is included at Appendix 2. These proposals have been factored into budget proposals for 2020/21.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC.

Equality and Diversity / Public Sector Equality Duty

The proposals set out in this report are based on a harmonised fees and charges policy with the Mountsett Crematorium and provide equity of treatment / access across County Durham. An equality Impact assessment screening has been undertaken which has revealed no issues.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The sensitive pricing of services is essential to maintain the competitiveness and reputation of the Central Durham Crematorium in the current economic climate. The proposed fees and charges next year will ensure that the charges remain competitive in comparison with neighbouring facilities and this, together with a prudent assumption in terms of the number of cremations undertaken next year, plus the strong reputation of the CDCJC and the enhancements that the Phase 3 works have brought in terms of the service offer, should ensure risk is minimised with regards to the achievement of the income budgets. Charging information will be publicised in advance and communication carefully handled.

Procurement

None.

Climate Change

None.

APPENDIX 2
SCHEDULE OF PROPOSED CENTRAL DURHAM CREMATORIUM CHARGES 2020-21

	2019/2020 Charges incl VAT (where appropriate)	Proposed Charges 2020/2021 incl VAT (where appropriate)	VAT Status	Increase / (Decrease)
	£			£ %
Cremation Charges				
Non-Viable Foetus	0	0	O	0 0.0%
Child - up to one month old	0	0	O	0 0.0%
Child - up to 18 years old	0	0	O	0 0.0%
Medical Referees Fees	30	30	O	0 0.0%
Body Parts	9	9	O	0 0.0%
Adult - 18 years of age or over (Certificate of Cremation, urn and scattering of cremated remains included)				
Off Peak Service Times (if remainder of the day is full) - 09:00am & 09:30am	590	610	O	20 3.4%
Peak Service Times - 10:00am onwards, every 30 mins	670	690	O	20 3.0%
Saturdays	1,000	1,035	O	35 3.5%
Direct Cremation - Attended (No service)	590	610	O	20 3.4%
Direct Cremation - Unattended (No service)	450	470	O	20 4.4%
Surcharges				
Non Resident (Adult)	0	0	O	0 0.0%
Environmental surcharge	0	0	O	0 0.0%
Book of Remembrance				
2 line entry Book of Remembrance	53	53	S	0 0.0%
3 line entry Book of Remembrance	71	71	S	0 0.0%
4 line entry Book of Remembrance	89	89	S	0 0.0%
5 line entry Book of Remembrance	106	106	S	0 0.0%
6 line entry Book of Remembrance	124	124	S	0 0.0%
7 line entry Book of Remembrance	142	142	S	0 0.0%
8 line entry Book of Remembrance	159	159	S	0 0.0%
Crest, floral emblem, coats of arms etc.	74	74	S	0 0.0%
2 Line Memorial card	23	23	S	0 0.0%
3 Line Memorial card	24	24	S	0 0.0%
4 Line Memorial card	25	25	S	0 0.0%
5 Line Memorial card	26	26	S	0 0.0%
6 Line Memorial card	27	27	S	0 0.0%
7 Line Memorial card	28	28	S	0 0.0%
8 Line Memorial card	29	29	S	0 0.0%
Crest, floral emblem, coats of arms etc.	74	74	S	0 0.0%
2 Line Miniature Book	33	33	S	0 0.0%
3 Line Miniature Book	34	34	S	0 0.0%
4 Line Miniature Book	35	35	S	0 0.0%
5 Line Miniature Book	36	36	S	0 0.0%
6 Line Miniature Book	37	37	S	0 0.0%
7 Line Miniature Book	38	38	S	0 0.0%
8 Line Miniature Book	39	39	S	0 0.0%
Crest, floral emblem, coats of arms etc.	74	74	S	0 0.0%
Memorials (including cost of plaque)				
Seat - Lease for 10 years	1,042	1,042	E/S	0 0.0%
Columbaria Unit - Lease for 20 years	1,240	1,240	E/S	0 0.0%
Small Plaques - Lease for 10 years	276	276	E/S	0 0.0%
Outside Large Plaques - Lease for 10 years	420	420	E/S	0 0.0%

SCHEDULE OF PROPOSED CENTRAL DURHAM CREMATORIUM CHARGES 2020-21

	2019/2020 Charges incl VAT (where appropriate)	Proposed Charges 2020/2021 incl VAT (where appropriate)	VAT Status	Increase / (Decrease)	
	£			£	%
Outside Vase Block - Lease for 10 years	636	636	E/S	0	0.0%
Inside new Garden - Large Plaques - Lease for 10 years	450	450	E/S	0	0.0%
Inside new Garden - Vase Block - Lease for 10 years	690	690	E/S	0	0.0%
Memorial Renewal					
Seat - Lease for 10 years	610	610	E/S	0	0.0%
Columbaria Unit - Lease for 20 years	835	835	E/S	0	0.0%
Small Plaques - Lease for 10 years	96	96	E/S	0	0.0%
Outside Large Plaques - Lease for 10 years	159	159	E/S	0	0.0%
Outside Vase Block - Lease for 10 years	273	273	E/S	0	0.0%
Inside new Garden - Large Plaques - Lease for 10 years	174	174	E/S	0	0.0%
Inside new Garden - Vase Block - Lease for 10 years	300	300	E/S	0	0.0%
Memorial Replacement					
Small Plaques - Replacement	110	110	E/S	0	0.0%
Outside Large Plaques - Replacement	128	128	E/S	0	0.0%
Outside Vase Block - Replacement	116	116	E/S	0	0.0%
Inside new Garden - Large Plaques - Replacement	128	128	E/S	0	0.0%
Inside new Garden - Vase Block - Replacement	116	116	E/S	0	0.0%
Visual Tributes (Wesley Music System)					
Webcast	36	48	S	12	33.3%
DVD	36	48	S	12	33.3%
Extra DVD	22	34	S	12	57.4%
CD	36	48	S	12	33.3%
Extra CD	16	28	S	12	79.6%
Visual tribute admin fee	12	15	S	3	25.0%
Visual tribute per photograph (admin fee to be paid first)	1	3	S	2	150.0%
Video tribute per minute (admin fee to be paid first)	4	6	S	2	66.7%
Additional Charges					
Use of Chapel only					
Between 10.00am and 2.30pm	600	600	E	0	0.0%
Before 10.00am or after 2.30pm	200	200	E	0	0.0%
Extension of cremation service by 30 minutes	100	100	E	0	0.0%
Service exceeding allocated time by 10 minutes or more	50	50	E	0	0.0%
Service cancellation - less than 48hrs notice	250	250	E	0	0.0%
Organist	35	35	S	0	0.0%
Urn boxes	6	10	E	4	66.7%
Scatter Tubes	12	12	S	0	0.0%
Small Scatter Tubes	6	6	S	0	0.0%
Mini Scatter Tubes	3	3	S	0	0.0%
Scattering of cremated remains from another Crematorium in lawn area	50	50	S	0	0.0%

Appendix 3

Proposed Durham 20/21	Cremation Fees £	2019/20												Proposed Mountsett 20/21 *
		Coundon	Darlington	Gateshead	Middlesb rough	Hartlepool	South Tyneside	Sunderl and	Newcastle	Stockton on Tees	Northumber land	North Tyneside	North Tyneside	
690	Adult	884	800	653	712	761	816	765	770	765	800	738	690	0
0	Environmental surcharge	Inc above	55	47	60	Inc above	Inc above	60	Inc above	Inc above	Inc above	Inc above	Inc above	0
30	Medical Referees Fees	Inc above	20	39	Inc above	Inc above	Inc above	40	49	Inc above	Inc above	28	30	28
720		884	875	739	772	761	816	865	819	765	800	765	720	

Average of Benchmarking Group Cremation Fees £806

Proposed Durham 20/21	Other charges £	Coundon	Darlington	Gateshead	Middlesb rough	Hartlepool	South Tyneside	Sunderl and	Newcastle	Stockton on Tees	Northumber land	North Tyneside	Proposed Mountsett 20/21 *	
0	Non-viable Foetus	0	0	0	7	0	0	0	0	20	0	28	0	
0	Child - up to one month	0	0	0	23	0	0	0	0	0	20	28	0	
0	Child - up to 16 years	0	0	39	47	0	0	0	0	0	20	28	0	
720	Non Resident (Adult)	884	875	774	772	761	866	900	819	765	800	765	720	
1,035	Adult - Saturday cremation	1,326	No Cremations on a Saturday	No Cremations on a Saturday	862	No Cremations on a Saturday	1,165	1,200	No Cremations on a Saturday	765	No Cremations on a Saturday	1,106	1,035	
610	Direct Cremation - Attended	675	0	0	0	0	0	0	0	0	0	0	610	
470	Direct Cremation - Unattended	499	0	0	0	0	500	0	0	465	0	613	470	
53	2 line entry Book of Remembrance	137	70	70	68	68	42	63	78	50	72	60	53	
	Use of Chapel only:													
600	Between 10.15am and 2.45pm	318	100	252	128	111	160	140	160	120	0	90	600	
200	Before 10.15am or after 2.45pm	318	100	252	128	111	160	140	160	120	0	90	200	

* Subject to consideration by the Mountsett Crematorium Joint Committee 28th January 2020

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**Central Durham Crematorium
Joint Committee**

29 January 2020



**External Audit Arrangements
2019/20 to 2021/22**

Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report presents members of the Central Durham Crematorium Joint Committee with proposals for the continued delivery of the external audit by Mazars for the three financial years 2019/20 to 2021/22.

Executive summary

- 2 The Joint Committee appoints an external auditor to carry out a limited assurance audit on the Joint Committees Annual Return, which ensures a continued effective financial and governance framework for the Joint Committee.
- 3 In January 2017 Members appointed Mazars to undertake the external audit arrangements for the 2016/17, 2017/18 and 2018/19 financial years.
- 4 Mazars have met all deadlines for the completion of the audits and have always proven to be very accessible.
- 5 The quotation provided by Mazars for the next three years audit of £5,610 is only £210 higher than the previous three years and reflects a £170 (10%) increase on the current budgeted levels, but would be fixed thereafter.
- 6 It is considered that Members of the Joint Committee therefore re-appoint Mazars to undertake the external audit for the next three years.

Recommendation(s)

- 7 It is recommended that Members of the Joint Committee appoint Mazars to undertake the external audit arrangements for the 2019/20, 2020/21 and 2021/22 financial years.

Background

- 8 In April 2015, Members considered a report regarding the change in legislation in respect to the provisions of the Local Audit and Accountability Act 2014. This resulted in a change to the external audit process for Joint Committees who no longer had a statutory obligation to prepare accounts and for these accounts to be subject to audit.
- 9 In line with advice provided by the Head of Finance & Transactional Services, Members approved the discontinuation of the full Statement of Accounts from the 2014/15 financial year. Members also approved the recommendation for the continuation of separate audit arrangements from 2015/16 in order to ensure a continued effective financial and governance framework and that this will be based upon the continued preparation of the Joint Committees Annual Return and reporting of Balance Sheet information.
- 10 In January 2017, following a soft tendering exercise, Members appointed Mazars to undertake the external audit arrangements for the 2016/17, 2017/18 and 2018/19 financial years.

Non-Financial Considerations

- 11 Mazars have undertaken the limited assurance audit for the last three years and during this time demonstrated the following benefits for the Joint Committee:
 - Based in Durham, they are very accessible
 - They have always provided a quick turnaround of requested information
 - All deadlines for the completion of the audit have been achieved
 - Current auditors for Durham County Council, therefore having knowledge and reliance on various systems as part of their audit work

Financial Implications

- 12 Mazars were asked to provide a quotation for the next three year's audit work, which is shown below, alongside the cost for the previous three year's audit work:

Audit Year	Previous Audit Costs	Quotation for Next 3 Years
2016/17	£2,000	-
2017/18	£1,700	-
2018/19	£1,700	-
2019/20	-	£1,870
2020/21	-	£1,870
2021/22	-	£1,870
Total	£5,400	£5,610

- 13 Members can see that the proposed cost for the upcoming three years is only £210 higher than the cost for the previous three years and reflects a £170 (10%) increase on the current budgeted levels, but would be fixed thereafter.
- 14 Due to the modest increase in the price quoted alongside the non-financial benefits for the Joint Committee, Members are asked to approve the appointment of Mazars to undertake the audit arrangements for the 2019/20, 2020/21 and 2021/22 financial years.
- 15 The revised price for the audit has been incorporated within the 2020/21 Revenue Budget.

Contact:	Paul Darby	Tel: 03000 261930
	Ed Thompson	Tel: 03000 263481

Appendix 1: Implications

Legal Implications

The Local Audit and Accountability acts 2014 sets out the legal and regulatory framework in which Joint Committees are to report their financial arrangements. The proposals within this report seek to strengthen the Joint Committees compliance with these regulations.

Finance

The costs associated with the external audit fee are included within the report and have been incorporated within the 2020/21 revenue budget.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC.

Equality and Diversity / Public Sector Equality Duty

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

None identified. Finance staff are professionally competent and capable of preparing the annual return for the CDCJC in line with audit requirements

Procurement

None.

Climate Change

None.

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**Central Durham Crematorium
Joint Committee**

29 January 2020



2020/21 Revenue and Capital Budgets

Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 This report sets out for Members' consideration proposals with regards to the 2020/21 revenue and capital budgets for the Central Durham Crematorium.

Executive Summary

- 2 The 2020/21 budget has been developed with the Bereavement Services Manager, taking into account the proposed Fees and Charges set out in an earlier report, the updated 2019/20 forecast outturn position and known expenditure pressures in the coming year.

Recommendation(s)

- 3 It is recommended that members of the Joint Committee note and approve the revenue and capital budget proposals contained within the report (as set out at Appendix 2).
- 4 It is also recommended that Members note the forecast level of reserves at 31 March 2021 (also set out at Appendix 2).

Revenue Budget Proposals 2020/21

- 5 The proposed 2020/21 revenue budget is shown at Appendix 2, together with the forecast position with regards to the reserves of the Central Durham Crematorium at 31 March 2021. Members should note that the main changes from the 2019/20 budget are as follows:

Employees

- 6 The 2020/21 budget has been increased by **£27,362** to take into account the forecast impact of the 2020/21 pay award, incremental progression and the creation of a new Technical Assistant post.

Premises

- 7 The base budget has increased by **£21,092** next year. The main reasons for this increase are as follows:

- The repairs and maintenance budgets have adjusted to reflect the Service Asset Management Plan works scheduled for 2020/21 in line with the Service Asset Management Plan approved at the September meeting. The net result of the removal of the 2019/20 works schedule and the inclusion of the 2020/21 requirements is a net year on year increase in the base budget of **£15,420**. Provision for the following works are included in the 2020/21 budgets:

➤ Carry out the replacement of grass with block paving	£2,000
➤ Carry out re-lining of 1 hearth	£3,450
➤ Provide new surfacing to memorial garden	£5,000
➤ Remove existing turning circle	£2,100
➤ Provide and install new liner for water fountain	£1,000
➤ Provide and install new viewing screens	£6,000
➤ Provide and install new catafalque	£7,000
➤ Provide and install security viewing camera	£2,000
➤ Purchase and install 2 memorial trees	£4,320

- The Business Rates budget has increased by **£1,824** to reflect inflationary increases in this budget line.
- The Cremator Abatement and Equipment servicing budget has increased by **£5,000** in line with the 2019/20 projected outturn. It is anticipated that this contract will be re-procured next year.
- The utility budgets have decreased by **(£500)** in line with 2019/20 projected outturn.
- There has been a reduction of **(£652)** in burglar alarm, window cleaning and drain repair budgets to reflect the 2019/20 projected outturn.

Transport

- 8 The Transport budget has increased by **£900** to reflect the 2019/20 projected outturn.

Supplies and Services

- 9 The supplies and services budget has been increased by **£9,019** next year. The main changes are as follows:
- The masterplan and Book of Remembrance budgets have been reduced by **(£4,000)** to reflect the 2019/20 projected outturn.

- Wesley Music System and webcasting budgets have increased by **£2,349** to reflect the 2019/20 projected outturn.
- The purchase of urns budget has increased by **£9,500** to cover the purchase of one for every cremation.
- Other supplies and services budgets including computer licences have been increased by **£1,170** to reflect inflationary increases in this budget line.

Agency and Contracted

- 10 The Agency and Contracted Services budget has increased by **£204** due to the increase in refuse collection and audit fees.

Capital Financing Costs

- 11 This budget includes provision for the loan repayments relating to the Replacement Cremator and associated re-development works, which remain at **£213,738** in line with the 10 year fixed schedule to repay the £1.8m loan taken out by DCC on behalf of the Joint Committee during 2011/12.

Support Service Costs

- 12 The 2020/21 budget factors in the proposed increase of **£1,060** in the SLA for the provision of Support Services as detailed in previous reports.

Income

- 13 The income budget has been increased by **(£67,000)** The major changes are as follows:
- An element of prudence has again been factored into the income budget proposal for next year. The projected outturn as at 31 December 2019 assumes an increase of 125 cremations against the 2019/20 budgeted number of 2,200.

In preparing the 2020/21 budget the estimated number of cremations has been kept at 2,200. Along with the proposal to increase the cremation charges to £720 the cremation fee income budget has increased by **(£44,000)**.

- Plaque, vase block and organ income budgets have been reduced by **£500** to reflect the 2019/20 projected outturn.
 - The interest budget has increased by **(£2,000)** due to the increasing level of balances and higher interest rates earned.
 - The sale of Urns budget has increased by **(£19,000)** as it is expected that they will be purchased with each cremation from April 2020.
 - Miscellaneous income, webcasting and organ fee budgets have increased by **(£2,500)** to reflect the 2019/20 projected outturn and also due to the increase in fees for Wesley services which are passed on to customers.
- 14 Should cremation numbers be maintained in line with those projected for the current year or indeed return to levels experienced in previous years then there would be an additional surplus generated again next year.

Capital Budget Proposals 2020/21

- 15 The proposed 2020/21 capital budget, which will be financed through utilising reserves and is in line with investment requirements outlined in the Service Asset Management Plan agreed at the September meeting, is shown in the table below:

Redevelopment Works	SAMP Cost £
Replacement of chapel dome	20,000
Re-lining of 2 cremators	71,300
Enlarging of 1 cremator	70,000
Total	161,300

Surplus Redistribution

- 16 The surplus redistribution to Durham County Council and Spennymoor Town Council has been increased in line with the Budget Strategy Report approved by Members at the September 2019 meeting:
- Durham County Council - £510,000 (£65,000 increase)
 - Spennymoor Town Council - £127,500 (£16,250 increase)

- 17 The £1.8m loan taken out 2011/12 to (part) finance the redevelopment works, including the cremator replacements, will be fully repaid in 2020/21. As previously reported, this will allow additional surplus redistribution payments to be made in 2021/22 of £175,000 to Durham County Council and £43,750 to Spennymoor Town Council. This will be reflected in the 2021/22 budgets.

Earmarked Reserves

- 18 The transfer to the Masterplan Memorial Garden Reserve next year is budgeted in line with the 2019/20 level at £5,000.
- 19 The transfer to the Small Plant Reserve next year is budgeted in line with the 2019/20 level at £2,000.
- 20 The revenue transfer to the Cremator Reline Reserve next year is budgeted at £25,000, although £71,300 will be drawn down from this reserve in year to fund the works included in the capital programme next year. The projected balance for the Cremator Reline reserve at the end of 2020/21 is £61,455, as shown in Appendix 2.
- 21 The £91,632 revenue surplus created after consideration of all the above factors is budgeted to transfer to the Major Capital Works reserve. In line with the CDCJC Reserve Policy however, a transfer to the General Reserve of £20,100 is required in order to maintain a general reserve of 30% of the Joint Committees income budget. £90,000 is required to fund the capital programme in 2020/21. This results in a budgeted net transfer from the Major Capital Works reserve of £18,468. The projected balance for the Major Capital Works reserve at the end of 2020/21 is £1,037,925, as shown in Appendix 2.
- 22 The estimated earmarked reserves and balances of the Central Durham Crematorium Joint Committee at 31 March 2021, taking into account the 2019/20 Quarter 3 budgetary control report and the proposed transfers to/from earmarked reserves in the 2020/21 budget is as follows:
- General reserve of £517,770 an increase of £20,100 (4.04%) from 2019/20
 - Retained reserves of £1,180,035 a net decrease of (£57,768) (4.7%) from 2019/20 after funding capital investments planned for 2020/21
- 23 The estimated total reserves as shown in Appendix 2 at 31 March 2021 are **£1,697,805**.
- 24 Members should note that the 2020/21 budget proposal incorporates £32,870 of one off revenue expenditure and £161,300 one off capital expenditure requirements. This, together with the expiry of the loan repayments of c£214,000 in 2020/21, will provide scope in the 2021/22 budget setting round.

Background Papers

- 2019/20 Budget and Financial Monitoring reports
- 2020/21 Budget Working Papers
- 2020/21 Fees and Charges report

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Appendix 1 - Implications

Legal Implications

The Central Durham Crematorium Joint Committee is required to set a balanced budget and the budget proposals contained within this report have been prepared in accordance with standard accounting policies and procedures.

Finance

The proposed budget for the Central Durham Crematorium is included at Appendix 2, with an explanation of year on year changes set out in the body of the report.

Consultation

None. However, Officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC

Equality and Diversity/Public Sector Impact Duty

The income proposals set out in this report are based on a harmonised fees and charges policy with the Mountsett Crematorium and provide equity of treatment/access across County Durham. An equality Impact assessment screening has been undertaken which has revealed no issues.

Climate Change

There are no specific climate change impacts associated with this report.

Human Rights

None specific to this report.

Crime and Disorder

There are no Crime and Disorder implications associated with this report.

Staffing

The employee budget provides for 9 members of staff.

Accommodation

None.

Risk

The budgets take into account the 2019/20 forecast outturn position and all known expenditure pressures and opportunities for efficiencies in the coming year. The budget also takes into consideration one off expenditure requirements for 2020/21. Knowledge of these pressures and requirements such ensure that risk is minimised.

Pricing sensitivity is essential to maintain the competitiveness and reputation of the Central Durham Crematorium in the current economic climate. The proposed standstill in fees and charges next year will ensure that the charges remain competitive in comparison with neighbouring facilities, and this, together with a prudent assumption in terms of the number of cremations undertaken next year, plus the strong reputation of the CDCJC, should ensure risk is minimised with regards to the achievement of the income budgets.

Procurement

None.

Disability Discrimination Act

None.

APPENDIX 2

CENTRAL DURHAM CREMATORIUM 2020/2021 BUDGET				
2018/2019 Actual Outturn (Memo Info)	2019/2020 Base Budget	2019/2020 Projected Outturn (QTR3)		2020/2021 Base Budget
£	£	£		£
			EXPENDITURE	
239,806	258,068	266,557	Employees	285,430
244,089	256,163	301,159	Premises	277,255
1,932	1,900	3,445	Transport	2,800
112,962	127,032	132,513	Supplies and Services	136,051
8,669	8,980	8,562	Agency & Contracted	9,184
213,738	213,738	213,738	Capital Financing Costs	213,738
38,600	39,250	39,250	Support Service Costs	40,310
859,796	905,131	965,224	Gross Expenditure	964,768
(1,745,577)	(1,658,900)	(1,750,432)	INCOME	(1,725,900)
(885,781)	(753,769)	(785,208)	Net Income	(761,132)
			Transfer to (from) Reserves	
5,000	5,000	5,000	- Masterplan Memorial Garden	5,000
297,531	165,519	196,958	- Major Capital Works	91,632
25,000	25,000	25,000	- Cremator Reline Reserve	25,000
2,000	2,000	2,000	- Small Plant	2,000
(556,250)	(556,250)	(556,250)	Distributable Surplus	(637,500)
445,000	445,000	445,000	80% Durham County Council	510,000
111,250	111,250	111,250	20% Spennymoor Town Council	127,500

Actual Balance @ 31/03/19	Budget Earmarked Reserves Balance @ 31/03/20	Revised (QTR3) Forecast Balance @ 31/03/20	Reserve	Transfer to Reserve	Transfer from Reserve	Budget Forecast Balance @ 31/03/20
£	£	£		£	£	£
(485,175)	(497,670)	(497,670)	General Reserve	(657,600)	637,500	(517,770)
(61,250)	(66,250)	(66,250)	Masterplan Memorial Garden	(5,000)	0	(71,250)
(1,214,157)	(1,250,850)	(1,056,393)	Major Capital Works	(91,632)	110,100	(1,037,925)
(121,455)	(146,455)	(107,755)	Cremator Reline Reserve	(25,000)	71,300	(61,455)
(5,405)	(7,405)	(7,405)	Small Plant	(2,000)	0	(9,405)
(1,887,442)	(1,968,630)	(1,735,473)	TOTAL	(781,232)	818,900	(1,697,805)

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