

## **DURHAM COUNTY COUNCIL**

At a Meeting of **Mountsett Crematorium Joint Committee** held in Mountsett Crematorium - Dipton, Stanley, Durham on **Friday 29 July 2011 at 9.30 am**

### **Present:**

**Councillor O Temple (Chair)**

### **Members of the Committee:**

#### **Durham County Council**

Councillors A Bainbridge and O Johnson

#### **Gateshead Council:**

Councillors M Ord, P Ronan, D Davidson and M Wallace

### **Apologies:**

Apologies for absence were received from Councillor(s) M Hodgson, J Hunter, J Nicholson and J Wilson

#### **Durham County Council**

Councillors M Hodgson, J Hunter, J Nicholson and J Wilson

#### **Gateshead Council**

Councillors K Dodds, J Hamilton and P Mole

### **1 Minutes of the Meeting held on 17th June 2011.**

The minutes of the meeting held on 17<sup>th</sup> June 2011 were confirmed as a correct record and signed by the Chair.

### **2 Declarations of Interest, if any.**

There were no declarations of interest submitted.

### **3 Report of the Superintendent & Registrar**

The Superintendent and Registrar presented the report which provided Members with a quarterly update relating to performance and other operational matters. The report further outlined proposals for the introduction of a pre payment cremation bond for service users (for copy see file of minutes).

With regard to performance, the Superintendent and Registrar reported that since the report had been produced a further 16 cremations had been undertaken in July, therefore a

there was a total increase of 38 cremations during the quarter, in comparison to the same period last year.

The Superintendent further reported that the Crematorium had now received recycling bins for the recycling of Orthopaedic Implants and Non-Ferrous metals, this would go some way to reducing the carbon footprint of the crematorium. It was also reported that during a visit from ADT (security) a recommendation had been made to upgrade the CCTV equipment at a cost of £1475.00 which would enhance the picture quality of the system already in place. The Superintendent advised however that the current system was still usable and felt that there was no real need to have the system updated.

Members agreed that if the current system was fit for purpose then the recommendation by ADT should not be implemented.

The Bereavement Services Manager then proceeded to provide details of the Green Flag Award scheme for parks and green spaces in the UK. It was reported that the Central Durham Crematorium was entered for the 2011 award and results were expected at the end of July, with that Mountsett was also felt to be of an excellent standard where a Green Flag application could be made if a management plan was produced for the site to be judged against. If successful a Green Flag would be awarded in 2012.

It was noted that very little investment would be required apart from the continuation of general repairs and maintenance to the grounds, in addition there was a small fee associated with the application being approximately £175. Members agreed that the Crematorium should put forward an application for 2012. It was therefore agreed that a management plan be developed and brought back to the committee identifying any future development needs.

The Head of Finance, HR & Business Support, Neighbourhood Services advised that the proposal would also align to the internal audit plan as presented at an earlier meeting.

The Bereavement Services Manager then went on to advise members of proposals to introduce a Pre-Payment Cremation Bond scheme which would help secure future business, sold as a premium to the standard cremation charges. It was therefore proposed that this be set at £100 above the current total cremation fee plus a £20 administration fee which would equate to a circa 20% premium, being reviewed annually alongside all Fees and Charges.

In providing some background to the proposals it was reported that there was a large number of Pre-Payment Funeral Plans taken out by the public, offered by many Funeral Directors in the area. One problem that Funeral Directors were finding was that after some several years the value of the original plan purchased may not be enough to cover whole costs of the Funeral. Further costs for cremation fees were then being sought from families who thought that the full fees were covered by the Directors plan originally purchased.

At this point the Chairman noted that he has raised a query in advance of the meeting with regard to the legality of providing such a bond outside of the FSA regulations. It was noted that the Head of Finance, HR & Business Support had been in contact with the ICCM and a email had been received advising that the crematorium would not in their opinion be required to be regulated under the FSA to provide this type bond. Further legal advise

would be sought and written confirmation obtained. The decision taken by Members would be subject to confirmation to this effect being received.

It was noted that Central Durham Crematorium Joint Committee had at their last meeting also agreed to introduce the Pre-Payment Bond scheme and subject to the above legal advice would come in to effect from 1<sup>st</sup> October 2011.

Further details were then provided of the potential sales and income which could potentially be generated through the scheme. It was noted that all Funeral Directors who had been approached informally, had shown interest in purchasing a Bond for each of the pre-payment plans that they offer. Potential income for the Crematorium could be between £11,600 to £23,200 per month.

Councillor Wallace raised a query with regard to the FSA, she asked whether it was possible that the Crematorium may be required to be regulated by the FSA in the future. She also raised a query with regard to the promotion of the scheme.

In answering her first question Councillor Temple suggested that it was possible that regulation of the bond may be introduced in future; however it would not affect bonds that had already been purchased.

In response to the query raised regarding promotion it was noted that the Fees and Charges schedule would be published, however there would be no direct promotion of the scheme.

Following lengthy debate and discussion it was **RESOLVED** that:

1. Members note the contents of the report with regard to the current performance of the crematorium and progress against recycling orthopaedic implants and non-ferrous metals.
2. That Mountsett Crematorium enter into the Green Flag Award in 2012, with a management plan outlining any future development being presented and agreed by the committee prior to the application being made.
3. That the introduction of a Pre-Payment Bond be introduced with effect from 1<sup>st</sup> October 2011 subject to:-
  - Legal advise and confirmation being sought on the regulation of the Bond as referenced above, and;
  - On the proviso that no incentives for the marketing of the product be entered in to.

#### **4 Proposals for a Memorial Garden.**

The Bereavement Services Manager presented the report which set out proposals for the creation of a memorial garden, within the grounds of Mountsett Crematorium (for copy see file of minutes).

Members had in advance of the meeting taken a site visit to the proposed areas and details of the Options had been outlined as follows:-

#### Option 1

The construction of 3 walls (each 3 metres) which would be angled to be in keeping with the octagonal book of remembrance building, which would provide the opportunity for memorial plaques to be installed on both side of the wall providing space for 270 plaques. This 9 metre wall would also provide 38 metres of edge and the potential for up to 152 vases or up to 63 columbarium depending on the number of each sold.

Indicative costs were and details of the works required were outlined in Appendix 4, works were estimated at £48,000 for the initial construction.

The potential sales for a wall of this size ranged dependent on due the number of vases or columbarium's sold and was estimated at between £69,000 and £89,000 if full range sold. This would then provide an overall surplus of between £21,000 and £41,000.

#### Option 2

To utilise the existing exterior walls of the book of remembrance building and would be a quick and no cost way of allowing memorial plaques without having the need for any capital expenditure and would give Members of the Joint Committee an indication of the demand from the public at Mountsett.

There are 8 walls surrounding the building which are each 1.2m long that would be suitable for placing these memorials. Each wall could accommodate 18 small memorial plaques meaning that if all 8 sides were taken up then this would equate to 144 plaques. To ensure the building is suitable for this arrangement a survey had been carried out and confirmed it was suitable.

The potential net income for this wall was estimated at £21,000 for 144 plaques over the ten year period. Due to the width of the path currently there was limited scope to offer vases or columbarium.

If Members were wishing to offer vases or columbarium then the pathway would require extending in order to accommodate these and to provide pedestrian access around the building, this was estimated at £6,000 for the initial construction of the pathway.

It was proposed that the income generated could be placed in a memorial garden earmarked reserve in order to purchase vase blocks/columbarium units in the future.

In conclusion the Bereavement Services Manager advised that by selecting Option 2, there would be no initial outlay to provide memorial plaques as it would utilise the existing facilities. It was also noted that Option 2 would generate the same net income at the lower estimates over the life of the memorial walls and subsequently carried the least risk.

As part of the initiative to improve and extend services at the Crematorium, it was further proposed that a brochure be produced in aiding public relations and to promote the type of memorial available.

Councillor Ord commented that she felt that Option 2 was the most suitable place for the memorial plaques, Councillor Ronan also agreed with Option 2.

Councillor Bainbridge added that his main concern with Option 1 was that a considerable amount of green space would be lost if constructed outside of the book of remembrance building. Councillor Temple further commented consideration should also be given to when space is no longer available on the book of remembrance walls. He suggested that income generated by the memorial garden should be earmarked for any future extension to the memorial garden.

The Head of Finance, HR & Business Support advised that an earmarked reserve could be set up and reflected within the 2012/13 budget.

Councillor Wallace asked what the plaques would be made of. It was noted that they would be made of stone and each would be fitted by a stonemason.

Following lengthy debate and discussion it was

**RESOLVED** that:

- Option 2, seeing the existing book of remembrance building used for memorial plaques and providing a cost effective pilot to determine demand whilst improving the available services to Mountsett users be adopted.
- That small plaques (12" x 3") be offered only.
- That the adoption of fees and charges for plaques be approved, to include details of 'Small plaques for Lease of 10 years, Plus Cost of Plaque at supplier price.
- That an earmarked reserve be set up for the income received from the initiative for potential future expansion at a later date.

## **5 QTR 1 Budgetary Control Report & Projected Outturn.**

The Head of Finance, HR & Business Support presented the report set out details of income and expenditure in the period 1 April 2011 to 30 June 2011, together with the provisional outturn position for 2011/12, and highlighting areas of over / underspend against the revenue budgets at a service expenditure analysis level.

The report further detailed the funds and reserves of the Joint Committee at 1 April 2011 and initial outturn position at 31 March 2012, taking in to account the provisional financial outturn.

The Head of Finance, HR and Business Support advised that the report provided a prudent forecast at this stage with regards to expenditure and income.

He then went on to provide an explanation of significant variances between original budget and forecast outturn as follows:-

**Employees** – A saving of £5,050 was anticipated against the approved budget. The savings were a result of revised shift working patterns that were implemented last year but which were not currently reflected in the base employees budget.

**Agency and Contracted** – As a result of the revised working practices / duties undertaken by the crematorium staff during 2010/11 it is anticipated that an element of the Grounds Maintenance budget would not be required during 2011/12. However it was reported that an element had been retained to cover the anticipated costs in relation to winter maintenance and snow clearing. A saving of £7,000 was therefore anticipated.

**Earmarked Reserves** – Contributions from the revenue surplus towards earmarked reserves were forecast to be £12,050 additional to budget. This was a result of savings from employee working patterns and the subsequent saving from the Grounds Maintenance budget.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2012 were forecast to be £386,004 representing a £82,550 (31% increase) over the opening position at 1 April 2011.

Members added that this was an excellent report which highlighted efficient management of the Crematorium by the team.

Councillor Johnson also added his compliments with regard to the excellent maintenance of the grounds and commended the staff who were responsible for its maintenance.

**RESOLVED:** That the contents of the revenue spend financial monitoring report April to June 2011, with associated provisional outturn and forecasted earmarked reserve balances at 31 March 2012 be noted.