

## **DURHAM COUNTY COUNCIL**

### **CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE**

At a Meeting of **Central Durham Crematorium Joint Committee** held in **Committee Room 1A - County Hall, Durham** on **Wednesday 12 May 2010** at **5.30 pm**

#### **PRESENT**

**COUNCILLOR J Marr** in the Chair

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

Councillors J Chaplow, N Foster, R Rodgers and J Wood

#### **Officers Present:**

Paul Darby	Head of Finance, HR and Business Support, Neighbourhood Services, Durham County Council
Peter Jackson	Audit Manager, Resources, Durham County Council
Alan José	Superintendent and Registrar, Durham Crematorium
Joanne McMahon	Principal Account, Neighbourhood Services, DCC
Derek Shingleton	Accountant, Spennymoor Town Council
Sharon Spence	Clerk to the Central Durham Crematorium Joint Committee
Graham Harrison	Bereavement Services Manager, Durham County Council

Apologies for absence were received from Councillors M Plews, D Stoker, L Thomson, F Walker and C Woods.

#### **A1 Minutes**

The minutes of the meeting held on 27 January 2010 were confirmed by the Joint Committee as a correct record and signed by the Chair.

#### **A2 Forward Plan 2010/11**

The Clerk to the Central Durham Crematorium Joint Committee, Sharon Spence referred Members to the report within the agenda papers outlining a proposed Forward Plan of meetings for the Joint Committee for the 2010/11 cycle (for copy, see file of minutes).

Members noted that the report contained details of upcoming reports and also the amended meetings dates to align with the budget setting and final accounts processes, as discussed at the last meeting of the Joint Committee.

#### **Resolved:**

That the Members of the Joint Committee note and approve the Forward Plan.

### **A3 Report of the Superintendent and Registrar**

The Superintendent and Registrar, Alan José, presented a Report relating to the following issues associated with the Crematorium.

#### **Cremations**

The Superintendent and Registrar reported the number of cremations for the period 1 January 2010 to 31 March 2010 inclusive. These were 624 (+ 6 NVF), a decrease of 82 (+ 2 NVF) on the same period in the previous year. The total of 624 (+ 6 NVF) included 416 from outside the area, with the remaining total being 208 for the area.

#### **Memorial Gardens**

The Superintendent and Registrar reported that during the period 1 January 2010 to 31 March 2010, the following Vase Blocks and Memorial Plaques had been sold:

Vase Blocks	5
Large Plaques	24
Small Plaques	<u>4</u>
<b>Total</b>	<b>33</b>

#### **Financial Information (Net of VAT)**

Vase Blocks	2,088.17
Large Plaques	5,727.67
Small Plaques	<u>788.76</u>
<b>Total</b>	<b>£8,604.60</b>

#### **Independent Testing of Cremators**

The Superintendent and Registrar asked Members to note that the Crematorium facility had undergone inspection by the Regulator and had received a “medium” rating for the site, the best level that can currently be achieved. It was added that the Regulator had reiterated that the Crematorium must have mercury abatement plant and new cremators that meet new regulations, in place by December 2012 and this will be a condition of the Licence for continued operation of the Crematorium.

Discussions were ongoing between the Superintendent and Registrar and the Regulator as regards the previous registration to be members of the CAMEO scheme should the project slip, which in the Superintendent and Registrar’s view should negate the need for withdrawal of the operating licence.

#### **Annual Conference of Cremation and Burial Authorities**

The Superintendent and Registrar informed the Joint Committee that two places had been reserved at the Annual Conference of Cremation and Burial Authorities for the Chair and the Superintendent and Registrar to attend.

Members noted that the Annual Conference was being held at Statford-upon-Avon from 5-7 July 2010 and were asked to approve the booking.

### **50 Year Anniversary**

The Superintendent and Registrar reported the ongoing work associated with the 50 year anniversary of the Durham Crematorium. Members were informed that the Superintendent and Registrar had spoken with Spennymoor Town Council regarding the hire of their marquee and was speaking with Durham County Council regarding providing catering and additional chairs for the event.

The Superintendent and Register also noted that the Archdeacon had been contacted as regards arranging for attendees from the Clergy at the event. The Joint Committee heard that an order of service was being prepared in consultation with Local Clergy and Funeral Celebrants. Members noted that the Chairs of both Spennymoor Town Council and Durham County Council would be invited as would appropriate Chief Officers from both Authorities.

The Joint Committee was informed that the Superintendent and Registrar, after discussions with the Chair and Vice-Chair, had began making arrangements to have a dinner to celebrate the anniversary, to be held at County Hall. Members noted that this presented an opportunity for Funeral Directors, Clergy, Members and staff to mark the 50 year anniversary and to further enhance the reputation of the Crematorium. The Superintendent and Registrar added that the National Presidents of the Federation of Burial and Cremation Authorities and the President of the Institute of Cemetery and Crematorium Management could also be invited to help generate positive publicity.

Members noted that the anticipated costs for the 50 year anniversary event were within the allocated budget.

### **Funeral Pyres**

The Superintendent and Registrar referred Members to a letter recently received from the Ministry of Justice (for copy, see file of minutes) on a recent case regarding funeral pyres and noted that he would update the Joint Committee on any further developments accordingly.

### **Memorial Plaques – Garden of Remembrance**

The Superintendent and Registrar explained that as a move towards decreasing the carbon footprint of the Crematorium and having sustainable working practices in place, he had began looking at possible sources for the material for the memorial plaques locally from the UK rather than China. It was noted that this was one strand amongst several moving towards “greener” working practices, such as the OthoMetal Recycling as reported at the last Joint Committee. Members heard that the Durham County Council’s Procurement Section had been consulted as regards procedures and the Superintendent and Registrar asked the Committee whether he should seek quotations for the supply of memorial plaques from UK based companies, with a new contract to begin in July 2010.

**Resolved:**

- (a) That the Report be noted.
- (b) That the Joint Committee agree to the Chair and Superintendent and Registrar attending the Annual Conference of Cremation and Burial Authorities in Stratford-upon-Avon.
- (c) That the Superintendent and Registrar be authorised to place the appropriate adverts for the supply of UK sourced memorial plaques.

**A4 Financial Monitoring Report, Provisional Outturn at 31 March 2010**

The Head of Finance, HR and Business Support, Paul Darby, reminded Members that the Audit Commission had been critical of the year end final accounts closure process (for the last financial year) and the fact that the accounts were not approved by the Joint Committee until July.

It was noted that the previous year end had been problematic due to staff shortages and lack of experienced staff being left at the former City Council following LGR, which was compounded by the fact that a new External Audit Team was involved also. Members were asked to note that with regards to the production of the 2009/10 accounts, a detailed closure timetable had been prepared and that the process was running extremely smoothly. The Statement of Accounts would be completed in time to be reported to the Joint Committee and the end of June 2010.

In advance of Members' consideration of the 2009/10 Statement of Accounts, the Head of Finance, HR and Business Support referred Members to the report, which set out details of the provisional revenue outturn position at 31 March. It was stressed that this was provisional, but would be fully finalised in the coming weeks, however, the revenue accounts were now substantially closed, with the capital account / balance sheet accounts in the process of being finalised. Members were asked to note that the year end surplus quoted in the report was approximately £130,000 more than the base budget and that it was proposed that this surplus would transfer to the earmarked reserve for the new cremator equipment.

The Head of Finance, HR and Business Support noted that the provisional outturn included provision for the audit fee based on previous years however, as there had been additional work on the audit process last year, which would (resulting from the External Auditors risk process) necessitate more detailed testing work again this year, the fee was £11,000. Members noted that this would mean that the total reserves balance that would be reported in the Statement of Accounts in June would be approximately £736,000, rather than £741,735, as quoted in the report.

The Accountant, Spennymoor Town Council noted figures regarding the earmarked reserves set out at point 9.6 of the report referred to £642,670. The Head of Finance, HR and Business Support noted that this was a typographical error within the report and apologised.

Members were referred to the table set out earlier in the report, which included the correct £741,735 figure, which, as explained, would reduce in the Statement of Accounts to approximately £736,000 as a result of extra provision being made for the External Audit fee.

The Accountant, Spennymoor Town Council also asked if there were any reasons for an approximate 13% under spend on employees. The Head of Finance, HR and Business Support explained that this was due to several factors; the pay award in 2009/10 was less than the budgeted increase, contingency costs in terms of pandemic flu had not been incurred, less than anticipated sickness absence cover costs, and the fact that the Treasurer and Clerk to the Joint Committee did not take a payment for their services to the Joint Committee. It was noted that a fuller explanation would be disclosed in the report in future.

The Accountant, Spennymoor Town Council asked if there was any information regarding the ability to access cremation records online. The Head of Finance, HR and Business Support noted that there was allocation within the 2010/11 budget for implementation of an online records system and noted that the Superintendent and Registrar was liaising with the Bereavement Services Manager, Graham Harrison regarding the coordination of this matter.

**Resolved:**

- (a) That Members note the April 2009 to March 2010 (Provisional) Revenue Spend Financial Monitoring Report and associated forecast outturn position for 2009/10.
- (b) That the Joint Committee approve the transfer of surplus funds to the earmarked Major Capital Works Reserves as part of the preparation of the Statement of Accounts 2009/10.

**A5 Draft Annual Governance Statement 2009/10**

The Head of Finance, HR and Business Support reminded Members that the Annual Governance Statement would need to be considered / approved at the same time as the Statement of Accounts were reported to the Joint Committee in June. It was noted that the Annual Governance Statement had been prepared in line with Chartered Institute of Chartered Accountants / Society of Local Authority Chief Executives (CIPFA / SOLACE) guidance, incorporating specific issues relating to the Crematorium such as processes and controls, constitution, regulations, performance and budgetary control arrangements. The Joint Committee heard that the draft Statement also contained a review of the effectiveness of these arrangements in the year and members' attention was drawn to comments included within the Statement which highlighted any improvements made over the previous 12 months such as responses to Audit Commission recommendations raised last year; any findings from the Internal Audit Review and the strengthened arrangements in terms of risk management.

The Head of Finance, HR and Business Support explained that an element of the Annual Governance Statement was to identify any significant governance issues / risks and the four areas that had been identified were set out within the draft Statement relating to: the recording of transactions; numbering of receipts; stock control and treasury management.

Members noted that in order to allow an opportunity to feed into the process of preparing the Annual Governance Statement, the draft version had been dispatched with the agenda papers prior to this meeting of the Joint Committee, so that comments could be reflected in the final version to be considered at the next meeting. This was a change from previous practice and was welcomed by Members as it afforded more opportunity to consider the content of the Statement.

The Audit Manager, Resources, Peter Jackson noted that issues relating to receipts had been addressed by the Superintendent and Registrar and that in his opinion this was not a significant governance issue. Members agreed and asked that this be removed from the “final” version. The Chair noted that there had obviously been a lot of good work done in a relatively short time that successfully addressed several governance issues and commended Officers for the progress they had made.

The Accountant, Spennymoor Town Council asked if the “treasury management” issue identified included how Durham County Council managed the earmarked reserves, specifically how such money was invested. The Head of Finance, HR and Business Support confirmed that the Joint Committee funds fell under the Durham County Council Treasury Management Policy / Practices.

The loan from the Joint Committee to Durham County Council was invested by Durham County Council in accordance with that Policy and the interest paid to the Joint Committee was based on the average interest rate earned by Durham County Council on its external investments.

The Treasury Management arrangements between the Joint Committee and Durham County Council was an area that needed to be better documented and this was being addressed in accordance with the Audit Commission recommendations from the 2008/09 external audit. Members were also asked to note that improvements for the 2010/11 Annual Governance Statement would be to consider issues regarding to prudential indicators and for a treasury code of practise, in line with the Durham County Council’s Constitution.

The Chair asked whether the Treasurer (Stuart Crowe, Corporate Director Resources) would be present to sign the Statement of Accounts and Annual Governance Statement at the June meeting. The Head of Finance, HR and Business Support noted that this was the intention and that his understanding was that the existing Treasurer did not retire until after the June meeting. There would be a need appoint a new Treasurer (the nominated s151 Officer of DCC) following the retirement of the existing Treasurer to deal with the September sign off following completion of the External Audit.

The Audit Manager, Resources added that the Annual Governance Statement was a “live” document and if any significant governance issues arose prior to the June meeting of the Joint Committee, these could be incorporated as appropriate.

**Resolved:**

That the content of the draft Annual Governance Statement 2009/10, subject to the deletion discussed be approved for inclusion within the Durham Crematorium Statement of Accounts 2009/10.

**A6 Exclusion of the Public**

**Resolved:**

That under Section 100 A (4) of the Local Government Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the said Act.