

DURHAM COUNTY COUNCIL

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

At a Meeting of **Central Durham Crematorium Joint Committee** held in **Chamber, Spennymoor Town Hall, Spennymoor** on **Wednesday 30 June 2010** at **5.30 pm**

PRESENT

COUNCILLOR J Marr in the Chair

Members of the Committee:

Councillors J Chaplow, N Foster, A Hopgood, M Plews, D Stoker, M Williams and J Wood

Officers Present:

Catherine Banks	Audit Manager, Audit Commission
Paul Darby	Head of Finance, HR and Business Support, Neighbourhood Services, 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 J Blakey, F Walker and C Woods.

A1 Appointment of a Chair for the ensuing year

The Clerk to the Joint Committee, Sharon Spence, asked for any nominations for Chair to the Joint Committee for the ensuing year. Councillor J Wood proposed Councillor M Plews for the position of Chair to the Joint Committee for the ensuing year and Councillor N Foster seconded the proposal. No further proposals were made. Members thanked Councillor J Marr for his excellent work as Chair over the last year.

Councillor J Marr thanked fellow Members for their hard work, help and support over the last year and appreciated that the move to Unitary Local Government had produced many challenges and that the Officers involved had risen to that challenge.

Resolved:

That by unanimous agreement, Councillor M Plews be appointed Chair for the ensuing year.

COUNCILLOR M Plews in the Chair

A2 Appointment of a Vice-Chair for the ensuing year

The Chair asked for any nominations for Vice-Chair to the Joint Committee for the ensuing year. Councillor J Chaplow proposed Councillor J Marr for the position of Vice-Chair to the Joint Committee for the ensuing year and Councillor J Wood seconded the proposal. No further proposals were made.

Councillor J Marr informed Members that Councillor F Walker, a longstanding Member of the Joint Committee, was unable to attend due to illness. The Chair asked that the best wishes of the Joint Committee were relayed to Councillor F Walker and that he makes a speedy recovery.

Resolved:

That by unanimous agreement, Councillor J Marr be appointed Vice-Chair for the ensuing year.

A3 Minutes

The minutes of the meeting held on 12 May 2010 were confirmed by the Joint Committee as a correct record and signed by the Chair.

A4 Report of the Clerk to the Joint Committee - Treasurer to the Joint Committee

The Clerk to the Joint Committee referred Members to the report setting out the proposed arrangements for Treasurer to the Joint Committee as the current Treasurer, Stuart Crowe was retiring from Durham County Council early July 2010 (for copy, see file of minutes).

Members were informed that as an interim measure, and in line with Durham County Council's Constitution, it was proposed that the Deputy Section 151 Officer and Head of Finance: Resources, Jeff Garfoot be appointed as Treasurer to the Joint Committee.

The Joint Committee understood that this would be a temporary appointment until the Corporate Director: Resources was appointed and that person would be proposed to be appointed as the Treasurer to the Joint Committee.

Councillor N Foster assured Members that the Head of Finance: Resources was an excellent Officer and would serve the Joint Committee well in the role of Treasurer.

Resolved:

- (a) That the retirement of the Treasurer to the Joint Committee, Stuart Crowe and support the proposals with regards to the appointment of the Head of Finance: Resources, Jeff Garfoot (Durham County Council's Deputy S151 Officer) as Interim Treasurer to the Joint Committee, effective from 1 July 2010.

- (b) That the Joint Committee place on record their thanks to Stuart Crowe for the valuable service he has given to the Joint Committee since his appointment.

A5 Audit Opinion Plan - Audit Commission

The Chair thanked the Audit Manager, Audit Commission, Catherine Banks for her attendance and asked her to take Members through the Audit Commission's Audit Opinion Plan for the Central Durham Crematorium Joint Committee (for copy, see file of minutes).

The Audit Manager explained that the Audit Opinion Plan sets out a list of identified specific risks which were areas the Audit Commission would expect the Joint Committee to address. Members were asked to note that within those risks identified, none were categorised as being "significant" the highest level of risk.

The Joint Committee learnt that risks as identified in the audit previously conducted had led to a series of responses to address those concerns and in several cases mitigated the risks. The Audit Manager reminded Members that the accounting for the Crematorium was now Statement of Recommended Practise (SORP) compliant and that accounting policies had been produced reflecting this. Members were also informed that detailed testing had been carried out in order to ensure correct opening balances and that the errors in the valuing of fixed assets identified within the previous audit had been amended.

The Audit Manager stated that arrangements would be made to undertake detailed testing to ensure that creditors or expenditure were not materially misstated. Members noted that the Audit Commission and the Head of Finance, HR and Business Support, Neighbourhood Services, Paul Darby were working together to address issues of treasury management including having a written agreement between Durham County Council and the Joint Committee setting out the terms of the treasury management agreements.

The Audit Manger concluded by noting that there had been work on the Annual Governance Statement (AGS) in order that it would comply with requirements and added that it was encouraging to see that those improvements were reflected in the AGS as set out in the agenda papers.

Resolved:

That the report be noted.

A6 Report of the Treasurer to the Joint Committee / Corporate Director Neighbourhood Services - Annual Governance Statement 2009/10

The Chair asked the Head of Finance, HR and Business Support to take Members through the Annual Governance Statement 2009/10 (AGS) for the Central Durham Crematorium Joint Committee (for copy, see file of minutes).

The Head of Finance, HR and Business Support explained that the AGS had been prepared in accordance with recommended practice and followed a standard format. Members heard that the AGS set out the scope and responsibility of the Joint Committee regarding the governance of the Crematorium; the purpose of the Governance Framework; the effectiveness of the Joint Committee in its governance role; including actions to strengthen Governance in response to Audit Commission comments; and to set out the significant governance issues in the context of the Joint Committee.

Members were reminded that the AGS had been received and approved in draft form by the Joint Committee at the last meeting, held 12 May 2010. The Joint Committee noted that comments received at the meeting on 12 May 2010 had been incorporated into the AGS as set out in the agenda papers.

Resolved:

- (a) That the Joint Committee note the Report.
- (b) That the Joint Committee approve the Annual Governance Statement 2009/10 for the year ended 31 March 2010.
- (c) That the Chair and the Treasurer sign the Annual Governance Statement 2009/10.

**A7 Report of the Treasurer to the Joint Committee / Corporate Director
Neighbourhood Services - Revenue Outturn and Statement of Accounts
2009/10**

The Head of Finance, HR and Business Support asked Members to note that the AGS just considered and approved formed part of the larger Statement of Accounts (SOA) report (for copy, see file of minutes), and that also this year the SOA Report included a Revenue Outturn for 2009/10 to give the Joint Committee the actual outturn position after the close of the accounts and after adjustments had been applied. Members were asked to note the variances, their context and, as previously agreed by the Joint Committee that any surplus would be fed into the ring-fenced budget for capital works to the Crematorium.

The Joint Committee was reminded that the SOA for 2009/10 was SORP compliant and subject to the same rules and governance framework as both Durham County Council and Spennymoor Town Council.

Members were referred to Appendix 2 which set out the SOA document. The Head of Finance, HR and Business Support explained that the SOA was in 5 parts:

- Income and Expenditure Account
- Statement of Movement on the General Fund Balance
- Statement of Total Recognised Gains and Losses
- Balance Sheet
- Cash Flow Statement

The Head of Finance, HR and Business Support noted a typographical error on page 22 regarding revaluations that had been amended for the final version. Also it was noted that figures for 2008/09 had been included on page 26 for comparison and that revised figures were included on page 29.

The Chair thanked the Head of Finance, HR and Business Support and asked Members if they had any questions.

Councillor D Stoker asked what “added years” referred to in the table relating to retirement benefits. The Head of Finance, HR and Business Support explained that these “added years” to the pension fund deficit were elements accrued on employees and were from previous retirements.

Resolved:

- (a) That the Joint Committee note the outturn position set out in the Report.
- (b) That the Joint Committee approve the Statement of Accounts 2009/10 for the year ended 31 March 2010.
- (c) That the Chair and the Treasurer sign the Statement of Accounts 2009/10.

A8 Report of the Superintendent and Registrar

The Superintendent and Registrar, Alan José, presented a Report relating to the following issues associated with the Crematorium (for copy, see file of minutes).

50 Year Anniversary

The Superintendent and Registrar reported the hire of a marquee that met with the health and safety requirements as set out by Durham County Council had been arranged. It was noted that this included a solid floor, glass doors and suitable public toilet facilities. Members were informed that the Superintendent and Registrar was liaising with Reverend Robert Jagger, Archdeacon of Durham as regards the involvement clergy from the Church of England.

The Joint Committee noted that the Superintendent and Registrar had made significant progress with the Commemorative Booklet and that a final version would be ready next week.

Memorial Plaques – Garden of Remembrance

The Superintendent and Registrar explained that the specification for the supply and fixing of UK sourced Memorial Plaques had been agreed with the Procurement Team from Durham County Council and the appropriate advertisements for tenders had been published. It was noted that the closing date for tenders was today, 30 June 2010.

Metal Implants Recycling Scheme

The Joint Committee noted that the metal implant recycling scheme operated by Orthometals had now been in operation for 3 months and the first collection from Durham Crematorium on 15 June 2010 was of 121kg of material.

The Chair thanked the Superintendent and Registrar and asked Members if they had any questions.

Councillor A Hopgood asked how many companies had expressed an interest in tendering for the Memorial Plaque contract. The Superintendent and Registrar noted that during his last conversation with the Procurement Team, 3 companies had expressed an interest; however, further tenders may have been submitted since then.

Councillor M Williams asked how Durham Crematorium was paid for the metal implants being recycled.

The Superintendent and Registrar explained that of the 256 crematoria in the country, 190 operated the scheme with Orthometals and it was noted that the Superintendent and Registrar was the Chair of the North East Committee set up to nominate charities to receive the benefits of the funds generated from recycling the metal implants.

Resolved:

That the Report be noted.

A9 Report of the Treasurer to the Joint Committee / Corporate Director Neighbourhood Services - Revenue Budget 2010/11 - Amendment

The Head of Finance, HR and Business Support asked Members to note the report setting out some slight amendments to the Revenue Budget 2010/11 (for copy, see file of minutes). Members were informed that the changes were to comply with SORP requirements and to ensure 3 elements that had previously been "netted off" within the income budget needed to be grossed up and reflected in the supplies and services budget, those being medical referees, the Book of Remembrance and the Master Plan. It was noted that there was no change to the budgeted net expenditure position in 2010/11.

Resolved:

That the Joint Committee note and approve the amended budget proposals contained within the Report.

**A10 Report of the Treasurer to the Joint Committee / Corporate Director
Neighbourhood Services - Financial Monitoring Report 2010/11 - Spend to 31
May 2010 and Projected Outturn to 31 March 2011**

The Head of Finance, HR and Business Support referred Members to the report setting out actual spend position for the year so far and the projection for the outturn to 31 March 2011 (for copy, see file of minutes). It was explained that whilst it was early in the financial year an underspend had been forecast against the Employees budget, this was due to it being anticipated that there would be no annual pay award now in 2010/11. Members were reminded that as previously agreed any surplus would be transferred into the ring-fenced reserves for capital works.

Councillor D Stoker asked the Joint Committee to note that whilst the 0% pay increase across public services was suggested by Central Government, it was for Local Government to make its own determination upon whether it was appropriate their own Authority or otherwise.

Councillor J Marr asked when a decision regarding the options for works associated with the cremator would need to be taken by the Joint Committee.

The Head of Finance, HR and Business Support noted that the options appraisal, based on self-finance over 10 years, set out three options namely cremator replacement only; cremator replacement and works to access and car parking; and a full renovation of the Crematorium facility. Members heard that the critical factor in this would be the costings for the cremators and forecast build costs to house the equipment as it may be that options were limited in terms of the extent of the affordable development. It was noted that the current tender process for the cremators was therefore a key milestone in these discussions.

It was noted that Spennymoor Town Council had earmarked reserves in place and whilst independent evaluation had indicated costs were in line with initial predictions by Durham County Council, it was felt that it would be prudent to await feedback from the tender process prior to a decision being made.

Councillor J Marr asked whether the cost of "Option 2", cremator replacement and access/car park improvements, would be included as part of the tender submissions. The Head of Finance, HR and Business Support noted that the tenders were solely for the cremator replacement, works associated with access and car parking would be subject to separate procurement exercises, with the in-house service at Durham County Council likely to submit a tender. Councillor N Foster added that of course, the option of access and car park works would be looked at after to the completion of the tender process.

Resolved:

That the Joint Committee note the April to May 2010 Revenue spend financial monitoring report and associated provisional outturn position 2010/11.