



Central Durham Crematorium Joint Committee

Date Wednesday 28 September 2011
Time 5.30 pm
Venue Durham Crematorium, South Road, Durham

Business

Part A

1. Minutes of the meeting held 29 June 2011 (Pages 1 - 8)
2. Declarations of Interest, if any.
3. Report of the Treasurer to the Joint Committee / Corporate Director of Resources (Pages 9 - 20)
External Auditors Report: 2010/11 Accounts
4. Report of the Superintendent and Registrar (Pages 21 - 36)
Quarterly Report
5. Joint Report of the Treasurer to the Joint Committee / Corporate Director of Resources and the Corporate Director Neighbourhood Services (Pages 37 - 50)
Risk Register 2011/12 – Update
6. Joint Report of the Treasurer to the Joint Committee / Corporate Director of Resources and the Corporate Director Neighbourhood Services (Pages 51 - 56)
Financial Monitoring Report 2011/12: Spend to 31/08/11 and Projected Outturn to 31/03/12
7. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration.
8. Any resolution relating to the exclusion of the public during the discussion of items containing exempt information.

Part B

Items during which it is considered the meeting will not be open to the public (consideration of exempt or confidential information)

9. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration.

Sharon Spence
Clerk to the Joint Committee

County Hall
Durham
20 September 2011

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

Durham County Council: M Plews (Vice-Chair), J Blakey, J Chaplow,
N Foster, G Holland, A Hopgood, D Stoker
and M Williams

Spennymoor Town Council: J Marr (Chair), JV Graham and JL Wood

DURHAM COUNTY COUNCIL

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

At a Meeting of **Central Durham Crematorium Joint Committee** held in Durham Crematorium, South Road, Durham on **Wednesday 29 June 2011 at 5.30 pm**

Present:

Councillor M Plews (Chair)

Durham County Council:

Councillors N Foster, G Holland, D Stoker and M Williams

Spennymoor Town Council:

Town Councillors J Marr (Vice-Chair) and JV Graham

Apologies:

Apologies for absence were received from J Blakey, J Chaplow, A Hopgood and JL Wood

A1 Appointment of a Chair for the ensuing year.

The Clerk to the Joint Committee, Sharon Spence, opened the meeting and asked for any nominations for Chair to the Joint Committee for the ensuing year. Councillor Foster proposed Councillor Marr for the position of Chair to the Joint Committee for the ensuing year and Councillor Graham seconded the proposal. No further proposals were made.

Resolved:

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

COUNCILLOR J Marr 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 Williams proposed Councillor Plews for the position of Vice-Chair to the Joint Committee for the ensuing year and Councillor Foster seconded the proposal. The Chair asked whether there were any further nominations.

Resolved:

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

A3 Minutes of the meeting held 27 April 2011.

That the minutes of the meeting held 27 April 2011 be approved as a correct record and signed by the Chair.

A4 Declarations of Interest, if any.

There were no declarations of interest submitted.

A5 Report of the Superintendent and Registrar.

The Superintendent & Registrar presented the report which provided members with details of operational matters and performance in the first two months, plus details of the number of cremations undertaken in April and May 2011, and a project update and proposals for the introduction of a Pre-payment bond scheme. (for copy see file of minutes).

He then went on to provide a comprehensive report on the following:-

- Performance; Number of Cremations April & may (with comparisons against the same period in 2010)
- Operational Matters; Staffing Issues
- Nomination to Vice-President – ICCM
- Cremator Replacement & Crematoria Redevelopment Project
- Durham Crematorium Pre-payment Cremation Bond.
- Scatter Tubes.

It was reported that the existing vacancy within the service had been covered temporarily, however the post was critical to the ongoing operation and it was therefore proposed that the post be advertised internally in the first instance at both Durham County Council and Spennymoor Town Council.

With regard to the redevelopment project, Members had prior to the AGM undertaken a full site visit of the development works; Members were referred to Appendix 2 which fully detailed progress from May – June 2011. It was noted that all deadlines had been met and it was anticipated that the completed works would come within the approved cost envelope, with the two major risks to the project (foundations and steel erection) being successfully negotiated.

Further detail was then provided with relation to the proposed Pre-payment Cremation Bond scheme. It was reported that following the opening of Wear Valley Crematorium at Counden in 2009, the CDCJC had faced increased competition and although the impact had been relatively minor to date it felt, it was recognised that the Durham Crematorium needed to continue to maintain its market share as the Counden Crematorium becomes more established in the area.

It was therefore proposed that Durham Crematorium introduce a new scheme which would help secure future business in the form of a Pre-payment Cremation Bond. The price of the bond would be reviewed annually and a premium mark up had been suggested to protect against inflationary increases in fees and charges between sale and redemption.

It was further reported that due to increased demand from Funeral Directors, a small number of a new type of Urn for cremated remains called a 'Scatter Tube' had been purchased.

Councillor Stoker raised a query with regard to the time commitment placed on the Superintendent & Registrar by undertaking the roles and responsibilities that would come with the Vice-Presidency of the ICCM. Further clarification over the time spent in years one and two were provided.

Councillor Stoker further raised a point with regard to the introduction of a pre-payment bond scheme and premium fees. These concerns were clarified and it was noted that the scheme and fees would be kept under continual review.

Resolved:

- That the contents of this report with regards to current performance of the crematorium and progress with regards to the redevelopment project be noted;
- That the advertisement of the vacant post internally at Durham County Council and Spennymoor Town Council in August 2011 be approved.
- That the introduction of a Pre-Payment Bond which will be offered from 1st October 2011 be approved.
- That Scatter Tubes be added to official Fees and Charges Sheet at a charge of £12.
- That the Joint Committee agree to support the nomination of the Superintendent and Registrar to Vice President of the ICCM.

A6 Annual Internal Audit Report 2010/2011

The Audit Manager, Resources, presented the report which requested Members to consider the Central Durham Crematorium Joint Committee Annual Internal Audit Report for 2010/2011, copies of which had been circulated (for copy see file of minutes).

The Joint Committee was advised that the Assurance level for the review had been classed as Substantial which meant that the internal control systems in place were working effectively however some low risk, minor weaknesses had been identified which, if addressed, would further assist the Joint Committee's system objectives.

The Audit Manager also advised Members that the audit process was changing and in future years would be more risk based and that revisions had been made to the Internal Audit Charter, programme of works and level of fees, details of which had been circulated.

It was also noted that it was intended that in future the Annual Review would be brought forward earlier in the year so that Members could consider the report in April rather than June. The Audit Manager welcomed the improvements that had been made to the CDCJC governance arrangements with regards to the adoption of SLAs with DCC and monitoring of progress with Internal Audit and EA recommendations.

The Chair noted that the achievement of a Substantial rating was very pleasing and asked that the Joint Committee's congratulations be passed to the staff responsible.

Resolved:

- (i) That the Annual Internal Audit Report and the overall opinion provided on the adequacy and effectiveness of the Joint Committee's control environment for the year 2010/2011 be noted.
- (ii) That the revised Internal Audit Charter, programme of work and level of fees for 2011/12 as set out be approved.

A7 Response to the 2010/2011 Internal Audit Report

The Head of Finance, HR and Business Support, Neighbourhood Services, presented this report which set out the response to the Internal Audit Report for Members' consideration (for copy see file of minutes).

The Internal Audit Report had provided Substantial Assurance on the Joint Committee's systems of internal control highlighting only very minor governance and internal control issues, 2 of which had been classified as medium risk and 4 being classified as low risk. It was considered desirable however to address all these weaknesses to strengthen the system of internal control and an action plan had therefore been produced addressing the following:-

- All orders should be independently authorised.
- Arrangements should be made for the IT system to be 'backed up' on a weekly basis.
- Ashes collection forms should be signed and dated by the Funeral Director.
- Consideration should be given to the development of a Service Asset Plan.
- Consideration should be given for a smoke alarm to be installed within the Superintendent and Registrars office.
- Consideration should be given for the BACUS system to be used in future to determine Medical fees which are due for payment.

A number of these actions had already been implemented and / or were in the process of being addressed and the action plan further indicated the Joint Committee's level of commitment in ensuring all systems of internal control were as robust as possible.

Resolved: That the Internal Control requirements and the action plan contents, both implemented and required with regards to addressing the Internal Audit recommendation be noted.

A1 Review of the Effectiveness of the System of Internal Audit for 2010/2011

The Head of Finance, HR and Business Support, Neighbourhood Services, presented this report which updated the Joint Committee on revisions to the review of the effectiveness of the system of internal audit which had been considered in January 2011, a number of areas having improved, mainly as a result of the approval of the Service Level Agreement and adoption of the Internal Audit Charter (for copy see file of minutes), plus the consideration of the first comprehensive Internal Audit Report and Assurance Opinion 2010/2011.

The Review was put in place to help inform consideration of the system of internal audit, which in turn supported the Committee's Annual Governance Statement (AGS).

Details were provided of how the Internal Audit service had been assessed and details were presented as to how the review had been revisited and refreshed since its presentation to the meeting held in January 2011.

Resolved: that based on the evidence disclosed Members' of the Joint Committee are satisfied with the effectiveness of the system of Internal Audit and assurances could be give on the work of the Internal Audit service.

A2 Annual Governance Statement 2010/2011

The Head of Finance, HR and Business Support, Neighbourhood Services presented this report which provided details of the Annual Governance Statement (AGS) for the year 2010/2011 (for copy see file of minutes). The AGS needed to be formally approved by Members as part of the consideration of the Statement of Accounts and Small Bodies in England Annual Return 2010/2011. Copies of the AGS had been previously circulated. This drew on evidence from the Internal Audit report, external assessments etc; plus the reports and business of the Joint Committee during the year.

The Crematorium Joint Committee had adopted and operated under a code of corporate governance which was consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' and the AGS explained how the Joint Committee complied with the code and met the requirements of the Accounts and Audit Regulations 2003 as amended by the Accounts and Audit (Amendments)_(England) Regulations 2006 in relation to the publication of a statement on internal control. The Annual Governance Statement included a review of the governance arrangements in place during the year and identified that there were no significant governance issues/weaknesses to correct with improvements implemented during the year being reflected in the statement.

Resolved: That the Annual Governance Statement be approved and signed by the Chair.

A3 Revenue Outturn and Statement of Accounts for the Year Ended 31 March 2011

The Head of Finance, HR and Business Support, Neighbourhood Services, presented this report which sought approval of the Small Bodies in England Annual Return and supporting Statement of Accounts, copies of which had been circulated (for copy see file of minutes).

The Annual Return would be subject to external audit by the Joint Committee's appointed external auditors, with the audit due to commence on 29 July 2011.

The Annual Return and Statement of Accounts had been prepared considering the requirements of the 2010/2011 'Code of Practice on Local Authority Accounting in Great Britain' as updated and published by the Chartered Institute of Public Finance and Accountancy.

Members were reminded that quarterly budgetary control reports had been considered throughout the year and a provisional outturn report had been presented to Members in April 2011. Details of the final outturn position as incorporated into the Statement of Accounts had been circulated with the papers.

It was reported that there were five Core Statements within the Statement of Accounts that provided fundamental information on the financial activities of the Joint Committee, as follows:-

- The Movement in Reserves Statement
- The Comprehensive Income and Expenditure Statement
- The Balance Sheet
- The Cash Flow Statement
- The Annual Governance Statement.

The report further set out details of the materiality levels proposed / included within the Statement of Accounts as a result of the conversion from UK GAAP (SORP) to International Financial Reporting Standards (IFRS) compliant Financial Statements.

The conversion therefore required additional materiality levels to be considered and approved by the Joint Committee. Details were provided on potential materiality levels and comparisons.

Following discussion with the Treasurer to the Joint Committee, it was proposed that the Joint Committee approve an adjustment materiality level, for the conversion from the 2009/10 SORP compliant Statement of Accounts to the 2010/11 IFRS compliant Statement of Accounts, at 1.0%.

An exception to the above is that in relation to the componentisation of Assets. Therefore it was further proposed that the materiality level when considering the requirement for componentisation of plant, property and equipment be set at £450,000, with an individual component part being equal to, or greater than 20% of the assets total value.

The Head of Finance, HR and Business Support, Neighbourhood Services then went on report on the final outturn position, together with comparative data against the provisional outturn report considered 27th April 2011, and details of any variances were also included within the report.

Councillor Holland raised a query with regard to the rates of interest that were currently applied to the Crematorium's investments. In response the Head of Finance, HR & Business Support explained that the Crematorium invested in line with Durham County Council's Treasury Management Policy.

Resolved:

- That Members' agree an adjustment to the materiality level of 1% for the conversion from 2009/2010 SORP Compliance to the IFRS Code of Compliance for inclusion within the Statement account and annual return.
- That Members' note and approve a Componentisation materiality level of £450,000 with an individual component parts being equal to, or greater than 20% of the asset value.
- That Members' of the Joint Committee note the April 2010 to March 2011 Income and Expenditure within the Revenue Financial Monitoring Report and subsequent year balance of reserves.
- That Members' approve the Annual Return and Statement of Accounts for the year ended 31 March 2011.
- That the Chair and Treasurer sign the Annual Return and Statement of Accounts.

A4 Forward Plan 2011/2012

The Head of Finance, HR and Business Support, Neighbourhood Services, presented the report which set out proposals for a suggested forward plan of meetings (for copy see file of minutes). A proposed schedule of meetings showing the reports which would be presented had been circulated.

Members commented that perhaps the AGM in June each year should be held at the Crematorium. The Forward Plan was to be amended accordingly.

Members commented that in the past the Joint Committee had occasionally met at the Crematorium and felt that it would be useful to continue to do so, perhaps once per year. A suggestion was made that as proposals for the Memorial Garden were to be considered at the July meeting that would be an ideal opportunity to meet at the Crematorium.

Resolved: That the proposed schedule of meetings for 2011/12 be approved.

A5 Financial Monitoring Report 2011/2012 - Spend to 30 May 2011 and Projected Outturn to 31 March 2012

The Head of Finance, HR & Business Support, Neighbourhood Services presented the report which set out details of income and expenditure in the period 1 April 2011 to 31 May 2011, together with a 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 a projected outturn position at 31 March 2012, taking into account the provisional financial outturn at 31 March 2012 (for copy see file of minutes).

Members were referred to the table as set out within the report which detailed current budget position, actual spend and forecasted outturn. It was noted that the balance as at 1 April 2011 was £1,438,694 with the projected balance as at 31 March 2012 being £855,956.

Resolved: that the April to May 2011 revenue spend financial monitoring report and associated provisional outturn position at 31 March 2012 be noted.

A6 Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration.

**Central Durham Crematorium
Joint Committee**

28 September 2011

**External Audit – Issues Arising
Report for the year ended 31
March 2011 and Response**



**Joint Report of Terry Collins – Corporate Director: Neighbourhood
Services; Don McLure – Corporate Director: Resources and Treasurer to
the Joint Committee**

Purpose of the Report

1. The purpose of this report is to present to the Central Durham Crematorium Joint Committee, the External Auditors (BDO LLP) Issues Arising Report for the year ended 31 March 2011.
2. The report also details responses to the findings and recommendations identified within the Issues Arising Report for consideration by members.

Background Information

3. In June 2011, in line with the statutory requirements of a Smaller Relevant Body, the Central Durham Crematorium Joint Committee submitted the Small Bodies in England Annual Return for the year ended 31 March 2011 to BDO LLP for audit under the limited assurance audit regime.
4. This audit has now been finalised and the Issues arising Report dated 15 September 2011 has been received (see Appendix 2).

External Audit Recommendations and Action Plan

5. The Audit has not highlighted any material weaknesses around the Joint Committees system of internal control. It has, however, identified minor issues around Internal Audit coverage of Asset and investment registers and the initialling of formal minutes. The audit also reiterated the recommendations proposed within the 2010/11 Annual Internal Audit Report considered by members on 29 June 2011.
6. The following recommendations have been made in order to strengthen the internal control arrangements of the Joint Committee:
 - **R1: Internal Auditors Recommendations:**
'The body must implement the recommendations made by the internal auditor to improve the systems of the Joint Committee as soon as possible or in any event before the end of the current year.'

7. Members will recall that a response to the 2010/11 Annual Internal Audit Report and subsequent action plan was also considered at the 29 June 2011 meeting.
8. The action plan previously presented highlighted the issues raised and action taken / current position with regards to these as set out below. Members should note however that the actions regarding the Purchase order authorisation and IT Backup recommendations have been further updated following the implementation of the SAGE system on 31 August 2011:

- ***All orders should be independently authorised (this issue should be addressed during the development of SAGE). (Internal Audit rate this as Medium Priority for Action)***

As an interim measure, manual purchase orders are being raised by the Admin Officer and are then authorised by the Superintendent & Registrar thus strengthening the segregation of duties requirement. This was implemented immediately following the Internal Audit findings.

The SAGE system allows users to be set up within a hierarchical structure with a requisitioning function allocated to designated officers and escalating to designated authorisers. The purchase order module will be fully introduced by 1st October and will then completely remove the highlighted risk.

- ***Arrangements should be made for the IT system to be `backed up` on a weekly basis. (Internal Audit rate this as Medium Priority for Action)***

The implementation of the SAGE system onto the DCC Server was completed on 31 August 2011, This has ensured that the system falls under the ICT Backup arrangements. All data is backed up on a daily basis.

As an interim measure, the Superintendent & Registrar ensured that the IT system was backed up on a weekly basis. This was implemented immediately following the Internal Audit findings.

- ***Ashes collection forms should be signed and dated by the Funeral Director (Internal Audit rate this as Low Priority)***

The Superintendent & Registrar has ensured that the administrative processes and procedures consistently include the signing and dating of such records. This action was implemented immediately following the Internal Audit findings.

- ***Consideration should be given to the development of a Service Asset Plan (Internal Audit rate this as Low Priority)***

The redevelopment plan and current works being undertaken at the Crematorium address the areas identified within the Master Plan previously approved in 2000. Going forward, the Superintendent & Registrar will ensure the production and completion of the Asset Management Plan by the end of the next financial year.

- **Consideration should be given for a smoke alarm to be installed within the Superintendent & Registrars office (Internal Audit rate this as Low Priority)**

The Crematorium redevelopment works have included a fire rated storage room which will include heat/ smoke detectors.

To manage the risk however as an interim measure, a smoke alarm has been fitted within the Superintendent & Registrars office until the re-development works have been completed.

- **Consideration should be given for the BACUS system to be used in future to determine Medical fees which are due for payment (Internal Audit rate this as Low Priority)**

The BACUS system reports on Medical fees due for payment is now being used to ensure that fees are paid correctly and reconciled at an individual level.

9. **R2: Internal Audit Checks:**

'Tests on the Asset and Investment Registers should be carried out in future years by the Internal Auditor. The Internal Auditor should provide a full report to the Joint Committee to ensure that all activities are properly carried out and recorded'

The Internal Audit Manager will ensure that this is included within the programme of works for 2011/12. It is anticipated that such tests can be accommodated within the 2 days contingency element of the Internal Audit SLA with no additional cost to the Joint Committee.

10. **R3: Minutes**

'The body should ensure with immediate effect that if a loose leaf minute book is maintained, the loose leaf pages are consecutively numbered and initialled by the person signing the minutes'

In line with the usual practice of the Lead Authority DCC, Minute Books and minutes are signed on the last page as follows:

Signed by Councillor
(Chair of the CDCJC Committee on xx Month xxxx)

Whilst the signed minutes could initially be classified as loose-leaf, all signed minutes are then stamped with page numbers, indexed and periodically bound by the Council's Archivist in hard backed volumes. They are then retained as the official bound Minute Book.

The actions identified above demonstrate the commitment of the Joint Committee in ensuring that all systems of internal control are as robust as possible.

Recommendations

11. It is recommended that:

- Members of the Joint Committee note the issues and recommendations identified within the External Auditor's Issues Arising Report dated 15 September 2011 (Attached at Appendix 2)
- Members of the Joint Committee note the actions, both implemented and required with regards to addressing the External Auditor's recommendations

Background Papers

Issues Arising Report for the year ended 31 March 2011

2010/2011 Annual Internal Audit Report and Audit Opinion

Response to the 2010/2011 Annual Internal Audit Report and Audit Opinion presented to the Joint Committee 29 June 2011

Contact(s): Paul Darby
Tel: 0191 383 6594

Appendix 1: Implications

Finance

None

Staffing

There are no staffing implications associated with this report.

Risk

Addressing the recommendations identified in the External Auditor's Issues Arising Report for the year ended 31st March 2011 will ensure that the Joint Committee will improve its governance arrangements and address the minor inefficiencies identified with regards to the maintenance of the Joint Committees books and records. Failure to address these concerns could potentially adversely affect future audit conclusions and could also affect the working relationship that exists with our internal and external auditors.

Equality and Diversity/ Public Sector Equality Duty

None

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

None

Consultation

None. However, officers of Spennymoor Council were provided with a copy of the report and given opportunity to comment / raise any detailed questions on the content of the report in advance of circulation to members of the Central Durham Crematorium.

Procurement

None

Disability Discrimination Act

None

Legal Implications

The Accounts and Audit Regulations and Code of Practice set out the legal and regulatory framework in which the accounts of the Joint Committee are prepared. The proposals within this report seek to strengthen the Joint Committees compliance with these

This page is intentionally left blank

**ISSUES ARISING REPORT FOR
Central Durham Crematorium Joint Committee
Audit for the year ended 31 March 2011**

Introduction

The following matters have been raised to draw items to the attention of Central Durham Crematorium Joint Committee. These matters came to the attention of BDO LLP during the audit of the annual return for the year ended 31 March 2011.

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

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

- Internal controls
- Internal Audit Checks
- Minutes

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

Internal controls

What is the issue?

The internal auditor has noted a number of weaknesses in the financial systems of the body.

Why has this issue been raised?

The body is exposed to the risks associated with these weaknesses.

What do we recommend you do?

The body have resolved to implement the recommendations made by the internal auditor to improve the financial systems of the council. The body must ensure this is undertaken as soon as possible or in any event before the end of the current financial year.

If the body addresses all the issues raised by the internal auditor the body should improve internal controls which will help to prevent and detect error and fraud and assist the council to operate in an effective and efficient manner.

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

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

Internal Audit Checks

What is the issue?

The Internal Auditor has entered 'Not Covered' to the following test(s) on Section 4 which we consider relevant to the body. The Internal Auditor has not stated, or noted as required on Section 4 of the Annual Return, when the most recent internal audit work was undertaken and when it is next planned in respect of these test(s), or, if coverage is not required, explained why not.

Asset and investment registers were complete and accurate and properly maintained.

Why has this issue been raised?

Failure to undertake these tests result in an incomplete internal audit being undertaken and the body could be exposed to risks in these areas.

What do we recommend you do?

The above tests should be carried out in future years by the Internal Auditor. The body should ensure he/she provides a full report to the body to ensure all the activities are properly carried out and recorded.

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

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

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

Minutes

What is the issue?

The body produced printed minutes, which were submitted for audit purposes. The pages were not initialled by the person signing the minutes.

Why has this issue been raised?

This body submitted minutes for audit purposes which were not maintained in accordance with schedule 12, paragraph 41(2) of the Local Government Act 1972.

What do we recommend you do?

The body should ensure with immediate effect that if a loose leaf minute book is maintained the loose leaf pages are consecutively numbered and initialled by the person signing the minutes.

Minutes must be maintained in accordance with the Local Government Act 1972. Loose leaf minute books are lawful but the loose leaf pages must be consecutively numbered and each page must be initialled by the person signing the minutes.

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

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

No other matters came to our attention.

For and on behalf of
BDO LLP

Date: 15 September 2011

Section 4 - Annual internal audit report to

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2011.

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

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

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

Name of person who carried out the internal audit: PETER JACKSON Date: 17/6/11

Signature of person who carried out the internal audit: P. Jackson

Note: If the response is 'no' please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

Section 1 - Accounting statements for:

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

	Year ending		Notes and guidance
	31 March 2010	31 March 2011	
	£	£	
1 Balances brought forward	885,048	1,137,276	Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of previous year.
2 (+) Income from local taxation and/or levy	0	0	Total amount of local tax and/or levy received or receivable in the year including funding from a sponsoring body.
3 (+) Total other receipts	1,080,376	1,183,276	Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	(216,768)	(204,354)	Total expenditure or payments made to and on behalf of all body employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses.
5 (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).
6 (-) All other payments	(611,380)	(677,504)	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (-) Balances carried forward	1,137,276	1,438,194	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6)
8 Total cash and short term investments	935,591	1,334,277	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March - to agree with bank reconciliation.
9 Total fixed assets and long term assets	535,766	518,047	The recorded book value at 31 March of all fixed assets owned by the body and any other long term assets e.g. loans to third parties and any long-term investments.
10 Total borrowings	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

I certify that for the year ended 31 March 2011 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

M. Jackson

Date: 23/6/11

I confirm that these accounting statements were approved by the body on:

29.06.2011

and recorded as minute reference:

Minute No 10

Signed by Chair of meeting approving these accounting statements:

P. Bath

Date: 29-6-2011

Section 2 - Annual governance statement

We acknowledge as the members of **CENTRAL DURHAM CREMATO R IUM BOU R N I N G JO I N T C O M M I T T E E** our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2011, that:

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

Signed by:

Chair MURRAY WOODS

dated 29/06/2011

Signed by:

Clerk [Signature]

dated 29/06/2011

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

dated 29/06/2011

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response that has been given, and describe what action is being taken to address the weaknesses identified.

Section 3 - External auditor's certificate and opinion

Certificate

We certify that we have completed the audit of the annual return for the year ended 31 March 2011 of

Central Durham Crematorium Board Joint Committee

Respective responsibilities of the body and the auditor

The body is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The body prepares an annual return in accordance with proper practices which:

- summarises the accounting records for the year ended 31 March 2011; and
- confirms and provides assurance on those matters that are important to our audit responsibilities.

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

External auditor's report

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

(continue on a separate sheet if required)

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

Please see enclosed report

(continue on a separate sheet if required)

External auditor's signature [Signature]

External auditor's name BDO LLP Southampton

Date 13/9/11

United Kingdom

Note: The auditor signing this page has been appointed by the Audit Commission and is reporting to you that they have carried out and completed all the work that is required of them by law. For further information please refer to the Audit Commission's publication entitled Statement of Responsibilities of Auditors and of Audited Small Bodies.

Central Durham Crematorium
Joint Committee

28 September 2011



Report of the Superintendent and Registrar

Report of Alan José, Superintendent and Registrar to the Joint Committee

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.

Performance Update

Number of Cremations

2. The table below provides details of the number of cremations for the period 1 April 2011 to 30 June 2011 inclusive with comparative data in the same period:

	2010/2011	2011/2012	Change
APRIL	190	183 + 1*	- 7 + 1*
MAY	188 + 1*	171	- 17 + 1*
JUNE	184 + 1*	183 + 2*	-1 + 1*
TOTAL	562 + 2*	537 + 3*	- 25 + 3*

* = Non Viable Foetus (NVF)

** = Stillborns (STs)

*** = Body parts

3. The full profile of where families came from can be seen in Appendix 2. In summary 198 came from Durham and 339 from outside of the area. This has led to 3 NVF cremations undertaken for the period 1st April 2011 to 30 June 2011, compared to 562 in the comparable period last year an increase of 1 NVF and decrease of 25 Cremations.

	2010/2011	2011/2012	Change
JULY	178 + 4*	160 + 5*	- 18 + 1*
AUGUST	176	152 + 3*	- 24 + 3*
TOTAL	354 + 4*	312 + 8*	- 42 + 4*

* = Non Viable Foetus (NVF)

** = Stillborns (STs)

*** = Body parts

4. The full profile of where families came from can be seen in Appendix 3. In summary 99 came from Durham and 213 from outside of the area. This has led to 312 +8 NVF cremations undertaken for the period 1st July 2011 to 31 August 2011, compared to 354 +4 NVF in the comparable period last year an increase of 4 NVF and decrease of 42 Cremations. However Members should be aware that the 2011/12 budget has been set assuming a total 150 cremations lower than the 2010/11 budget as a result of the cremator replacement and redevelopment works undertaken at the crematorium. The Superintendent & Registrar has undertaken discussions with the funeral directors to ascertain the reasons for the reductions who have confirmed that this is not a result of the funerals being carried out at the nearby Wear Valley facility, rather a reduction in the death rate within this area.

Memorials

5. The Table below outlines the number and value of the memorials sold 1st April 2011 to 31 August 2011:

	April - August 2010 / 2011		April – August 2011 / 2012	
	Number	£	Number	£
Vase Blocks	27	11,667.20	9	3,873.70
Large Plaques	45	13,598.80	60	15,905.40
Small Plaques	7	1,482.00	4	872.00
Columbaria	3	3,316.70	8	8,543.30
Total	82	30,064.70	81	29,194.40

Operational Matters

6. Working with DCC and Human Resources, progress has been made preparing the detailed Job Description and Document which is being finalised. The post has not been advertised and is planned for week commencing 19 September 2011 as per agreement by the Joint Committee to be advertised at Durham County Council and Spennymoor Town Council. It is expected that an appointment will be made in October 2011 with the successful applicant commencing his/her duties as soon as possible.

In the meantime Mr Roy Goodson's Temporary Contract has been extended to ensure full staff provision at the Crematorium.

Cremator Replacement & Crematoria Redevelopment Project-Update

7. Work has progressed well since the last meeting of the Central Durham Joint Committee and the Members' Update No.6 was issued at the end of August, and the next one will be issued towards the end of October.

The new extension is fully watertight and secure, and with the scaffolding removed it is possible to see how well the building has been designed as it blends in very well with the existing building. The quality and design of the brickwork is a great success.

The central heating boilers and pipework have been installed, all the electrical power feeds have been laid to the extension and it is expected that the heating system for the whole building will be running by 1 October 2011.

All the new drainage services have been laid and connected with new surface water gully's ensuring that the cesspits are not used for this purpose as had previously been the case.

IFZW Engineers have been on site regularly and details for the start of the installation on 1 November 2011 have been agreed. As part of these discussions, it has been agreed that the service yard wall will not be completed until IFZW has finished their installation to allow easier access to the Crematory and to reduce the risk of damage. A formal handover meeting for the new extension will be held on 30 September 2011.

Meanwhile some aspects of phase II works have begun including the infilling of the old service yard and the landscaping of the garden which will lead to the new front office.

The Project Leader, Richard Fenwick, advises that he is very pleased with the progress of the scheme and the willingness of all those involved in the process to work closely together which has enabled smooth progress since day one.

Green Flag Award

8. The Green Flag Award is a nationwide recognition of a good quality parks and green spaces, and a sign to visitors that its sites are well maintained and well managed with excellent facilities. This year Durham Crematorium made a joint bid with South Road Cemetery and was successful at the first attempt.

The judges wrote in their report of the Crematorium:

“The site was clean and well maintained. The buildings and infrastructure was in good order. The new Memorial Gardens are very good”.

This award is testimony to the dedication of the staff working at the Crematorium (and South Road Cemetery) and comes on top of the award of Gold Star Status in the Institute of Cemetery and Crematorium Management Accreditation earlier in the year.

Nomination to Vice President ICCM

9. Members will recall that the Superintendent and Registrar had been asked if he would stand for nomination for the position of Vice President of the Institute of Cemetery and Crematorium Management.

There were two candidates for the position, Natasha Bradshaw, the Superintendent Registrar at Mortlake Crematorium and Alan José.

The voting figures were:

Natasha Bradshaw	109 votes
Alan José	99 votes

Accordingly, Natasha Bradshaw has been nominated as the Vice President of the ICCM for the period of 2011 / 2012.

INTERNATIONAL CONFERENCE CREMATION AND BURIAL AUTHORITIES – BRISTOL 4 – 6 July 2011

10. An International Conference for Cremation and Burial Authorities was held on 4 – 6 July 2011. Alan José, Superintendant and Registrar was in attendance at this conference and he has written some notes on the Conference (see Appendix 4).

The main items that Members should be aware of are:

- It seems likely that the total number of Abated Cremations in 2013 onwards will be around 70% of the total, therefore exceeding the Governments original target of 50%.
- There will be a requirement to fit an individual gas meter to each Cremator, the Independent Testing to be carried out over 4 Cremations per Cremator and additional requirements for monthly and six monthly reports to be sent to the Regulator.

Crematorium Drains

11. During the project to provide the new car park, it was necessary to relocate some of the drains that run through the Crematorium site and it was as a result of those works that it was discovered that one foul drain was in very poor condition, making joining up with the new section laid under the car park a difficult task.

In addition, early in the project it had been identified that surface water was running into cess pits and as a result a full drainage scheme for surface and foul water around the existing building and the new extension was factored into the scheme for the ongoing project.

As a precaution against possible future problems a full drain survey has been commissioned which was carried out by Lanes Drains. The result of the survey showed that most of the existing drains on the Crematorium site were in poor condition with several sections badly collapsed.

In order to rectify these problems and to ensure that it will not be necessary to excavate any newly laid tarmac, quotations have been obtained to make the necessary repairs and these costs are estimated at £30,000 as outlined in the Financial Report.

Durham Crematorium Pre-Payment Bond

12. At the meeting of the Central Durham Crematorium Joint Committee (29 June 2011), Members agreed the principal of introducing a Pre-Payment Bond from 1 October 2011, subject to confirmation regarding registration requirements from the Financial Services Authority (FSA).

Full details of the proposed scheme have been provided to the FSA and discussions are ongoing, in consultation with the Councils legal team, with regards to whether FSA registration will be required. If registration is ultimately required the FSA have advised that the cost is £1,500, with the process taking approximately 6 months for approval of any application.

Given these ongoing discussions, the pre-payment bond scheme will not now be commencing on the 1 October and introduction of the scheme will be delayed until the issue of FSA registration is resolved. If no registration is required the service will implement the scheme as agreed by the Joint Committee, otherwise an application will be submitted and an update provided at the next meeting.

The Tree of Life Project

13. The Crematorium has been approached a few months ago by Lucy Baxter, The Development Manager for St. Cuthbert's Hospice, with a view to taking part in a project that could yield mutual benefits for the Crematorium and the Hospice.

The proposal is for the Crematorium to participate in the "Light Up A Life" campaign which will be run during late November and December.

The idea is that a Christmas Tree would be provided with the opportunity for mourners and other visitors to the Crematorium to place a personal written message on the tree and to make a donation to St. Cuthbert's Hospice if they so wished.

A similar scheme is in operation at Middlesbrough Crematorium in conjunction with the Local Hospice and it has proved very popular with visitors to the Crematorium, and indeed is in fact now a permanent feature.

The concept of writing a personal message is one which can be very meaningful to mourners, especially at Christmas time when loss can be felt most keenly and could provide a valuable additional service to mourners.

Improving the process of Death Certification

- (a) As Members may be aware The Government has for some years, post Shipman, been looking at ways to improve the process of Death Certification and indeed a new scheme was due to come into effect on 1 April 2012.

This date has now been put back to April 2013, mainly due to the fact that the PCT's (Primary Care Trusts) that have to administer the new system are to be abolished and that this role will pass to Local Authorities.

Further details regarding these changes can be seen in Appendix 5 with the main impact for Durham Crematoria being the changes to the paperwork required for Death Certification and that a Local Authority will need to establish a local medical examiner's service for their area.

Recommendations and Reasons

15. It is recommended that Members of the Central Durham Joint Committee:-
- (a) Note the content of this report with regards to current performance of the Crematorium;
 - (b) Note the progress and advertising date of the vacant post.
 - (c) Note the progress with regards to the Cremator Replacement and Crematoria Redevelopment Project.
 - (d) Note the current achievement of the Green Flag Award.
 - (e) Note the results of the Nomination for Vice President ICCM.
 - (f) Note the information with regards to the International Conference.
 - (g) Note the progress with regards to the Crematorium drains and associated costs.
 - (h) Note the current situation with regards to the Pre-Payment Bond.
 - (i) That Durham Crematorium work with St Cuthbert's Hospice "Light Up A Life" campaign in 2011 with a review of the project at the January 2012 meeting of the Central Durham Crematorium Joint Committee.
 - (j) Note the current situation with regards to the Death Certification changes.

Contact: Alan José

Tel: 0191 384 8677

Appendix 1: Implications

Finance –

As identified in the report.

Staffing –

A member of staff has left the Authority and this will be reviewed in due course.

Risk –

None

Equality and Diversity / Public Sector Equality 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 –

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

Procurement –

None

Disability Discrimination Act –

None

Legal Implications –

None

Appendix 2: Breakdown of figures

2011

	APR	MAY	JUNE		APR	MAY	JUNE
Alston				Northallerton			1
America				Morpeth			
Ashington				Murton	3	5	1
				New			
Barnard Castle				Brancepeth			2
Berwick				Newcastle			1
				Newton			
Billingham				Aycliffe	8	11	10
Birtley				Nottingham			
Bishop Auckland	6	4	9	Oxford			
Bishop Middleham				Peterlee	10	8	6
Blackhall	3	1	3	Scotland			
Boldon				Sacriston	4	1	4
Bridlington		1		SEAHAM	7	5	3
Cambridge				Seaton			
Chester Le Street	10	8	14	Sedgefield	1	2	3
Cheshire				SHILDON	4	1	2
Chilton	2	1	2	Shiney Row		1	
Consett		1	3	Shotton	1		
Cornsay	1						
Coundon				South Hetton		3	
Cowshill				Staindrop	1		
Crook	4	10	4	Stanhope		2	1
Darlington	2		2	Stanley		1	
Easington	8	2		Station Town			2
East Rainton				Stockton			
Edmondsley				Sunderland			
Esh		1		Sunnybrow		1	1
Esh Winning			1	Swindon			1
Fencehouses		1		Thornley	3	1	1
Ferryhill	7	7	3	Toft Hill			
Fishburn	2	1		Tow Law		1	1
Frosterley		1		Trimdon	4	3	5
Gateshead	1	1	1				
Great Lumley	2	3		Washington			1
Hamsterley				West Auckland	1		
				West			
Hartlepool	1	1	3	Cornforth	2	1	4
Haswell		1		Wheatley Hill	2	2	3
Hetton Le Hole			3	Willington	8	3	4
Hertfordshire				WINGATE	2	2	2
Hexham		2					
Hornden	1	2	2	Wolsingham	2	1	2
Houghton	1	4	3	Yorkshire			
Howden							
Hunwick							
Kimblesworth							
Lanchester							
Langley Park		1					
Lincoln	1						
London / Kent		1					
Middlesbrough							
Daily Total					115	110	114

Appendix 3: Breakdown of figures

2011	JULY	AUG	JULY	AUG
Alston				1
America				
Ashington				
Barnard Castle				
Berwick				
Billingham				
Birtley				
Bishop Auckland	9	3		
Bishop Middleham	1	1		
Blackhall		7		
Bridlington				
Burnhope		1		
Cambridge				
Chester Le Street	9	5		
Cheshire				
Chilton	2			
Consett	2			
Cornsay		1		
Coundon				
Cowshill				
Crook	5	5		
Darlington	1			
Easington	1	2		
East Rainton				
Edmondsley				
Esh				
Esh Winning				
Fencehouses	2			
Ferryhill	9	4		
Fishburn	2	3		
Frosterley		1		
Gateshead	1	2		
Great Lumley	2			
Hamsterley	1			
Hartlepool	1	2		
Haswell		1		
Hetton Le Hole	2			
Hertfordshire				
Hexham				
Hornden	3	4		
Houghton	1	5		
Howden				
Hunwick				
Kimbleworth	2			
Lanchester				
Langley Park	2			
Lincoln				
London / Kent				
Ludworth				1
Northallerton				
Morpeth				
Murton			3	3
New Brancepeth				
Newcastle				
Newton Aycliffe			3	4
Nottingham				
Oxford				
Peterlee			12	6
Scotland				
Sacriston				3
Seaham			2	4
Redcar			1	
Sedgefield			4	2
Shildon			4	2
Shiney Row				
Shotton			3	2
Scarborough				1
South Hetton				3
Staindrop				
Stanhope			1	1
Stanley				
Station Town				
Stockton				
Sunderland				
Sunnybrow			1	
Swindon				
Thornley			1	2
Toft Hill				
Tow Law			2	1
Trimdon			2	5
Washington			1	1
West Auckland				3
West Cornforth			3	3
Wheatley Hill			2	2
Willington			5	4
Wingate			2	3
Wolsingham				
Yorkshire				
Daily Total			110	103

Appendix 4: INTERNATIONAL CONFERENCE CREMATION AND BURIAL AUTHORITIES – BRISTOL 4th to 6th July 2011

The conference was opened by Lord Richard Grey who welcomed delegates from the U.K., Japan, America, France, Italy, Australia, Netherlands and Germany.

Revision of the PG/52 Guidance Note

The first paper was given by Andrew Mallalieu, Vice President of Facultative Technologies who examined the proposed changes to the PG5/2 Guidance notes which will affect all those who operate Crematoria:

The draft consultation document has been issued but key changes are likely to be the requirement to fit an individual gas meter to each Cremator, the Independent Testing to be carried out over 4 Cremations per Cremator and additional requirements for monthly and six monthly reports to be sent to the Regulator.

Death and Technology

Dr John Troyer, Deputy Director of the Centre for Death and Society gave an interesting paper about the connection between death and technology. It is possible for example to carry out on-line research for ancestors, look at Crematoria Websites, find locations of Cemeteries and Crematoria and so on. Public perception can be tested by the use of technology and in the case of Redditch Council who plan to use heat recovery equipment at the Crematorium to heat the nearby swimming pool, short time. Dr Troyer indicated that the public can be very understanding if new ideas are fully explained and can be justified.

British Crematoria in Public Profile

Professor Douglas Davies, from Durham University gave a very interesting paper which highlighted the changing patterns of Funerals over the past 16 years since the publication of a book - British Crematoria in Public Profile. During 2011, a survey had been sent to all Crematoria in the U.K. and the information gathered will provide a very vivid picture of the way in which Funeral Services are carried out, an example of this is the much greater involvement of families in the planning of Cremation Services, choosing music and readings and so on.

A revised version of the Book will be published in 2012.

Arnos Vale Crematorium and Cemetery

A most interesting paper was given by Juliette Randall, the recently appointed Chief Executive of the Arnos Vale Cemetery Trust. Following a £5.2 million restoration project, Arnos Vale is a national example of how a Victorian Cemetery can be brought back to its former glory.

The Crematorium buildings have also been restored and the original early 20th Century cremators can be viewed.

The Crematorium closed some 20 years ago as the Cremators could not meet emission requirements of the Environmental Protection Act 1990. The Cemetery has burial space available and so will now continue to operate, but the Crematorium is permanently closed for Cremation Services.

Coroners Inquests and Coronial Reform

Debbie Kerslake, Chief Executive of Cruse Bereavement Care, gave a very moving paper – assisted by a Film Presentation of how the Coroners Service is involved with families of soldiers killed in Afghanistan – following the process from the tragic news of the death of a soldier to the inquest.

The upshot with regard to Coroners reform however, is that at the present time the post of Chief Coroner will not proceed although the post will remain on the Statute Book.

All in Decent Order

This paper was given by The Right Worshipful Timothy Briden, Vicar General of the Province of Canterbury – was most interesting and focussed on the issues of substantive maintenance that is required in closed churchyards. The requirement for these churchyards to be maintained in good order by the Local Authority responsible and the fact that faculties for works to memorial walls etc., must be applied for. The advice for any work is talk to the Diocesan /Registrar before any works are commenced. It was pointed out, that for urgent works an emergency faculty can be applied for.

Heat Recovery from Cremators

This paper was given by Brian Heap of Goldray Ltd., a Mechanical Engineer who has worked on a number of heat recovery installations at Crematoria in the U.K. Brian outlined the plans for the use of the flue gas heat to be used to heat the swimming pool at Redditch Crematorium. This project was the subject of nationwide headlines in March 2011, when the project was branded by the popular press as outrageous. The public asked about this however, locally in Redditch and feedback from National Radio on (Jeremy Vine show) and elsewhere was almost 100% in favour.

The project is expected to save Redditch Council some tens of thousands per year in heating costs.

Palmela Chilvers, the Bereavement Services Manager of Leamington Spa Crematorium, explained that a Heat Recovery System had been in use for some 15 years without any problem with public acceptance. A new system, recently installed includes a large hot water tank which heats the offices and Crematorium buildings and a bio mass boiler has also been installed, the whole system being computer controlled for maximum efficiency.

Contaminated Body Storage – Autopsy and Disposal

This paper was given by Dave Butler, the Technical Delivery Manager for K.B.R. – a large company that has contracts to supply temporary mortuary facilities with many local Authorities and also has a National Emergency Contract with the Home Office.

The temporary facilities are modular and can be designed to meet almost any requirements. K.B.R. work to the Safe Handling of Contaminated Bodies Guidance issued in 2009 by the Home Office. As a matter of interest, K.B.R. have a mobile cremator which is available for hire!

Improving the process of Death Certification

The Government has for some years, post Shipman, been looking at ways to improve the process of Death Certification and indeed a new scheme was due to come into effect on 1st April 2012. This date has now been put back to April 2013, mainly due to the fact that the P.C.T.'s (Primary Care Trusts) that have to administer the new system are to be abolished and that this role will pass to Local Authorities.

In October 2011, there will be a Public Consultation by the Department of Health and in May 2012. Regulations will be laid before Parliament – the Social Care Bill. In July 2012, the Regulations will be published after which there will be 9 months to plan and prepare for the implementation of the new system. Paul Adler, of the Department of Health, gave this paper but in answering questions after his presentation, it became clear that there are many unanswered questions including how the fee will be paid, to whom, how much, how Medical Examiners will be appointed, who will carry out the associated administrative tasks etc? A major ASK within a short timescale! These proposals will present a number of significant challenges to Local Authorities over the next 18 months, if the scheme is to commence as planned in April 2013.

Repatriation: Rhetoric v Reality

Emerson de Luca, Managing Director of Albin International Repatriation gave a most interesting talk on the repatriation service offered by his company. There are a number of repatriations from all parts of the world each day, which can be very challenging. Albin's is working towards the adoption of international standards which could make the process more straight forward and less traumatic for families involved. It is very clear however, that Albin's have the expertise to make the process of repatriation as straight forward as it possibly could be.

Tsunami - The Aftermath

Dr Soji Eguchi, Doctor of Engineering at Kyoto University and President of Taiyo Chikiro Industries gave a moving account of the aftermath of the Japanese Tsunami earlier this year. It is amazing that only days after the disaster, many roads had been rebuilt and power supplies restored to some areas. For other cases of courts it will take many years for the issues of those who have been affected to return to normal. Over 15,000 people were killed and after 3 days a special measure had been passed by Parliament to allow Cremation without a formal license. Due to problems with gas and electricity supplies in some areas, local Crematoria could not operate and so bodies were sent to Crematoria in other parts of the country to avoid lengthy delays as far as 400 kilometres away. This practical measure was of great help to assist timely disposal of many of those who died but in some areas, interment in trenches was carried out, as this was the only practical solution. Corpses were identified to allow future exhumations and disposal in accordance with family wishes.

Abate or Burden Share

Brendon Day, the CAMEO Manager, gave an update of the progress of installation of Mercury Abatement Plant throughout the country and the latest view on how the percentage of abated cremations will be audited.

AQ24 (05) recognises CAMEO as the National Burden Sharing Scheme Administrator. All Authorities and private companies that operate a Crematorium will be required to submit an annual return to CAMEO, commencing in January 2013.

The final "cost" of Abatement is yet to be agreed as a unit cost per Abatement Credit, Equipment by 31st December 2012 will have to purchase credits for 50% of the cremations carried out in 2013 and onwards based on the 2003 figure at each individual Crematorium.

As all auditing of Cremation Abatement figures are to be collated through CAMEO, the easiest and more efficient way for accurate information to be processed for individual Authorities is through Membership of the CAMEO scheme.

It seems likely that the total number of Abated Cremations in 2013 onwards will be around 70% of the total, therefore exceeding the Governments original target of 50%.

Ministry of Justice - Update

Judith Bernstein, Head of the Coroners, Burial, Cremation and Enquiries team at the Ministry of Justice – advised the conference that the Government had decided that the post of Chief Coroner is not affordable at this time, although the position will remain on the Statute Book.

Consultation on a Coroners Charter will begin in September and will be available on the Ministry of Justice website. It was confirmed that Local Authorities will be responsible for appointing Medical Examiners, but until the Social Care Bill is passed into Law the necessary revisions to the Cremation Regulation (England & Wales) 2008, cannot be made.

Judith Bernstein advised the conference that there had been a number of concerns raised about holding coffins over (delaying Cremation) where families had not been advised.

Day to day operation is not part of the Ministry of Justice remit but Authorities and Companies who do carry over from one day to another, must ensure that families are aware of the fact.

The Ministry of Justice is looking again at Legislation to allow the re-use of existing graves, and is likely to be holding a consultation exercise on this subject in due course. The Ministry of Justice does however have wide responsibilities and proposed reform in the areas of Prisons, Police and so on, which are likely to take priority over less vital matters.

Appendix 5: Death Certification Reforms:

New Duty on Local Authorities This document provides an overview of the death certification reforms and an update on work to prepare for implementation of these reforms from April 2013. It has been prepared for distribution to Local Authorities and Directors of Public Health. Additional information is provided in supporting notes at the end of the document.

The Department of Health is working with a wide range of organisations and groups to reform the process of death certification. These reforms, enabled by the Coroners and Justice Act 2009, will introduce a unified system of scrutiny by independent medical examiners of all deaths in England and Wales that do not require investigation by a coroner (i.e. similar for burials and cremations). The reforms, which are part of the Government's response to the Shipman Inquiry, will strengthen safeguards for the public, make the process of death certification simpler and more open for the bereaved and improve the quality of mortality data.

The Government is proposing to fund scrutiny by medical examiners on a cost-recovery basis through a statutory fee chargeable for all deaths that are not investigated by a coroner. This statutory fee, collected locally, would replace and make more effective use of the existing fee charged by doctors for the completion of cremation forms which will be removed by the new process. (These fees, which are around £160 for each cremation where applicable, amount to £46m per year across England and Wales).

The Coroners and Justice Act 2009 put a duty on Primary Care Trusts to appoint medical examiners for their area, establish a local medical examiners service, make arrangements to collect the proposed statutory fee and ensure achievement of required service standards and levels of performance. The new architecture of the NHS announced in October 2010 led to a ministerial decision to transfer these responsibilities to upper-tier local authorities through a provision in the Health and Social Care Bill. This decision was based on the need to maintain local control and independence and the belief that these essential criteria could not be met in any other way.

Local authorities will be able to use service models that are appropriate for their area; these models may include direct provision of a standalone function, commissioning the service from a healthcare provider that can assure independence, integration with existing related services and collaboration with neighbouring authorities to provide a combined service.

All medical examiners will be required to have at least 5 years post-qualification experience, a current licence to practice and relevant expertise based on the completion of prescribed e-Learning and face-to-face training. In most areas, medical examiners will need to be supported by officers or people providing an officer function. *Death Certification Reforms: New Duty for Local Authorities* The workload is considerable.

Current estimates suggest that up to 300 full-time equivalent medical examiners will be needed across England and Wales to scrutinise and confirm around 390,000 deaths per year and provide advice to doctors on a further 40,000 deaths that are subsequently investigated by a coroner. It is anticipated that most medical examiners will be appointed on a part-time basis (for at least 8 hours a week) so that they can maintain their licence to practice through their other clinical duties and keep up to date more generally with clinical developments. On this basis, there may be a headcount of about 1,000 medical examiners across England and Wales.

The new process has been tested and refined in death certification pilots in Sheffield, Gloucestershire, Powys, Mid-Essex, Brighton and Hove, Leicester and Inner North London. The pilots have demonstrated that the new process can be introduced successfully and is able to achieve the aims of the reforms. Feedback from the pilots has been used to draft regulations and will be used in guidance to recommend ways that local authorities can address transitional issues in implementing the new process.

The pilot work suggests that an area with 5,000 deaths per year would probably require a team of 7 part-time medical examiners (providing 2-3 full-time equivalent posts) supported by ~3 full-time equivalent medical examiner's officers (or people providing this function).

The cost of providing (or commissioning) the services needed in each area will be recovered from the proposed statutory fee and work is currently being carried out -with input from local authority representatives -to ensure that the level of fee set takes account of the costs of alternative service models and other local considerations.

The death certification regulations are now expected to be published for consultation in October 2011 and, subject to the Bill's Parliamentary passage, will be laid in Parliament in May / June 2012 with a commencement date of April 2013. The extended period between introduction and commencement is intended to provide time for local authorities to establish a local medical examiner's service for their area. The Department of Health will assist local authorities by providing a suggested outline of preparatory activities, and access to national and regional support.

The death certification programme is working with a wide range of stakeholders and is coordinated by a DH-led Steering Group that includes clinicians, coroners, NHS managers, public health as well as representatives from the funeral industry, bereavement services, local government and the relevant other government departments.

The Office for National Statistics is monitoring the impact of the new arrangements on official mortality statistics. Data from the pilot projects are being examined to estimate the likely size and nature of any systematic changes in frequency of specific causes of death due to the introduction of medical examiners. This work will continue during implementation to ensure that any artificial changes in cause of death statistics are recognised as such. Overall the process is expected to improve the quality and reliability of death statistics and their value for public health and other purposes.

Department of Health Death Certification Programme August 2011

Email: deathcertification@dh.gsi.gov.uk Phone: 0113 254 5813 or 0113 2545174

Death Certification Reforms: New Duty for Local Authorities

Supporting Notes

The following notes are referenced in the summary provided above. For further details, please see general information at www.dh.gov.uk/deathcertification and, in particular, the Death Certification Programme's responses to feedback from local registration services and to FAQs from coroner's officers and staff. These responses will be published respectively at www.lrsa.org.uk and www.coronersofficer.org.uk and, if necessary, can be requested by email from deathcertification@dh.gsi.gov.uk.

1 Deaths that are "investigated" are those where a coroner's post-mortem examination is carried out and / or inquest is held because a coroner has reason to suspect that the deceased died a violent or unnatural death, the cause of death is unknown, or the deceased died while in custody or otherwise in state detention. Approximately 25% of deaths in England and Wales currently require investigation. A further 25% of deaths are currently notified to a coroner and require initial assessment including appropriate enquiries and consideration but do not require post-mortem examination or inquest.

2 It is generally accepted that the causes of death certified by a significant proportion of doctors are not sufficiently precise for epidemiological purposes and that many medical certificates of cause of death (MCCDs) are not completed fully and legibly. This view is based on published audits of medical certificates of causes of death (MCCDs) or of their counterfoils and feedback from local registration services and it is supported by analyses carried out on data collected by the areas piloting the death certification reforms. Whilst improved training for doctors in certification of death has some impact on the quality of causes of deaths and certificates, it is not sufficient and is too far removed from the specifics of each case to achieve the aims of the reforms.

<p>3 The Death Certification Programme acknowledges that concerns have been raised about the requirement for the proposed statutory fee. These concerns, outlined below, will be kept under review. However, at the current time, ministers have decided that the fee needs to remain as the preferred option for funding the new service; the key reasons for this decision are that it replaces (and extends) an existing fee that is largely ineffective and that in the current economic climate there is unlikely to be any viable alternative.</p> <p>Concern</p>	<p>Response / Action</p>
<p>Risk that a single standard fee will not enable cost-recovery in areas with different requirements and cost-structures.</p>	<p>Consideration of alternative options for structuring the fee to allow some local flexibility and / or recovery over a multiple year period.</p>
<p>Reputational risk to local authorities – particularly if the fee needs to include a variable local element.</p>	<p>Further discussion of concern and clear communication of purpose and benefits of reforms.</p>
<p>Local collection of the fee will create procedural difficulties and incur costs.</p>	<p>Alternative options identified and assessed for use by local authorities in making arrangements and estimating costs appropriate for their service model.</p>
<p>It is unclear what action needs to be taken if the fee is not paid.</p>	<p>Further discussion of concern – particularly in relation to timing / arrangements for payment of fee where it is expected to be covered by a Funeral Grant from the Social Fund.</p>

**Central Durham Crematorium
Joint Committee**

28 September 2011

Risk Register Update 2011/12



Joint Report of Terry Collins – Corporate Director: Neighbourhood Services; Don McLure – Corporate Director: Resources and Treasurer to the Joint Committee

Purpose of the Report

1. To provide an update on the Risk Register for the Central Durham Crematorium Joint Committee, in accordance with the arrangements established for the routine reporting of risk issues.

Background

2. A Risk Assessment report was presented to members at the 26th January 2011 meeting which included a comprehensive risk register that identified all known risks of a Service and Operational nature, with all risks scored using the Durham County Council methodology and approach to Risk Management. In approving the report, the Committee committed to regular monitoring and reporting of both strategic and operation risks.

Risk Assessment – September 2011

3. The Risk Register considered and approved by the Joint Committee in January 2011 has been reviewed, reassessed and updated in accordance with the Durham County Council methodology/approach to Risk Management. This entails an assessment of both the gross and net risk from each area, the difference between the gross and net risk score being that the net risk result is after taking into account existing control measures. Full details of the Durham County Risk Management Methodology are set out at Appendix 2.
4. In line with the previous report, two risk registers have been prepared, separately identifying Service (Strategic) and Operational risks.
5. Both sections of the Risk Register have been reviewed by the Risk Officer responsible for Neighbourhood Services and the Superintendent and Registrar. Net risk ratings have been agreed by consensus and actions to mitigate and/or tackle issues arising from the individual risks have been agreed for the forthcoming year.

6. The service risks (i.e. those that are key to the service achieving its strategic objectives and priorities for improvement, linked to service improvement plans and the budget setting cycle) have been plotted onto a risk matrix, based on Net Risk Scores. This is set out in Appendix 3, together with the individual risk assessments for each of these. The risk matrix plots the risk to a grid based upon the assessment of likelihood and impact scores. The higher a risk is towards the top right corner of the matrix the more significant the risk is to the service.
7. All Strategic risks have low Net Scores and there have been no changes to the scores following the review. These risks are all considered to be at tolerable levels.
8. Risk 12 “Adverse inspection/ audit report” and Risk 19 “Lack of evidence for Employers Liability claims” have been closed as it was considered that these are management issues rather than specific risks to the Joint Committee.
9. There are no outstanding actions at this time with regards to the service risks that have been identified.
10. As with Service Risks, the Operational Risks (i.e. those that are key to the operational areas of the service which relate to individual tasks carried out on a routine basis) have also been plotted onto a risk matrix and these are set out at Appendix 4 together with individual risk assessments for each of these.
11. There have been no changes to Operational Net Risk Scores following the review and all risks are considered to be at a tolerable level. There are no outstanding actions with regards to the operational risks that have been identified.
12. The assessment of both the service and operational risks confirm that these are being well managed and it can be demonstrated that there is a risk culture embedded within the service.
13. There is one emerging risk to monitor and that relates to the Local Authority becoming responsible for implementing the changes required under the reform of Health & Social Care bill regarding Death Registration and that by December 2011 each Local Authority should have appointed someone to oversee these responsibilities. Further details will be provided to the Joint Committee at a future meeting.

Embedding Risk Management

- 14 In order to ensure that risk management continues to be embedded and that the risk register is kept up to date, regular reviews will need to continue to be carried out to ensure any new and emerging risks are identified, existing risks are removed if no longer appropriate and existing risks are reviewed taking into account current issues.

Conclusions

- 15 The original risk register has been revised and updated and rescored, where appropriate, in accordance with Durham County Council criteria.

Recommendations and Reasons

16 It is recommended that :-

- Members of the Central Durham Joint Crematorium Committee note the content of this report and the updated position following the January review.
- The Risk Registers are kept up to date and continue to be reviewed by the Joint Committee on a half yearly basis.

Background Papers

- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 26 January 2011
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 29 September 2010
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 27 January 2010
- Risk Assessment – Report to Central Durham Crematorium Joint Committee – 12 June 2009
- External Audit Report – Report to Central Durham Crematorium Joint Committee – 30 October 2009

Contact:	Paul Darby	Tel: 0191 383 6594
	Marian Shanks	Tel: 0191 372 7639

Appendix 1: Implications

Finance

There are no financial implications associated with this report. Exposure to financial risk is integral to the gross and net risk assessments undertaken and included in the Risk Registers attached at Appendix 3 and 4.

Staffing

None

Risk

The report and associated appendices sets out in detail the strategic and operational risks, control measures in place to mitigate these and improvement actions associated with these. Each risk has been scored and against the Durham County Council risk management methodology. Maintaining and continually reviewing the risk register is a key component of the control and governance framework for the Central Durham Crematorium Joint Committee.

Equality and Diversity / Public Sector Equality Duty

None

Accommodation

None

Crime and Disorder

None

Human Rights

None

Consultation

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

Procurement

None

Disability Issues

None

Legal Implications

None

Appendix 2: Durham County Council Risk Management Process

The risk management process at Durham County Council is based upon a cycle:-



Once a Risk has been identified it is analysed and evaluated as follows:-

- Likelihood X Impact (taking into account Financial + Service Delivery + Stakeholder impacts)

Initially the **Gross Risk** is assessed by scoring the impact and likelihood of the risk **without** taking account of any controls that the Council may already have in place. It is essential to determine this Gross risk, as it is the key baseline against which to evaluate this risk on an ongoing basis.

The **Net Risk** is then determined **after** taking account of any controls that the Council may already have in place, and the likelihood that the risk event may occur over a given period.

In order to calculate the scores for Likelihood and Impact the Risk Assessment criteria is used as outlined below.

After scoring the risk a decision is made whether to Tolerate, Transfer, Treat or Terminate the risk. If any control improvements or actions have been identified as a result of reviewing the risk these are allocated to a responsible officer with timescales to ensure they are carried out before the next review.

DURHAM COUNTY COUNCIL – IMPACT FACTORS

Factor	Severity	Financial	Service Delivery/ Performance	Stakeholder and Reputation
5	Critical	> / = £15M > 5% of Service budget	<ul style="list-style-type: none"> • Inability to meet statutory duties • Key services can no longer be delivered – emergency actions needed, which need Cabinet approval. • Significant Legal Action / Challenge • Intervention or sanctions by regulatory body / prosecution or litigation (including corporate manslaughter) • Strike action which is Council-wide or service-wide in a critical Service for a long period 	<ul style="list-style-type: none"> • Perception of the majority of potential partners and stakeholders that the Council is not 'fit to deal with'. • Loss of life
4	Major	£5M - £15M 3% - 5% of Service budget	<ul style="list-style-type: none"> • Major disruption to some statutory and / or non statutory services i.e. key service delivery adversely affected – crisis management implemented, which needs Cabinet approval. • Strike action which is Council-wide or service-wide in a critical Service for a short period 	<ul style="list-style-type: none"> • Serious reputational damage to the Council regionally, nationally and internationally • Damage to relationships with central government or other public bodies e.g. One North-East, Environment Agency, other Councils • Perception of small number of potential partners and stakeholders that the Council is not 'fit to deal with'. • Serious injury to individual
3	Moderate	£1M - £5M 1% - 3% of Service budget	<ul style="list-style-type: none"> • Moderate disruption to statutory and / or non statutory services i.e. some disruption to service delivery – action plans to rectify • Failure of Service to maintain existing status under other Inspection regimes e.g. Ofsted • Resolution requires approval at CMT level • Limited strike action within a Service 	<ul style="list-style-type: none"> • Results in negative Regional or National press / media coverage • Minor reputational damage to the County Council • Major criticism by other stakeholders e.g. Partners, central government
2	Minor	£0.5M - £1M 0.2% - 1% of Service budget	<ul style="list-style-type: none"> • Minor service disruption / customer dissatisfaction i.e. little disruption to service delivery – no long term or permanent impact on key services • Capable of resolution by Service Management Team 	<ul style="list-style-type: none"> • Results in negative press coverage within County Durham • Minor criticism by Community • Minor criticism by other stakeholders e.g. Partners, central government • Significant number of complaints from service users • Serious Reputational damage to own Service area
1	Insignificant	< £0.5M < 0.2% of Service budget	<ul style="list-style-type: none"> • Insignificant service disruption e.g. very little or no disruption to services • Impairment of quality of service • Capable of resolution by Head of Service and their management team 	<ul style="list-style-type: none"> • Results in negative press coverage within the locality / ward • Insignificant criticism by Community • Insignificant criticism by other stakeholders e.g. Partners, central government • Insignificant number of complaints from service users • Minor Reputational damage to own Service area

DURHAM COUNTY COUNCIL - LIKELIHOOD FACTORS

Factor	Description	Expected Frequency
5	Highly Probable	<ul style="list-style-type: none"> • More than once a year • Something that is already occurring or is likely to be a regular occurrence throughout a one year period • Inevitable i.e. the event is expected to occur in most circumstances • >80% chance of occurring
4	Probable	<ul style="list-style-type: none"> • Once a year • Something that has occurred in the last year, or is likely to occur at least once throughout a one-year period. • Probable or where the conditions of the loss occur on a regular basis i.e. the event will probably occur in most circumstances • 61% to 80% chance of occurring
3	Possible	<ul style="list-style-type: none"> • Every 1-3 years • Likely only to happen at some point over the next 1 to 3 years. • Possible but responding to well understood situations i.e. the event might occur at some time • 31% to 60% chance of occurring
2	Unlikely	<ul style="list-style-type: none"> • Every 3-5 years • Likely only to happen at some point over the next 3 to 5 years or likely to continue to occur i.e. the event is not expected to occur • 11% to 30% chance of occurring
1	Remote	<ul style="list-style-type: none"> • Over 5 years • Rare activity or is unlikely based on current intelligence i.e. the event may only occur in exceptional circumstances • < 10% chance of occurring

Appendix 3: Service Risk Register

RISK MATRIX							
5	Highly Probable						LIKELIHOOD
4	Probable						
3	Possible		11				
2	Unlikely	4,20	7,10,16	3, 15			
1	Remote	13,14, 18	1,2,5,6,8	9			
		Insignificant (Score 1-3)	Minor (Score 4-6)	Moderate (Score 7-9)	Major (Score 10-12)	Critical (Score 13-15)	
		IMPACT					

Risk. No.	Risk – Ranked by Risk Number	Net Risk Score	Ranking
1	Not implementing changes in legislation	6	8
2	Non compliance with the new fire order	6	8
3	Impact of staff morale due to uncertainty over Job Evaluation and Single Status	14	1
4	Sickness absence of key staff	6	8
5	Disclosure of confidential information through incorrect disposal / maintenance of information	5	13
6	Failure of Cremators / Specialist Equipment	6	8
7	ICT and Power Failure	10	4
8	Loss of Income/Money	5	13
9	Breakdown of Partnership	7	7
10	Loss of knowledge and ability to cover existing workload through premature staff loss	10	4
11	Managing excess deaths	12	3
12	Adverse inspection / Audit report (CLOSED SEPT 2011)	5	13
13	Financial Losses due to reputation	3	16
14	Contractual failure in relation to future planned projects or maintenance leading to financial claims or losses and loss of reputation and income e.g. Replacement of Cremators	3	16
15	Inability to meet 2012 legislation changes	14	1
16	Inability to recruit appropriately qualified staff at short notice	10	4
17	Administrative duties (CLOSED September 2010)		
18	Lack of awareness of the Impact of Equalities, DDA, Access to Services and Age Legislation	3	16
19	Lack of evidence for Employers Liability Claims (CLOSED SEPT 2011)	3	16
20	Damage to Public or Vehicles due to tree branches falling	6	8

Risk. No.	Risk – Ranked by Net Risk Score	Net Risk Score	Ranking
3	Impact of staff morale due to uncertainty over Job Evaluation and Single Status	14	1
15	Inability to meet 2012 legislation changes	14	1
11	Managing excess deaths	12	3
7	ICT and Power Failure	10	4
10	Loss of knowledge and ability to cover existing workload through premature staff loss	10	4
16	Inability to recruit appropriately qualified staff at short notice	10	4
9	Breakdown of Partnership	7	7
1	Not implementing changes in legislation	6	8
2	Non compliance with the new fire order	6	8
4	Sickness absence of key staff	6	8
6	Failure of Cremators / Specialist Equipment	6	8
20	Damage to Public or Vehicles due to tree branches falling	6	8
5	Disclosure of confidential information through incorrect disposal / maintenance of information	5	13
8	Loss of Income/Money	5	13
12	Adverse inspection / Audit report (CLOSED SEPT 2011)	5	13
13	Financial Losses due to reputation	3	16
14	Contractual failure in relation to future planned projects or maintenance leading to financial claims or losses and loss of reputation and income e.g. Replacement of Cremators	3	16
17	Administrative duties CLOSED September 2010		
18	Lack of awareness of the Impact of Equalities, DDA, Access to Services and Age Legislation	3	16
19	Lack of evidence for Employers Liability Claims (CLOSED SEPT 2011)	3	16

DESCRIPTION OF RISK		
Business Unit	Durham Crematorium	
Risk	5	
Risk Owner	Alan Jose	
Detail of Risk	Service Risk – Disclosure of confidential information through the incorrect disposal/maintenance of information	
BACKGROUND TO RISK EVENT		
Risk Causes	<ul style="list-style-type: none"> Loss of data Data disclosed to persons not authorised 	
Potential Impact	<ul style="list-style-type: none"> Breach of confidentiality Breach of Data Protection 	
GROSS RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Delivery Impact (1 to 5)	1	
Stakeholder Impact (1 to 5)	3	
Total Gross Impact Score (sum above)	5	
Likelihood (1 to 5)	2	
Total Gross Risk Score (Total Impact * Likelihood)	10	
Existing Control Measures		
<ul style="list-style-type: none"> Internal procedures and policies are in place for document retention and disposal Secure environment for storage of information Passwords in place for electronic data storage Document retention and disposal policy in place Contract with Securishred Book of Remembrance and Registers are scanned annually and held on external hard drive Improved filing/folder referencing system on the server Register is kept in a fire resistant safe and associated papers are kept in a separate location within the crematorium overnight. All records over 5 years old are stored at County Hall. 		
NET RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Impact (1 to 5)	1	
Stakeholder Impact (1 to 5)	3	
Total Net Impact Score (sum above)	5	
Likelihood (1 to 5)	1	
Total Net Risk Score (Total Impact * Likelihood)	5	
CONCLUSION		
<ul style="list-style-type: none"> TOLERATE after taking into account existing control measures and planned actions 		
CONTROL IMPROVEMENTS/ ACTIONS		
Activity	Responsible	Timescales
A fire resistant room has been built into the design of the new extension for the crematorium.	A Jose	31/07/2012
Completed by	Date	
T Maddison/A Jose	09/09/11	

RISK MATRIX							
5	Highly Probable						LIKELIHOOD
4	Probable						
3	Possible						
2	Unlikely		5				
1	Remote	7,8	2,3,4,6	1			
		Insignificant (Score 1-3)	Minor (Score 4-6)	Moderate (Score 7-9)	Major (Score 10-12)	Critical (Score 13-15)	
		IMPACT					

Risk No.	Risk – Ranked by Risk Number	Net Risk Score	Ranking
1	Injury to staff and visitors	7	2
2	Exterior Pathways, Steps and Grounds	5	3
3	Use of hand tools and machinery for gardening on site, driveway and car park	5	3
4	Cleaning, Maintenance and Gardening Duties	5	3
5	Risk Assessments and Reviews not undertaken	10	1
6	Violent or other Assault on officer whilst lone working	5	3
7	Limited Space in Office Area	3	7
8	Slips, trips and falls	3	7

Risk. No.	Risk – Ranked by Net Risk Score	Net Risk Score	Ranking
5	Risk Assessments and Reviews not undertaken	10	1
1	Injury to staff and visitors	7	2
2	Exterior Pathways, Steps and Grounds	5	4
3	Use of hand tools and machinery for gardening on site, driveway and car park	5	4
4	Cleaning, Maintenance and Gardening Duties	5	4
6	Violent or other Assault on officer whilst lone working	5	4
7	Limited Space in Office Area	3	8
8	Slips, trips and falls	3	8

DESCRIPTION OF RISK		
Business Unit	Durham Crematorium	
Risk	7	
Risk Owner	Alan Jose	
Detail of Risk	Operational Risk Limited space in office area	
BACKGROUND TO RISK EVENT		
Risk Causes	<ul style="list-style-type: none"> Not sufficient space for staff using office area 	
Potential Impact	<ul style="list-style-type: none"> Injury to staff 	
GROSS RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Delivery Impact (1 to 5)	1	
Stakeholder Impact (1 to 5)	1	
Total Gross Impact Score (sum above)	3	
Likelihood (1 to 5)	1	
Total Gross Risk Score (Total Impact * Likelihood)	3	
Existing Control Measures		
<ul style="list-style-type: none"> Furniture moved to provide maximum space around desks Shelves checked to ensure they are secure and sturdy 		
NET RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Impact (1 to 5)	1	
Stakeholder Impact (1 to 5)	1	
Total Net Impact Score (sum above)	3	
Likelihood (1 to 5)	1	
Total Net Risk Score (Total Impact * Likelihood)	3	
CONCLUSION		
<ul style="list-style-type: none"> TOLERATE after taking into account existing control measures and planned actions 		
CONTROL IMPROVEMENTS/ ACTIONS		
Activity	Responsible	Timescales
1. Accommodation issues have been addressed in the plans for the new extension proposed for the crematorium.	A Jose	31/07/12
Completed by		Date
T Maddison/A Jose		09/09/11

**Central Durham Crematorium
Joint Committee**

28 September 2011



**Financial Monitoring Report –
Position at 31/08/11, with
Projected Outturn at 31/03/12**

**Joint Report of Terry Collins – Corporate Director: Neighbourhood
Services; Don McLure – Corporate Director: Resources and Treasurer to
the Joint Committee**

Purpose of the Report

1. The purpose of this report is to set out details of income and expenditure in the period 1 April 2011 to 31 August 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.
2. The report details the funds and reserves of the Joint Committee at 1 April 2011 and forecast outturn position at 31 March 2012, taking into account the provisional financial outturn.
3. Finally, the report also includes summary details of the Cremator Replacement and associated buildings work project, as detailed in the Superintendent and Registrars report.

Background

4. 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

5. Budgetary control reports, incorporating outturn projections, are considered by Neighbourhood Services' Management Team on a monthly basis. The County Council's Corporate Management Team also considers monthly 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.

6. The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Superintendent and Registrar. The following table highlights the provisional outturn financial performance of the Central Durham Crematorium:

Subjective Analysis	Base Budget 2011/12 £	Year to Date Actual April – August £	Probable Outturn 2011/2012 £	Variance Over/ (Under) £
Employees	209,450	82,820	200,875	(8,575)
Premises	200,300	58,900	217,411	17,111
Transport	2,000	1,726	2,030	
Supplies & Services	96,300	29,663	97,547	1,247
Agency & Contracted	29,900	4,435	5,829	(24,071)
Transfer Payments	0	0	0	0
Capital Charges	214,000	0	213,738	(262)
Central Support Costs	32,000	0	32,000	0
Gross Expenditure	783,950	177,544	769,430	(14,520)
Income	(1,095,200)	(451,281)	(1,098,700)	(3,500)
Net Income	(311,250)	(273,737)	(329,270)	(18,020)
Transfer to Reserves				
- Masterplan Memorial Garden	5,000	0	5,000	0
- Major Capital Works	0	0	18,020	18,020
Distributable Surplus	(306,250)	0	(306,250)	0
80% Durham County Council	245,000	61,250	245,000	0
20% Spennymoor Town Council	61,250	15,312	61,250	0
Central Durham Crematorium Earmarked Reserves	Balance @ 1 April 2011 £	Transfers to Reserve £	Transfers From Reserve £	Balance @ 31 March 2012 £
General Reserve	(424,060)	(306,250)	306,250	(424,060)
Masterplan Memorial Garden	(21,250)	(5,000)	0	(26,250)
Major Capital Works	(393,384)	(18,020)	0	(411,404)
Cremator Replacement	(600,000)	0	600,000	0
Total	(1,438,694)	(329,270)	906,250	(861,714)

Explanation of Significant Variances between Original Budget and Forecast Outturn

9. As can be seen from the table above, the projected outturn is showing a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £329,270 against a budgeted surplus of £311,250, £18,020 more than the budgeted position. The following section outlines the reasons for any significant variances by subjective analysis area:

9.1 *Employees*

The probable outturn is projecting **an £8,575 under spend** based on current spending. The base budget assumed all employees would be Local Government Pension scheme members thus contributing into the scheme on a monthly basis. As a result of the interim arrangements one post is currently not subject to pension contributions. The outturn assumes this post will be permanently filled from November 2011 when the contributions will commence. The resultant saving being **(£1,783)** for the interim period. In addition to this, it is not anticipated that the Pandemic Operator Training budget will be required during 2011/12.

9.2 *Premises*

An overspend of £17,111 is projected in relation to Crematorium premises costs during 2011/12. There are number of reasons for this as identified below:

- Utility Costs are anticipated to result in a net under spend against budget of **(£9,480)**. This under spend is however two fold with Electricity costs exceeding budget by £5,520, (this trend follows that identified in the latter part of 2010/11) and expenditure on Gas being £15,000 lower than budget as a mainly as a result of the heating system not being fully operational during the capital works undertaken at the Crematorium.
- **(£1,500)** of the Maintenance costs to the crematorium buildings and bungalow will not be required during 2011/12
- Following a county wide business premises revaluation exercise, NNDR costs have increased by **£11,861** from the previous year. The Superintendent & Registrar is currently appealing against this valuation however as a matter of prudence, the outturn currently assumes that this charge will stand during 2011/2012.
- Following the work undertaken as part of the Cremator Replacement Capital Project, it is anticipated that **(£12,000)** of the Path and Road Repairs budgets will not be required, however as a result of drainage surveys undertaken during the cremator replacement programme car parking works, remedial works required to the current drainage system have been highlighted with an anticipated cost of **£30,000**.
- It is anticipated that only £2,000 of the £3,770 budget for Tree works will be required during the year resulting in a **(£1,770)** saving.

9.3 *Supplies and Services*

An **over spend of £1,247** is projected in relation to Supplies and Services. This is as a result of additional Medical Referee Costs **£660** and unbudgeted maintenance costs in connection with the Wesley Music Centre of **£587**.

9.4 *Agency and Contracted*

An **under spend of (£24,071)** is forecast in connection with Agency and Contracted services. This is as a result of the revised classification of the Joint Committee to a smaller relevant body and subsequent change in auditors. The full £15,000 Audit fee budget provision is not now required. As reported to the Committee previously, the Limited Assurance audit fees are based on fixed income and expenditure bands. The fee for the Central Durham Crematorium Joint Committee is £3,000 therefore saving **(£12,000)** against the original budget.

In addition The Audit Commission have refunded **(£12,150)** of the previously paid 2010/11 charges in line with the revised classification.

Offsetting this however is the very small over spend of **£79** in connection with refuse collection charges.

9.4 *Income*

An additional **(£3,500)** is anticipated in relation to additional Book of Remembrance entries.

The income from memorial sales for the period up to 31 August 2011 is slightly lower than that in the same period last year, however at this point this has not been factored into the outturn position but will be reviewed in the coming months

The cremation numbers are lower than the comparative period last year by 67 cremations. Again this has not been factored into the current outturn position as the 2011/12 budget has been set assuming a total 150 cremations lower than the 2010/11 budget as a result of the cremator replacement and redevelopment works undertaken at the crematorium.

The Superintendent & Registrar has undertaken discussions with the funeral directors to ascertain the reasons for the reductions who have confirmed that this is not a result of the funerals being carried out at the nearby Wear valley facility, rather a reduction in the death rate within this area.

9.5 *Earmarked Reserves*

Contributions from the revenue surplus towards earmarked reserves are forecast as £18,020 additional to budget. This is as a result of a number of over and under spends as identified above

The Cremator Replacement Reserve balance of £600,000 will be paid over to DCC in October 2011, as a contribution to the capital financing costs of the Cremator Replacement and Redevelopment Project.

The retained reserves of the CDCJC at 31 March 2012 are forecast to be £437,654 along with a General Reserve of £424,060, giving a forecast total reserves and balances position of £861,714 at year end.

9.6 *Cremator Replacement and Redevelopment Project*

	Original Budget £	Actual Spend to 31/08/2011 £	Projected Outturn £	Variance to Budget £
Cremator Equipment	1,298,115	203,725	1,305,615	7,500
Building and Redevelopment Works	801,060	509,889	845,005	43,945
Fees / Project Mgmt Costs	225,500	191,891	224,856	(644)
Contingency / Variations	74,750	0	23,949	(50,801)
TOTAL	2,399,425	905,505	2,399,625	0

9.7 As can be seen from the table above, the Cremator Replacement and Redevelopment programme is being managed and delivered within the £2.4m budget, this has been possible by working with the in house construction teams and by using value engineering to manage risks and variations.

Recommendations and reasons

10 It is recommended that:-

- Members note the April to August 2011 revenue spend financial monitoring report and associated provisional outturn position at 31 March 2012.
- Members note the April to August 2011 cremator replacement and redevelopment Capital Project spend and associated outturn.

Contact: Paul Darby

Tel: 0191 383 6594

Appendix 1: Implications

Finance

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

Staffing

There are no staffing implications associated with this report.

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 Superintendent and Registrar. 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 Superintendent and Registrar, should mitigate the risks associated with achievement of the forecast outturn position.

Equality and Diversity

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 comments / raise any detailed queries on the contents of this report in advance of circulation to members of the CDCJC.

Procurement

None

Disability Discrimination Act

None

Legal Implications

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