



Mountsett Crematorium Joint Committee

Date **Thursday 31 January 2013**
Time **10.00 am**
Venue **Saltwell Room, Civic Suite, Gateshead Council**

Business

Part A

**[Items during which the Press and Public are welcome to attend.
Members of the Public can ask questions with the Chairman's
agreement]**

1. Apologies for Absence
2. Minutes of the Meeting held on 5 October 2012 (Pages 1 - 6)
3. Declarations of Interest, if any.
4. Quarterly Report of the Bereavement Services Manager.
(Pages 7 - 12)
5. Review of Joint Committee's Terms of Reference - Verbal update by
the Clerk to the Joint Committee
6. Risk Register 2012/13 - Update (Pages 13 - 22)
Joint Report of the Corporate Director Neighbourhood Services,
Corporate Director Resources and Treasurer to the Joint Committee.
7. Financial Monitoring Report 2012/13: Spend to 31/12/12 and Projected
Outturn to 31/03/13 (Pages 23 - 28)
Joint Report of the Corporate Director Neighbourhood Services,
Corporate Director Resources and Treasurer to the Joint Committee.
8. Fees and Charges 2013/14 (Pages 29 - 36)
Joint Report of the Corporate Director Neighbourhood Services,
Corporate Director Resources and Treasurer to the Joint Committee.
9. Provision of Support Services 2013/14 (Pages 37 - 50)
Joint Report of the Corporate Director Neighbourhoods Services,
Corporate Director Resources and Treasurer to the Joint Committee.
10. 2013/14 Revenue Budget (Pages 51 - 56)
Report of the Corporate Director Resources and Treasurer to the Joint
Committee.

11. Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency to warrant consideration.

Colette Longbottom
Head of Legal and Democratic Services

County Hall
Durham
23 January 2013

To: **The Members of the Mountsett Crematorium Joint Committee**

Durham County Council:-

Councillors: O Temple (Chair), A Bainbridge, J Docherty, M Hodgson, J Hunter, O Johnson, J Nicholson, B Stephens and J Wilson

Gateshead Council:

Councillors M Charlton, J Lee, K Dodds (Vice-Chair), M Ord, P Ronan, D Davidson and P Mole

Contact: Lucy Stephenson

Tel: 03000 269712

DURHAM COUNTY COUNCIL

At a Meeting of **Mountsett Crematorium Joint Committee** held in Beaumont Room 1/78, County Hall, Durham on **Friday 5 October 2012 at 10.00 am**

Present:

Councillor O Temple (Chair)

Members of the Committee:

Durham County Council

Councillors A Bainbridge, J Hunter, O Johnson and J Nicholson

Gateshead Council:

Councillors M Ord, P Ronan and D Davidson

Apologies:

Durham County Council

Councillors J Docherty and J Wilson

Gateshead Council

Councillors K Dodds and P Mole

1 Minutes of the Meeting held on 15 June 2012

The minutes of the meeting held on 15 June 2012 were approved as a correct record and signed by the Chairman.

Matters Arising

Item 8 – Revision of committee's Terms of Reference. Councillor Temple commented that this issue was being taken forward and it was intended that the revised terms of reference be presented to the next meeting of the joint committee in January 2013.

2 Declarations of Interest, if any.

There were no declarations of interest submitted.

3 Adoption of New Code of Conduct for Councillors

The joint committee received a report of the Clerk which recommended the adoption of the new code of conduct for councillors (for copy see file of minutes).

The Clerk advised that following the introduction of the Localism Act 2011, changes had been made to the councillors code of conduct to include statutory requirements on disclosable pecuniary interests. On the 25th July 2012, Durham County Council adopted a new code of conduct incorporating these changes.

It was now therefore necessary for the joint committee to adopt the same and complete the relevant documentation for disclosure of interests.

Resolved:

- (i) That the new Code of Conduct for Councillors be adopted.
- (ii) That all members of the Joint Committee complete and return to the Clerk a copy of the Notification of pecuniary and Other Interests form.

4 Small Bodies Annual Return - External Auditors Report and Response

The Joint Committee considered a report of the Corporate Director, Neighbourhood Services, Corporate Director Resources and Treasurer to the Joint Committee which presented for approval the External Auditors (BDO LLP) Annual Return Certificate and Issues Arising Report for the year ended 31 March 2012. In addition the report further detailed responses to the findings and recommendations identified within the Issues Arising Report (for copy see file of Minutes).

The Head of Finance (Financial Services) advised that the Audit had not highlighted any material weaknesses around the Joint Committees system of internal control. It had, however, identified two minor issues around the initialling of formal minutes and the updating of financial regulations and standing orders within the County Council.

He referred to those recommendations and advised that they had been made in order to strengthen the internal control arrangements of the Joint Committee as follows:-

- *R1: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'

The Clerk to the Joint Committee will, following each future meeting arrange for the presiding Chair to initial each page of the minutes. The minutes will then be placed into the ongoing minute book, consecutively numbered and bound.

- *R2: Financial Regulations:*
'The body's Financial Regulations require updating in order to reference the Accounts and Audit Regulations 2011, if the body has not yet updated the Standing Orders and Financial Regulations, they must do so as soon as possible, or in any event before the end of the current financial year'

The Joint Committee have adopted the Standing Orders and Financial Regulations of the lead authority Durham County Council. The required updates will be considered through the relevant Lead Authority channels.

In conclusion the Head of Finance (Financial Services) advised the actions identified demonstrated the commitment of the Joint Committee in ensuring that all systems of internal control were as robust as possible.

Resolved: that

- (i) the External Audit certificate and recommendations included in the Issues Arising Report for the year ended 31 March 2012.

- (ii) that the response and action plan to the External Audit issues Arising report be noted.
- (iii) that the external audit certified annual return be approved.

5 Financial Monitoring Report 2012/13: Spend to 31/08/12 and Projected Outturn to 31/03/13

The Joint Committee considered a report of the Corporate Director, Neighbourhood Services, Corporate Director Resources and Treasurer to the Joint Committee which set out details of income and expenditure in the period 1 April 2012 to 31 August 2012, together with the provisional outturn position for 2012/13, and highlighted areas of over / underspend against the revenue budgets at a service expenditure analysis level.

The report further set out details of the funds and reserves of the Joint Committee at 1 April 2012 and forecast outturn position at 31 March 2013, taking into account the provisional financial outturn.

The Head of Finance (Financial Services) reported that the projected outturn was showing a surplus (before transfers to reserves and distribution of surplus to the partner authorities) of £238,126 against a budgeted surplus of £270,448, (£32,322) less than the budgeted position. An explanation of those significant variances which contributed to the position was reported.

Details were then provided in respect of earmarked reserves and it was reported that contributions from the revenue surplus towards the reserves was forecast to be £32,322. This reduction was relative to the repairs reserve and as a result of the urgent repairs progressed in 2012/13. The contribution to the Cremator Reserve remained in line with budget.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2013 were forecast to be £519,019, representing a £73,236 (16%) increase over the opening position at 1 April 2012.

Resolved: that the April to August 2012 revenue spend financial monitoring report, associated provisional outturn position and the forecast Crematorium earmarked reserve balances at 31 March 2013 be noted.

6 Risk Register 2012/13 - Update

The Joint Committee received a report of the Corporate Director, Neighbourhood Services and Corporate Director, Resources and Treasurer to the Joint Committee which provided an update on the current position with regards to the Risk Register of the Mountsett Crematorium Joint Committee.

A risk assessment report had been presented to members at the January 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 approach to Risk Management. It was subsequently agreed at that meeting to regularly monitor and report on both strategic and operational risks.

In line with the previous report, two risk registers had been prepared and reviewed identifying Service and Operational risks. It was reported that 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.

It was noted that due to the long term absence of the Crematorium Manager at Mountsett this had impacted upon service delivery and increased workload for staff, the net impact and likelihood of risks 4 and 10 have been increased temporarily. Risk 4 "Sickness absence of staff" had increased from Minor / Unlikely to Minor / Probable. Risk 10 "Loss of knowledge and ability to cover existing workload through staff loss" has increased from Minor / Unlikely to Moderate/Probable. Actions are in place to mitigate these risks and once complete should reduce the net risk scores. The amended risk assessments are included in appendix 2.

With regards to operational risks it was noted that there had been only one operational risk which had an outstanding action Risk 8 "Slips, trips and falls", however since the last meeting training for ladder duties had been completed which reduced this risk to a tolerable level.

The Head of Finance (Financial Services) advised that one emerging risk which had been reported at the previous meeting relating to Death Registration responsibilities under the reform of Health and Social Care, would be risk assessed nearer the implementation date of August 2013.

Resolved: that

- (i) the content of the report and updated position be noted.
- (ii) the risk registers shall be kept up to date and reviewed by the Joint Committee on a half yearly basis.

7 Any resolution relating to the exclusion of the public during the discussion of exempt information.

That under section 100 (A)4 of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that involved the likely disclosure of exempt information as defined in paragraph 1 of Schedule 12A to the said Act.

8 Quarterly Report of the Bereavement Services Manager including Service Asset Management Plan

The Joint Committee considered a report of the Bereavement Services Manager which provided updates relating to performance and other operational matters (for copy see file of Minutes).

With regards to performance it was reported that there were 332 cremations undertaken during 1 June 2012 to 31 August 2012, compared to 303 in the comparable period last year, an increase of 29 (9%). In addition during the period June – August 2012 in total 4 memorial plaques were purchased at a total cost of £1312.00. Comparative data was not available as this was the first year that plaques were available for sale.

The report further detailed operational matters, with particular reference to staffing, pre-payment cremation bond and the FSA application, recent green flag success and recycling of metals.

The report further went on to provide an update on the replacement of cremators and installation of mercury abatement plant. Details of the feasibility study will be presented in full to the committee at a future meeting.

Moving on the Bereavement Services Manager advised that as discussed at the previous meeting the Service Asset Management Plan had now been finalised and was appended to the report. The report had been split into three main elements:-

- Urgent, Essential and Highly Desirable Works;
- Desirable Works; and
- Longer Term Works

Costing for each of those works were included within the report and details of the procurement processes explained.

Discussion then ensued regarding the procurement process and Councillor Ronan added that she felt it was sensible to use in-house services where the value of works fell below Contracts Legislation 2006. Councillor Johnson reiterated those comments and added that he felt that in-house delivery of works would benefit the scheme in terms of timescales.

The Head of Finance (Financial Services) added his thanks to the Bereavement Services Manager for the work which had gone in to writing and developing the SAMP.

Jeff Moffitt, Waste, Recycling and Contracts Manager (Gateshead Council) endorsed those comments and added thanks on behalf of Gateshead Council.

Resolved: that

- the content of this report with regards to current performance of the crematorium be noted.
- the current situation with regards to the sale of Memorial Plaques be noted.
- the current situation with regards to the Superintendent and Registrar be noted.
- the current situation with regards to the Pre-Payment bond and progress working with DCC legal team be noted.
- the success with regards to the Green Flag award be noted.
- the thank you letter received from Willow Burn Hospice be noted
- a Feasibility Study be undertaken to look at all options with regard to the cremator replacement.
- the content of the Service Asset Management Plan be noted.
- to use Earmarked Reserves to fund the urgent essential works and to opt for in house delivery for future works where possible. Where the value of works exceeds the value as outlined within the report, a competitive tender exercise will be undertaken in line with the Contracts Legislation 2006.
- to use some of the Earmarked Reserves to fund the Desirable works.
- Agree to make adequate provisions to ensure that longer term works can be sourced using earmarked reserves.

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Mountsett Crematorium Joint Committee

31 January 2013


**Mountsett Crematorium Performance
and Operational Report**

Report of Graham Harrison, Bereavement Services Manager

Purpose of the Report

1. To provide Members of the Mountsett Crematorium Joint Committee with an update relating to performance and other operational matters.

Performance Update:-**Number of Cremations: for the period 1 September 2012 to 31 December 2012**

2. The table below provides details of the number of cremations for the period 1 September 2012 to 31 December 2012 inclusive, with comparative data in the same periods last year:-

	2011/2012	2012/2013	Change
	Period [Sept - Dec]	Period [Sept- Dec]	
September	106	100	- 6
October	93	109	+ 16
November	102	144	+ 42
December	113	115	+ 2
TOTAL	414	468	+ 54

Gateshead	144
Durham	263
Outside Area	61
Total	468

3. In summary there were 468 cremations undertaken during 1 September 2012 to 31 December 2012, compared to 414 in the comparable period last year, an increase of 54.

Memorials

4. The table below outlines the number and value (exc. VAT) of the memorials sold in period 1 September 2012 to 31 December 2012 inclusive. Previous years comparisons are unavailable (members will recall the service being introduced during the last quarter of 2011/12).

	Period [Sept-December] 2012/2013	
	Number	£
Large Plaques	14	4592.00
Total	14	4592.00

Operational Matters

Staffing

5. The Superintendent & Registrar at Mountsett Crematorium has been absent from his post since March 2012. In line with the joint committee's constitution Durham County Council's Ill Health absence procedures have been followed resulting in the post becoming vacant from the 19 December 2012.
6. The Bereavement Services Manager is currently considering options regarding the replacement for the Superintendent & Registrar. The options being considered are:-
- Joint Manager Arrangements
 - Support via an SLA with DCC Bereavement Services
 - Replacement for the Superintendent & Registrar.
7. A report will be brought to the next meeting, where, following its consideration, any budget revisions will be considered.

Job Evaluation

8. As reported in previous meetings DCC have been undertaking a substantial exercise to harmonise pay and conditions across the authority with staff/union involvement and consultation this was signed off for implementation from 1 January 2013. The impact of this agreement has been factored into the Financial Monitoring report and 2013/14 Budget (to be considered further on the agenda).

Mountsett Crematorium Pre-Payment Cremation Bond

9. The D.C.C. Solicitor submitted the application for registration to the scheme on 1 August 2012. On 10 December we received confirmation from the FSA that they have accepted our application and have allocated a case number to the application. It is hoped that a working

proposal will be in place for consideration by the Mountsett Crematorium Joint Committee at the April meeting.

Joint Conference of Federation of Burial and Cremation Authorities and the Cremation Society of Great Britain

10. The Joint Conference of Federation of Burial and Cremation Authorities and The Cremation Society of Great Britain are to be held from 1 to 3 July 2013 at Stratford-upon-Avon. A proposal is made for the Bereavement Services Manager and Chair to the Joint Committee to attend this conference to represent the Mountsett Crematorium Joint Committee at the event. The cost to attend this would be £495.00 per person.

Green Flag Application

11. As Members may recollect at the meeting held on 5 October 2012 it was reported that Mountsett Crematorium were successful in obtaining a Green Flag Award.
12. We are again submitting an application for the 2013 Award and will report back at a future meeting.

Recycling of Metals Scheme

13. Discussions with the Chair and Vice Chair have taken place and it was proposed to give the next tranche of money to St Oswald's Hospice, Gosforth; subject to seeking nominations from the Joint Committee on future charity nominations (see Appendix 2). If no future charity nominations are put forward then a solution could be to default to the Chairman's chosen charity for that year.

Mountsett Crematorium: Replacement of Cremators and Installation of Mercury Abatement Plant

14. Initial discussions have taken place between the Bereavement Services Manager and DCC Design Services in relation to the future replacement of the cremators and the installation of Mercury Abatement plant. Details of the feasibility study will be presented to the committee at a future meeting.

Service Asset Management Plan Update

15. As Members may recollect at the meeting held on 5 October 2012, members agreed the Service Asset Management Plan and approved that a number of schemes should be progressed subsequent works. Some of these works have now been completed namely:-
 - Internal decoration of crematorium
 - External decoration of crematorium

- Replacement windows to staff room
- Replacement of kitchen units in staff room
- Replacement of display cabinet in book of remembrance building.

16. Works currently programmed and scheduled to be completed by the end of March 2013 Include:-

- Provision of 1 additional accessible car parking bay
- Adjust paving to office entrance to overcome 30mm step
- Improve signage in the chapel lobby
- Assess means of escape strategy
- Provide additional seating with arm rests and differing heights within public and clergy rooms
- Remove timber threshold on exit route doors
- Provide accessible WC for public that can be accessed internally
- Upgrade existing ambulant WC's with contrasting grab rails
- The installation of the BACAS computer software system.

Recommendations and Reasons

17. It is recommended that Members of the Mountsett Joint Committee consider and agree:-

- The content of this report with regards to current performance of the crematorium
- The current situation with regards to the sale of Memorial Plaques
- Note the current situation with regards to Job Evaluation
- Note the current situation with regards to the Pre-Payment bond and progress working with DCC legal team
- To agree to the attendance of The Bereavement Services Manager and Chair at the yearly Institute of Cemetery and Crematorium Management Conference
- Note the future submission with regards to the Green Flag
- In the absence of nominations for future recycling income that the chairman's charities will benefit from money generated
- Note the progress with regards to the Feasibility Study to look at all options with regard to the cremator replacement
- Note the works currently underway with regards to The Service Asset Management Plan.

Contact: Graham Harrison 03000 265606

Appendix 1: Implications

Finance

As identified in the report.

Staffing

There are no implications.

Risk

The details of the SAMP works highlighted within the report have been scrutinised with costs taken into consideration within the 2012/13 outturn. These together with information supplied by the Bereavement Services Manager should mitigate any risks with regards to challenge and review of the Joint Committees financial position.

Equality and Diversity/Public Sector Equality Duty

Equality Impact Screenings have been undertaken with regards to the SAMP works.

Accommodation

There are no implications.

Crime and Disorder

There are no implications.

Human Rights

There are no implications.

Consultation

None, however, Officers of Gateshead 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 Mountsett Crematorium.

Procurement

There are no implications.

Disability Issues

There are no implications.

Legal Implications

As outlined in the report.

Appendix 2: Possible Charity nominations

Age Concern

Barnardo's

British Heart Foundation

Cancer Research North East

Children's Cancer fund

Coping with Cancer North East

Derwentside Hospice Care Foundation

Derwentside Mind

Macmillan Cancer Support

Marie Curie Cancer Care

The British Red Cross Society

Mountsett Crematorium Joint Committee

31 January 2013

Risk Register 2012/13



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 current position with regards to the Risk Register of the Mountsett Crematorium Committee.

Background

2. A Risk Assessment report was presented to members at the January 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 approach to Risk Management. In approving the report, the Committee committed to regular monitoring and reporting of both strategic and operation risks.

Risk Assessment – January 2013

3. The Risk Register considered and approved by the Joint Committee in October 2012 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.
4. In line with the previous report, two risk registers have been prepared, separately identifying Service and Operational risks.
5. Both sections of the Risk Register have been reviewed by the Risk Officer responsible for Neighbourhood Services and the Bereavement Services Manager. 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 at Appendix 2. The risk matrix plots the risk to a grid based upon the assessment of likelihood and impact scores. The higher a risk is in the top right corner of the matrix the bigger a risk it is to the service.
7. Due to the long term absence of the Crematorium Manager at Mounsett impacting on service delivery and increased workload for staff, the net impact and likelihood of risks 4 and 10 have increased. Risk 4 "Sickness absence of staff" has increased from Minor/

Unlikely to Minor/ Probable. Risk 10 "Loss of knowledge and ability to cover existing workload through staff loss" has increased from Minor/ Unlikely to Moderate/ Probable. Actions are in place to mitigate these risks and once complete should reduce the net risk scores. The amended risk assessments are included in appendix 2.

8. 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 3.
9. Only one operational risk had an outstanding action Risk 8 "Slips, trips and falls". Since the report to committee in January the risk assessment training for ladder duties has been completed which has reduced this risk to a tolerable level.
10. There have been no changes to the remaining Operational Net Risk Scores following the review and all risks are considered to be at a tolerable level.
11. The emerging risk reported in January regarding the Local Authority becoming responsible for implementing the changes required under the reform of Health & Social Care bill regarding Death Registration where each Local Authority will have to appoint someone to oversee these responsibilities is still on the horizon. However, the Government has moved the implementation date for this to August 2013. A full risk assessment will be carried out nearer the time and details included in future reports.

Embedding Risk Management - Monitoring and Review

12. In order to ensure that risk management is embedded and that the risk register is kept up to date, regular reviews will 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

13. The original risk register has been revised and updated and rescored in accordance with Durham County Council criteria.

Recommendations

14. It is recommended that:-
 - Members of the Mountsett Joint Crematorium Committee note the content of this report and the updated position.
 - The Risk Registers be kept up to date and reviewed by the Joint Committee on a half yearly basis.

Background Papers

- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 5th October 2012
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 27th January 2012
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 30th September 2011
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 4th February 2011
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 23 September 2010
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 29 January 2010
- Risk Assessment – Report to Mountsett Crematorium Joint Committee – 12 June 2009
- External Audit Report – Report to Mountsett Crematorium Joint Committee – 30 October 2009

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 2 and 3.

Staffing

There are no staffing implications associated with this report.

Risk

There are no implications in this report.

Equality and Diversity/Public Sector Equality Duty

There are no implications in this report.

Accommodation

There are no implications in this report.

Crime and Disorder

There are no implications in this report.

Human Rights

None

Consultation

Officers of Gateshead Council were consulted on the contents of this report.

Procurement

None

Disability Issues

None

Legal Implications

None

Appendix 2: Service Risk Register

RISK MATRIX							
5	Highly Probable						LIKELIHOOD
4	Probable		4	10			
3	Possible		11	3			
2	Unlikely		7	12			
1	Remote		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 – 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 on staff morale due to uncertainty over Job Evaluation and Single Status	21	2
4	Sickness absence of staff	20	3
5	Disclosure of confidential information through incorrect disposal/maintenance of information	5	11
6	Failure of Cremators	6	8
7	Power Failure	10	6
8	Loss of Income/Money	5	11
9	Breakdown of Partnership	7	7
10	Loss of knowledge and ability to cover existing workload through premature staff loss	28	1
11	Managing Excess Deaths	12	5
12	Pre-payment of bond premium is not sufficient to cover fees	16	4

Risk. No.	Risk – Ranked by Net Risk Score	Net Risk Score	Ranking
10	Loss of knowledge and ability to cover existing workload through premature staff loss	28	1
3	Impact on staff morale due to uncertainty over Job Evaluation and Single Status	21	2
4	Sickness absence of staff	20	3
12	Pre-payment of bond premium is not sufficient to cover fees	16	4
11	Managing Excess Deaths	12	5
7	Power Failure	10	6
9	Breakdown of Partnership	7	7
1	Not implementing changes in legislation	6	8
2	Non compliance with the new fire order	6	8
6	Failure of Cremators	6	8
5	Disclosure of confidential information through incorrect disposal/maintenance of information	5	11
8	Loss of Income/Money	5	11

DESCRIPTION OF RISK		
Business Unit	Mountsett Crematorium	
Risk	4	
Risk Owner	Graham Harrison	
Detail of Risk	Sickness absence of key staff	
BACKGROUND TO RISK EVENT		
Risk Causes	<ul style="list-style-type: none"> • Unexpected sickness absence by key staff • Prolonged Sickness Absences 	
Potential Impact	<ul style="list-style-type: none"> • Failure to deliver service • Reputational damage • Loss of confidence • Loss of income due to invoices not being raised. 	
GROSS RISK ASSESSMENT		
Financial Impact (1 to 5)		1
Service Delivery Impact (1 to 5)		3
Stakeholder Impact (1 to 5)		1
Total Gross Impact Score (sum above)		5
Likelihood (1 to 5)		5
Total Gross Risk Score (Total Impact * Likelihood)		25
Existing Control Measures		
<ul style="list-style-type: none"> • Internal procedures and policies are in place. • Back to Work interviews are undertaken • Sickness Monitoring is undertaken • Family friendly policies in place with HR advice available • Internal recruits have been recruited and trained as volunteer cremator technicians. • Reciprocal arrangement with Durham Crematorium for staff to cover in place 		
NET RISK ASSESSMENT		
Financial Impact (1 to 5)		1
Service Impact (1 to 5)		3
Stakeholder Impact (1 to 5)		1
Total Net Impact Score (sum above)		5
Likelihood (1 to 5)		4
Total Net Risk Score (Total Impact * Likelihood)		20
CONCLUSION		
<ul style="list-style-type: none"> • TOLERATE / TRANSFER / TREAT / TERMINATE 		
CONTROL IMPROVEMENTS/ ACTIONS		
Activity	Responsible	Timescales
Cover provided by Bereavement Services Manager to arranged as and when required.	G Harrison	31/06/13
Completed by		Date
T Maddison / G Harrison		09/01/13

DESCRIPTION OF RISK		
Business Unit	Mountsett Crematorium	
Risk	10	
Risk Owner	Graham Harrison	
Detail of Risk	Loss of knowledge and ability to cover existing workload through staff loss.	
BACKGROUND TO RISK EVENT		
Risk Causes	<ul style="list-style-type: none"> Staff leaving for alternative employment Sudden departure of staff 	
Potential Impact	<ul style="list-style-type: none"> Failure in service delivery 	
GROSS RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Delivery Impact (1 to 5)	3	
Stakeholder Impact (1 to 5)	3	
Total Gross Impact Score (sum above)	7	
Likelihood (1 to 5)	5	
Total Gross Risk Score (Total Impact * Likelihood)	35	
Existing Control Measures		
<ul style="list-style-type: none"> Reciprocal agreement in place with Durham Crematorium to provide emergency cover Close communication with small team 		
NET RISK ASSESSMENT		
Financial Impact (1 to 5)	1	
Service Impact (1 to 5)	3	
Stakeholder Impact (1 to 5)	3	
Total Net Impact Score (sum above)	7	
Likelihood (1 to 5)	4	
Total Net Risk Score (Total Impact * Likelihood)	28	
CONCLUSION		
<ul style="list-style-type: none"> TOLERATE / TRANSFER / TREAT / TERMINATE 		
CONTROL IMPROVEMENTS/ ACTIONS		
Activity	Responsible	Timescales
Await outcome of long term sickness decision.	G Harrison	31/06/13
Completed by	Date	
T Maddison / G Harrison	09/01/13	

Appendix 3: Operational Risk Register

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

Risk. No.	Risk – By Risk Number	Net Risk Score	Ranking
1	Injury to staff and visitors	7	2
2	Exterior Pathways and Steps	5	5
3	Use of hand tools and machinery for gardening	5	5
4	Cleaning Duties	5	5
5	Violence/Assault from Member of the Public	6	4
6	Fire	7	2
7	Risk Assessments and Reviews not undertaken	10	1
8	Slips, trips and falls	3	8

Risk. No.	Risk – Ranked by Net Risk Score	Net Risk Score	Ranking
7	Risk Assessments and Reviews not undertaken	10	1
1	Injury to staff and visitors	7	2
6	Fire	7	2
2	Exterior Pathways and Steps	5	5
3	Use of hand tools and machinery for gardening	5	5
4	Cleaning Duties	5	5
5	Violence/Assault from Member of the Public	6	4
8	Slips, trips and falls	3	8



Mountsett Crematorium Joint Committee

31 January 2013

Financial Monitoring Report – Position at 31/12/12, with Forecast Outturn at 31/03/13



Joint Report of Terry Collins – Corporate Director: Neighbourhood Services; and Don McLure – Corporate Director: Resources & 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 2012 to 31 December 2012, together with the forecast outturn position for 2012/13, highlighting areas of over/underspend against the revenue budgets at a service expenditure analysis level.
2. The report also sets out details of the funds and reserves of the Joint Committee at 1 April 2012 and the projected position at 31 March 2013, taking into account the forecast financial outturn projection of income and expenditure this year.

Background

3. Scrutinising the financial performance of the Mountsett 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 Mountsett Crematorium.

Financial Performance

4. 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 Mountsett Crematorium are included within this report.
5. The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information and market intelligence supplied by the Bereavement Services manager. The following table highlights the projected outturn financial performance of the Mountsett Crematorium at 31 March 2013:-

Subjective Analysis	Base Budget 2012/2013 £	Year to Date Actual April – Dec £	Projected Outturn 2012/2013 £	Variance Over/ (Under) £
Employees	108,900	94,895	119,794	10,894
Premises	124,609	97,981	172,351	47,742
Transport	300	302	403	103
Supplies & Services	59,828	36,904	53,544	(6,284)
Agency & Contracted	11,915	5,445	11,610	(305)
Central Support Costs	23,500	18,000	23,500	0
Gross Expenditure	329,052	253,527	381,202	52,150
Income	(599,500)	(532,256)	(690,127)	(90,627)
Net Income	(270,448)	(278,729)	(308,925)	(38,477)
Transfer to Reserves				
- Repairs Reserve	15,000	0	15,000	0
- Cremator Reserve	90,558	0	129,035	38,477
Distributable Surplus	(164,890)	0	(164,890)	0
35% Gateshead Council	57,712	43,824	57,712	0
65% Durham County Council	107,178	0	107,178	0
Mountsett Crematorium Earmarked Reserves	Balance @ 1 April 2012 £	Transfers to Reserve £	Transfers From Reserve £	Balance @ 31 March 2013 £
Repairs Reserve	29,284	15,000	0	44,284
Cremator Reserve	416,499	129,035	0	545,534
Total	445,783	144,035	0	589,818

Explanation of Significant Variances between Original Budget and Forecast Outturn

6. As can be seen above, the projected outturn is showing a forecast surplus (before transfers to reserves and distribution of surpluses to the partners authorities) of £304,819 at the year end against a budgeted surplus of £270,448 (before transfers to reserves and distribution of surpluses to the partners authorities), £34,371 more than the budgeted position. The following section outlines the reasons for any significant variances by subjective analysis area:

6.1 Employees

The forecast outturn shows an over spend of **£10,894** based on current staffing levels. The overspend is mainly as a result of revised employee terms and conditions agreed in the latter part of 2011/12. The review had not been undertaken in time for the 2012/13 budget setting process thus resulting in a projected **£13,706** variance to budget. Overtime undertaken to ensure business continuity during the Superintendent

& Registrar's long term sickness absence is expected to total **£1,294**. However the Superintendent & Registrar's employment ended on 19th December 2012 so there are savings of **(£4,106)** built into the forecast relating to Qtr 4 costs.

6.2 Premises

The forecast outturn is showing a **£47,742** over spend against budget. The main variances are detailed below:

- Additional works of **£40,145** as highlighted in the Service Asset Management Plan reported to members in September 2012. Members will note a slight reduction in the over spend attributable to the Repairs and Maintenance budget than previously reported, this is due to other works (previously considered as necessary) not being undertaken in order to ensure sufficient reserve capacity to fund the works identified via the Service Asset Management Plan.
- Utility costs of gas, electricity and water are anticipated to result in an over spend against budget of **£3,387**
- NNDR charges have been received at **£4,210** higher than budget. This is due to a revaluation during 2012/13 and subsequent increase in the rateable value of the Crematorium.

6.3 Supplies and Services

The **(£6,284)** forecasted under spend on supplies and services expenditure is due to the following reasons:

- Calligraphy costs for the Book of Remembrance are lower than budgeted by **(£1,385)** due to the number of entries requested during the year.
- Medical referee costs are higher than budgeted by **£2,805** due to the increased number of cremations carried out during the year.
- The requirements of the Cremation Abatement of Mercury Emissions Organisation (CAMEO) scheme do not come into place until 1st January 2013. This has resulted in a saving on budget during 2012/13 of **(£7,185)**. Members should note however that the first charge will be levied by CAMEO in arrears during January 2014. The 2012/2013 outturn considers 50% of budgeted cremations at an estimated £50 per cremation for the period January to March 2013 in lieu of the estimated payment requirement.
- Expenditure in relation to Licences and subscriptions is **(£550)** lower than budgeted
- A very slight over spend re clothing and uniforms of **£31** has been incurred during the year.

6.4 Agency and Contracted

An under spend of **£305** is expected, the main reasons are:-

- The actual cost of the Independent Testing of the Cremator & Abatement Equipment is higher than budget by **£495**
- The payment to FSA in connection with the Prepayment Bond application is **(£750)** less than budgeted as the charge was made to both Mountsett and Durham Joint Committees resulting in a shared cost
- Actual external audit fees for the year were received at **£50** less than budgeted.

6.5 Income

An additional income of **(£90,627)** is projected within 2012/13. Reasons are as follows:-

- The 2012/2013 budget assumes a total of 1,150 cremations. The projected outturn (based on a historic trend data projection for the remaining 3 months along with actual cremations carried out to date), assumes a total of 1,320 cremations during 2012/13, resulting in an increase of 170 from original budget and an additional income of **(£85,000)** this year
- Plaque sales, (taking into consideration numbers to date), are expected to exceed budgeted income expectations by **(£9,590)**
- Miscellaneous sales, including Organ Fees and Urns, are anticipated to exceed budget by **(£961)**
- Offsetting these additional income amounts however, is an expected reduction in the Book of Remembrance entries, resulting in a reduction in income of **£4,924**.

6.6 Earmarked Reserves

A contribution into the Cremator Reserve of £129,035 is projected within this outturn report. This is £38,477 additional to that originally budgeted

Overall, the earmarked reserves projection at 31 March 2013 is £589,818, an in year increase of £144,035 or approximately 32% in year. This is in line with the previously agreed strategy of the Joint Committee.

Recommendations and Reasons

7 It is recommended that:-

- Members note the April to December 2012 revenue spend financial monitoring report and associated projected outturn position 2012/13:-

Background Documents

2012/13 Revenue Budget and Fees and Charges Report – As approved by the Mountsett Crematorium Joint Committee

Previous 2012/13 Financial Monitoring Reports – As previously presented to the Mountsett Crematorium Joint Committee

Oracle Financial Management System Reports

Contact(s): Paul Darby 03000 261930

Appendix 1: Implications

Finance

Full details of the year to date and projected outturn financial performance of the Mountset 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 Bereavement Services Manager and Assistant Superintendent and Registrar. The projected outturn has been produced taking into consideration spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by the Bereavement Services Manager and Assistant Superintendent and Registrar, should mitigate the risks associated with achievement of the forecast outturn position.

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

None. However, Officers of Gateshead 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 Joint Committee.

Procurement

None

Disability Issues

None

Legal Implications

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



Mountsett Crematorium Joint Committee

31 January 2013

Fees and Charges 2013/14



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

Purpose of the Report

1. The purpose of this report is to set out details of the proposed Fees and Charges for Mountsett Crematorium for 2013/14.

Background Information

2. In reviewing existing charges or setting new charges inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc need to be fully taken into consideration.

Fees and Charges 2013/14

3. The inflationary and cost pressures facing the crematorium along with the views of the Bereavement Services Manager with regards to the local market (including harmonisation with Durham Crematorium) and customer impact from any proposed increase and benchmarking data on the charges levied in other neighbouring facilities.
4. Taking the above into consideration, the following revisions to the current fees and charges are proposed for 2013/14:-

Cremation Charges

5. It is proposed that Adult Cremation fees are increased by 11.63% to £530 in 2013/14. This results in a monetary increase of £50 per adult over the age of 16 years. Total cremation fees levied for 2013/14 (inclusive of medical referee fees and environmental surcharge) are therefore proposed at £550.
6. The proposed increase considers a requirement to build up reserves in order to ensure sufficiency to fund future capital works (as highlighted previously in the Service Asset Management Plan reported to members at the September 2012 meeting).
7. It is proposed to retain the NIL charging policy for child cremations. Members will see from Appendix 3 that neighbouring crematoria charges range from £23 to £206.

Book of Remembrance

8. There is no proposed increase to the Book of Remembrance fee for 2013/14.
9. A full schedule of the proposed fees and charges for Mountsett Crematorium is shown in Appendix 2, with benchmarking comparison data shown in Appendix 3 for members' information. As can be seen, the cremation fees compare well, and (even factoring in the 2013/14 proposed increases) is the second lowest in relation to the neighbouring crematoria, most of whom, at this time, have not yet finalised their fees and charges proposals for 2013/14.

Recommendations and Reasons

10. It is recommended that:-

- Members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2013
- All approved fees and charges are incorporated into the 2013/14 budget.

Background Papers

2012/13 Budget and Financial Monitoring Reports
2013/14 Budget Working Papers

Contact(s): Paul Darby 03000 261930

Appendix 1: Implications

Finance

A detailed schedule of the proposed fees and charges for Mountsett Crematorium is included at Appendix 2. These proposals have been factored into budget proposals for 2013/14.

Staffing

There are no staffing implications associated with this report.

Risk

The sensitive pricing of services is essential to maintain the competitiveness and reputation of Mountsett Crematorium in the current economic climate. The proposed increases in fees and charges next year will ensure that the charges remain competitive in comparison with neighbouring facilities, and this, together with a prudent assumption in terms of the number of cremations undertaken next year, plus the strong reputation of the Mountsett Crematorium Joint Committee, should ensure risk is minimised with regards to the achievement of the income budgets. Increases will be publicised in advance and communication carefully handled.

Equality and Diversity / Public Sector Equality Duty

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

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 Gateshead 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 Mountsett Crematorium Joint Committee.

Procurement

None

Disability Discrimination Act

None

Legal Implications

None

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SCHEDULE OF PROPOSED CREMATORIUM CHARGES 2013/14

	Mountsett						
	2011/2012 Charges incl VAT (where appropriate)	2012/13 Charges incl VAT (where appropriate)	Proposed Charges 2013/2014 incl VAT (where appropriate)	VAT Status	Increase / (Decrease)		
	£	£			£	%	
Non-viable Foetus	£9	£9	£9	O	£0	0.00%	
Child	£0	£0 up to 1 mth	£0 up to 1 month	O	£0	0.00%	
Child	£0 up to 16 yrs	£0 up to 16 yrs	£0 up to 16 yrs	O	£0	0.00%	
Adult	£410 over 16 yrs	£430 over 16 yrs	£480 over 16 yrs	O	£50	11.63%	
<u>Surcharges</u>							
Non Resident (Adult)	£0	£0	£0	O	Not Applicable	Not Applicable	
Environmental surcharge	£50	£50	£50	O	Not Applicable	Not Applicable	
Saturdays Additional	50%	50%	50%	O	Not Applicable	Not Applicable	
Certificate of Cremation	Included	Included	Included	O	Not Applicable	Not Applicable	
Medical Referees Fees	£20	£20	£20	O	£0	0.00%	
Body Parts	£9	£9	£9	O	£0	0.00%	
2 line entry Book of Remembrance	£38	£50	£50	S	£0	0.00%	
Seat for Lease of 10 years	£1,042	£1,042	£1,042	E/S	£0	0.00%	£70 VAT Exempt
Columbaria Unit for Lease of 20 years	£1,240	£1,240	£1,240	E/S	£0	0.00%	£70 VAT Exempt
Small Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£178	£178	£178	E/S	£0	0.00%	£70 VAT Exempt
Large Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£304	£304	£304	E/S	£0	0.00%	£70 VAT Exempt
Vase Block for Lease of 10 years Plus Cost of Plaque at supplier price	£532	£532	£532	E/S	£0	0.00%	£70 VAT Exempt
Inside New Garden Large Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£334	£334	£334	E/S	£0	0.00%	£70 VAT Exempt
Inside New Garden Vase Block for Lease of 10 years Plus Cost of Plaque at supplier price	£586	£586	£586	E/S	£0	0.00%	£70 VAT Exempt

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2013/14 For Approval	Effective From: Status 13/14	2012-13 No Previous Copies		2012-13 Not Yet Determined		2012-13 Not Yet Determined		2012-13 Not Yet Determined		2012-13 No Response		2012-13 Confirmed		Nov-11 Not Yet Determined		Nov-12 confirmed		Jan-12 No Response		*** Durham				
		£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£			
Cremation Fees																								
£480.00 over 16 years	Adult (inc ES)	£605.00 over 18 years	£569.00 over 18 yrs	£590.00 over 18 years	£610.00 over 16 years	£565.00 over 16 years	£626.00 over 12 years	£538.00 over 17 years	£569.00 over 14 years	£499.00 over 16 yrs	£530.00 over 16 yrs	£0	£20	£550.00	£655.00	£639.00	£665.00	£665.00	£602.50	£610.00	£666.00	£520.00	£550	
£50.00	Environmental Surcharge	£50.00	£50.00	£40.00	Included	£47.50	Included	Included	£63.00	Included	£0	£0	£0	£50.00	£50.00	£50.00	£40.00 over 12 years	£23.00	£34.00	£21.00	£21.00	£20	£550	
£20.00	Medical Referees Fees	Included	£20.00	£35.00	Included	Included	£40.00 over 12 years	£23.00	£34.00	£21.00	£21.00	£20	£0	£20.00	£65.00	£610.00	£665.00	£666.00	£602.50	£610.00	£666.00	£520.00	£550	
Other Charges																								
£9.00	Non-viable Foetus	£0.00 up to 1 month	£0.00	£35.00	£17.00	£11.20	£0.00	£23.00	£38.00	£0.00	£9	£0	£0	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	£0
£0.00 up to 1 month	Infant Child	£0.00 up to 1 month	£0.00 12 months	£35.00	£17.00 under 5 years	£21.00 up to 1 month	£0.00	£23.00 Med referee charge only	£34.00 Med referee charge only	£0.00	£0	£0	£0	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	£0
£0.00 up to 16 yrs	Child	£139.00 1 month - 17 years	£206.00 up to 18 years	£35.00 up to 18 years	£104.50 up to 16 years	£44.00 under 16 yrs	£0.00 up to 12 years	£23.00	£34.00 up to 14 years	£125.00 under 16 yrs	£0	£0	£0	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	£0
£0.00	Non Resident Surcharge (Adult)	£0.00	£0.00	£35.00	£0.00	£0.00	£0.00	£0.00	£187.00	£161.00	£0	£0	£0	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0	£0
50.00%	Saturdays/ Additional	No Cremations on a Saturday	No Cremations on a Saturday	100.00%	No Cremations on a Saturday	£40.45	No Cremations on a Saturday	50.00%	50.00%	50.00%	50%	50%	50%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50%	50%	50%
Included	Certificate of Cremation	£20.00	Included	Included	£10.00	£6.50	£11.50	Included	£17.00	Included	Included	Included	Included	Included	Included	Included	£17.00	£17.00	Included	Included	Included	Included	Included	Included
£50.00	2 line entry Book of Remembrance (inclusive of VAT)	£0.00	£0.00	£45.00	£57.00	£33.80	£64.00	£51.00	£25.00	£42.00	£50	£50	£50	£42.00	£42.00	£42.00	£25.00	£25.00	£42.00	£42.00	£42.00	£42.00	£50	£50
£0.00	Body Parts	£66.00	£0.00	50.00% or appropriate fees	£0.00	£32.60	£150.00	£0.00	£181.00 over 14 years	£70.00	£0	£0	£0	£70.00	£70.00	£70.00	£181.00 over 14 years	£181.00	£70.00	£70.00	£70.00	£70.00	£0	£0

*** Subject to consideration by the Central Durham Crematorium Joint Committee 23/01/2013

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Mountsett Crematorium Joint Committee

31 January 2013



Provision of Support Services 2013-2014



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 for approval a proposed Service Level Agreement (SLA) for Support Service provision by Durham County Council to the Mountsett Crematorium Joint Committee for the period April 2013 to March 2014.

Background

2. A formal Service Level Agreement for Support Services provided by Durham County Council to the Mountsett Crematorium Joint Committee has been considered and approved by the Joint Committee for the past two years. For consideration within the 2013/14 budget, members are now requested to consider the forthcoming years Support Services requirement.
3. This report sets out details of the proposed SLA for the period 1 April 2013 to 31 March 2014 to cover the following functions:
 - Management Services
 - Financial Services
 - Administration Services
 - Payroll Services
 - Human Resources Services.

Service Level Agreement (SLA)

4. The SLA established for the provision of Support Service functions to the Joint Committee provides a commitment for both parties over the medium term. This includes the provision of Management advice and attendance at Joint Committee Meetings by the Head of Finance (Financial Services), in addition to Accountancy, HR, Payroll, and Administration Services.
5. The proposed SLA, attached at Appendix 2, has been developed in consultation with the Head of Finance (Financial Services) under the delegated responsibility of the Treasurer to the Joint Committee and reflects the nature of the current partnership, the services to be provided, the period of agreement and total estimated annual budget.

6. As in previous years, all work carried out directly on behalf of the Joint Committee will be recharged and the resultant budget requirement for Support Services is set out in the SLA. Details of all work to be carried out will be itemised so that costs are more transparent.
7. The proposed SLA considers the proportion of time spent by key staff undertaking the requirements of the Joint Committee. The charge proposed for 2013/14 is £19,800 (an £1,800 increase from 2012/13). During 2012/13 a time recording exercise has been carried out to ensure a true reflection of the cost of service provision. The fee applicable for 2013/14 also takes into consideration the works expectations from the Service Asset Management Plan (details of which were previously reported at the September 2012 meeting)
8. The Support Service SLA is attached at Appendix 2 for consideration and approval by members. Schedule 1 to the Appendix, as attached, provides a more detailed breakdown of the following functions and responsibilities:

Management Services

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

Financial Services

- Preparation and production of Revenue Budget
- Budget Monitoring and guidance
- Preparation and production of Small Bodies Annual Return and Statement of Accounts
- Review of the Effectiveness of internal Audit
- Creditor payments and day to day cash flow management.

Administration Services

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

Payroll Services

- Employee crematorium salary processing.

Human Resources Services

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

Recommendations

9. It is recommended that:-
 - Members consider and approve the Service Level Agreement attached at Appendix 2 (including relevant schedule) for the year 2013/14.

Contact(s): Paul Darby 03000 261930

APPENDIX 1 - Implications

Finance

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

Staffing

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

Risk

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

Equality and Diversity/ Public Sector Impact Duty

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

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

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

Human Rights

There are no Human Rights implications associated with this report.

Consultation

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

Procurement

None

Disability Discrimination Act

None

Legal Implications

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

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APPENDIX 2



Service Level Agreement

for the provision of Support Services to

**MOUNTSETT CREMATORIUM JOINT
COMMITTEE**

AGREEMENT FOR THE PROVISION OF SUPPORT SERVICES

THIS AGREEMENT is made the [23rd] of [January] **two thousand and thirteen** **BETWEEN DURHAM COUNTY COUNCIL** ("the Council") and **MOUNTSETT CREMATORIUM JOINT COMMITTEE** ("the Partnership")

1. PROVISION OF SERVICES

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

2. DURATION

- 2.1. This agreement will be effective 1st April 2013 and will continue until 31st March 2014 ("the Term")

3. THE COUNCIL'S OBLIGATIONS

3.1. Services

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

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

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

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

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

3.2. Accommodation

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

3.3. Insurance

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

4. THE JOINT COMMITTEE'S OBLIGATIONS

4.1. Support Services Fee Provision

- 4.1.1. To make available such Support Services provision as set out in Schedule 2 for the provision of agreed services for the year 2013/14 notwithstanding the contents of Schedule 2, the Support Services provision will be the subject of regular review and agreement by both parties as part of the Joint Committee's normal budget timetable. Final confirmation of the Support Services provision must be agreed no later than the 31st March in each year.
- 4.1.2. Both parties intend that the annual Support Services fee provision will be set at such a level as to cover the costs incurred by the Council in delivering the Central Support Functions. An indicative annual budget and time allocated to each of these areas as at the date of this agreement is set out in Schedule 2.
- 4.1.3. The parties agree that, without affecting the annual Support Services fee provision and the principles set out in Schedule 2, at the Joint Committee's request;
- The percentage split between the service elements to be provided can be varied up to 10% provided always that the maximum number of days per element specified in Schedule 2 is not exceeded
 - Crematorium Joint Committee being satisfied that any such changes will not have an adverse impact on the delivery of the service provision.
- 4.1.4. The parties agree that all variations, other than those referred to in the clause 4.1.3 above, require the expressed written consent of both parties.
- 4.1.5. To pay the Council annually the payments as set out in Schedule 2. The payment principles set out in Schedule 2 will apply for the purposes of determining the payments paid to the Council by the Joint Committee.

4.2. Service Delivery

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

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

4.2.1.1. The provision of suitable accommodation for the use of the Support Services on the Joint Committee's business premises, at its own cost, as may be necessary.

4.2.1.2. Agreed adherence to Durham County Council's Members Code of Conduct and Constitution.

4.2.1.3. Allowing Council staff access to all relevant assets, records (including those belonging to third parties, subject to the Joint Committee having lawful authority to do so) documents, correspondence, electronic files, software and other systems as may be necessary for the provision of the Service.

4.2.1.4. Allowing and facilitating where necessary direct access by the Head of Finance (Financial Services) /Principal Accountant, to the Chair of the Joint Committee and the Treasurer (or his nominated representative) for the purpose of delivering the relevant services.

4.2.1.5. Approving the Small Bodies Annual Return and Statement of Accounts, Annual Governance Statement, Revenue Budget and all other Financial Reports.

4.2.1.6. Taking whatever action it considers necessary as a result of issues highlighted by the Head of Finance (Financial Services).

5. MANAGEMENT OF THE SERVICE

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

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

5.2. The Head of Finance (Financial Services) will report to the Corporate Director of Neighbourhood Services and to the Corporate Director of Resources and Treasurer to the Joint Committee and to the Mountsett Crematorium Joint Committee.

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

Contact details are:

Don McLure, Corporate Director: Resources
Durham County Council,
County Hall, Durham
e.mail:don.mclure@durham.gov.uk
Telephone 03000 261945

- 5.5. The Head of Finance (Financial Services) will meet with the Crematorium Superintendent & Registrar each financial year to consider the support service fee for the following financial year. Such meetings will be scheduled in line with the Joint Committee's normal budget timetable. (Final confirmation of the support service fee provision must be agreed no later than the 31 March in each year) and be attended by such other persons as either party may wish.
- 5.6. The Crematorium Superintendent & Registrar is responsible for ensuring:-
- Responses to reports are received within timescales specified
 - Providing information to substantiate the implementation of any recommendations when requested
 - Co-operating with Support Services staff when required
 - Liaising with the Head of Finance (Financial Services)/Principal Accountant : Direct Services
 - Compliance with relevant Codes of Conduct and Durham County Council Policies and Procedures.

6. INFORMATION AND CONFIDENTIALITY

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

7. DATA PROTECTION AND FREEDOM OF INFORMATION

7.1. Each party will:-

7.1.1. Comply with the Data Protection Act 1998

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

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

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

8. TERMINATION

8.1. Either party may terminate the agreement before the 1 April 2014 by giving the other not less than 3 months prior written notice.

9. VARIATION

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

AS WITNESSED

Signed by:.....

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

Date

Signed by:.....

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

Date

Schedule 1

The following Support Services will be provided.

Management Services

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

Financial Services

3. Preparation and Production of the Annual Revenue Budget for approval by the Mounsett Crematorium Joint Committee.
4. Review and setting of the Annual Fees and Charges taking into consideration inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc.
5. Budget Monitoring (Revenue and Capital) including the provision of sound financial advice.
6. Preparation of Monthly Payroll, Bank, Debtor and Creditor Reconciliations.
7. Production of the Small Bodies Annual Return and Statement of Accounts for the Mounsett Crematorium Joint Committee in accordance with the Accounts and Audit Regulations and The Code of Practice on Local Authority Accounting in the United Kingdom.
8. Liaison with External Audit in relation to the Small Bodies Annual Return.
9. Timely processing and payment of all Mounsett Crematorium Joint Committee Purchase order and direct Invoices in line with BVPI 8 Regulations and Durham County Council Payment Terms.

Payroll Services

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

Human Resources

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

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

Administration

14. Distribution of Joint Committee Papers (including electronic distribution).
15. Provision of Committee and Secretarial Services including the remit of Clerk (providing advice and guidance on the constitutional issues and protocols) to the Joint Committee and processing any follow up requirements as appropriate.
16. Maintenance of Committee minutes and Indexing.

Advice

17. Provision of help and advice to the Crematorium Superintendent & Registrar and other officers and nominated members of the Mountsett Crematorium Joint Committee on all Financial, and other Support Service function matters.

BUDGET SCHEDULE

AREA	2012/13
Management	
Attendance at Joint Committee Meetings	
Report Review and overall Management	
	4,000
Financial Services	
Budget Preparation including fees and charges setting	
Budget Monitoring including monthly reconciliations	
Production of the Annual Statement of Accounts (including liaison with External Audit)	
	10,300
Payroll Services	
Employee payroll processing	100
Human Resources	
Health and Safety support and guidance	
Employee relations and interaction with trade unions	
Training and development facilitation	
	1,800
Creditor Payments	
Processing and payment of Invoices	200
Administration	
Distribution of Committee Papers	
Committee and Secretarial Services	
Minute maintenance and indexing	
	3,400
Total	19,800

BASIS OF CHARGE

1. Charges in respect of the period 1 April 2013 to 31 March 2014 will be recharged to the Joint Committee using the existing methodology.
2. This SLA charge is in addition to the fixed term Audit SLA totalling £5,500 previously approved by members.

In overall terms the Support Service charge represents 2.7% of the gross turnover of the Joint Committee.

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Mountsett Crematorium Joint Committee

31 January 2013

2013/14 Revenue Budget



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 for members' consideration proposals with regards to the 2013/14 revenue budget for the Mountsett Crematorium.

Background Information

2. The 2013/14 budget has been developed with the Bereavement Services Manager, taking into account the proposed Fees and Charges set out in the previous report, the 2012/13 forecast outturn position and known expenditure pressures in the coming year.

Budget Proposals 2013/14

3. The proposed 2013/14 revenue budget is shown at Appendix 2, together with the forecast position with regards to the reserves of the Mountsett Crematorium. Members should note that the main changes from the 2012/13 budget are as follows:

Employees

4. The 2013/14 budget has reduced slightly by **(£849)**. As a result of the Single Status exercise undertaken at Durham County Council, the grades, terms and conditions have increased the salary of the Crematorium Superintendent and Registrar post. This is however offset charges to the Part III terms and conditions of other crematorium staff. A 1% pay award has also been factored into the 2013/14 budget.
5. The budget considers the current vacancy of the Superintendent and Registrar. Options are currently being considered regarding this post (as reported in the Bereavement Services Manager's report considered earlier in the agenda). Following consideration at the future meeting, any budget revisions will be considered and reported.

Premises

6. The base budget has increased by **£108,871** from 2012/13. This is due to a number of factors, detailed below:-
 - The Repairs and maintenance budgets have increased by **£96,000** in consideration of the works required and highlighted in the Service Asset

Management Plan presented and approved by members at the September 2012 meeting. These requirements will be one – off items for the 2013/14 budget.

- The Cremator Reline budget has been increased by £4,000 in line with the requirements of the Service Asset Management Plan.
- Utility Budgets and the NNDR Budget have been increased to reflect the impact of inflation and the 2012/13 provisional outturn – This has resulted in an overall increase of **£8,871**.

Supplies and Services

7. Provision has been made within the Supplies and Services budget for the Cremation Abatement of Mercury Emissions Organisation (CAMEO) Scheme – Mercury Abatement charges. Whilst an exact charge has not been communicated by CAMEO, the budget has been set on the basis of a £50 charge against 50% of budgeted cremations. This has resulted in an overall increase of **£24,000** from the 2012/13 budget base

Agency and Contracted

The Agency and Contracted Services budget has reduced by a net **(£1,000)**.

- The Independent Testing of Cremators budget has increased by **£500** in line with actual charges received in 2012/13
- The budget for the registration with the FSA in 2012/13 is no required in 2013/14 resulting in a saving of **(£1500)**.

Central Support Costs

8. The 2013/14 budget factors in the proposed SLA for the provision of Support Service. As members will be aware from the previous report, the proposals are to increase this charge by **£1,800**.

Income

9. The 2013/14 budget factors in the budgetary impact of applying the increases in fees and charges proposed in the fees and charges report considered earlier. As members will be aware, the proposals are to:-
 - Increase the Adult Cremation fee by 11.6% to £480 next year – the gross fee (inclusive of medical referees and environmental surcharge) would therefore be £550 in 2013/14;
10. In setting the budget, an element of prudence has been factored into the income budget proposal for next year. Whilst the projected outturn as at 31st December 2012 assumes an increased number of cremations to budget (170), in consideration of the proposed increased cremation fee, the 2013/14 budgeted number of cremations have increased only by 100. The net effect of these considerations results in an increased cremation fee income of **(£112,500)**.

- Following the introduction of the memorial garden and in consideration sales undertaken during 2012/13, a Plaques income budget has been included for 2013/14 of **(£10,000)**
 - The miscellaneous income budget covering items such as urns, organ fees and vending machine income has reduced by **£500**
 - In consideration of the 2012/13 provisional outturn, the Book of Remembrance income budget has been reduced for 2013/14 by **£5,000**.
11. The net effect of these changes/ considerations to budget is an increased income budget of **£117,000**. It should be noted however, should cremation numbers be maintained in line with those projected for the current year, and memorial sales become more popular than 2012/13 levels, then a reasonable surplus would again be generated in 2013/14.

Earmarked Reserves

12. Transfers to the Repairs Reserves next year are budgeted in line with the 2012/13 level at **£15,000**.
13. In line with the policy (i.e any surplus generated over and above the agreed distribution to partner authorities) transfers to the Cremator Reserve are proposed to decrease from last year by £15,922 to **£74,636** next year.
14. The estimated total earmarked reserves and balances of the Mountsett Crematorium Joint Committee at 31 March 2014, taking into account the 2012/13 Quarter 3 budgetary control report and the proposed transfers to / from earmarked reserves in 2013/14 is **£679, 454** (shown in Appendix 2). Members should note that the 2013/14 budget proposal incorporates £96,000 of one off expenditure requirements which will provide further scope in the 2014/15 budget setting round.

Recommendations and Reasons

15. It is recommended that:
- Members of the Joint Committee note and approve the budget proposals contained within the report (as set out at Appendix 2)
 - Members note the forecast level of reserves and balances at 31 March 2014 (also set out at Appendix 2).

Background Papers

- 2012/2013 Budget and Financial Monitoring Reports
- 2013/2014 Budget Working Papers
- 2013/2014 Fees and Charges report.

Contact(s): Paul Darby 03000 261930

Appendix 1: Implications

Finance

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

Staffing

The employee budget provides for 5 members of staff.

Risk

The budgets take into account the 2011/12 forecast outturn position and all known expenditure pressures and opportunities for efficiencies in the coming year. The budget also considers one off expenditure requirements for 2013/14. Knowledge of these requirements ensure that risk is minimised.

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

Equality and Diversity/ Public Sector Equality/ Duty

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

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 Gateshead 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 Mountsett Crematorium Joint Committee.

Procurement

None

Disability Discrimination Act

None

Legal Implications

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

APPENDIX 2

MOUNTSETT CREMATORIUM 2013/2014 BUDGET				
2011/2012 Actual Outturn (Memo Info)	2012/2013 Base Budget (Set QTR1)	2012/2013 Projected Outturn (QTR3)		2013/2014 Base Budget
£	£	£		£
			EXPENDITURE	
126,529	108,900	119,794	Employees	108,051
99,209	124,609	172,351	Premises	233,480
142	300	403	Transport	400
47,408	59,828	53,544	Supplies and Services	83,828
9,445	11,915	11,610	Agency & Contracted	10,915
22,700	23,500	23,500	Support Service Costs	25,300
305,433	329,052	381,202	Gross Expenditure	461,974
(622,652)	(599,500)	(690,127)	INCOME	(716,500)
(317,219)	(270,448)	(308,925)	Net Income	(254,526)
			Transfer to/from Reserves	
15,069	15,000	15,000	- Repairs Reserve	15,000
137,260	90,558	129,035	- Cremator Reserve	74,636
(164,890)	(164,890)	(164,890)	Distributable Surplus	(164,890)
57,712	57,712	57,712	35% Gateshead Council	57,712
107,178	107,178	107,178	65% Durham County	107,178

Actual Balance @ 31/03/11	Budget Earmarked Reserves Balance @ 31/03/12	Revised (QTR3) Forecast Balance @ 31/03/12	Reserve	Budget Forecast Balance @ 31/03/13
£	£	£		£
29,284	44,284	44,284	Repairs Reserve	59,284
416,499	507,057	545,534	Cremator Reserve	620,170
445,783	551,341	589,818	TOTAL	679,454

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