



**Annual General Meeting  
Mountsett Crematorium Joint Committee**

**Date**        **Monday 27 June 2016**  
**Time**        **9.30 a.m.**  
**Venue**       **Mountsett Crematorium, Mountsett Crematorium, Dipton**

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**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. Declarations of Interest, if any.
3. Membership of the Joint Committee
4. Appointment of Chair
5. Appointment of Vice-Chair
6. Appointment of Treasurer to the Joint Committee
7. Minutes of the Meeting held on 29 April 2016 (Pages 1 - 6)
8. Review of the Terms of Reference (Pages 7 - 20)  
Report of the Clerk to the Joint Committee
9. Annual Governance Statement 2015/16 (Pages 21 - 32)  
Joint Report of Corporate Director of Neighbourhood Services and  
Interim Corporate Director Resources and Treasurer to the Joint  
Committee.
10. Revenue Outturn and Joint Committees Return for the Financial Year  
Ended 31/03/2016 (Pages 33 - 48)  
Joint Report of the Corporate Director Neighbourhood Services and  
Interim Corporate Director Resources and Treasurer to the Joint  
Committee.
11. Quarterly Performance and Operational Report (Pages 49 - 56)  
Report of the Bereavement Services Manager.
12. Forward Plan 2016/17 (Pages 57 - 60)  
Report of Interim Corporate Director of Resources and Treasurer to the  
Joint Committee.

13. 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  
17 June 2016

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

**Durham County Council:-**

Councillors: O Temple (Chairman), A Batey, K Dearden, C Hampson, I Jewell, O Milburn, T Nearney, M Plews and W Stelling

**Gateshead Council:**

Councillors K Dodds (Vice-Chairman), M Charlton, D Davidson, L Green, J Lee and M Ord

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**Contact: Lucy Gladders**

**Tel: 03000 269712**

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**DURHAM COUNTY COUNCIL**

At a Meeting of **Mountsett Crematorium Joint Committee** held in Saltwell Room, Civic Suite, Gateshead Council on **Friday 29 April 2016 at 2.00 pm**

**Present:**

**Councillor O Temple (Chairman)**

**Members of the Committee:**

**Durham County Council**

Councillors A Batey, I Jewell, T Nearney and M Plews

**Gateshead Council:**

Councillors D Davidson, L Green and J Lee

**1 Apologies for Absence**

Apologies for absence were received from Councillors M Charlton (Gateshead Council) and Councillors K Dearden, C Hampson and O Milburn.

**2 Minutes of the Meeting held on 29 January 2016**

The minutes of the meeting held on 29 January 2015 were confirmed as a correct record and signed by the Chairman.

**3 Declarations of Interest, if any.**

There were no declarations of interest submitted.

**4 Quarterly Performance and Operational Report**

The Joint Committee received a report of the Bereavement Services Manager which provided a quarterly update relating to performance and other operational matters (for copy see file of minutes).

The Bereavement Services Manager reported that during the quarter 349 cremations were undertaken compared to 388 in the comparable period last year, a decrease of 39. It was noted however that Funeral Directors were experiencing similar trends and could be attributed to the reduction in the death rate over the mild winter period.

Regarding the 2015/16 budget it was noted that this was set at a prudent assumption of 1,230 cremations during the year and had been exceeded by 66. This reflected an overachievement of income of £43,570 in year.

With regard to the sale of memorial plaques it was reported that sales were broadly in line with the comparable period last year, however across the year the number and value of memorials sold represented a year on year decrease of 10 / £3,631.

Moving on to operational matters the Bereavement Services Manager advised that following on from the last meeting the AED (Automated External Defibrillator) equipment had now been purchased and training was due to be carried out shortly.

As discussed at the previous meeting, Mountsett Crematorium would be celebrating its 50<sup>th</sup> year anniversary on 23 July 2016. It was reported that the Bereavement Services Manager had drafted an anniversary booklet which was available for members to view and comment upon. Further comments or suggestions regarding the event were welcomed.

The Bereavement Services Manager further reported on the Recycling of Metals Scheme and that a cheque for the sum of £4,444 had been received and would be presented to Derwentside Hospice Care Foundation in due course.

Further details were reported in respect of the Cremation and Burial Conference which was scheduled to be held on 4-6 July 2016 at Stratford-upon-Avon. It was reported that the Vice Chair of the Central Durham Crematorium Joint Committee and Bereavement Services Manager would be attending and views were sought on whether Mountsett also wanted to send a representative.

The Bereavement Services Manager then provided an update on the car park extension, advising that work was now completed. It was noted however that a service had taken place earlier in the week and the car park had again overspilled onto the highway.

In conclusion it was reported that, further to discussion and agreement at the last meeting to proceed with the replacement of cremators and the installation of mercury abatement equipment, a tender exercise had now been undertaken and 4 bids had been received. It was hoped that the tender would be awarded next week and further details would be reported to members in due course.

Councillor Temple at this point added that he had found the observation of the tender process extremely valuable and he was confident that a good and competitive tender had been received.

Moving on to arrangements for the 50<sup>th</sup> birthday celebration, Councillor Green commented that she was not in favour of the balloon release as they could cause damage and be harmful to animals. Councillor Batey further commented that she agreed and added the Joint Committee must be mindful of others and think about how this would or could be perceived by those who had had a family member or relative cremated at Mountsett. It was agreed therefore that this idea should not be taken forward.

Councillor Jewell commented that he was concerned that it was getting very close to the anniversary and not all arrangements had been made. He further asked whether the date had been set and all relevant parties notified. The Bereavement Services Manager advised that it was proposed that the anniversary celebrations take place on Saturday 23 July and that funeral directors were aware of provisional date. It was noted that Saturday was a quiet day for the crematorium with very few cremations taking place. In addition it was a

good day for the community to attend. It was therefore agreed that the anniversary celebrations would take place on this day.

Moving on discussion took place regarding the upcoming conference and exhibition at Stratford-upon-Avon in July 2016. It was noted that the Bereavement Services Manager and Vice Chair of the Central Durham Crematorium Committee were attending and views were sought as to whether the Joint Committee wanted to also send a representative from Mountsett.

After discussion, the committee agreed that Councillor Plews who was also the Vice Chair of the Central Durham Crematorium Joint Committee, attend on behalf of both Joint Committee's and that a verbal update would be given to the committee at the September meeting.

Regarding the car park extension, Councillor Jewell asked whether there would be any scope to allocate parking bays along the redundant road heading towards the Plough Inn and provide a footpath through to the Crematorium, in order to alleviate parking problems. Councillor Temple suggested that the Bereavement Services Manager reports back to a future meeting with further details and suggestions in line with the options previously submitted to the Joint Committee.

### **Resolved:**

That the Joint Committee note:-

- The current performance of the crematorium
- The purchase of an Automated External Defibrillator
- That arrangements for the 50<sup>th</sup> anniversary celebrations be progressed. That no balloon release should take place and that the event shall be held on Saturday 23 July 2016.
- The distribution of recycling income received to the respective charity.
- That Councillor Plews, Vice-Chairman of the Central Durham Joint Committee along with the Bereavement Services Manager represent to the Joint Committee at the Burial and Cremation Conference.
- The current position with regards to the car park extension.
- The progress with regards to the cremator replacement project.

## **5 Financial Monitoring Report 2015/16: Provisional Outturn as at 31/03/2016**

The Joint Committee received a joint report of the Corporate Director Neighbourhood Services and Corporate Director Resources and Treasurer to the Joint Committee which set out details of income and expenditure for the period 1 April 2015 to 31 March 2016, together with the provisional outturn position for 2015/16, highlighting areas of over/underspend against the revenue budgets at a service expenditure analysis level (for copy see file of minutes).

The report further detailed the funds and reserves of the Joint Committee at 1 April 2015 along with the forecast final position at 31 March 2016, taking into account the updated financial outturn projections.

The Principal Accountant advised that the projected outturn showed a surplus before transfers to reserves and distribution of surpluses to the partner authorities of £449,012 against a budgeted surplus of £306,196 (£142,816) more than the budgeted position. The provisional outturn was therefore £126,894 more underspent than previous forecast.

Further details were reported with regard to significant variances within employees, premises and supplies and services, most significantly a refund of Business Rates totalling £91,117 which had been received in the final quarter of the year. It was also reported that there had been an increase of income of £43,080 and this was mainly due to an additional 66 cremations being undertaken during the year offset by lower sales of memorial plaques and an increase in miscellaneous income.

Moving on the Principal Accountant reported that contributions to earmarked reserves were forecast as £142,816 more than originally budgeted, primarily due to the increase in cremation income, the over provision in the CAMEO abatement budget and the refund of £91k for Business Rates. This was partially offset by additional costs relating to the car park extension. In line with the Reserves Policy a transfer to the General Reserve of £16,920 was required at year end and a resulted in a net transfer to the Cremator Replacement Reserve of £268,354.

Councillor Nearney asked whether there were any plans to bring forward any work on the crematorium improvements with the cash received from the refund of Business Rates. In response the Principal Accountant advised that there were no plans to bring forward any works and it was considered more prudent to hold onto the additional funds, which could potentially reduce loan repayments required to fund the cremator replacement works.

#### **Resolved:**

That the content of the report be noted.

## **6 Risk Register Update 2016/17**

The Joint Committee received a joint 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 (for copy see file of minutes).

The Principal Accountant reported that both sections of the Risk Register had been reviewed by the Risk Officer and Bereavement Services Manager and net risk ratings had been agreed by consensus. Actions to mitigate and/or tackle issues arising from the individual risks had been agreed for the forthcoming year.

It was further reported that during the car park extension to avoid major disruption to services, all works had been carried out on Saturdays, Sundays and Monday every week. As a result there had been minimal loss of revenue by arranging cremations over the four remaining days.

With regard to major refurbishment work, involving the installation of new cremators and an extension to the crematorium to house new equipment it was noted that a full risk assessment for the project would be completed for the September 2016 risk report.

**Resolved:**

That the content of the report be noted and that the Risk Registers be kept up to date and reviewed by the Joint Committee on a half yearly basis.

**7 Internal Audit Charter**

The Joint Committee received a report of the Chief Internal Auditor and Corporate Fraud Manager which sought agreement on the revised Internal Audit Charter to take immediate effect and to be applied to reviews undertaken as part of the Internal Audit plans for 2015/16 and 2016/17 (for copy see file of minutes).

**Resolved:**

That the content of the report be noted and the Revised Internal Audit Charter be approved.

**8 Annual Internal Audit Report 2015/16.**

The Joint Committee received a report of the Chief Internal Auditor and Corporate Fraud Manager which presented the Annual Internal Audit Report for 2015/16 (for copy see file of minutes).

It was reported that based on the work undertaken the Chief Internal Auditor and Corporate Fraud Manager was able to provide a Substantial overall assurance opinion on the adequacy and effectiveness of internal control operating across the Joint Committee in 2015/16.

Councillor Temple asked whether it was known what percentage of departments achieved a Substantial assurance across the council. In response the Chief Internal Auditor and Corporate Fraud Manager advised that around 30% of services were provided with a Substantial assurance opinion.

**Resolved:**

That the content of the report be noted.

**9 DCLG Review of Crematoria Provision and Facilities**

The Joint Committee received a report of the Bereavement Services Manager which informed members of a Department for Communities and Local Government (DCLG) consultation paper on Crematoria provision and facilities, seeking the views of crematoria providers (for copy see file of minutes).

The Bereavement Services Manager advised that the consultation posed 42 questions and answers to the 22 relating to crematoria providers were included within Appendix 3 of the report.

Discussion then ensued regarding Iconography as it was reported that Mountsett did not have the facility to enable the fixed iconography to be removed and be replaced with an alternative faith's symbol. Councillor Temple commented that this could be a concern due to the number of humanist funerals taking place at Mountsett. Councillor Jewell asked whether any comments had been made by any faith groups regarding the fixed iconography. The Bereavement Services manager advised that there had not. It was further noted that the cross had been in place since 1966 and was permanently fixed to the marble wall.

Councillor Temple further commented that Gateshead had a large Jewish population and would find it interesting to see what the cremation figures were for Saltwell Crematorium for this demographic. In response the Waste Recycling and Contract Manager (Gateshead Council) advised that only 1 Sikh cremation had taken place and no Hindu or Jewish cremations had been undertaken between Jan 2015 – Dec 2016. He further commented that they used a cover to conceal the cross for humanist funerals and agreed that this could also be a suitable solution for Mountsett.

It was therefore suggested that the Bereavement Services Manager verbally report back to a future meeting regarding how this issue was managed in other crematoria and enquiries be made as to a suitable solution for Mountsett given the growing number of humanist funerals being undertaken.

**Resolved:**

That the Department of Communities and Local Governments review of crematoria be noted along with the responses to the consultation questions.



**Mountsett Crematorium Joint Committee**  
**27<sup>th</sup> June 2016**



**Mountsett Crematorium, Joint Committee,  
Changes to Constitution/Terms of  
Reference**



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**Report of the Clerk to the Joint Committee**

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**Purpose of the Report**

1. The purpose of this report is to provide details of a review of the Mountsett Crematorium Joint Committee's Constitution, which, in accordance with the Annual Governance Statement requirements is reviewed on an annual basis.

**Background Information**

2. The Constitution of the Mountsett Crematorium Joint Committee was presented to, and approved by members on 25<sup>th</sup> April 2013.
3. Members also gave a commitment to review the Constitution on an annual basis, as part of the approval process for the Annual Governance Statement.

**Review of the Constitution**

- 5 The Constitution has been reviewed by the Clerk to the Mountsett Crematorium Joint Committee.
- 6 Members will recall that the Constitution fully reflects the constituent authority legal titles, expenditure and subsequent surplus distribution arrangements to Durham County Council / Gateshead Council on a 65 / 35 basis, along with the policies regarding retained surplus transfer to reserves.
- 7 Members will again note that the constituent authority membership appointments and asset ownership remain as per the original constitution, dated 7<sup>th</sup> September 1976.
- 8 The Mountsett Crematorium Joint Committee will continue to operate within the procedure rules and financial regulations of the lead partner authority, Durham County Council who will continue to be responsible for the management of the facility and for supporting the Joint Committee.
- 9 The review has not highlighted any requirements for change to the current Constitution, which is attached at Appendix 2 for members full consideration and therefore this report reaffirms continuation of the existing Constitution and governance arrangements set out within.

**Recommendations:****It is recommended that:**

- 10 Members of the Committee consider the outcome of the review of the Constitution of Mountsett Crematorium Joint Committee, and reapprove the Constitution as set out in Appendix 2, the review having been completed in accordance with Annual Governance Statement requirements.

**Background Papers****Mountsett Crematorium Joint Committee Constitution (amended 25.4.13)**

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**Contact(s): Sarah Grigor – Clerk to the Joint Committee 03000 269 676**

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## **Appendix 1: Implications**

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### **Finance**

The Constituent Authority income sharing (unchanged) and reserves protocols (in line with the strategy adopted in recent years) are disclosed within the constitution detailed within Appendix 2.

### **Staffing**

There are no staffing implications associated with this report.

### **Risk**

There are no risk implications associated with this report

### **Equality and Diversity / Public Sector Duty**

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

### **Accommodation**

The Constituent Authority asset ownership (unchanged) is highlighted within the constitution detailed within Appendix 2.

### **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**

Legal officers of Gateshead Council were originally provided with a copy of the constitution and given opportunity to comment / raise any detailed questions/ request amendments on its content in advance of circulation to members of the Mountsett Crematorium.

### **Procurement**

None

### **Disability Discrimination Act**

None

### **Legal Implications**

The constitution (revised April 2013) has been reviewed by the Clerk to the Joint Committee, an employee of Legal Services, Durham County Council, in line with relevant legislative requirements.



## Appendix 2

Gateshead amendments DH/JM/PB: 23/07/12

This **DEED** of Agreement is made the .....day of .....2013

### **BETWEEN:-**

- 1) The County Council of Durham, Durham County Council, County Hall, Durham and
- 2) The Borough Council of Gateshead of the other part.

### **WHEREAS:-**

1. The Authorities to the Deed have by virtue of Section 102(1) of the Local Government Act 1972 the Local Government Act 2000 the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2000 the Local Authorities and all and every power enabling them agreed and resolved to constitute a joint committee to exercise the powers which each of the Authorities hereto might respectively have exercised by virtue of the Cremation Acts 1902 and 1952 for the provision running, maintenance and management of the existing Crematorium at Mountsett within the County of Durham which is more particularly described in paragraph 1 below.
2. The said Authorities now wish to constitute the said joint committee on the terms set out below and to the intent that the Deeds of Agreement between the said Authorities and dated 7<sup>th</sup> September 1976 and 8<sup>th</sup> September 1983 shall cease to have effect.

**NOW** in pursuance of the said agreement and the respective resolutions and in consideration of these presents **THIS DEED WITNESSES** as follows:-

#### **1. Definition and Interpretation**

- 1.1 In this agreement the following expressions have the meanings set out below, unless the context otherwise requires.

‘Authority’ either Durham or Gateshead and ‘Authorities’ shall be construed accordingly.

‘Annual meeting’ the annual meeting of the Joint Committee held each year in accordance with paragraph 7.2 of this agreement.

‘Chief Executive’ the head of an Authority’s paid service being the person designated as such under Section 4 of the Local Government and Housing Act 1989.

‘Clerk’, the person appointed by virtue of paragraph 16.1 to carry out certain duties allocated by this agreement.

‘Council’ the Council of elected members of one or other of the Authorities to this agreement.

‘Crematorium’ the crematorium known as Mountsett Crematorium which includes all buildings grounds equipment and other property appurtenant there.

‘Financial year’ the period running from 1<sup>st</sup> April in one calendar year until 31<sup>st</sup> March in the next calendar year (inclusive).

‘Joint committee’ the Mountsett Crematorium Joint Committee constituted by this agreement.

‘Member’ unless the context otherwise so requires, a member of the Joint Committee.

‘Monitoring officer’, Durham County Council’s Head of Legal and Democratic Services being the person designated under Section 5 of the Local Government and Housing Act 1989 or this officers nominated deputy in the case of absence or illness.

‘Ordinary meeting’, any meeting of the Joint Committee that is not an Annual Meeting or a Special Meeting.

‘Principal Office’ in the case of Durham County Council, the Council Offices, County Hall, Durham and the case of Gateshead Council the Civic Centre as referred to at the beginning of the agreement.

‘Special meeting’ a meeting of the Joint Committee convened in accordance with paragraph 7.6 of this Agreement.

## **2. Duration of Joint Committee**

The Authorities shall constitute the Joint Committee from the Commencement Date and the Joint Committee shall continue thereafter unless and until determined by either Authority or both of them under the provisions contained in this agreement.

## **3. Name of Joint Committee**

The Joint Committee shall be known as the Mountsett Crematorium Joint Committee.

## **4. Provision and Location of Crematorium**

- 4.1 The Crematorium is located on the Crematorium Site which was acquired by the Authorities prior to the date hereof.

- 4.2 The Crematorium site is vested 60% in Durham County Council and 40% Gateshead Council by virtue of Section 120(4) of the Local Government Act 1972 and all and every power so enabling and registered at HM Land Registry with Title Absolute Title Number.

## **5. Membership**

- 5.1 The Joint Committee shall consist of Members appointed by the Authorities as follows:-

- 5.1.1 Each Authority shall appoint from its own membership nine Members from Durham County Council and seven Members from Gateshead Council which appointments shall reflect the political balance of each authority.

- 5.1.2 Subject to the provisions of this agreement each Member shall continue in office for a period of one year or until such time as he shall cease to be a members of the Council by whom he is appointed whichever is the sooner and any provision in the Procedure Rules of either Authority to the contrary is hereby waived. Each member shall be eligible for re- appointment until such time as he shall cease to be a member of the council by whom he is appointed.

- 5.1.3 If either Authority does not appoint the number of Members which it is entitled to appoint the other Members of the Joint Committee shall be competent to carry out the business thereof pursuant to this agreement.

- 5.1.4 Any person who is a member of the Councils of both Authorities shall only represent the first Authority to appoint him as a Member and any subsequent appointment by the other Authority shall be void.

- 5.1.5 The Chief Executive of each Authority shall notify the Chief Executive of the other Authority and the Clerk within fourteen days of any appointment of a member of his Council to the Joint Committee.

- 5.1.6 Any member may at any time resign his office as such Member by notice addressed to the Clerk who shall forthwith notify the respective Chief Executives of each of the Authorities.

- 5.1.7 Any member may be removed at any time by resolution by the Authority by whom he was appointed but such removal should only become effective upon receipt by the Clerk of notification thereof.

## **6. Chair and Vice Chair**

- 6.1 At the first meeting of the Joint Committee and subsequently at its Annual Meeting in each successive year the Joint Committee shall select one of its Members as Chair and another as Vice Chair for the forthcoming year Provided that at no time shall the Chair and Vice Chair be members of the same Authority.

- 6.2 The Chair of the Committee shall alternate between both authorities on an annual basis unless otherwise agreed at the Annual meeting of the Committee.
- 6.3 The elected Chair and Vice Chair shall remain in office until the next Annual Meeting unless by reason of death resignation disqualification or any other cause before that time and upon a vacancy occurring during the term of office another Member from the same Authority shall be appointed by the Joint Committee to fill the vacancy until the next Annual Meeting.
- 6.4 If there is equality of votes as to the appointment of Chair or Vice Chair then the Chair for the time being of that meeting shall have a second or casting vote.

## **7. Meetings of the Joint Committee**

- 7.1 The first meeting of the Joint Committee shall be convened by the Clerk.
- 7.2 The Joint Committee shall hold an Annual Meeting before the end of June in each year.
- 7.3 Other than the Annual Meeting, meetings shall be held at such places and on such dates and at such times as the Joint Committee may decide from time to time save that meetings shall be held not less than quarterly.
- 7.4 Ordinary meetings and Annual Meetings of the Joint Committee shall be convened by the Clerk who shall deliver notice thereof to each member at least five clear days before the date of the meeting.
- 7.5 With the notice referred to in paragraph 7.4 the Clerk shall send a copy of the agenda for the meeting which shall include:
- provision for the declaration of personal and prejudicial interests by Members for the purposes of the Code of Conduct issued under Section 50 Local Government Act 2000.
  - all items of business which have been, or are deemed to have been, referred to the Joint Committee by a Council resolution of either Authority.
  - all reports submitted by any officer of either Authority; and
  - any item of business directed to be included by the person appointed to preside at the meeting.
- 7.6 A quorum of four members must be present to constitute a meeting Provided that there is at least one member present from each Authority.
- 7.7 The Chair and two members of the Joint Committee may at any time by notice specifying the business to be transacted and sent to the Clerk require a Special Meeting of the Joint Committee to be convened and the Clerk shall



accordingly convene a special meeting which shall be held within thirty clear days of receipt by the Clerk of the said notice.

7.8 The Clerk shall give Members of the Joint Committee at least five clear days notice of the Special Meeting and such notice shall specify the business proposed to be transacted.

7.9 No business shall be transacted at a Special Meeting other than that specified in the notice sent to the Clerk and referred to in paragraph 7.7 above.

## **8. Person Presiding at Meetings**

8.1 The Chair or in his absence the Vice Chair shall preside at every meeting provided that if both the Chair and the Vice Chair are absent the Members present shall elect another Member of the Joint Committee who shall preside at that meeting.

## **9. Voting**

9.1 Every matter at a meeting of the Joint Committee shall be decided by a simple majority of those Members voting and present and in the venue, at the time the question is put. In the case of an equality of votes in relation to a particular item of business then consideration of that item shall be adjourned and shall be deferred for decision at a future meeting of the Joint Committee to allow informal discussion to take place between the parties

9.2 Except where a requisition is made under the next paragraph 9.3, the method of voting at meetings of the Joint Committee shall be by show of hands.

9.3 If a requisition for a recorded vote is made by any three Members present before a vote is taken on any question or motion, the voting shall be recorded so as to show whether each Member present voted for or against that question or motion or abstained from voting.

## **10. Minutes**

10.1 The Clerk shall be responsible for keeping a record of attendance and a record of the business transacted at every meeting of the Joint committee and the minute book shall be submitted to, and signed at the next following meeting.

10.2 The person presiding at the next following meeting referred to in paragraph 10.1 shall put the question that the minutes be approved as a correct record of the previous meeting.

10.3 No discussion shall take place upon the minutes, except upon their accuracy. If no question is raised as to accuracy or if it is raised then as soon as it is disposed of, the person presiding shall sign the minutes.

- 10.4 Copies of the minutes of every meeting of the Joint Committee and any sub-committee thereof shall as soon as possible after each meeting be sent by the Clerk to the Chief Executive of each authority.

**11. Sub-Committees**

- 11.1 The Joint Committee may from time to time appoint sub-committees for any general or special purpose in connection with their powers and functions for the purposes of advising and reporting back to the Joint Committee. Any sub-committee so appointed shall consist of a minimum of three members and shall include at least one Member from each Authority.
- 11.2 Subject to clause 11.1 the Joint Committee shall at the time of appointing any sub-committee resolve what shall be the terms of reference of that sub-committee.

**12. Vacancies**

- 12.1 No act or proceeding of the Joint Committee shall be questioned on account of any vacancy or on account of any defect in the appointment of any Member.

**13. Capital Expenditure**

- 13.1 If the Joint Committee shall at any time require to incur capital expenditure for the:

13.1.1 The acquisition of property

13.1.2 The construction of works, or

13.1.3 Any other capital purposes in connection with its powers.

- 13.2 Then the use of part or all of any profits or surplus made in any financial year shall be used to finance capital expenditure or upon agreement of the Joint Committee may carry forward part or all such profits or surplus as required to finance known future capital expenditure.

**14. Revenue Expenditure**

- 14.1 All losses/deficits or profits/surpluses either incurred or generated as a result of the normal operational business of the Joint Committee in any financial year shall be borne or distributed in the following percentages 35% Gateshead and 65% Durham County Council. This arrangement shall be subject to review at least every five years with the first review taking place in March 2015.

- 14.2 Any losses identified during the financial year should be first met by any available reserves. In the absence of available reserves each Authority should make a relevant contribution in accordance with the % mentioned in paragraph 14.1
- 14.3 As soon as possible after the end of any financial year the Joint Committee shall calculate the exact net revenue expenditure for the preceding year and shall request or make payments to each Authority to be allocated in accordance with the % mentioned in paragraph 14.1 (total to the agreed distributable surplus amount).
- 14.4 The Joint Committee upon agreement may use or carry forward retained surplus made in any financial year for the purpose of:
- 14.4.2 Paying debts
- 14.4.3 Meeting contingencies
- 14.4.4 Meeting future expenses
- 14.5 But any amount of such profit or surplus not so applied (as agreed annually at the Annual General Meeting) shall be returned to the Authorities. Payable to each authority by the 1<sup>st</sup> October in each year.
- 15. Interest on Sums Due**
- 15.1 Any sum properly payable by either of the Authorities to the Joint committee whether of a capital or revenue nature, which is not paid by the due date shall be liable to interest at the base lending rate of the Co-operative Bank plc until such time as the sum due is paid in full.
- 16. Appointment of Officers**
- 16.1 (a) The Clerk shall be the Head of Legal and Democratic Services or their appointee of Durham County Council.
- (b) The Treasurer shall be the Corporate Director Resources of Durham County Council or anyone appointed by him.
- 16.2 The Joint Committee shall appoint and pay such employees as it deems necessary to provide equip maintain and manage the Crematorium and all services and duties ancillary thereto and required to be provided by virtue of this agreement or by statute and such employees shall be enabled to join any pension scheme which employees of Durham County Council are entitled to join by virtue of their individual contracts of employment.
- 16.3 The functions of the Joint Committee shall be dealt with by Durham County Council officers (identified at clause 16 above). For the avoidance of doubt the identified officers shall include officers succeeding to the named officers responsibilities on any re-organisation.

## **17. Accounts**

- 17.1 The Treasurer shall keep accounts of all monies received by and all expenditure of the Joint committee as may be required for the purposes of Part 8 of the Local Government Act 172.
- 17.2 As soon as practicable after the end of the Financial Year the Joint Committee shall send to each Authority a full report of the operations of the Joint Committee during the last financial year and a copy of the accounts thereof.
- 17.3 Durham County Council will carry out an annual audit of the accounts and the Joint Committee will provide a copy of the report thereof to each of the Authorities as soon as practicably possible after receipt of the same.
- 17.4 When this agreement is silent the Mountsett Crematorium will operate within the procedure rules and financial regulations of the lead partner authority, Durham County Council, who will continue to be responsible for the management of the facility and for supporting the Joint Committee.

## **18. Performance of Agreement**

- 18.1 The Authorities shall at all times take all or any action as may be necessary for giving full effect to this agreement and every provision and obligation contained herein and any decision made by the Joint Committee pursuant hereto. Each party shall be committed to mutual cooperation and assistance to give effect to the terms of this Agreement which shall include :
  - a) the setting up of a joint officer meeting to discuss and formulate advice and reports to the Joint Committee and
  - b) not less than twenty business days before the date of any Joint Committee prior notification of agenda items only shall be given to officers of each Authority of items intended to be tabled as items of business for the Joint Committee in order to ensure that the same may be fully considered by officers of each Authority. An officer Neighbourhood services Director of Resources from each authority to be involved in a pre-meeting to the committee hearing
- 18.2 Each Authority shall bear its own costs for the negotiation preparation completion and stamping of this agreement.
  - 18.2.1 If either Authority shall fail to carry out any necessary act required to be taken pursuant to paragraph 18.1 above, the other may implement any reasonable measures necessary to give effect to this agreement or any proper decision of the Joint Committee and the reasonable costs thereof shall be recoverable as a debt from the Authority which so failed to act.

19. **Termination**

- 19.1 If the Authorities or either of them shall wish to determine this agreement or make any alteration to the terms hereof then in default of agreement between the Authorities the matter shall be referred to arbitration in accordance with paragraph 20 below

20. **Arbitration**

Any dispute between the Authorities under or arising out of this agreement shall be referred to a single arbitrator to be agreed upon by the Authorities or in default of agreement to be nominated by the Secretary of State for Communities and Local Government or such other Government Minister as shall be appropriate in accordance with and subject to the provision of [ the Arbitration Acts 1950 and 1979] or any statutory modification or re-enactment of them for the time being in force.

21. **Complaints**

Any complaint received by the Joint Committee or either or both of the Authorities relating to the Crematorium or any officer employed thereat or to the performance of functions under this agreement shall be dealt with in the first instance in accordance with Durham County Council's formal complaints procedure and if the complaint is not resolved as a result of that process or if a complaint is received from the Local Government Ombudsman dealt with by the Monitoring Officer.

## Mountsett Crematorium Joint Committee

27 June 2016

### 2015/16 Annual Governance Statement




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### **Joint Report of Oliver Sherratt – Interim Corporate Director: Neighbourhood Services; Paul Darby – Interim Corporate Director: Resources & Treasurer to the Joint Committee**

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#### **Purpose of the Report**

- 1 The purpose of this report is to provide details of the Annual Governance Statement (AGS) for the year April 2015 to March 2016. The AGS will need to be formally approved by Members as part of the consideration of the Joint Committees Return for the financial year ended 31 March 2016 and is attached at Appendix 2.

#### **Background**

- 2 The Mountsett Crematorium Joint Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. The Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in a way which functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 3 In discharging this overall responsibility, the Mountsett Crematorium Joint Committee is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risks.
- 4 The Mountsett Crematorium Joint Committee has adopted and operates under (via Durham County Council, its lead Authority), a code of Corporate Governance which is consistent with the principles of the CIPFA/SOLACE Framework – ‘Delivering Good Governance in Local Government’. The Annual Governance Statement (AGS) explains how the Joint Committee complies with this code and also meets the requirements of the Accounts and Audit Regulations 2011 in relation to an annual review of the effectiveness of its system of internal control.
- 5 Under the Accounts and Audit (England) Regulation 4(3), the AGS will need to be formally signed by the Chair and Treasurer (Durham County Council’s Corporate Director: Resources) to the Mountsett Crematorium Joint Committee and published along with the Mountsett Crematorium Joint Committee’s Annual Return no later than the 30 June 2016.

## The Annual Governance Statement (AGS)

- 6 The format and structure of the AGS is prescribed in guidance contained within the CIPFA / SOLACE Framework and is broken down into a number of different sections. The terminology used is therefore consistent across all authorities. These are:-
- Scope of Responsibility
  - The Purpose of the Governance Framework
  - The Governance Framework – incorporating details of the internal control environment i.e. the systems, procedures, processes and Financial Management by which the Joint Committee directs and controls its functions, including the formulation of strategy, its objectives and how it delivers services to meet those objectives
  - Review of Effectiveness – which sets out details of a review of the Governance Framework (set out above) and which is informed by the work of internal audit, the Bereavement Services Manager, external auditors and other review agencies and inspectorates
  - Significant Governance Issues – the Mountsett Crematorium Joint Committee must identify any areas of significant internal control weaknesses, including what action is being taken to address them
  - Signature by the leading member (Chair) & Treasurer to the Joint Committee.
- 7 The statement is initially compiled by the Finance Manager - Neighbourhoods, in accordance with guidance contained within the Framework.
- The statement reflects the current position within the Joint Committee.
- 8 The statement is evidence based and relies upon the review of the effectiveness of internal audit undertaken by the Audit Committee of the lead authority (Durham County Council) along with written assurances from the Bereavement Services Manager, internal audit's views, having carried out a review during the year and commented on the assurance given by each, external auditors and other review agencies and inspectorates and the assurances contained within their reports to the Mountsett Crematorium Joint Committee.
- 9 The Statement is submitted to the Mountsett Crematorium Joint Committee for approval with submission to External Audit – BDO LLP by 30 June 2016.

## Recommendations

- 10 It is recommended the Mountsett Crematorium Joint Committee examines the content of the 2015/16 Annual Governance Statement and approves it as part of the consideration of the Joint Committees Return for the financial year ended 31 March 2016.

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<b>Contact:</b>	<b>Philip Curran</b>	<b>Finance Manager – Neighbourhoods</b>	<b>03000 261967</b>
	<b>Ed Thompson</b>	<b>Principal Accountant</b>	<b>03000 263481</b>

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**Finance**

Financial planning and management is a key component of effective corporate governance.

**Staffing**

Ensuring staff are adequately trained and professionally competent to meet the core principles of the CIPFA/SOLACE guidance.

**Risk**

Risk is intrinsic to the system of internal audit and governance.

**Equality and Diversity / Public Sector Duty**

Engaging local communities including hard to reach groups meets a core principle of the CIPFA/ SOLACE guidance.

**Accommodation**

Asset Management is a key component of effective corporate governance.

**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**

Engaging local communities meets a core principle of the CIPFA/SOLACE guidance.

**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 regulations.

## **1 Scope of Responsibility**

The Mountsett Crematorium Joint Committee is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. It also has a responsibility under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy efficiency and effectiveness. This Committee was established in 1964 by the Urban District Councils of Stanley and Consett (transferred to Derwentside District Council, 1976) and the Urban District Councils of Blaydon and Whickham (transferred to Gateshead Metropolitan Borough Council, 1976).

Following Local Government Reorganisation in 2009, as successor to Derwentside District Council, Durham County Council acts as the lead authority.

The Mountsett Crematorium Joint Committee is also responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, which includes arrangements for the management of risk.

The Mountsett Crematorium Joint Committee has adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework 'Delivering Good Governance in Local Government' and operates under the policies and strategies including Contract Procedure Rules, Financial Procedure Rules, Financial Regulations, developed, agreed and adopted by the Durham County Council, its lead authority.

This statement explains how the Mountsett Crematorium Joint Committee has complied with the code and also meets the requirements of Regulation 4 (3) of the Accounts and Audit regulations (England) 2011 in relation to the publication of an Annual Governance Statement.

## **2 The Purpose of the Governance Framework**

The governance framework comprises the systems and processes, culture and values by which the Mountsett Crematorium Joint Committee is directed and controlled and its activities through which it accounts to, engages with and leads the community. It enables the Committee to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Mountsett Crematorium Joint Committee's policies, aims and objectives, to evaluate

the likelihood and potential impact of those risks being realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the Mountsett Crematorium Joint Committee for the year ended 31 March 2016 and up to the date of approval of the Joint Committees Return for the financial year ended 31 March 2016.

### **3 The Governance Framework**

The key elements of the systems and processes that comprise the governance arrangements are detailed in Durham County Council's Local Code of Corporate Governance, which is documented in the Council's Constitution. This sets out the key documents and processes that determine the way the Council is directed and controlled to meet the six core principles of the CIPFA/ SOLACE Framework.

The following sections demonstrate assurance that the Council has complied with each of these principles in practice, and also highlights where we have further improved our corporate governance arrangements during 2015/16.

#### **Focusing on the purpose of the authority and the outcomes for the community and creating and implementing a vision for the local area**

The vision for Mountsett Crematorium encompasses the lead Authority's 'Altogether Better Durham' focus reflecting the aim to improve service provision and make a real difference to service users.

The vision for the Mountsett Crematorium Joint Committee takes the following format:-

- To provide a sensitive, respectful and valued service fitting for the bereaved and their families
- To ensure sympathetic, supportive and confidential advice is given to the recently bereaved on funeral service arrangements and give assistance in co-ordinating the funeral process if required
- To provide consistent high quality standards of maintenance in Mountsett Crematorium, working to maximise value for money
- To fully comply with all environmental and regulatory standards and requirements
- To ensure the proper respect of Mountsett Crematorium with fair rules and regulations are fully explained to all visitors.

Mountsett Crematorium Joint Committee reviews its vision and its implication for its governance arrangements on an annual basis. This is achieved by:-

- Reviewing its Code of Corporate Governance, ensuring that it remains consistent with the principles of the CIPFA/SOLACE Framework – Delivering Good Governance in Local Government

- Reviewing the Mountsett Crematorium Joint Committee Constitution on an annual basis
- Reviewing the SAMP on an annual basis.
- Adopting a clearly defined Reserves Policy and Medium Term Financial Strategy
- Focus on the Strategic and Operational Risks via six monthly reports to the Joint Committee

Mountsett Crematorium Joint Committee measures the quality of service for users, ensures that they are delivered in line with service objectives and that they represent the best use of resources. This is achieved by:-

- Aligning the annual budget to the Joint Committee's performance management arrangements and continuing to report under its framework of quarterly budgetary control reporting and high level objective of 'Effective use of Resources'
- Financial Awareness Training undertaken by the Bereavement Services Manager and other officers whom service the Crematorium
- Undertaking Performance Management Reviews through comparative statistics with other crematoria. National comparisons via CIPFA Cemeteries and Crematoria Statistics Returns are undertaken on an annual basis
- Consideration and acknowledgement of Letters of Appreciation by the Joint Committee and also via the Direct Services Management Team within Durham County Council
- Logging and recording complaints in line with the lead authority's policy, indicating the type of complaint, response time and outcomes. The process also identifies how the crematorium has changed practices, procedures and policies as a result of any such complaint.
- Adopting the lead authority's employee performance appraisal arrangements, designed around a number of key competencies. This is a key method of assessing the individual performance of officers, highlighting and addressing any areas for improvement
- The Joint Committee's overall approach to the management of the Crematorium assets enabling the best possible service delivery. The Joint Committee considers its assets in the widest sense, driving forward continual service improvement and investments
- The Service Asset Management Plan which ensures the Joint Committee make the best use of the assets available and prioritises investment in the facilities to maintain and improve the service offered to users ensuring value for money
- The application and award of the Green Flag, which recognises service quality and environmental cleanliness at Mountsett.

### **Members and officers working together to achieve a common purpose with clearly defined functions and roles**

Mountsett Crematorium Joint Committee ensures that the necessary roles and responsibilities for the Governance of the crematorium are identified and allocated so that it is clear who is accountable for decisions that are made. This is achieved by:-

- The Mountsett Crematorium Joint Committee Constitution which clearly describes the composition of the Committee and how appointments are made. The roles of the Chair and Vice Chair are also clearly documented. Arrangements are in place for a review to be undertaken at the Annual General Meeting of the Joint Committee in June of each year.
- Ensuring that all policy and decision making is facilitated through the Mountsett Crematorium Joint Committee with all party membership being drawn from nomination by the constituent authorities

Mountsett Crematorium Joint Committee ensures that its financial management arrangements conform to the CIPFA statement by:-

- Appointing as its Treasurer, the Corporate Director: Resources and Chief Finance Officer (CFO) from the lead authority along with the Head of Finance (Financial Services) under the scheme of delegated responsibilities by the Treasurer. The Corporate Director and Head of Finance are professionally qualified and possess the necessary skills, knowledge and experience to perform effectively in both a financial and non-financial role
- Ensuring the finance function in support to the Treasurer is adequately qualified and resourced to fulfil its duties and a structure is in place that provides a line of professional accountability for the finance staff
- Ensuring that key CIPFA Codes such as the Prudential Framework for Local Authority Capital Finance and the Treasury Management Code are complied with where required
- Having a clearly articulated Medium Term Financial Plan/Reserves Strategy and Policy
- Producing Monthly Budgetary Control Reports which are considered on a quarterly basis by the Joint Committee
- Ensuring proper Internal Audit, Risk and Governance arrangements are in place
- Maintaining the Service Asset Management Plan.

**Promoting values for the authority and demonstrating the values of good governance through upholding high standards of conduct and behavior**

- The Mountsett Crematorium Joint Committee Constitution describes the roles of Members and Officers and arrangements are in place for a review to be undertaken at the Annual General Meeting of the Joint Committee in June of each year.
- Enables employees, contractors and suppliers providing services to the Crematorium to raise concerns regarding any potential breaches of conduct in decision making via Durham County Council's Confidential Reporting Code (Whistle Blowing Policy)

## **Taking informed and transparent decisions which are subject to effective scrutiny and managing risk**

Durham County Council and Mountsett Crematorium Joint Committee Constitutions set out how they operate, how decisions are made and the procedures which are followed to ensure that these are effective, transparent and accountable to service users.

A risk management approach is in operation that aids the achievement of strategic objectives, supports the decision making processes, protects the reputation and other assets of the Crematorium and is compliant with statutory and regulatory obligations.

The Mountsett Crematorium Joint Committee ensures that the Risk Management approach:-

- Is conducted in accordance with the Risk Management Policy and Strategy of Durham County Council. The Bereavement Services Manager is advised by the Corporate Risk Management Working Group where strategic and operational risks are considered
- Involves Risk Register reviews reported on a six monthly basis for consideration by the Joint Committee.
- Has strategically aligned, during 2015/16 the Internal Audit and Fraud service provision to enable access to trained investigators and allow greater coverage of counter fraud work when required
- Includes a Fraud Awareness training programme undertaken by Senior Officers
- Involves regular reports by internal audit to those charged with governance, to standards defined in the CIPFA Code of Practice, and in accordance with the Accounts and Audit Regulations 2006. These include the Chief Internal Auditor and Corporate Fraud Manager's independent opinion on the adequacy and effectiveness of the system of internal control, at the crematorium, together with recommendations for improvement
- Involves independent annual audits carried out by BDO LLP with the recommended outcome of these reviews actioned and undertaken
- Ensures Financial Management is undertaken by the Head of Finance (Financial Services) under the scheme of delegated responsibilities by the Treasurer of the Joint Committee in accordance with Standing Orders, Contract Procedure and Procurement Rules, Financial Regulations and Financial Procedure Rules of Durham County Council
- Has comprehensive monthly budgetary control systems including income and expenditure reconciliations and the preparation of regular financial reports which indicate actual expenditure against budget and forecast year end positions are undertaken and reported quarterly to Mountsett Crematorium Joint Committee
- Includes SMART targets which are set to measure financial and other performance

- Ensures clearly defined capital expenditure guidelines are adhered to (where applicable) in line with Durham County Councils performance and governance framework to improve the financial control of the capital portfolio.
- Allows non statutory complaints to be considered in line with Durham County Council's Complaints Policy.

### **Developing the capacity and capability of members and officers to be effective**

Mountsett Crematorium Joint Committee is committed to continually reviewing the development needs of members and officers. This is achieved by:-

- Adopting the Member Learning and Development Strategy; People and Organisational Development Strategy; and the Recruitment and Selection Policy of Durham County Council

During 2015/16 the following improvements (via DCC policies) have been undertaken:-

- Review of the Corporate Induction Programme
- Review of the Recruitment and Selection Policy
- Review of the staff records system, directly accessible by the Bereavement Services Manager through the DCC Intranet, leading to improved efficiency and shortened processing timescales
- Implementation of the revised Grievance Policy
- Continuation of the "The Durham Manager" Development Programme

### **Engaging with local people and other stakeholders to ensure robust public accountability**

During 2015/16, the Joint Committee has engaged with Stakeholders to identify and communicate improvements to service provision and crematorium building requirements.

The Mountsett Crematorium Joint Committee revised its Service Asset Management Plan (SAMP) in September 2015 and commissioned further works as a result. The delivery of the Joint Committee's vision will be further demonstrated by:-

- Continuing to identify the property needs of the service to enable it to deliver its vision
- Continuing to assess the condition, sufficiency, suitability, accessibility and energy performance of the crematorium and looking at their appropriateness to deliver the future service
- Identifying the portfolio gaps and appraising the options and priorities to close the gaps between future needs and current provision

Mapping a way forward to deliver the changes needed which takes in to consideration available funding streams and opportunities.

#### **4 Review of Effectiveness**

Mountsett Crematorium Joint Committee has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the annual report of the Chief Internal Auditor and Corporate Fraud Manager, and also by comments made by the external auditors and other review agencies and inspectorates.

Mountsett Crematorium Joint Committee has the following processes in place to achieve this aim:-

- Formalised arrangements with Durham County Council for the provision of Internal Audit and Risk Management Services are established and embedded following the consideration and approval of the Mountsett Crematorium Joint Committee Internal Audit Charter.
- Internal Audit arrangements are clearly defined and articulated through a formally approved Service Level Agreement (SLA) covering Management and Assurance, Advice and Guidance, Risk Management and Internal Control.
- Support Services provision are clearly defined and articulated through a formally approved Service level agreement (SLA) with Durham County Council covering Management, Financial, Administration, Payroll and Human Resources services.
- Internal Audit arrangements produce an Annual Audit Report and Audit Opinion to inform the Annual Governance Statement.
- Risk based assessments of key financial systems (as approved in the SLA) carried out in the final quarter of the financial year to ensure maximum coverage of the Crematorium's financial transactions and provide an informed opinion on the robustness, adequacy and effectiveness of the system of internal control, at the crematorium, together with recommendations for improvement.
- The production of a Risk Register with regular reviews undertaken by the Bereavement Services Manager along with action plan reports produced and approved where necessary. Full details are reported to the Joint Committee on a six monthly basis.
- Robust year end procedures for producing financial statements and the Joint Committees Return with the production of a closedown timetable including risk assessment and control, ensuring those involved in the closedown process are fully aware of the closedown requirements for 2015/16.
- Robust budget setting processes to support its decision making process. Comprehensive monthly budgetary control systems including income and



expenditure reconciliations and the preparation of regular financial reports which indicate actual expenditure against budget and forecast year end positions are also undertaken and reported quarterly to the Mountsett Crematorium Joint Committee.

- Annual reviews of Corporate Governance arrangements and the annual review undertaken by the lead authority, Durham County Council, of its corporate governance arrangements, together with the arrangements that the lead authority, Durham County Council has in place to detect and deter fraud and corruption.
- Membership to the Federation of Burial and Cremation Authorities, which requires that each year a signed declaration, is made so that the Codes of Practice have been strictly adhered to. The Crematorium is also subject to bi-annual inspection by the regulator (DCC) who has to be satisfied that all Environmental Legislation is being implemented.
- Performance monitoring undertaken through the use of comparative statistics with other crematoria and across years.
- The Internal Audit Section is also subject to an annual review of its activities and performance. Whilst there is no legal requirement for the Joint Committee (as a small body) to meet the requirements of the Accounts and Audit Regulations 2011, evidence of the effectiveness of the Audit Service is presented to, and reviewed by the Audit Committee of the lead authority, Durham County Council. The assurance provided by the review is presented to, considered by and minuted by the Mountsett Crematorium Joint Committee.
- Robust Service Asset Management Plan to drive investment and resource requirements to ensure crematorium facilities continue to maintain and improve service provision.
- Completion of an Internal Audit Satisfaction Survey following the completion of each Audit assignment to measure further the effectiveness of the Internal Audit Service.
- Formal Adoption of the FOI Act Publication Scheme approved and minuted by the Joint Committee.
- Formalised Treasury Management Arrangements through the production of an annual written agreement between the Joint Committee and the lead authority Durham County Council.
- Use of Green Flag Awards to measure and recognise service/environmental excellence at the site.
- Financial Awareness Training with Crematorium Management staff.

In summary, the governance framework and the system of internal control in place at Mountsett Crematorium for the year ended 31 March 2016 and up to the date of approval of the Joint Committees Return for the year ended 31 March 2016 accords with proper practice.

## **5 Significant Governance Issues**

Mountsett Crematorium Joint Committee is fully committed to the principles of Corporate Governance, and has made further progress in recent months in developing its arrangements.

The Internal Audit Section sought further assurance, via its annual plan of work and review of key systems.

As a result, Internal Audit has provided **Substantial** overall assurance opinion on the adequacy and effectiveness of internal control operating across the Joint Committee in 2015/16. This opinion provides assurance that there is a sound system of control in operation and there are no significant control weaknesses that warrant inclusion within the Annual Governance Statement.

## **6 Assurance Statement**

We have been advised on the implications of the result of the review of the effectiveness of the governance framework and the system of internal control by the Mountsett Crematorium Joint Committee and are satisfied that plans to address weaknesses and ensure continuous improvement of the system are in place.

**SIGNED:**

**Chair to the Joint Committee**  
**27 June 2016**

**Paul Darby, CPFA**  
**Corporate Director of Resources and Treasurer to the Joint Committee**  
**27 June 2016**

## Mountsett Crematorium Joint Committee

27 June 2016

### Revenue Outturn & Joint Committees Return for the Financial Year Ended 31 March 2016



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### Joint Report of Oliver Sherratt – Interim Corporate Director: Neighbourhood Services; Paul Darby – Interim Corporate Director: Resources

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#### Purpose of the Report

- 1 The purpose of this report is to seek approval of the Joint Committees Return (attached at Appendix 3) for Mountsett Crematorium Joint Committee for the financial year ended 31 March 2016. The report also includes details of the final outturn position against the approved budgets for 2015/16.

#### Background

- 2 The Joint Committees Return will be subject to external audit by the Joint Committee's appointed external auditors, BDO LLP and the audit will commence on 1 July 2016. Upon completion, the auditor's report will be reported to the Joint Committee and will be made available online, along with the Return.
- 3 The attached Joint Committees Return is a statutory requirement for the Mountsett Crematorium Joint Committee. Also attached for Members attention at Appendix 2 is the Balance Sheet as at 31 March 2016.

#### Financial Outturn 2015/16

- 4 Members will recall that regular (quarterly) budgetary control reports have been considered throughout the year, which incorporated forecast year end outturn positions. A provisional outturn report was presented to Members at the meeting of 29 April 2016.
- 5 The following table shows the final outturn position together with comparative data against the provisional outturn report considered on 29 April 2016:-

<b>Subjective Analysis</b>	<b>Base Budget 2015/16 £</b>	<b>Outturn 2015/16 £</b>	<b>Variance Over/ (Under) £</b>	<b>MEMO - Provisional Outturn [29.04.16] 2015/16 £</b>
Employees	133,198	128,286	(4,912)	128,285
Premises	212,776	151,189	(61,587)	149,612
Transport	600	505	(95)	600
Supplies & Services	121,330	88,808	(32,522)	90,794
Agency & Contracted	7,000	5,905	(1,095)	5,877
Central Support Costs	25,800	25,800	0	25,800
<b>Gross Expenditure</b>	<b>500,704</b>	<b>400,493</b>	<b>(100,211)</b>	<b>400,968</b>
<b>Income</b>	<b>(806,900)</b>	<b>(847,072)</b>	<b>(40,172)</b>	<b>(849,980)</b>
<b>Net Income</b>	<b>(306,196)</b>	<b>(446,579)</b>	<b>(140,383)</b>	<b>(449,012)</b>
<b>Transfer to / (from) Reserves</b>				
- Repairs Reserve	15,000	(1,152)	(16,152)	(1,152)
- Cremator Reserve	126,306	282,841	156,535	285,274
- General Reserve	0	0	0	0
<b>Distributable Surplus</b>	<b>(164,890)</b>	<b>(164,890)</b>	<b>0</b>	<b>(164,890)</b>
<b>35% Gateshead Council</b>	<b>57,712</b>	<b>57,712</b>	<b>0</b>	<b>57,712</b>
<b>65% Durham County Council</b>	<b>107,178</b>	<b>107,178</b>	<b>0</b>	<b>107,178</b>

<b>Mountsett Crematorium Earmarked Reserves</b>	<b>Balance @ 1 April 2015 £</b>	<b>Transfers To Reserve £</b>	<b>Transfers From Reserve £</b>	<b>Balance @ 31 March 2016 £</b>
Repairs Reserve	74,768	15,000	(16,152)	<b>73,616</b>
Cremator Reserve	661,621	282,841	(16,920)	<b>927,542</b>
General Reserve	225,150	181,810	(164,890)	<b>242,070</b>
<b>Total</b>	<b>961,539</b>	<b>479,651</b>	<b>(197,962)</b>	<b>1,243,228</b>

### ***The Outturn***

- 6 The final outturn position is broadly in line with the provisional outturn reported to the Joint Committee on 29 April 2016 with only a minor change (£2,433 decrease) to the overall net income for the year.
- 7 The following sections outline the reasons for significant variances by subjective analysis area (most of which was disclosed in the provisional outturn report), comparing the outturn position against the budget:-

### ***Employees***

- 7.1 The outturn shows an under spend of **(£4,912)** in relation to employee costs. The reasons for this are identified below:
- The vacant cleaning post resulted in an underspend of **(£5,194)** and was offset by additional Premises related costs detailed below.
  - The training budget was not required during 2015/16 resulting in an underspend of **(£1,000)**.
  - Additional overtime of **£1,282** was incurred over and above the original budget.

### ***Premises***

- 7.2 The outturn shows an underspend of **(£61,587)** in relation to premises costs. The reasons for this are identified below:-
- Costs relating to the car park extension have resulted in an approved overspend of **£16,152**. Due to the delayed start to the works, these costs are less than the £80,000 previously anticipated. The remaining costs will be incurred in the 2016/17 financial year.
  - The Cremator reline and repairs budget overspent by **£9,110**.
  - Unbudgeted cleaning costs, recharged from Direct Services, in relation to covering the vacant cleaner post resulted in an overspend of **£6,392**.
  - Miscellaneous premises budgets including general repairs underspent by **(£2,124)**.
  - A successful appeal against the rateable value of the Crematorium, carried out by Durham County Council's rating agents, has resulted in a refund of Business Rates totalling **(£91,117)**. The appeal reduced the rateable value of the property from 90,500 to 41,000 and was backdated to 1 April 2010. The Business Rate charge in 2016/17 will now be £20,377 compared to the approved budget of £45,000.

### ***Supplies and Services***

- 7.3 The outturn shows an under spend of **(£32,522)** in relation to supplies and services costs. The reasons for this are identified below:-
- Telephones and sundry items underspent by **(£4,350)**.
  - The Book of Remembrance calligraphy costs underspent by **(£2,852)**.
  - The BACAS licence budget underspent by **(£1,263)**
  - Equipment purchase and rental overspent by **£4,049**.

- The budget provision made for the environmental surcharges payable for tradable mercury abated cremations from the CAMEO scheme was overstated in the base budget and therefore underspent by **(£28,106)**. Members will recall from the 2014/15 outturn that the CAMEO charges being incurred are less than originally anticipated. This is a matter that came to light after the 2015/16 base budget was set.

### ***Agency and Contracted***

7.4 The outturn shows an under spend of **(£1,095)** in relation to agency and contracted services costs. The reasons for this are identified below:-

- Grounds Maintenance works underspent by **(£1,695)**.
- An overspend of **£600** in relation to the External Auditors fees charged by BDO LLP during 2015/16.

### ***Income***

7.5 An increase in income of **(£40,172)** from the 2015/16 budget is included within the final outturn. The main reasons are detailed below:-

- The outturn has taken into consideration an additional 66 more cremations compared to budget, resulting in an increased income to budget of **(£40,264)**. The outturn is based on a total of 1,296 cremations against a budget estimate of 1,230 during the 2015/16 financial year.
- Plaque sales were lower than budgeted resulting in reduced income of **£3,425**
- Miscellaneous income including customer DVD's and interest received was higher than budget by **(£3,333)**.

### **Earmarked Reserves**

8 Contributions to the earmarked reserves were **(£140,383)** more than originally budgeted, primarily due to the increase in cremation income during the year, the over provision in the CAMEO abatement budget and the Business Rates refund, offset by the additional costs relating to the car park extension, albeit lower than previously anticipated.

In line with the MCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of **(£16,920)** was required as part of the final accounts process. This resulted in a net transfer to the Cremator Replacement Reserve of **£265,921**.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2015, is **£1,001,158** along with a General Reserve of **£242,070** giving a total reserves and balances position of **£1,243,228** at the year end. This represents an in year increase of **£281,689** (approximately 29% over the balances held at 31 March 2015).

## Recommendations and Reasons

9 It is recommended that:-

- Members note the revenue outturn position as at 31 March 2016, including the year end position with regards to the reserves and balances of the Joint Committee.
- Members of the Joint Committee approve Section 1 – Governance Statement 2015/16 of the Joint Committees Return for the financial year ended 31 March 2016 (attached at Appendix 3).
- Members of the Joint Committee approve Section 2 – Accounting Statements 2015/16 of the Joint Committees Return for the financial year ended 31 March 2016 (attached at Appendix 3).
- The Chair, Clerk and Treasurer sign the Joint Committees Return for the financial year ended 31 March 2016 (attached at Appendix 3).

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<b>Contact:</b>	<b>Philip Curran 03000 261967</b>
	<b>Ed Thompson 03000 263481</b>

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## **Appendix 1: Implications**

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### **Finance**

Full details of the 2015/16 outturn financial performance of the Mountsett 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. The outturn has been produced taking into consideration all spend in year and year end accounting requirements. This, together with the information supplied by the Bereavement Services Manager, should mitigate any risks with regards to challenge and review of the financial outturn position of the Joint Committee.

### **Equality and Diversity / Public Sector 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 comment/raise any detailed questions on the content of the report in advance of circulation to Members of the Mountsett Crematorium.

### **Procurement**

None

### **Disability Discrimination Act**

None

### **Legal Implications**

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



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**Appendix 2**


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**Mountsett Crematorium Joint Committee**
**Balance Sheet as at 31<sup>st</sup> March 2016**

<b>31st March 2015 £000</b>		<b>31st March 2016 £000</b>
0	Property, Plant & Equipment	0
0	Intangible Assets	0
0	Long Term Investments	0
0	Long Term Debtors	0
<b>0</b>	<b>Long Term Assets</b>	<b>0</b>
773	Short term Investments	1,010
0	Inventories	0
7	Short Term Debtors	27
237	Cash & Cash Equivalents	281
<b>1,017</b>	<b>Current Assets</b>	<b>1,318</b>
0	Short Term Borrowing	0
(55)	Short Term Creditors	(75)
0	Provisions	0
<b>(55)</b>	<b>Current Liabilities</b>	<b>(75)</b>
0	Long Term Creditors	0
0	Provisions	0
0	Long Term Borrowing	0
0	Other Long Term Liabilities	0
<b>0</b>	<b>Long Term Liabilities</b>	<b>0</b>
<b>962</b>	<b>NET ASSETS</b>	<b>1,243</b>
962	Usable Reserves	1,243
0	Unusable Reserves	0
<b>962</b>	<b>TOTAL RESERVES</b>	<b>1,243</b>

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## Joint Committees

### Return for the financial year ended 31 March 2016

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The return on pages 2 to 5 is made up of four sections:

- **Sections 1 and 2** are completed by the person nominated by the Joint Committee
- **Section 3** is completed by BDO LLP as the reviewer appointed by the Joint Committee.
- **Section 4** is completed by the Joint Committee's internal audit provider.

#### **Completing your return**

Guidance notes, including a completion checklist, are provided on page 6 and at relevant points in the return. Also our extranet contains useful advice for you to refer to, see below.

Complete all sections highlighted in red. Do not leave any red box blank. Incomplete or incorrect returns require additional work and so may incur additional costs.

Send the return, together with your bank reconciliation as at 31 March 2016, an explanation of any significant year on year variances in the accounting statements and any additional information requested, to us, BDO LLP, by the due date.

We will identify and ask for any additional documents needed for our work. Therefore, unless requested, do not send any original financial records.

Once we have completed our work, the completed return will be returned to the Joint Committee.

It should not be necessary for you to contact us for guidance.

Additional information can be found on our extranet  
(<https://bdoextranet.bdo.co.uk/sites/councils/pages/default.aspx>.)

## Section 1 – Governance statement 2015/16

We acknowledge as the members of

Enter name of  
reporting body here:

**MOUNTSETT CREMATORIUM JOINT COMMITTEE**

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 2016, that:

	Agreed		Yes Means that the body:
	Yes	No*	
1 We approved the accounting statements prepared in accordance with the guidance notes within this Return.	✓		Prepared its accounting statements and approved them.
2 We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge
3 We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with generally accepted good practice that could have a significant financial effect on the ability of the body to conduct its business or on its finances and have reported our financial results to our host authority for inclusion in their accounts.	✓		Has only done what it has the legal power to do and has complied with general accepted good practice
4 We carried out an assessment of the risks facing the body and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		Considered the financial and other risks it faces and has dealt with them properly.
5 We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems.	✓		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.
6 We took appropriated action on all matters raised during the year in reports from internal audit and external reviews.	✓		Responded to matters brought to its attention by internal and external reviewers.
7 We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during tor after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements.	✓		Disclosed everything it should have about its business activity during the yea including events taking place after the year-end if relevant.

The governance statement is approved by the  
Joint Committee and recorded as minute  
reference

MINUTE REFERENCE

Date

DD/MM/YYYY

Signed by:

Chair

SIGNATURE REQUIRED

Date

DD/MM/YYYY

Signed by:

Clerk

SIGNATURE REQUIRED

Date

DD/MM/YYYY

\*Note: Please provide explanations on a separate sheet for each 'No' response.  
Describe how the joint committee will address the weaknesses identified.

## Section 2 – Accounting Statements 2015/16 for

Enter name of reporting body here:

**MOUNTSETT CREMATORIUM JOINT COMMITTEE**

	Year ending		Notes and guidance
	31 March 2015 £	31 March 2016 £	
1 Balances brought forward	637,905	961,539	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. Excluding any grants received.
3 (+) Total other receipts	865,865	847,072	Total income or receipts as recorded in the cashbook less the taxation and/or levy (line 2). Include any grants received here.
4 (-) Staff costs	(120,773)	(128,285)	Total expenditure or payments made to and on behalf of all 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	(421,458)	(437,098)	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	961,539	1,243,228	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	1,009,610	1,291,623	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 plus other long term investments and assets	0	0	The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March
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 2016 the accounting statements in the return present fairly the financial position of the Joint Committee and its income and expenditure, or properly present receipts and payments, as the case may be.

Signed by Responsible Financial Officer:

SIGNATURE REQUIRED

Date

DD/MM/YYYY

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

DD/MM/YYYY

and recorded as minute reference:

MINUTE REFERENCE

Signed by Chair of meeting approving these accounting statements:

SIGNATURE REQUIRED

Date

DD MM/YYYY

### Section 3 – External Report 2015/16 Certificate

We present the findings from our review of the return for the year ended 31 March 2016 in respect of:

Enter name of  
reporting body here:

ENTER JOINT COMMITTEE NAME

Respective responsibilities of the Joint Committee and the reviewer

The Joint Committee has taken on the responsibility of ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The Joint Committee prepares a return which:

- summarises the accounting records for the year ended 31 March 2016; and
- confirms and provides assurance on various governance matters in accordance with generally accepted good practice

This report has been produced in accordance with the terms of our engagement letter dated [date] ("the Engagement Letter") and in accordance with the International Standard on Related Services 4400 applicable to agreed-upon-procedures engagements as published by IAASB.

We have performed the following work in respect of the return prepared by the Joint Committee:

- agreed to bank reconciliation to the annual return and the bank statements
- agreed the Annual return figures back to the trial balance
- ensured the trial balance and accounting statements adds up
- agreed the precept to the funding body
- agreed any loans to the PWLB or whoever the loan is with
- checked the comparative figures to the prior year accounts
- undertake an analytical review of the figures and investigated any variances in excess of 10%
- agree that the accounting statements and annual governance statement have been signed and dated as required.
- investigated any NO answers to the Annual Governance Statement
- investigated any NO answers in the Internal auditor report

[No exceptions were found / Apart from the following exceptions, noted below, no exceptions were found.]

--

We have not subject the information contained in our report to checking or verification procedures except to the extent expressly stated above and this engagement does not constitute an audit or a review and, as such, no assurance is expressed. Had we performed additional procedures, an audit or a review, other matters might have come to light that would have been reported.

You were responsible for determining whether the agreed upon procedures we performed were sufficient for your purposes and we cannot, and do not, make any representations regarding the sufficiency of these procedures for your purposes.

Our report is prepared solely for the confidential use of the joint committee. Our report must not be used for any purpose other than for which it was prepared or be reproduced or referred to in any other document or made available to any third party without the written permission of BDO LLP.

We accept no liability to any other party who is shown or gains access to this report.

Reviewer signature

BDO LLP



## Section 4 – Annual internal audit report 2015/16 to

Enter name of reporting body here:

Mountsett Crematorium

The Joint Committee's internal audit service provider, 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 2016.

Internal audit has been carried out in accordance with the Joint Committee'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 Joint Committee.

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

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

Name of person who carried out the internal audit:

PAUL BRADLEY CPFA

Signature of person who carried out the internal audit:

Paul Bradley

Date:

14/06/2016

\*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).



## Guidance notes on completing the 2015/2016 return

1. Make sure that your return is complete (i.e. no empty red boxes), and is properly signed and dated. Avoid making any amendments to the completed return. But, if this is unavoidable, make sure the amendments are drawn to the attention of and approved by the body, properly initialled and an explanation provided to us. Returns containing unapproved or unexplained amendments will be returned and may incur additional costs.
2. Use the checklist provided below. Use a second pair of eyes, perhaps a member of the committee or the Chair, to review your return for completeness before sending it to us.
3. Do not send us any information not specifically asked for. Doing so is not helpful. However, you must notify us of any change of Clerk, Responsible Financial Officer or Chair.
4. Make sure that the copy of the bank reconciliation or letter confirming the balance held on your behalf which you send with the return covers all your bank balances. If the joint committee holds any short-term investments, note their value on the bank reconciliation. We must be able to agree your bank reconciliation to Box 8 on the Accounting statements. You must provide an explanation for any difference between Box 7 and Box 8.
5. Explain fully significant variances in the accounting statements on page 3. Do not just send in a copy of your detailed accounting records instead of this explanation. We want to know that you understand the reasons for all variances. Include a complete analysis to support your explanation.
6. If we have to review unsolicited information, or receive an incomplete bank reconciliation, or you do not fully explain variances, this may incur additional costs for which we will make a charge.
7. Make sure that your accounting statements add up the balance carried forward from the previous year (Box 7 of 2015) equals the balance brought forward in the current year (Box 1 of 2016).
8. Do not complete section 3. We will complete it at the conclusion of our work.

Completion checklist – 'No' answers mean you may not have met requirements		Done?
All sections	All red boxed have been completed?	
	All information has been sent with this return?	
Section 1	For any statement to which the response is 'no', an explanation is provided?	
Section 2	Approval by the body confirmed by the signature of Chair of meeting approving the accounting standards?	
	An explanation of significant variations from last year to this year is provided?	
	Bank reconciliation as at 31 March 2016 agrees to Box 8?	
	An explanation of any difference between Box 7 and Box 8 is provided?	
Section 4	All red boxed completed by internal audit and explanations provided?	



# Mountsett Crematorium Joint Committee

27 June 2016

## 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

2. The table below provides details of the number of cremations for the period 1 April 2016 to 31 May 2016 inclusive, with comparative data in the same periods last year:

	2015/16	2016/17	Change
April	92	130	+38
May	106	127	+21
<b>TOTAL</b>	<b>198</b>	<b>257</b>	<b>+59</b>

3. There were 257 cremations undertaken during the period 1 April 2016 to 31 May 2016, compared to 198 in the comparable period last year, an increase of 59 year on year. Initial discussions with Funeral Directors indicate similar trends throughout the area in the first two months of the financial year. The profile of where families came from can be seen below:

Gateshead	64
Durham	150
Outside Area	43
<b>Total</b>	<b>257</b>

#### Memorials

4. The table below outlines the number and value of the memorials sold in the period April to May 2016 compared to the same period the previous year.

	(Apr - May) 2015/16		(Apr - May) 2016/17	
	Number	£	Number	£
<b>Plaques</b>	3	1,215	2	652

5. In overall terms the number and value of memorials sold of 2 / £652, compared to 3 / £1,215 in the same period last year shows a decrease of 1 / £563 year on year.

## **Operational Matters**

### **The AED (Automated External Defibrillator)**

6. Members will recall that an AED (Automated External Defibrillator) had been purchased and was to be kept on site at Mountsett Crematorium. All staff at the Crematorium have now been trained and the defibrillator is now in place.

### **Business Admin Apprentice**

7. As Members are aware, a Business Administration Apprentice was employed in 2014 on a two year temporary contract, which is due to come to an end on 14 July 2016. It is proposed that the contract will not be extended and that the apprentice position will be frozen. This will result in an underspend of approximately £8,000 against the current year's budget and £11,347 per year going forward.

### **50<sup>th</sup> Year Anniversary Celebrations**

8. Members will recall that Mountsett Crematorium will be celebrating its 50th year anniversary on 23 July 2016 and it was agreed at the April 2016 meeting that a Memorial Service will be held in the Chapel starting at 10.30am. Local Clergy and Funeral Celebrants have been invited and they have also be consulted upon an order of Memorial Service, which has now been drawn up.
9. Refreshments will be provided after the service and tours of the Crematorium will be available from 12.30pm until 2.00pm. A 50 year Anniversary booklet will also be available to vistor's on the day.
10. The event provides an opportunity to invite Funeral Directors, Clergy and others associated with the Crematorium to join members of the Mountsett Crematorium Joint Committee and staff in marking the 50 Year Anniversary. The National Presidents of the Federation of Burial & Cremation Authorities and the President of the Institute of Cemetery and Crematorium Management have also confirmed their attendance. This will provide an excellent opportunity to generate some positive publicity and further enhance the reputation of the Crematorium.
11. The event provides an opportunity to allow members of the public to visit the crematorium and take a look around between 12.30pm and 2.00pm, however Durham County Council's media team have advised that they do not think it is suitable to invite members of the public to an open event afterwards due to the sensitive subject matter.

### **Recycling of Metals Scheme**

12. Members may recall that a cheque for the recycling of metals from the Institute of Cemetery and Crematorium Management for £4,444 had been received. The Committee Chair and Bereavement Services Manager presented the cheque to Derwentside Hospice Care Foundation and a photograph of the presentation and letter of thanks is attached at Appendix 2..

## ICCM Learning Convention and Exhibition 2016

13. The Institute of Cemetery and Crematorium Management ICCM Learning Convention and Exhibition is to be held at Oxford Belfry Hotel, Milton Common, Nr Thame, Oxfordshire from 31 October to 2 November 2016. It is proposed that the Bereavement Services Manager and the Chair attend this conference as representatives of the Mountsett Crematorium Joint Committee.

### Car Park Extension

14. Members were advised at the last meeting that although the car park had now been extended to 88 spaces the capacity was sometimes still not big enough.
15. Members may also recall from the September 2015 meeting that a second option had been presented to create a further 16 spaces for an additional £50,000. Following the recent extension, the design services team have now revised their plans for the creation of additional parking spaces and options are presented below for Members to consider.
16. **Option A** – Following the recent extension works there is now only capacity for an additional 10 parking spaces within the Crematoria grounds at a revised cost of **£55,855**.
17. **Option B** - At the last meeting Councillor Jewell suggested that the road beside the Plough Inn public house could be utilised as an additional parking area and access into the crematorium could be created. Discussions on site with the Assets and Highways teams have confirmed that the land is owned by Durham County Council but the road is not wide enough to accommodate parking bays as there is a need to provide two way traffic on this road.

Due to the surrounding environment, utilities and ground levels etc there is only 1 feasible location to create the footpath, which would cost approximately £72,350 (including the refurbishment / upgrading of the existing footpath on Lintz Lane).

Public utility investigations have shown that an electric supply from the substation would be affected and this would need lowering beneath the proposed footway, costing £20,000\*

A BT fibre optic cable is running adjacent to 66 linear metres of the proposed footway and slewing the fibre optic cable would cost approximately £66,000\*\*

Total estimated cost of option = **£158,350**

\* These costs are based on budget figures previously given by the utility companies for similar type works in the area. Progressing the option would require a more detailed estimate which may incur additional design fees.

\*\* Slewing of cable is only practical if there is sufficient slack in the cable to move it outside of the works. If a full diversion is required then this amount will increase significantly.

18. **Option C** – Do nothing, continue to monitor the car parking facilities and report back to a future meeting.
19. The Repairs Reserve balance at 31 March 2017 is projected to be £24,768, so should Option A or B be approved, funds would have to be redirected from the Major Repairs Reserve to finance the scheme.

#### **Replacement of Cremators and Installation of Mercury Abatement Plant**

20. Members will recall that a verbal update was given at the last meeting regarding the tender to install 2 new cremators with Mercury Abatement equipment to replace the existing cremators.
21. It can now be confirmed that A.T.I. were the successful company during the very thorough and competitive tender process.
22. Durham County Council's design team are currently working alongside the cremator manufacturer in order to design the equipment to fit in with the proposed extension. Direct Services will then be able to price the proposed extension construction costs etc. and further updates will be presented to Members at subsequent meetings.

#### **Recommendations and Reasons**

23. It is recommended that Members of the Mountsett Joint Committee:
  - Note the current performance of the crematorium.
  - Note the completion of the defibrillator staff training.
  - Discuss and agree to the freezing of the Business Admin Apprentice post
  - Note the 50<sup>th</sup> anniversary celebrations and discuss the advertising of the open event to members of the public.
  - Note the distribution of recycling income received to the respective charity.
  - Note the attendance of the Bereavement Services Manager and Chair to the Learning Convention and Exhibition.
  - Discuss the options with regards to the additional proposed car park extension.
  - Note the progress with regards to the cremator replacement.

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<b>Contact:</b>	<b>Graham Harrison, 03000 265606</b>
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## **Appendix 1: Implications**

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### **Finance**

As identified in the report.

### **Staffing**

As identified in the report.

### **Risk**

There are no implications

### **Equality and Diversity / Public Sector Equality Duty**

There are no implications

### **Accommodation**

There are no implications

### **Crime and Disorder**

There are no implications

### **Human Rights**

There are no implications

### **Consultation**

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







# Willow Burn

DERWENTSIDE HOSPICE CARE FOUNDATION

23 May 2016

Mountsett Crematorium  
Ewehurst Road  
Dipton  
Stanley  
Co. Durham  
DH9 9JP

Our Ref: GD/EB

Dear Mountsett Crematorium,

Thank you so much for supporting Willow Burn Hospice by making your very generous donation of £4,444.00 from the metal recycling scheme. As only 33% of our income comes from Government sources this means every donation is vitally important to us.

Willow Burn treasures the lives of those affected by life limiting illnesses in the communities of Derwentside and Co Durham. Now in our 27<sup>th</sup> year, we have recently set the precedent for hospice palliative care in Co Durham by achieving CHKS accreditation. This recognises our commitment to the delivery of services of the highest quality, being well known locally for providing vital community resources and renowned for the compassion our staff shows to the people that we serve.

Building on this, visionary plans have now progressed to a point where we have started to develop services and further enhance patient care in the completion of Phase 1 of our new hospice. This is a milestone achievement in Willow Burn's history but also the start of another fundraising campaign to raise £2.2 million to build Phase 2.

Your generosity and kindness will enable us to continue providing our services whilst helping us to build a world class hospice. To follow our progress, please visit our website at [www.willow-burn.co.uk](http://www.willow-burn.co.uk)

On behalf of the patients, staff and volunteers at Willow Burn Hospice, thank you very much.

Yours sincerely

**Jacqueline Pigford**  
Community Fundraiser  
Direct Line 01207 523291 Email: [jpigford@willowburnhospice.org.uk](mailto:jpigford@willowburnhospice.org.uk)



Accredited by



Registered Office: Maiden Law Hospital, Lanchester, Durham, DH7 0QS  
Tel: 01207 529224 Fax: 01207 529303 Website: [www.willow-burn.co.uk](http://www.willow-burn.co.uk)  
Registered Charity Number 519659 Companies House Number 2263960



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**Mountsett Crematorium  
Joint Committee**

**27 June 2016**

**Forward Plan 2016 / 2017**



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**Report of Paul Darby – Interim Corporate Director: Resources & Treasurer to the Joint Committee**

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**Purpose of the Report**

1. This report sets out a suggested forward plan of meetings of the Joint Committee for the forthcoming year.

**Forward Plan 2016 / 2017**

2. A proposed schedule of meetings for the remainder of 2016 / 2017, showing a forward plan of reports that will be presented, is attached at Appendix 2.

**Recommendations and Reasons**

3. That Members approve the proposed schedule of meetings as set out at Appendix 2.

**Background Papers**

- None

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<b>Contact:</b>	<b>Philip Curran, Finance Manager – Neighbourhoods</b>	<b>03000 261967</b>
	<b>Ed Thompson, Principal Accountant</b>	<b>03000 263481</b>

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## **Appendix 1: Implications**

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### **Finance**

There are no financial implications associated with this report. Routine monitoring of budgetary control information and annual budget and fees and charges setting processes are factored into the Forward Plan.

### **Staffing**

There are no staffing implications associated with this report.

### **Risk**

There are no risk implications associated with this report.

### **Equality and Diversity / Public Sector Equality Duty**

There are no equality and diversity implications associated with this report. Equality Impact Assessments, where appropriate, are undertaken as a matter of routine part of the development of any new policy or policy change.

### **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 implications associated with this report.

### **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**

There are no implications associated with this report.

### **Disability Issues**

There are no implications associated with this report.

### **Legal Implications**

There are no implications associated with this report.

## Appendix 2: Forward Plan : 2016 / 2017 Meetings

Meeting Date	Location	Reports to Consider	Report of
28/09/2016	Committee Room 1A, County Hall, Durham  10.00 a.m.	External Auditors Issues Arising Report for the Year Ended 31 <sup>st</sup> March 2016	Report of Corporate Director of Resources + Treasurer to the Joint Committee
		Quarterly Performance and Operational Report	Report of Bereavement Services Manager
		Risk Register 2016/17 – Update	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Service Asset Management Plan	Report of Corporate Director of Neighbourhood Services
		Financial Monitoring Report 2016/17: Position at 31/08/16 with Projected Outturn to 31/03/17	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
30/01/2017	Whickham Room, Gateshead Council Offices  10.00 a.m.	Quarterly Performance and Operational Report	Report of Bereavement Services Manager
		Financial Monitoring Report 2016/17: Position at 31/12/16 with Projected Outturn to 31/03/17	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Annual Review of the System of Internal Audit	Reports of the Corporate Director resources and Treasurer to the Joint Committee
		Provision of Support Services 2017/18	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Fees and Charges 2017/18	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		2017/18 Revenue and Capital Budgets	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
28/04/2017	Committee Room 1A, County Hall, Durham	Quarterly Performance and Operational Report	Report of Bereavement Services Manager
		Financial Monitoring Report 2016/17:	Joint Report of Corporate Director of Neighbourhood

<b>Meeting Date</b>	<b>Location</b>	<b>Reports to Consider</b>	<b>Report of</b>
	10.00 a.m.	Provisional Outturn as at 31/03/2017	Services & Resources + Treasurer to the Joint Committee
		Risk Register 2016/17 – Update	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Annual Internal Audit Report 2016/17	Report of Corporate Director of Resources + Treasurer to the Joint Committee
June 2017 (AGM) Date TBC	Mountsett Crematorium, Dipton, Stanley  9.30 a.m.	Appointment of Chair	Report of the Clerk to the Joint Committee
		Appointment of Vice-Chair	Report of the Clerk to the Joint Committee
		Review of the Terms of Reference	Report of the Clerk to the Joint Committee
		Annual Governance Statement 2016/17	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Revenue Outturn and Joint Committees Return for the Year Ended 31/03/2017	Joint Report of Corporate Director of Neighbourhood Services & Resources + Treasurer to the Joint Committee
		Quarterly Performance and Operational Report	Report of Bereavement Services Manager
		Forward Plan 2017/18	Report of Corporate Director of Resources + Treasurer to the Joint Committee