

DURHAM COUNTY COUNCIL

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

At a Meeting of **Central Durham Crematorium Joint Committee** held in **Durham Crematorium, South Road, Durham** on **Wednesday 28 September 2016** at **5.30 pm**

Present:

Councillor JV Graham (Vice-Chair, in the Chair), GD O'Hehir and D Taylor

Durham County Council:

Councillors D Bell, J Chaplow, P Conway, N Foster, D Stoker and K Thompson

Spennymoor Town Council:

Town Councillors JV Graham (Vice-Chair, in the Chair), GD O'Hehir and D Taylor

1 Apologies for Absence

Apologies for absence were received from A Bonner, K Corrigan, B Kellett, B Moir, M Plews and M Simmons.

2 Minutes

The Minutes of the Annual General Meeting held on 29 June 2016 were confirmed as a correct record and were signed and initialled by the Chairman.

3 Declarations of Interest

There were no Declarations of Interest submitted.

4 External Audit Annual Review of the Return for the year ended 31 March 2016

The Joint Committee considered a Joint Report of the Interim Corporate Director Neighbourhood Services and Interim Corporate Director Resources and Treasurer to the Joint Committee relating to the External Auditors (BDO LLP) issues Arising Report for the year ended 31 March 2016 (for copy see file of minutes).

The Principal Account, Ed Thompson advised that the audit had now been concluded, adding that there had been no material weaknesses highlighted around the Joint Committee's system of internal control, however, there was one minor exception where a table did not add up by £1.

Resolved:

That the Joint Committee approve the Joint Committee's Return for the year ended 31 March 2016 including the External Report 2015/16 Certificate.

5 Quarterly Performance and Operational Report

The Bereavement Services Manager, Graham Harrison asked Members to note the performance figures from 1 June 2016 to 31 August 2016 and the comparison to the same period for 2015, highlighting that there was a net increase of 34 cremations year on year. It was noted there was a total of 539 for the 3 month period with the June to August profile breakdown showing 168 from Durham, 23 from Spennymoor and 348 from outside of the area.

Members were asked to note that the number of memorials sold had decreased in comparison to the same period the previous year, with sales being £50 less than the comparable period last year.

Councillors noted that for the fifth year running the Crematorium, in a joint bid with the South Road Cemetery, had achieved the Green Flag Award. Members noted that the Recycling of Metals Scheme had generated a sum of £350,000 nationally in 2015/16 and that Diabetes UK had been nominated for the next available distribution of funds.

The Joint Committee noted there had been a slight delay to the Phase 4 works relating to the canopies, with these works almost complete and the Crematorium returning to 5 day operation from Monday, 3 October 2016. The Bereavement Services Manager noted Members would be able to see the completed works during a brief tour after the meeting.

The Bereavement Services Manager referred Members to the Service Asset Management Plan (SAMP) appended to the report which set out a number of proposed works, set out by priority: urgent essential; priority 2; priority 3; and longer term works. Members noted some of the works included replacement of the lectern in the chapel with one with an adjustable height and a coffee machine for the waiting room.

Councillor P Conway asked as regards the difference in amounts when looking at Niche sales, with this year having one sale at £222, and the previous having one sale at £1,150. The Bereavement Services Manager noted that the higher figure had also included an inscription and an additional interment.

The Neighbourhood Protection Manager, Neighbourhood Services, Ian Hault commended the work of the Officers involved with the improvement works, including the Bereavement Services Manager and Direct Services staff. The Neighbourhood Protection Manager asked Members to reflect on the series of improvement works beginning with the replacement of the cremators and including: car park improvements; new book of remembrance building, increasing the size of the chapel; and most recently the new canopies.

It was added that it had been a long journey and that, with the help of the Joint Committee and all the Officers involved, an excellent, quality facility was now in place providing a valued service to our Funeral Directors, Clergy and customers.

Resolved:

- (i) That the current performance of the Crematorium be noted.
- (ii) That the continued success with the Green Flag Award be noted.
- (iii) That updated position with regards the Recycling of Metals Scheme be noted.
- (iv) That the progress with regards the Phase 4 Improvement Works be noted.
- (v) That the Service Asset Management Plan be approved and factored into budget planning in 2017/18 and beyond.

6 Financial Monitoring Report - Position at 31/08/16, with Projected Revenue and Capital Outturn at 31/03/17

The Principal Accountant referred Members to Financial Monitoring Report, as set out in the usual format, for the period to 31 August 2016 and with projected outturn to 31 March 2017 (for copy see file of minutes).

The Joint Committee noted that there was a projected revenue outturn surplus of £171,805 more than the budgeted position, with the reasons for the major variances set out in detail within the report. It was added that one of the main reasons was a saving as a result of the successful appeal against the rateable value of the Crematorium, which had been brought to Members attention at the last meeting. The Principal Accountant added that the other reason, and which accounted for the majority of the projected surplus was an increased income due to a projected increase in the number of cremations. It was added that upon looking at the Authority's other facility at Mountsett and speaking to other Local Authorities as regards their experiences, the increase in cremations was in line with other facilities across our region.

Members noted the position in terms of the Capital Programme with the remaining Phase 3 and 4 Redevelopment Works, and the projection for this to be as budgeted at £566,040.

Members noted a projected total reserve of approximately £1.34 Million at the year-end, giving a strong financial position. The Principal Accountant noted that once the improvement works had been completed, then reserves would build up steadily, ready for further cremator replacement at the end of the life-cycle of the current equipment. It was added that given the strong financial position, and the relatively low financial impact of the Service Asset Management Plan, Members may wish to look at options in terms of the distribution of surplus to Durham County Council and Spennymoor Town Council. The Principal Accountant suggested that as the figures were projections at this point, Members may wish to wait until the year end before looking at such options as regards distribution of surplus.

Resolved:

That the April to August 2016 Financial Monitoring Report and associated provision revenue and capital outturn positions at 31 March 2017, including the projected year end position with regards to the reserves and balances of the Joint Committee, be noted.

7 Risk Register Update 2016/17

The Principal Accountant asked Members to note the Risk Register Update 2016/17 report, the Joint Committee considering updates on a 6 monthly basis. Members recalled that the report set out Strategic Risks and Operational Risks and risks were regularly reviewed by the DCC Risk Management Team in conjunction with the Bereavement Services Manager.

It was noted that there was a low level risk in terms of the slight delay in the canopy works and this was set out within the report. It was noted that there had been no changes to the Operational Net Risk Scores and all risks were considered to be at a tolerable level.

Councillor D Stoker asked as regards the recent issues in terms of woodland burials. The Bereavement Services Manager noted that was a separate entity and did not relate to the Crematorium or Joint Committee.

Resolved:

- (i) That the Members of the Central Durham Crematorium Joint Committee note the content of the report and the updated position following the September review.
- (ii) That the Risk Registers are kept up-to-date and continue to be reviewed by the Joint Committee on a half yearly basis, the next one to be completed in April 2017.

8 Annual Review of the System of Internal Audit

The Audit and Fraud Manager, Resources, Stephen Carter stated that it was a requirement for the body that reviews the accounts to also have a review of the effectiveness of Internal Audit (for copy see file of minutes).

Members noted that part of the role of Durham County Council's Audit Committee was to scrutinise the performance and effectiveness of Internal Audit and had received a report at its meeting in July. It was explained that this provided assurance to the Joint Committee that the work carried out by Internal Audit was in line with best practice and the latest audit standards. It was explained that as part of the standards there was a requirement for an external review every 5 years and this had been undertaken by Newcastle City Council and was appended to the Committee Report.

Resolved:

That the information demonstrating the efficiency and effectiveness of the Durham County Council Internal Audit Service be noted.

9 Provision of Internal Audit and Risk Management Services 2017-2020

The Audit and Fraud Manager referred Members to the report setting out proposals for the continued delivery of Internal Audit and Risk Management Services for the

Central Durham Crematorium Joint Committee by Durham County Council's Internal Audit service (for copy see file of minutes).

Members noted the proposed number of days providing audit services through until 2019/20, and the breakdown as set out in the proposed SLA attached at Appendix 2 to the report.

The Joint Committee was reminded that the previous report had set out the effectiveness of the service and therefore the recommendation was to enter into an SLA in respect of Audit and Risk Services.

Resolved:

- (i) That the Service Level Agreement for the provision of Internal Audit and Risk Management Services with Durham County Council covering the next 3 financial years be approved.
- (ii) That the Annual Audit Plan and fee as set out within Schedule 2 of the Service Level Agreement be approved.