



## Central Durham Crematorium Joint Committee

**Date**        **Wednesday 29 June 2016**  
**Time**        **2.00 pm**  
**Venue**       **Council Chamber, Spennymoor Town Hall, Spennymoor**

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### Business

#### Part A

1. Membership of the Joint Committee
2. Appointment of the Chairman for the ensuing year
3. Appointment of the Vice-Chairman for the ensuing year
4. Appointment of Treasurer to the Joint Committee
5. Apologies for Absence
6. Minutes of the meeting held 27 April 2016 (Pages 1 - 6)
7. Declarations of Interest, if any
8. Annual Constitutional Review: (Pages 7 - 22)  
Report of the Clerk to the Joint Committee.
9. Annual Governance Statement 2015/16: (Pages 23 - 34)  
Joint Report of the Interim Corporate Director: Resources / Treasurer to the Joint Committee and the Interim Corporate Director: Neighbourhood Services.
10. Revenue Outturn & Joint Committees Return for the year ended 31 March 2016: (Pages 35 - 50)  
Joint Report of the Interim Corporate Director: Resources / Treasurer to the Joint Committee and the Interim Corporate Director: Neighbourhood Services.
11. Quarterly Performance and Operational Report: (Pages 51 - 58)  
Report of the Bereavement Services Manager.
12. Forward Plan 2016/17: (Pages 59 - 62)  
Report of the Interim Corporate Director: Resources / Treasurer to the Joint Committee.
13. Such other business as, in the opinion of the Chair of the meeting, is of sufficient urgency to warrant consideration

**Laura Renaudon**  
Clerk to the Joint Committee

County Hall  
Durham  
21 June 2016

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

Durham County Council: D Bell, A Bonner, J Chaplow, P Conway,  
K Corrigan, N Foster, B Kellett, B Moir,  
M Plews (Vice-Chairman), M Simmons,  
D Stoker and K Thompson

Spennymoor Town Council: JV Graham (Chairman), GD O'Hehir and  
D Taylor

**DURHAM COUNTY COUNCIL**

**CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE**

At a Meeting of **Central Durham Crematorium Joint Committee** held in **Council Chamber, County Hall, Durham** on **Wednesday 27 April 2016** at **2.00 pm**

**Present:**

**Councillor JV Graham (Chairman)**

**Durham County Council:**

Councillors A Bonner, J Chaplow, N Foster, B Kellett, B Moir, M Plews (Vice-Chairman) and K Thompson

**Spennymoor Town Council:**

Town Councillors P Lawton

**1 Apologies for Absence**

Apologies for absence were received from D Bell, P Conway, K Corrigan, M Simmons and D Stoker.

**2 Minutes**

The minutes of the meeting held 27 January 2016 were agreed as a correct record and signed and initialled by the Chairman.

**3 Declarations of Interest**

There were no Declarations of Interest.

**4 Quarterly Performance and Operational Report**

The Bereavement Services Manager, Graham Harrison asked Members to note the performance figures from January 2016 to March 2016 and the comparison to the same period for 2015, highlighting that there was a net decrease of 18 cremations. It was explained that Funeral Directors had noted similar reductions, with the death rate having been lower over the mild winter period. It was noted there was a total of 665 for the three month period with the January to March 2016 profile breakdown showing 199 from Durham, 27 from Spennymoor and 439 from outside of the area. Councillors were asked to note that the figure for the total number of cremations to 31 March 2016 was 2,247, compared to a prudent budget assumption of 2,120 cremations, representing an over-achievement in cremation fee income of £73,770.

The Bereavement Services Manager noted the performance over the previous five financial years and asked Members to note the number of memorials sold in comparison to the same period the previous year, with sales being £4,806 less. It was explained that this may be due to ongoing financial difficulties faced by many residents in County Durham as a result of weak economic conditions, the impact of Welfare Reform and Government austerity measures.

The Joint Committee noted an issue in respect of the vacant Crematorium Operative post, and noted advertisements had been placed internally at both Durham County Council and Spennymoor Town Council and then externally. It was explained that as there had been no suitable candidate it was recommended that an external advertisement be made for a Trainee position.

Councillors noted the usual arrangements had been made for the Bereavement Services Manager to attend the Joint Conference of the Federation of Burial and Cremation Authorities and Cremation Society of Great Britain, to be held at Stratford-upon-Avon from Monday 4 to Wednesday 6 July 2016. It was noted on this occasion the Bereavement Services Manager would be accompanied by the current Vice-Chairman, Councillor M Plews as the Chairman, Councillor JV Graham was unable to attend.

The Bereavement Services Manager informed Members that the Recycling of Metals Scheme had generated a sum of £4,444 for The British Heart Foundation. The Bereavement Services Manager noted that arrangements were being made in respect of the cheque being presented by the Chairman and Vice-Chairman of the Joint Committee to the charity.

The Bereavement Services Manager referred Members to report setting out the update on Crematorium Improvement Works. It was added that the last stage of the Phase 3 works, the replacement of canopies, had commenced on 2 April 2016 and had an estimated completion date of 8 August 2016. Members were reminded of the arrangements in place in terms of the Crematorium being closed every Monday during this period to ensure works are completed timely, and that Funeral Directors were happy to work alongside the Crematorium in this respect.

**Resolved:**

- (i) That the current performance of the Crematorium be noted.
- (ii) That an advertisement be placed for a Trainee position at the Crematorium, as there had been no suitable candidates for the vacant Crematorium Operative post.
- (iii) That the attendance at the Burial and Cremation Conference be noted.
- (iv) That the distribution of recycling income to the respective charity be noted.
- (v) That the progress of the Phase 3 canopy replacement works be noted.

## **5 Financial Monitoring Report - Provisional Outturn as at 31 March 2016**

The Principal Accountant, Ed Thompson referred Members to the Financial Monitoring Report, with the provisional outturn as at 31 March 2016 (for copy see file of minutes).

The Joint Committee noted that the updated projected revenue outturn was showing a surplus, of £762,878 against a budgeted surplus of £556,608. It was noted that the major variances were set out within the report. Members noted that the most significant variance was due to a successful appeal by Durham County Council's rating agents which had resulted in a refund of business rates totalling £129,191.

Members noted that in terms of the capital programme, this was reported as being £279,890 under budget; however, this was due to delays in the Phase 3 canopy replacement works and therefore would be completed early within the 2016/17 budget period.

It was explained that contributions from earmarked reserves were forecast as £424,660 less than originally budgeted, mainly due to the delay in the canopy replacement works, business rates refund and increased number of cremations compared to the budget. The Joint Committee noted that, in line with the policy to maintain a general reserve of 30% of the income budget, a transfer from the General Reserve of £11,295 had been required. Members noted a projected total reserve of £1,424,371 at the year-end, giving a strong financial position.

### **Resolved:**

That the April 2015 to March 2016 Revenue Spend Financial Monitoring Report and associated Provision Outturn position at 31 March 2016 be noted.

## **6 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 with risks regularly reviewed by the DCC Risk Management Team and the Bereavement Services Manager.

It was noted that overall the risks identified were of low net scores; however, the risk in terms of the replacement canopy works had been added to the register, with details set out at Appendix 5 to the report.

### **Resolved:**

- (i) That the Members of the Central Durham Crematorium Joint Committee note the content of the report and the updated position following the March 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 September 2016.

## **7 Internal Audit Charter**

The Chairman introduced the Audit and Fraud Manager, Stephen Carter who was in attendance to speak to Members as regards an update to the Internal Audit Charter (for copy see file of minutes).

The Audit and Fraud Manager reminded the Joint Committee that the Internal Audit Charter had last been considered at its meeting held 22 April 2015 and had been updated at that time to reflect the changes in Public Sector Internal Audit Standards and working standards and guidance updating proper practices underpinning the Accounts and Audit Regulations (England) 2011. It was explained that the Charter, in its current form, contained minor revisions in terms of post titles and one revision relating to arrangements for holding an exit meeting following a review and preparation of a Draft Report, as set out in Paragraph 43 of the Charter attached at Appendix 2 to the report.

### **Resolved:**

That the Members of the Central Durham Crematorium Joint Committee approve the revised Internal Audit Charter.

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

The Audit and Fraud Manager referred Members to the Annual Internal Audit Report 2015/16 (for copy see file of minutes).

The Audit and Fraud Manager thanked Members for the opportunity to present the report on behalf of the Chief Internal Auditor and Corporate Fraud Manager and reminded the Joint Committee that the Annual Internal Audit Report fulfilled the requirements of Public Sector Internal Audit Standards and CIPFA Local Government Application note for the Chief Internal Auditor and Corporate Fraud Manager to deliver an annual audit opinion.

Members were informed that the report looked at the Joint Committee's systems of governance, risk management and internal control and that, from the work undertaken, the Chief Internal Auditor and Corporate Fraud Manager was able to provide a "Substantial" overall assurance opinion of the adequacy and effectiveness of internal control operating across the Joint Committee in 2015/16. Members were reminded that "Substantial" was now the highest level of assurance rating.

The Joint Committee noted that an external assessment must be conducted at least once every five years in terms of the Public Sector Internal Audit Standards and accordingly this would be carried out by the Audit Manager from Newcastle City Council in April 2016, to be reported to the County Council's Audit committee in June 2016.

The Audit and Fraud Manager noted that the appendices to the report set out the work undertaken by Internal Audit and highlighted strengths and weaknesses, setting out a few minor issues which were being addressed by the Bereavement Services Manager, including ongoing investigations as regards the BACAS system interfacing with the accounting system SAGE.

**Resolved:**

That the content of the Annual Internal Audit Report and the overall "Substantial" opinion on the adequacy and effectiveness of the Joint Committee's control environment for 2015/16 be noted.

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

The Bereavement Services Manager referred Members to a report relating to a Department for Communities and Local Government (DCLG) Review of Crematoria Provision and Facilities (for copy see file of minutes).

The Joint Committee learned that the DCLG were consulting in terms of crematorium provision and facilities, contacting crematoria providers, Local Authorities, Faith Groups and that the consultation would run from 16 March to 26 May 2016. Members were referred to Appendix 2 of the report which set out the questions put by the DCLG and the draft responses to 22 of those questions, those specific to providers of crematoria as set out at Appendix 3. Councillors noted responses included information in terms of capacity, the different religious groups that had used the facility, and issues such as the ability to change the iconography within the crematorium and the ability to accommodate small groups of mourners to witness committal of the coffin. It was also noted that all staff followed the County Council's policies and procedures, including an Equality and Diversity Policy.

**Resolved:**

- (i) That the Members of the Central Durham Crematorium Joint Committee note the DCLG Review of Crematoria Provision and Facilities.
- (ii) That the Members of the Central Durham Crematorium Joint Committee note the responses to the consultation questions as set out at Appendix 3 to the report.

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**Central Durham Crematorium  
Joint Committee**

**29 June 2016**



**Annual Constitutional Review**

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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 Central Durham Crematorium Joint Committee's Constitution, which, in accordance with the Annual Governance Statement requirements, is reviewed on an annual basis at the Joint Committee's Annual General Meeting.

**Background Information**

2. The Constitution of the Central Durham Crematorium Joint Committee was presented to and approved by members on 24 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 Central Durham Crematorium Joint Committee.
- 6 Members will recall that the Constitution as adopted in 2013 retained the constituent authority legal titles; expenditure and subsequent surplus distribution arrangements to Durham County Council / Spennymoor Town Council on an 80 / 20 basis; and policies concerning the transfers to reserves of retained surpluses.
- 7 Members will again note that the constituent authority membership appointments and asset ownership remain as per the original constitution of 3 May 1983.
- 8 The Central Durham 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 recommends continuation of the existing Constitution and governance arrangements.

## **Recommendations:**

It is recommended that:

Members of the Committee consider the outcome of the review of the Constitution of Central Durham 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**

Central Durham Crematorium Joint Committee Constitution (adopted 24 April 2013).

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**Tel:** 03000 269 886      **E-mail:** [laura.renaudon@durham.gov.uk](mailto:laura.renaudon@durham.gov.uk)

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**Appendix 1: Implications**

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**Finance**

As set out within the report

**Staffing**

As outlined in the Report

**Risk**

None specific within the report

**Equality and diversity / Public Sector Equality Duty**

None specific within the report

**Accommodation**

As set out within the report

**Crime and disorder**

None specific within the report

**Human rights**

None specific within the report

**Consultation**

None specific within the report

**Procurement**

None specific within the report

**Disability Issues**

None specific within the report

**Legal Implications**

As set out within the report

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**Dated**

**2013**

**CENTRAL DURHAM  
CREMATORIUM JOINT COMMITTEE**

**AGREEMENT**

**for the constitution of the above named Joint Committee**

**Colette Longbottom  
Head of Legal and Democratic Services**

## **A G R E E M E N T**

**MEMORANDUM OF AGREEMENT** made the                      day of  
Two Thousand and Thirteen **BETWEEN THE COUNTY COUNCIL OF  
DURHAM** (hereinafter referred to as “the Durham County Council”) of the one  
part and **THE TOWN COUNCIL OF SPENNYMOOR** (hereinafter referred to as  
“the Town Council of Spennymoor”) of the other part.

### **WHEREAS:**

- (1) The Councils being parties hereto may by Section 4 of the Cremation Act 1902 as amended by the Cremation Act 1952 respectively provide and maintain crematoria.
- (2) The Authorities to this Agreement have by their respective Councils (Durham County Council and Spennymoor Town Council) and 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 of running, maintenance and management of the existing Crematorium at Durham within the County of Durham.
- (3) The said Authorities now wish to constitute the said Joint Committee on the terms set out below and to the intent that this of Agreement between the said Authorities and dated the third day of May one thousand nine hundred and eighty three shall cease to have effect.
- (4) By Section 103 of the Local Government Act 1972 is it provided that the expenses of a Joint Committee appointed thereunder shall be defrayed by appointing authorities in such proportions as they may agree upon.
- (5) The said Councils have each of them passed a resolution to enter into an Agreement as hereinafter appearing.

### **Interpretation**

- (6) In this Agreement the following expressions have the meanings set out below, unless the contract otherwise requires.

“Authority”, either Durham County Council or Spennymoor Town Council and “Authorities” shall be construed accordingly.

“Annual meeting”, the annual meeting of the Joint Committee held each year in accordance with paragraph 6.1 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 1980.

“Clerk”, the person appointed by virtue of paragraph 6.1 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 Central Durham Crematorium which includes all buildings, grounds, equipment and other property appurtenant there.

“Financial year”, the period running from 1 April in one calendar year until 31 March in the next calendar year (inclusive).

“Joint Committee”, the Central Durham 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 the Officer’s 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 in the case of Spennymoor Town Council the Town Hall, Spennymoor.

“Special Meeting”, a meeting of the Joint Committee convened in accordance with paragraph of this Agreement.

The Crematorium site is now vested in Durham County 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 under Title Number.

## **The Agreement**

**NOW IT IS HEREBY AGREED** by and between the parties hereto in pursuance of the powers conferred upon them by virtue of the hereinbefore recited enactments and of every other power (if any) them respectively hereunto enabling as follows that is to say:-

- 1 There shall be constituted a Joint Committee (hereinafter referred to as the “Joint Committee” of both the Councils being parties hereto (hereinafter collectively referred to as the two Councils) consisting of members appointed under provisions hereof and having the functions, powers and duties upon and subject to the terms and conditions hereinafter mentioned.
- 2 The name of the Joint Committee shall be the Central Durham Crematorium Joint Committee.

### 3 Membership of Joint Committee

- 3.1 The Joint Committee shall consist of Members appointed by each of the two Councils from amongst their respective Members in the following manner that is to say:-

<u>Appointing Council</u>	<u>Number of Members to be Appointed</u>
Durham County Council	12
Spennymoor Town Council	3

- 3.2 The whole number of Members of the Joint Committee shall retire on the first Thursday in May 2013 and on the first Thursday in May of every fourth year thereafter.
- 3.3 Each of the two Councils shall in respect of Members to retire on the first Thursday of May 2013 appoint the said Members at the first convenient meeting of such Council held after the execution of this Agreement.
- 3.4 In the year 2013 and every fourth year thereafter being a year in which Members of the Joint Committee shall retire each of the two Councils shall appoint Members of the Joint Committee as herein provided **at the first convenient meeting of such Councils.**
- 3.5 The two Councils may revoke an appointment of any Member at any time.
- 3.6 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 pursuant to the Agreement.
- 3.7 Any person who is a member of the Council of both Authorities shall only represent the first Authority to appoint him or her as a Member and any subsequent appointment by the other Authority shall be void.
- 3.8 Without prejudice to the generality of sub-clause 5 of this clause if a Member fails to attend four consecutive meetings of the Joint Committee such fact shall be reported by the Clerk to the Joint Committee to the Council by whom that Member was appointed and the Council may thereupon terminate the Member's term of office notwithstanding any other provision in this Agreement contained and any such termination of appointment shall be reported to the Clerk to the Joint Committee by the Council concerned.
- 3.9 If by reason of the operation of statutory provisions failure to attend meetings as hereinbefore mentioned or otherwise there shall be a vacancy and the Members of the Joint Committee as herein provided the Council out of whose appointment the vacancy occurs may thereupon appoint another Member to fill such vacancy and the person so appointed shall remain a Member of the Joint Committee until and shall retire on the date of the normal retirement under the provisions of this Agreement of the member whose place he or she fills.

#### **4 Powers of the Joint Committee**

The two Councils hereby delegate to the Joint Committee upon and subject to the terms and conditions of this Agreement all powers of the two councils with respect to the provisions and maintenance of crematoria in the area of each of them other than powers of borrowing money, levying or issuing a precept for a rate of holding land and without prejudice to the generality of the foregoing the Joint Committee shall to the exclusion of the two Councils have all the powers of each of the two Councils under the Cremation Act 1902 and 1952 and under any Act of Parliament or statutory instruments with respect to the provision of maintenance of crematoria.

#### **5 Meetings of the Joint Committee**

- 5.1 The Joint Committee shall hold four meetings at least in every year for the transaction of general business and may hold such other meetings including a visit to the Crematorium premises at such intervals as it may find necessary or convenient.
- 5.2 The Joint Committee shall elect annually from amongst its Members a Vice Chairman and shall appoint the outgoing Vice Chairman as Chairman.
- 5.3 The Election of the Chairman and Vice Chairman shall be respectively the first and second business transacted at the first meeting of the Joint Committee after the First June in any year (hereinafter referred to as the Annual Meeting).
- 5.4 So far as it is practicable to do so the Chairmanship and Vice Chairmanship shall alternate each year between a Member of Spennymoor Town Council and a Member of Durham County Council.
- 5.5 The Chairman of the Joint Committee shall, unless he or she resigns or becomes disqualified continue in office until his or her successor becomes entitled to act as Chairman. The Vice Chairman of the Joint Committee shall unless he or she resigns or becomes disqualified hold office immediately after the election of the Chairman of the Joint Committee at the next meeting of the Joint Committee.
- 5.6 If there is equality of votes as the appointment of Chair and Vice Chair then the Chairman for the time being of that meeting shall have a second or casting vote.

#### **6 Notice of Meeting**

- 6.1 The Joint Committee must appoint a Clerk and may appoint and pay such officers and servants as it may deem necessary for the purpose of carrying out its duties under this Agreement.
- 6.2 Sections 114 to 119 of the Local Government Act 1972 shall apply to an officer of the Joint Committee in the same manner as the said sections

apply to an officer of a local authority with such modifications as are necessary to make them applicable to officers of the Joint Committee.

- 6.3 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. This notice will give the date, time and place of each meeting and specify the business to be transacted.
- 6.4 With reference to the Notice referred to in paragraph 6.3 the Clerk shall send a copy of the agenda for the meeting which shall include:-
- Provision for the declaration of interests by Members for the purposes of the Code of Conduct issued under Section 50 of the 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 items of business directed to be included by the person appointed to preside at the meeting.
- 6.5 The quorum of a meeting will be one quarter of the whole number of Members (4 Members). Provided that there is at least one Member present from each Authority. During any meeting if the Chairman counts the number of Members present and declares there is not a quorum present, then the meeting will adjourn immediately. Remaining business will be considered at a time and date to be 'fixed' by the Chairman'. If he/she does not fix a date, the remaining business will be considered at the next ordinary meeting.
- 6.6 The Joint Committee and every officer thereof who is by reason of his office entrusted with the custody or control of money shall keep accounts of all money received by the Joint Committee or any such officer and all expenditure thereof by it or him as may be required for the purpose of Part VIII of the Local Government Act 1972 and Part III of the Local Government Finance Act 1982.
- 6.7 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.
- 6.8 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.
- 6.9 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.

- 6.10 No business shall be transacted at a Special Meeting other than that specified in the notice sent to the Clerk and referred to in sub-clause 6.9 above.
- 6.11 No substitute Members may be appointed from either Authority to this Joint Committee.

### **Chair at Meetings**

- 6.12 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.

### **Voting**

#### **7 Majority**

- 7.1 Unless this Agreement provides otherwise, any matter will be decided by a simply majority of those Members voting and present in the room at the time the question was put.

#### **Chairman's Casting Vote**

- 7.2 If there are equal numbers of votes for and against, the Chairman will have a second or casting vote. There will be no restriction on how the Chairman chooses to exercise a casting vote.

#### **Method of Voting**

- 7.3 Unless a recorded vote is demanded under sub-clause 7.4 the Chairman will take the vote by show of hands or if there is no dissent, by the affirmation of the meeting.

#### **Recorded Vote**

- 7.4 If 3 Members present at the meeting demand it the names for and against the motion or amendment or abstaining from voting will be taken down in writing and entered into the minutes.

#### **8 Minutes**

- 8.1 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.
- 8.2 The person presiding at the next following meeting referred to in paragraph 1 above shall put the questions that the minutes be approved as a correct record of the previous meeting.
- 8.3 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.

- 8.4 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 each Authority.

## 9 **Sub-Committee**

The Joint Committee shall have power to appoint sub-committees from amongst its Members with or without delegated powers for any purpose which in its opinion could more satisfactorily be dealt with by a sub-committee.

## 10 **Finance**

- 10.1 The Joint Committee shall as soon may be after the conclusion of every financial year (which shall for the purposes of this Agreement be taken to be a period of twelve months ending on the thirty first day of March in any year) send to each of the two Councils a report on the operations of the Joint Committee during such financial year and a copy of the statutory statements of the Joint Committee for such financial year.
- 10.2 If the Joint Committee shall at any time require to incur capital expenditure for the acquisition of property or the construction of works or for other capital purposes in connection with the provision of crematoria then (unless the Joint Committee shall in their discretion decide to defray such expenditure out of revenue) such expenditure shall be borne by the two Council's respectively in the proportions four parts by the Durham County Council and one part by the Spennymoor Town Council **PROVIDED THAT** the Clerk of the Joint Committee shall obtain approval from both of the two Councils before the Joint Committee shall incur such expenditure.
- 10.3 That where possible any necessary borrowing be effected by the Durham County Council and that any requests for transfers of borrowing authority or capital expenditure allocation between the two Councils be made to the appropriate Minister or other authority.
- 10.4 Where any sum is to be borrowed by the County Council in pursuance of sub-clauses (1) and (2) of this clause the loan may be effected at the discretion of the Corporate Director Resources and Chief Financial Officer for the time being of the Durham County Council through the Durham County Council's loans pool in which case the loan shall be chargeable at such rates of interest and expenses as shall be applicable to such loans as prescribed by the said Corporate Director Resources and Chief Financial Officer and the period of such loan shall be in accordance with any guidelines prescribed for the time being for loans by local authorities by the Secretary of State for the Environment or other authority.
- 10.5 Subject to any condition or conditions prescribed by either or both of the two Councils in giving consent to any capital expenditure under the proviso to sub-clause (2) of this clause the two Councils or either or them shall pay to the joint committee the amount of any sums borrowed in

pursuance of this clause in such sums and at such times as the Joint Committee shall direct.

- 10.6 Subject as is hereinafter provided the Joint Committee shall from time to time pay to the two Councils or either or them the amounts of all interest and all instalments of principal or as and when the same shall become due and the cost of taking up any loans raised for such purposes by the two Councils or either of them.
- 10.7 The legal estate in all land acquired and works constructed whether by means of capital or annual expenditure for the purpose of enabling the Joint Committee to exercise its functions under the provisions of this Agreement shall be vested in the Council in whose area the same shall situate and that Council shall hold such land or works as the case may be for the purpose of provision and maintenance of crematoria expressly for the same to be maintained, controlled and managed by the Joint Committee.
- 10.8 All expenses incurred by the Joint Committee in any financial year so far as they are not paid out of income other than contributions from the two Councils under this clause shall be borne by the two Councils respectively in the proportions four parts by Durham County Council and one part by Spennymoor Town Council and such Councils shall pay to the Joint Committee such sum as the Joint Committee may estimate will be the proportion to be borne by that Council of any estimated deficit for that financial year.
- 10.9 The Joint Committee may:-
- (a) use any part or all of any profits or surplus made in any financial year to finance capital expenditure or to redeem debt;
  - (b) carry forward part or all of such profits or surplus or reserves as is in the opinion of the Joint Committee required to meet contingencies or to defray any expenditure which may fall to be defrayed before the date on which moneys to be received by the Joint Committee whether from the two Councils in accordance with this Agreement or from the operation of the crematoria established by the Joint Committee will become available and the Joint Committee shall as soon as practicable return to the two Councils the amount of such profits or surplus or reserves not so applied by the Joint Committee in proportion to the total amounts respectively contributed by each of the two Councils towards previous deficits provided that if at any time both the two Councils shall have had the total amount of their contributions towards previous deficits returned to them the Joint Committee shall pay al such unapplied profits or surplus to the two Councils in the same proportions in which by virtue of sub-clause (1) hereof the two Councils would have borne a deficit in that financial year had one occurred.
- 11.1 Either of the two Councils may terminate this Agreement by giving the other not less than one year's notice in writing to that effect expiring on the thirty first day of March in any year.

- 11.2 The Council which shall have given notice under sub-clause (1) of this clause shall bear the expense of settling the adjustment required by clause (12) hereof.
- 12 In the event of either of the two Councils at any time hereafter terminating this Agreement under the provisions hereinbefore contained or otherwise there shall as on the date of such termination be an adjustment between the two Councils of all property income debts liabilities and expenses then existing and of any financial relations affected by such termination and on such adjustment there shall be an adjustment of capital assets and liabilities acquired or assumed by either of the two Councils on such termination including any outstanding loans borrowed by either or both of the two Councils under clause 13 hereof and provision may then be made for the payment to either or both of the two Councils of such sum as seems equitable.
- 13 When this agreement is silent the Central Durham Crematorium Joint Committee will operate within the procedure rules and financial regulations of the lead partner authority, Durham County Council to ensure that the Central Durham Crematorium Joint Committee have effective and appropriate corporate governance arrangements and financial management arrangements in place, given the Committee's fiduciary duties in relation to the management of public resources, and Durham County Council will continue to be responsible for the management of the facility and for supporting the Joint Committee.
- 14 Subject to Section 103 (1) (b) of the Local Government Act 1972 all disputed between the two Councils or between either of them and the Joint Committee on the interpretation of this Agreement and all disputes or differences in any way or at any time arising hereon (including without prejudice to the generality of these words the adjustments required by clause 17 hereof) shall be referred to some competent arbitrator agreed on by the two Councils or in the absence of agreement to be named by the Secretary of State for the Environment or his successor and the Arbitration Act 1950 or any statutory modification thereof for the time being in force shall apply to any such arbitration.
- 15 This Agreement shall come into effect on the date of its sealing when it shall in all respects supersede and replace the provisions of the Memorandum of Agreement made on the third day of May one thousand nine hundred and eighty three between Council of the City of Durham and the Town Council of Spennymoor relating to the constitution of a Joint Committee of those Councils to perform the functions of those Councils under the Cremation Act 1902 as amended by the Cremation Act 1952 and the Cremation (England and Wales) Regulations 2008 provided 1) that any rights or liabilities arising under the said Memorandum of Agreement dated the third day of May one thousand nine hundred and eighty three prior to the coming into effect of this Memorandum of Agreement shall not be affected thereby
- 16 That the making of this Agreement shall not be deemed to be a withdrawal by any party from the joint committee constituted thereby

**IN WITNESS** whereof the Parties hereunto have caused their respective  
Common Seals to be affixed to this Deed the day and year first before written

**THE COMMON SEAL** of **THE** )  
**COUNTY COUNCIL OF** )  
**DURHAM** was hereunto affixed )  
**BY ORDER:** )

Chairman:

Head of Legal and Democratic Services:

**THE COMMON SEAL** of **THE** )  
**TOWN COUNCIL OF** )  
**SPENNYMOOR** was hereunto )  
affixed in the presence of: )

Town Clerk:

Mayor

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**Central Durham Crematorium  
Joint Committee**

**29 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham Crematorium Joint Committee and published along with the Central Durham 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 Central Durham 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 Central Durham Crematorium Joint Committee.

9 The Statement is submitted to the Central Durham Crematorium Joint Committee for approval with submission to External Audit – BDO LLP by 30 June 2016.

### Recommendations

10 It is recommended the Central Durham 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>Tel:</b>	<b>03000 263 481</b>	<b>E-mail: <a href="mailto:ed.thompson@durham.gov.uk">ed.thompson@durham.gov.uk</a></b>

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## **Appendix 1 - Implications**

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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 Central Durham 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 1955 by the Rural District Council of Durham and the Urban District Council of Brandon and Byshottles (transferred to the City of Durham Council, 1983) and the Urban District Council of Spennymoor (transferred to Spennymoor Town Council, 1983).

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

The Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham Crematorium, working to maximise value for money
- To fully comply with all environmental and regulatory standards and requirements
- To ensure the proper respect of Central Durham Crematorium with fair rules and regulations are fully explained to all visitors.

Central Durham 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 Central Durham 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

Central Durham 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 Central Durham.

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

Central Durham 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 Central Durham 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 Central Durham Crematorium Joint Committee with all party membership being drawn from nomination by the constituent authorities

Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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**

Central Durham 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 Central Durham 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**

Central Durham 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.

Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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 Central Durham 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

Central Durham 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 Central Durham 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**

**29 June 2016**

**Paul Darby, CPFA**

**Corporate Director of Resources and Treasurer to the Joint Committee**

**29 June 2016**

**Central Durham Crematorium  
Joint Committee**

**29 June 2016**

**Revenue Outturn & Joint  
Committees Return for the 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 and Treasurer to the Joint Committee**

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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 Central Durham 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 Central Durham Crematorium Joint Committee. Also attached for Member's 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 27 April 2016.
5. The following table shows the final outturn position together with comparative data against the provisional outturn report considered on 27 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 [27.04.16] 2015/16 £</b>
Employees	221,813	228,413	6,600	229,174
Premises	281,550	136,029	(145,521)	135,717
Transport	2,000	1,928	(72)	2,042
Supplies & Services	121,330	120,898	(432)	115,265
Agency & Contracted	9,611	9,732	121	9,201
Capital Charges	213,738	213,738	0	213,738
Central Support Costs	35,700	35,700	0	35,700
<b>Gross Expenditure</b>	<b>885,742</b>	<b>746,438</b>	<b>(139,304)</b>	<b>740,837</b>
<b>Income</b>	<b>(1,442,350)</b>	<b>(1,506,730)</b>	<b>(64,380)</b>	<b>(1,503,715)</b>
<b>Net Income</b>	<b>(556,608)</b>	<b>(760,292)</b>	<b>(203,684)</b>	<b>(762,878)</b>
<b>Transfer to (from) Reserves</b>				
- Masterplan Memorial Garden	5,000	5,000	0	5,000
- Major Capital Works	118,358	287,042	168,684	289,628
- Cremator Reline Reserve	25,000	60,000	35,000	60,000
- Small Plant	2,000	2,000	0	2,000
<b>Distributable Surplus</b>	<b>(406,250)</b>	<b>(406,250)</b>	<b>0</b>	<b>(406,250)</b>
<b>80% Durham County Council</b>	<b>325,000</b>	<b>325,000</b>	<b>0</b>	<b>325,000</b>
<b>20% Spennymoor Town Council</b>	<b>81,250</b>	<b>81,250</b>	<b>0</b>	<b>81,250</b>

<b>Central Durham 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>
General Reserve	(444,000)	(406,250)	417,545	(432,705)
Masterplan Memorial Garden	(41,250)	(5,000)	0	(46,250)
Major Capital Works	(918,383)	(298,337)	358,874	(857,846)
Cremator Reline Reserve	(50,000)	(60,000)	0	(110,000)
Small Plant	(6,000)	(2,000)	0	(8,000)
<b>Total</b>	<b>(1,459,633)</b>	<b>(771,587)</b>	<b>776,419</b>	<b>(1,454,801)</b>

## The Outturn

6. The final outturn position is broadly in line with the provisional outturn reported to the Joint committee on 27 April 2016 with only a minor change £2,586 decrease to the overall net income for the year.
7. The following sections outline the reasons for any significant variances by subjective analysis area (most of which was disclosed in the provisional outturn report), comparing the outturn position against the budget.

### 8.1 *Employees*

The outturn shows an over spend of **£6,600** in relation to employee costs. The reasons for this are highlighted below:

- The Pandemic Operator Training and general training budget was not required during 2015/16 resulting in an underspend of **(£3,600)**.
- The new Technical Assistant Post was previously filled by the Modern Apprentice leading to additional costs of **£7,021**, as approved by Members at the January 2015 meeting.
- The vacant Cremator Operator post resulted in an underspend of **(£1,023)**.
- The long term sickness of the cleaner resulted in an underspend of **(£2,867)**.
- Additional National Insurance and Pension contributions of **£4,907** were incurred which were not included in the original budget.
- Additional overtime of **£2,162** was incurred over and above the original budget.

### 8.2 *Premises*

The outturn shows an underspend of **(£145,521)** in relation to premises costs. The reasons for this are identified below:

- Due to the long term sickness of the cleaner, external services were brought in resulting in additional costs of **£5,900**.
- Fire alarm and central heating maintenance along with general repair budgets were not required during 2015/16 resulting in an underspend of **(£10,770)**.
- The redecoration works underspent by **(£3,769)**.
- Utility bills overspent by **£1,718** due to a water leak which has now been repaired.
- Other miscellaneous premises budgets overspent by **£591**.

- A successful appeal against the rateable value of the Crematorium, carried out by Durham County Council's rating agents resulted in a refund of Business Rates totalling **(£129,191)**. The appeal reduced the rateable value of the property from 179,000 to 122,300 and was backdated to 1 April 2010. The Business Rate charge in 2016/17 will now be £60,783 compared to the approved budget of £89,000, resulting in scope to reduce the budget in 2017/18.
- The provision for path, road and general building repairs underspent by **(£10,000)** as these works will be undertaken within the capital redevelopment works.

### 8.3 *Supplies and Services*

The outturn shows an underspend of **(£432)** in relation to supplies and services costs. The reasons for this are identified below:

- The Public BOR Visual Reference System was not required during 2015/16, therefore saving **(£1,000)**.
- Due to the increase in cremations (highlighted later within the income section of the report), medical referee expenditure overspent by **£8,646**.
- General office and administration costs underspent by **(£1,835)**.
- The Cremator software and additives budgets were not fully utilised during 2015/16, resulting in an underspend of **(£5,734)**.
- Due to the increase in Book of Remembrance sales, associated costs overspent by **£3,996**.
- Upgrades to the Wesley Music System and Tribute System underspent by **(£4,505)**.

### 8.4 *Agency and Contracted*

The outturn shows an over spend of **£121** in relation to agency and contracted services costs. The reasons for this are identified below:

- Refuse collection costs overspent by **£235** due to the replacement of the previous contract.
- External audit fees were **£500** more than budgeted.
- The legionella contract, medical referee fees for post mortems and cremation register budgets were underspent by **(£614)**.

### 8.5 *Income*

An increase in income of **(£64,380)** from the 2015/16 budget is included within the final outturn. The main reasons are detailed below.

- An increase in the sale of large plaques, vase blocks, columbaria units and seats etc. resulted in additional income of **(£12,404)**.
- The updated outturn has taken into consideration an additional 127 more cremations compared to budget, totalling an increased income to budget of **(£74,400)**. The outturn is based on a total of 2,247 cremations against a budget estimate of 2,120 during the 2015/16 financial year.
- Miscellaneous sales and Book of Remembrance entries were **(£6,775)** higher than budget.
- Interest receivable on the Crematorium current account and investments was **(£1,503)** higher than budget.
- The annual cremation abatement payment from the Crematoria Abatement of Mercury Emissions Organisation (CAMEO) was **£30,702** lower than the budgeted amount, due to an over provision of expected income in 2014/15. The 2014/15 provision was based upon the tradable mercury abated cremations (tmacs) rate of £36.39 which was in line with the 2013 rate. However the payment subsequently received for 2014 was at a much reduced rate of £15.66.

## 9. Capital Programme

The following table highlights the capital outturn of the Central Durham Crematorium:

<i>Phase 3 Redevelopment Works</i>	<b>Base Budget 2015/16</b>	<b>Revised Budget 2015/16</b>	<b>Outturn 2015/16</b>	<b>Variance Over/ (Under)</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Replacement of roofing and canopies	199,263	279,890	0	(279,890)
Alterations to chapel	124,224	115,808	106,158	(9,650)
Alterations to chapel doors	20,395	18,962	17,382	(1,580)
Alterations to waiting room	133,458	124,079	113,741	(10,338)
Alterations to external waiting area	64,240	59,726	54,750	(4,976)
Alterations to crematoria heating	12,000	11,157	10,227	(930)
Alterations to toilet area	66,856	62,158	56,616	(5,542)
<b>Total</b>	<b>620,436</b>	<b>671,780</b>	<b>358,874</b>	<b>(312,906)</b>

The cost of the Phase 3 Redevelopment Works is being financed from the Major Capital Works Earmarked Reserve. The final outturn shows an underspend of (£312,906), which is (£33,016) more than the provisional outturn reported to the Joint Committee on 27 April 2016.

The replacement of the roofing and canopies will be completed in early 2016/17 and (£279,890) will be carried forward from the underspend to finance these works. The remaining (£33,016) relates to an underspend on the Phase 3 design fees and will remain in the Major Capital Works reserve to fund future planned works.

## 8.6 Earmarked Reserves

Contributions from the earmarked reserves are **(£474,910)** less than originally budgeted. This is mainly due to the canopy replacement being delayed until 2016/17, the Business Rates refund and the increased number of cremations compared to the budget.

In line with the CDCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer from the General Reserve of **£11,295** was required as part of the final accounts process. This resulted in a net transfer from the Major Capital Works Reserve of **(£60,537)**.

The retained reserves of the CDCJC at 31 March 2016 is **£1,022,096** along with a General Reserve of **£432,705**, giving a total reserves and balances position of **£1,454,801** at the year end. This represents an in-year decrease of **(£4,832)**.

## Recommendations and Reasons

9. It is recommended that:

- (i) Members note the revenue and capital outturn position as at 31 March 2016, including the year end position with regards to the reserves and balances of the Joint Committee.
- (ii) 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).
- (iii) 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).
- (iv) 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, Finance Manager - Neighbourhoods</b>	
<b>Tel:</b>	<b>03000 261 967</b>	<b>E-mail: philip.curran@durham.gov.uk</b>
<b>Contact:</b>	<b>Ed Thompson, Principal Accountant</b>	
<b>Tel:</b>	<b>03000 263 481</b>	<b>E-mail: ed.thompson@durham.gov.uk</b>

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## **Appendix 1: Implications**

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### **Finance**

Full details of the 2015/16 outturn financial performance of the Central Durham Crematorium are included within the body of the report.

### **Staffing**

There are no staffing implications associated with this report.

### **Risk**

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by the 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 Equality Duty**

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

### **Accommodation**

There are no Accommodation implications associated with this report.

### **Crime and Disorder**

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

### **Human Rights**

There are no Human Rights implications associated with this report

### **Consultation**

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

### **Procurement**

None

### **Disability Discrimination Act**

None

### **Legal Implications**

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

Central Durham Crematorium Joint Committee

Balance Sheet as at 31<sup>st</sup> March 2016

31st March 2015 £000		31st March 2016 £000
2,899	Property, Plant & Equipment	2,682
0	Intangible Assets	0
0	Long Term Investments	0
0	Long Term Debtors	0
<b>2,899</b>	<b>Long Term Assets</b>	<b>2,682</b>
500	Short Term Investments	500
0	Inventories	2
249	Short Term Debtors	90
731	Cash & Cash Equivalents	918
<b>1,480</b>	<b>Current Assets</b>	<b>1,510</b>
(176)	Short Term Borrowing	(182)
(21)	Short Term Creditors	(56)
0	Provisions	0
<b>(197)</b>	<b>Current Liabilities</b>	<b>(238)</b>
0	Long Term Creditors	0
0	Provisions	0
(975)	Long Term Borrowing	(793)
0	Other Long Term Liabilities	0
<b>(975)</b>	<b>Long Term Liabilities</b>	<b>(793)</b>
<b>3,207</b>	<b>NET ASSETS</b>	<b>3,161</b>
1,459	Usable Reserves	1,454
1,748	Unusable Reserves	1,707
<b>3,207</b>	<b>TOTAL RESERVES</b>	<b>3,161</b>

## 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:

CENTRAL DURHAM 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'
	Yes	No*	Means that the body:
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:

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

	Year ending		Notes and guidance Please round all figures to nearest £1. Do not leave any boxes blank and reports £0 or Nil balances. All figures must agree to underlying financial records.
	31 March 2015 £	31 March 2016 £	
1 Balances brought forward	1,365,176	1,459,632	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	1,686,936	1,506,730	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	(219,737)	(228,413)	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	(213,738)	(213,738)	Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any).
6 (-) All other payments	(1,159,005)	(1,069,411)	Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5).
7 (=) Balances carried forward	1,459,632	1,454,801	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	1,231,647	1,418,862	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	3,240,983	3,599,857	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	1,151,636	975,458	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:

Durham Crematorium ENTER JOINT COMMITTEE NAME

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?	



**Central Durham Crematorium  
Joint Committee**

**29 June 2016**

**Quarterly Performance and  
Operational Report**



**Report of Graham Harrison, Bereavement Services Manager**

**Purpose of the Report**

1. To provide Members of the Central Durham Crematorium Joint Committee with the quarterly update relating to performance and other operational matters.

**Performance Update - Number of Cremations**

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

	<b>2015/16</b>	<b>2016/17</b>	<b>Change</b>
April	196 + 0*	197 + 1*	+ 1+ 1*
May	157 + 0*	184 + 1*	+ 27 + 1*
<b>TOTAL</b>	<b>353 + 0*</b>	<b>381 + 2*</b>	<b>+ 28 + 2*</b>

\* = Non-Viable Foetus (NVF)    \*\* = Stillborns (STs)    \*\*\* = Body parts

3. The full profile of where families came from can be seen in Appendix 2. In summary 131 came from Durham, 12 came from Spennymoor and 238 from outside of the area. There have been 2 NVF cremations undertaken for the period covered by this report compared to 0 in the comparable period last year, which is an increase of 2 NVF and an increase of 28 Cremations. Funeral Directors are experiencing similar trends with regards to the increase in the death rate over the 2 month period throughout the area.

## 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.

	<b>(Apr – May) 2015/16</b>		<b>(Apr – May) 2016/17</b>	
	<b>Number</b>	<b>£</b>	<b>Number</b>	<b>£</b>
Vase Blocks	2	750	3	1,944
Large Plaques	14	4,903	11	4,802
Small Plaques	2	490	1	258
Niche	1	1,254	1	1,501
Renewal	13	1,893	21	3,378
<b>Total</b>	<b>32</b>	<b>9,290</b>	<b>37</b>	<b>11,883</b>

5. In overall terms the number and value of memorials sold of 37 / £11,883 compared to 32 / £9,290 in the same period last year shows an increase of 5 / £2,593.

## Operational Matters

### Staffing

6. Members may recall that a member of staff from the crematorium was recently appointed to a bereavement officer post at Durham County Council, which created a vacant Cremator Operative post. Having been unsuccessful in recruiting to this post, Members agreed at the April meeting to advertise for a Trainee Crematorium Operative. Following the interviews an appointment was made and the new member of staff commenced on 13 June 2016.

### **Institute of Cemetery and Crematorium Management ICCM Learning Convention and Exhibition 2016**

7. As in previous years, the necessary arrangements have been made for representation at the Institute of Cemetery and Crematorium Management ICCM Learning Convention and Exhibition which 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 Central Durham Crematorium Joint Committee.

## Recycling of Metals Scheme

8. Arrangements were made for the cheque totalling £4,444 to be presented to The British Heart Foundation by the Committee Chair and Vice Chair on 17 May 2016. A letter of thanks from the trust and a photograph of the cheque presentation is attached at Appendix 3.

### **Phase 3 Improvement Works**

9. Work commenced on 2 April 2016 on the final phase of the current improvement works, which is the replacement of the canopies.
10. All of the old canopies have now been removed and new columns have been installed with all of the steel work now in situ. Works are continuing to progress with roof joints currently being fixed. Further updates will be provided at future meetings.

### **Recommendations:**

11. It is recommended that Members of the Central Durham Joint Committee:
  - (i) Note the current performance of the Crematorium.
  - (ii) Note the situation with regards to the Trainee Crematorium Operative post.
  - (iii) Note the attendance at the Institute of Cemetery and Crematorium Management (ICCM) Learning Convention.
  - (iv) Note the distribution of recycling income to the respective charity.
  - (v) Note the progress with regard to the Phase 3 Canopy Replacement Works.

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**Contact:** Graham Harrison, Bereavement Services Manager  
**Tel:** 03000 265 606 **E-mail:** [graham.harrison@durham.gov.uk](mailto:graham.harrison@durham.gov.uk)

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## **Appendix 1: Implications**

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### **Finance**

As identified in the report with regards to the position of the Income and the crematorium improvement works.

### **Staffing**

As identified in the 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.

### **Accommodation**

The development project will improve customer and staff accommodation.

### **Crime and Disorder**

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

### **Human Rights**

There are no Human Rights implications associated with this report.

### **Consultation**

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

### **Procurement**

There are no procurement issues associated with this report.

### **Disability Issues**

There are no disability issues associated with this report.

### **Legal Implications**

There are no legal implications associated with this report.

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**Appendix 2: Breakdown of Figures**


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	<b>Apr</b>	<b>May</b>	<b>Total Apr-May</b>
<b>DURHAM</b>	70	61	<b>131</b>
<b>BARNARD CASTLE</b>			<b>0</b>
<b>BILLINGHAM</b>		1	<b>1</b>
<b>BINCHESTER</b>			<b>0</b>
<b>BISHOP AUCKLAND</b>	5	4	<b>9</b>
<b>BISHOP MIDDLEHAM</b>			<b>0</b>
<b>BLACKHALL</b>	2	3	<b>5</b>
<b>BURNHOPE</b>			<b>0</b>
<b>CHESTER LE STREET</b>	12	13	<b>25</b>
<b>CHILTON</b>	1		<b>1</b>
<b>CONSETT</b>	1		<b>1</b>
<b>CORNSAY</b>			<b>0</b>
<b>OUNDON</b>			<b>0</b>
<b>CROOK</b>	10	6	<b>16</b>
<b>DARLINGTON</b>	1	1	<b>2</b>
<b>EASINGTON</b>	2	5	<b>7</b>
<b>ESH WINNING</b>		3	<b>3</b>
<b>FENCEHOUSES</b>	1	2	<b>3</b>
<b>FERRYHILL</b>	6	5	<b>11</b>
<b>FISHBURN</b>		2	<b>2</b>
<b>FROSTERLEY</b>			<b>0</b>
<b>GATESHEAD</b>	1	1	<b>2</b>
<b>GREAT LUMLEY</b>	1	1	<b>2</b>
<b>HAMSTERLEY</b>			<b>0</b>
<b>HARTLEPOOL</b>	2	1	<b>3</b>
<b>HASWELL</b>			<b>0</b>
<b>HETTON LE HOLE</b>	3	2	<b>5</b>
<b>HEXHAM</b>			<b>0</b>
<b>HORDEN</b>	3	1	<b>4</b>
<b>HOUGHTON</b>	7	7	<b>14</b>
<b>HUNWICK</b>	1		<b>1</b>
<b>HULL</b>		1	<b>1</b>
<b>KIMBLESWORTH</b>	1		<b>1</b>
<b>LANCHESTER</b>			<b>0</b>
<b>LANGLEY PARK</b>			<b>0</b>
<b>LEEDS</b>		1	<b>1</b>
<b>MIDDLESBOROUGH</b>	1		<b>1</b>
<b>MORPETH</b>	1		<b>1</b>
<b>MURTON</b>	6	2	<b>8</b>
<b>NETTLESWORTH</b>			<b>0</b>

	<b>Apr</b>	<b>May</b>	<b>Total Apr-May</b>
<b>NEW BRANCEPETH</b>		2	<b>2</b>
<b>NEWCASTLE</b>	2		<b>2</b>
<b>NEWTON AYCLIFFE</b>	2	6	<b>8</b>
<b>NORTHUMBERLAND</b>			<b>0</b>
<b>PELTON</b>			<b>0</b>
<b>PETERLEE</b>	10	6	<b>16</b>
<b>REDCAR</b>	1		<b>1</b>
<b>SACRISTON</b>	4	2	<b>6</b>
<b>SEAHAM</b>	6	7	<b>13</b>
<b>SEDFIELD</b>	1	3	<b>4</b>
<b>SHILDON</b>		1	<b>1</b>
<b>SHINEY ROW</b>			<b>0</b>
<b>SHOTTON</b>	2	4	<b>6</b>
<b>SOUTH HETTON</b>	1	1	<b>2</b>
<b>SPENNYMOOR</b>	6	6	<b>12</b>
<b>STAINDROP</b>			<b>0</b>
<b>STANHOPE</b>	1	1	<b>2</b>
<b>STANLEY</b>	2	1	<b>3</b>
<b>STATION TOWN</b>			<b>0</b>
<b>STOCKTON</b>		1	<b>1</b>
<b>SUNDERLAND</b>		1	<b>1</b>
<b>SUNNYBROW</b>			<b>0</b>
<b>THORNLEY</b>	1	1	<b>2</b>
<b>TOW LAW</b>	1	2	<b>3</b>
<b>TRIMDON</b>	7	5	<b>12</b>
<b>WASHINGTON</b>		1	<b>1</b>
<b>WEST AUCKLAND</b>			<b>0</b>
<b>WEST CORNFORTH</b>	5	4	<b>9</b>
<b>WHEATLEY HILL</b>	1	1	<b>2</b>
<b>WILLINGTON</b>	3	2	<b>5</b>
<b>WINGATE</b>	3	3	<b>6</b>
<b>WOLSINGHAM</b>			<b>0</b>
<b>TOTAL</b>	<b>197</b>	<b>184</b>	<b>381</b>

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## Appendix 3: Re-cycling of metals

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British Heart Foundation  
C/o Bishopsgarth  
Redhills Lane  
Durham  
DH1 4AL

17 May 2016

Dear Graham

On behalf of the British Heart Foundation I wish to offer big thanks for the metal recycling donation of £4444.

The Foundation relies entirely on charitable giving to enable it to continue its ongoing research into cures for cardiac related diseases and your donation will certainly help ensure it is able to.

Donations are also used to provide additional specialist equipment to detect and treat those suffering from heart problems and also to provide training for nurses who specialise in their treatment.

Thanks once again for favouring our charity.

Alan Rodger  
In Memoriam Volunteer

Receipt no: R147975





**Central Durham Crematorium  
Joint Committee**

**29 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. The purpose of this report is to set out proposals with regards to 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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**Contact: Philip Curran, Finance Manager - Neighbourhoods**  
**Tel: 03000 261 967 E-mail: philip.curran@durham.gov.uk**  
**Contact: Ed Thompson, Principal Accountant**  
**Tel: 03000 263 481 E-mail: ed.thompson@durham.gov.uk**

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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 Spennymoor Town Council were provided with a copy of the report and given opportunity to comment / raise any detailed questions on the content of the report in advance of circulation to Members of the Central Durham Crematorium 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	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
25/01/2017	Committee Room 1A, County Hall	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

<b>Meeting Date</b>	<b>Location</b>	<b>Reports to Consider</b>	<b>Report of</b>
26/04/2017	Committee Room 1A, County Hall	Quarterly Performance and Operational Report	Report of Bereavement Services Manager
		Financial Monitoring Report 2016/17: Provisional Outturn as at 31/03/2017	Joint Report of Corporate Director of Neighbourhood 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	TBC, County Hall	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