



Mountsett Crematorium Joint Committee

Date **Tuesday 30 January 2018**
Time **9.30 am**
Venue **Mountsett Crematorium Meeting Room, Mountsett
Crematorium, Dipton**

Business

Part A

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

1. Apologies for Absence
2. Minutes of the Meeting held on 20 September 2017 (Pages 3 - 8)
3. Declarations of Interest, if any.
4. Mountsett Crematorium Performance and Operational Report
(Pages 9 - 24)
Report of the Bereavement Services Manager
5. Financial Monitoring Report - Position at 31/12/17, with Projected
Outturn at 31/03/18 (Pages 25 - 30)
Joint Report of the Corporate Director of Regeneration and Local
Services and the Corporate Director of Resources & Treasurer to the
Joint Committee
6. Provision of Support Services 2018/19 (Pages 31 - 44)
Joint Report of the Corporate Director of Regeneration and Local
Services and Corporate Director of Resources and Treasurer to the
Joint Committee
7. Fees and Charges 2018/19 (Pages 45 - 50)
Joint Report of the Corporate Director of Regeneration and Local
Services and Corporate Director of Resources & Treasurer to the Joint
Committee

8. 2018/19 Revenue Budget (Pages 51 - 58)
Joint Report of the Corporate Director of Regeneration and Local Services and Corporate Director of Resources and Treasurer to the Joint Committee
9. Update Report on Cremator Replacement and Extension (Pages 59 - 66)
Joint Report of the Corporate Director of Regeneration and Local Services and Corporate Director of Resources and Treasurer to the Joint Committee
10. Such other business as in the opinion of the Chairman of the meeting is of sufficient urgency to warrant consideration.

Helen Lynch
Head of Legal and Democratic Services

County Hall
Durham
22 January 2018

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

Durham County Council:-

Councillors: O Temple (Chairman), A Bainbridge, A Batey, J Carr, J Charlton, C Hampson, O Milburn, J Shuttleworth and B Stephens

Gateshead Council:

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

Contact: Lucy Gladders

Tel: 03000 269712

DURHAM COUNTY COUNCIL

At a Meeting of **Mountsett Crematorium Joint Committee** held in **Mountsett Crematorium, Dipton, Stanley, Durham** on **Friday 29 September 2017** at **3.30 pm**

Present:

Councillor O Temple (Chairman)

Members of the Committee:

Durham County Council

Councillors A Bainbridge, J Carr, J Charlton, C Hampson and O Milburn

Gateshead Council:

Councillors M Charlton

1 Apologies for Absence

Apologies for absence were received from Councillor A Batey.

2 Declarations of Interest

There were no Declarations of Interest.

3 Minutes

The minutes of the meeting held on 27 June 2017 were confirmed as a correct record and signed and initialled by the Chairman, subject to typographical errors on page 1 being amended on to read:

“That Councillor K Dodds be appointed as **Vice-Chairman** of the Joint Committee...” and;
“The minutes of the meeting held on 28 April 2017 were **confirmed** as a...”

4 External Auditor Annual Review of the Return for the Year Ended 31 March 2017

The Joint Committee considered a joint report of the Corporate Director of Regeneration and Local Services and Corporate Director Resources / Treasurer to the Joint Committee which presented the External Auditors (Mazars LLP) Annual review of the Joint Committees Return for the year ended 31 March 2017 (for copy see file of minutes).

The Finance Manager – Real, Philip Curran advised that the audit had now been concluded, adding that there had been no material weaknesses highlighted around the Joint Committee’s system of internal control.

Resolved:

That the Joint Committee approve the Joint Committee’s Return for the year ended 31 March 2017 including the External Report 2016/17 Certificate.

5 Quarterly Performance and Operational Report

The Joint Committee considered a report of the Bereavement Services Manager which provided the Joint Committee with an update in relation to performance and other operational matters (for copy see file of minutes).

The Bereavement Services Manager advised that during the period 1 June– 31 August 2017 there were 350 cremations undertaken and increase of 8 on the comparable period last year. He further reported that the number of plaques during the period was 19 (£6,540) which was an increase of 7, representing an increase of £2,724 year on year.

The Bereavement Services Manager further reported that the Crematorium had been successful in retaining the Green Flag Award for the sixth year running and was testimony to the dedication of the staff. This award was in addition to the Gold Star Status awarded by the Institute of Cemetery and Crematorium Management.

It was also reported that the national recycling of metals scheme had produced a surplus of £350,000 from the 2017/18 collection. It was noted a cheque in the sum of £5,000 had been presented to Coping with Cancer North East and that a further cheque in sum of £5,000 for the Stillbirth and Neonatal Death Society (SANDS) had been received, with arrangements being made for the presentation to charity.

Members further noted progress in respect of the replacement of cremators and installation of mercury abatement equipment. It was reported that Direct Services were progressing well, and ATI were due to begin work on site on 3 October 2017, however due to industrial action, they would begin 10 October 2017. The Bereavement Services Manager went on to provide a brief update on the Service Asset Management Plan (SAMP) including the planned crematorium improvement works.

The Chairman thanked the Officer and asked for any questions from the Joint Committee.

Councillor J Charlton asked who decided upon the charities to received donations from the recycling of metals scheme. The Bereavement Services Manager explained that a list of charities had been compiled, following feedback from Members of the Committee, and that list was worked down until all had received support, then it would return to the top of the list. It was added that should Members have any proposals for appropriate charities to be added to the list they could let the Bereavement Services Manager know.

The Bereavement Services Manager noted that while attending the recent Institute of Cemetery and Crematorium Management ICCM Learning Convention and Exhibition 2017 he had the opportunity to view a video showing the recycling of metals process and the reasons why it was carried out. He added he felt this may be beneficial for Members information, the Bereavement Services Manager noted he would look into how this may be achieved.

Councillor M Charlton noted that the SAMP set out redecoration for the Crematorium being 2021, she asked if redecoration should not be carried out sooner. The Bereavement Services Manager noted that redecoration works were scheduled for this year, with 2021 being the next time after that.

Councillor O Milburn asked as regards the repairs to the Chapel, the Bereavement Services Manager noted that there would be the requirement of specialist to carry out works to the stained glass windows and roof.

Resolved:

- (i) That the current performance of the crematorium be noted.
- (ii) That the continued success with regards to the Green Flag Award be noted
- (iii) That the current round of money available under the recycling of metals scheme be noted.
- (iv) That the current position with regard to cremator replacement be noted.
- (v) That the content of the Service Asset Management Plan be noted and agreed.

6 Financial Monitoring Report: 2017/18: Position at 31/08/17 with Projected Outturn to 31/03/18

The Joint Committee considered a joint report of the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources/Treasurer to the Joint Committee which set out details of income and expenditure in the period 1 April 2017 to 31 August 2017, together with the provisional outturn position for 2017/18, highlighting areas of over/underspend against the revenue budgets at a service expenditure analysis level.

The report further detailed the funds and reserves of the Joint Committee at 1 April 2017 and forecast outturn position at 31 March 2018, taking into account the provisional financial outturn (for copy see file of minutes).

The Finance Manager noted that there had been an increase in cremations during the period which had led to an increase in income of approximately £88,000. Members noted that the earmarked reserves would be used to fund the cremator replacement works and it was forecast that £1,603,524 would be used for those capital works. It was added that the forecast reserves and balances at the year-end was £303,670.

Councillor M Charlton asked if the increase in cremation was due to an increase in the death rate. The Bereavement Services Manager noted that the relationship was more in terms of birth rate and related to the "baby boomer" generation.

Resolved:

That the Joint Committee note the April to August 2017 revenue spend financial monitoring report and associated provisional outturn position at 31 March 2018, including the projected year end position with regards to the reserves and balances of the Joint Committee.

7 Risk Register 2017/18 - Update

The Joint Committee considered a joint report of the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources/Treasurer to the Joint Committee which provided an update on the current position with regards to the Risk Register of the Mountsett Crematorium (for copy see file of Minutes).

The Finance Manager noted that the report set out the service risk and a health and safety risk register, maintained in accordance with the County Council's methodology and approach to risk management. It was noted that since the previous risk update in April 2017, the three-year, in-depth review of health and safety risks had been undertaken by the Bereavement Services Manager, supported by the Council's Occupational Health and Safety Team.

Members noted that one issue had been highlighted and this led to a recommendation that a fire-proof door be installed in the ashes store room. It was added that this would be implemented by the Bereavement Services Manager as part of the current building works, to be completed by December 2017.

Councillor M Charlton asked as regards the phrase "tolerate" in conjunction with several risks. The Finance Manager noted they were such that the chance was remote and therefore they were tolerated. The Bereavement Services Manager added that in the example of pandemic flu, there was a contingency plan in place and therefore this was "tolerate". The Chairman noted "Treat, terminate, tolerate, transfer", the "four Ts" in respect of risk control planning.

Councillor J Charlton asked if the fire door would be new, the Bereavement Services Manager noted it would be included as part of the Phase 2 works.

Resolved:

- (i) That the following risk be added to the service risk register, to reflect all risks in the health and safety risk register, '*Serious breach of health and safety legislation*';
- (ii) That the detailed health and safety risk register no longer be included in the half-yearly update report to the Crematorium Joint Committee;
- (iii) That Members of the Crematorium Joint Committee note the content of this report and the updated position; and
- (iv) That the service risk register continues to be reviewed by the Crematorium Joint Committee half-yearly.

8 Internal Audit Charter

The Joint Committee considered a report of the Chief internal Auditor and Corporate Fraud Manager which provided details of the revised Internal Audit Charter (for copy see file of Minutes).

The Chief internal Auditor and Corporate Fraud Manager, P Bradley explained that this was an update to the Internal Audit Charter, and was prepared in line with the Public Sector Internal Audit Standards (PSIAS) that came into effect from April 2013. He added that the revised Charter now included the “mission” of Internal Audit in terms of safeguarding and the issues of risk and fraud, combined within a mission statement.

Resolved:

That the Joint Committee approve the revised Internal Audit Charter as attached at Appendix 2 to the report.

9 Annual Review of the System of Internal Audit

The Joint Committee considered a joint report of the Corporate Director of Regeneration and Local Services and the Corporate Director of Resources/Treasurer to the Joint Committee which provided details of the review of the effectiveness of the Durham County Council Internal Audit Service, which was carried out by the County Council’s Audit Committee in June 2017 (for copy see file of Minutes).

It was highlighted that this was the usual annual review and Members were reminded of a peer review carried out by Newcastle City Council in April and May 2016 which had concluded “that Durham County Council’s Internal Audit Service conforms to the requirements of the PSIAS”, previously presented to the Joint Committee in September 2016.

Resolved:

That the contents of the report and review of the efficiency and effectiveness of the Durham County Council Internal Audit Service be noted.

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Mountsett Crematorium Joint Committee

30 January 2018

Mountsett Crematorium Performance and Operational Report



Report of Graham Harrison, Bereavement Services Manager & Registrar

Purpose of the Report

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

Performance Update - Number of Cremations

- 2 The table below provides details of the number of cremations for the period 1 September 2017 to 31 December 2017 inclusive, with comparative data in the same periods last year:

	2016/17	2017/18	Change
September	118	102	- 16
October	118	119	+ 1
November	99	105	+6
December	110	96	- 14
TOTAL	445	422	-23

3. In summary there were 422 cremations undertaken during the period 1 September 2017 to 31 December 2017, compared to 445 in the comparable period last year, a decrease of 23 year on year. The profile of where families came from can be seen below:

Gateshead	125
Durham	229
Outside Area	68
Total	422

4. The total number of cremations undertaken in the 9 months to 31 December 2017 is 976, compared to 1,044 in the same period last year, a year on year reduction of 68 (6.5%).

Memorials

5. The table below outlines the number and value of the memorials sold in the period September to December 2017 compared to the same period the previous year:

	(Sept – Dec) 2016/17		(Sept – Dec) 2017/18	
	Number	£	Number	£
Large Plaques	2	840	9	3,780
Small Plaques	8	2,041	6	1,656
Total	10	2,881	15	5,436

6. In overall terms the number and value of memorials sold of 15 / £5,436, compares with 10 / £2,881 in the same period last year, an increase of 5 / £2,555 year on year.

WI FI Connectivity

7. There is no Wi-Fi connectivity currently available within the Crematorium building and we have received several requests from members of the public, funeral directors and clergy to have this installed, which would bring the building in line with other Council buildings.
8. The estimated cost of installing Wi-Fi connectivity is approximately £2,750, though the exact cost may change slightly depending on pricing from our suppliers and the contractors installation charges. Members of the Committee are asked if they wish for this service to be installed, which could be accommodated from within existing budget provisions.

Cleaning SLA

9. The cleaning at the crematorium is provided by Durham County Council's facilities management team, who provide the service by way of a Service Level Agreement.
10. The two year SLA, which currently costs £6,599 per year commenced on 1 April 2016 and is therefore due to expire on 31 March 2018.
11. A high quality service has been provided over the last two years and Members are asked to consider and approve a revised SLA for the period April 2018 to March 2020, costing £7,280 per year (a 10.3% increase on the recharges levied in 2017/18), which includes all labour and materials required to carry out the cleaning activities (SLA attached at Appendix 2). The applicable fee takes into consideration inflationary pressures such as the staff pay award. The standard hourly rate has increased from £12.69 to £14 resulting in an increase of £13.10 per week.

Green Flag Award

12. Members may recall from the September 2017 meeting that Mountsett Crematorium was successful in retaining its Green Flag Award for the sixth year running in 2017.
13. An application will be submitted for the 2018 Award and progress will be reported back to future meetings. A management plan to maintain the required standards will be updated and any required works will be covered by existing budgets.

Dedicated Website Development

14. Further to the attendance of the Chair of the Joint Committee at the recent ICCM Conference 2017, enquiries have been made regarding Mountsett Crematorium hosting a dedicated website, which could provide up to date information about the crematorium and potentially hold the book of remembrance facility online etc.
15. A business case has subsequently been submitted to Durham County Council's Digital and Customer Services team. A dedicated website would incur a one off cost of £4,944 for design and site build and £578 per year in respect of annual hosting and maintenance costs. These costs have been factored into the 2018/19 budget.

Recycling of Metals Scheme

16. The Crematorium received a cheque from the recycling of metals from the Institute of Cemetery and Crematorium Management to the sum of £5,000 for Stillbirth and neonatal death charity on 1 September 2017.
17. Arrangements were made for the cheque to be presented to SANDS (Stillbirth and Neonatal Death charity) by the Chair of the Committee on 20 November 2017. A photograph of the presentation and a Thank You letter received from the charity are attached at Appendix 3.

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

15. Members will recall that updates have been given at previous meetings regarding the installation of the two new cremators with Mercury Abatement equipment.
16. A separate progress report and updated costings is provided for Members in a later report.

Recommendations and Reasons

17. It is recommended that Members of the Mountsett Joint Committee:
 - Note the current performance of the crematorium.
 - Agree to the installation of WI-FI Connectivity at the crematorium.
 - Consider and approve the SLA with regards to the cleaning of the crematorium.
 - Note the application for the Green Flag Award 2018.
 - Agree to the development of a dedicated website.
 - Note the distribution of recycling income to the respective charity.

Contact: Graham Harrison, 03000 265606

Appendix 1: Implications

Finance

As identified in the report. The report provides an update on performance in terms of cremations undertaken and sale of memorials. The report also includes proposals for a new SLA for cleaning and to establish a dedicated website for the Mountsett Crematorium, which has been factored into the 2018/19 budget.

Staffing

As identified in the report.

Risk

There are no implications

Equality and Diversity / Public Sector Equality Duty

There are no implications

Accommodation

There are no implications

Crime and Disorder

There are no implications

Human Rights

There are no implications

Consultation

None, however, Officers of Gateshead Council were provided with a copy of the report and given opportunity to comment/raise any detailed questions on the content of the report in advance of circulation to members of the Mountsett Crematorium.

Procurement

There are no implications

Disability Issues

There are no implications

Legal Implications

As outlined in the report



Contract for the provision of Building Cleaning Services

for 'Mountsett Crematorium,
by 'Direct Services,
Durham County Council'

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Definitions

'Customer'	Refers to the requesting individual/organisation as set out in the Contract [section 1.1]
'RPI'	Retail Prices Index [section 1.6]
'Service Provider'	Refers to Direct Services who are the providing organisation as set out in the Contract [section 1.2]
'VAT'	Value Added Tax

Confidentiality

Save as required by law both parties undertake and agree not at any time for any reason whatsoever to disclose or permit to be disclosed to any third party or otherwise make use of or permit to be made use of any trade secrets or confidential information relating to the other's business affairs or finances which come into their possession pursuant to this agreement.

1.0 Contract Overview

1.1 Customer Details

Name: Mountsett Crematorium

Address: Ewehurst Road
Dipton
Stanley
DH9 9JP

Premises Telephone No: 01207 570 255

Premises Email Address: mountsetcrem@durham.gov.uk

Authorised Officer: Graham Harrison

Position/Job Title: Bereavement Services Manager

Officer Telephone No: 03000 265 606 / 07918 684535

Officer Email Address: graham.harrison@durham.gov.uk

Billing Address: same as premises address

1.2 Service Provider Details

1.2.1 General

Name: Direct Services, Durham County Council

Head Office: St. John's Road
Meadowfield Industrial Estate
Durham
DH7 8XQ

Authorised Officer: John Hallam

Position/Job Title: Business Development Manager

Officer Telephone No: 03000 269 184 / 07786 027288

Officer Email Address: john.hallam@durham.gov.uk

Team Email Address: dsbd@durham.gov.uk

1.2.2 Single Point of Contact

Single point of contact for all requests.

Name: Sonia Parkin
Telephone No: 03000 269 358 / 07713 193781
Email Address: sonia.parkin@durham.gov.uk

1.3 Contract Details

This contract covers the provision of building cleaning services as detailed in Table 1 of this contract [section 2.1]. This contract is valid during the period detailed below and is valid throughout subject to the terms detailed in this contract, expiring no earlier than 31st March 2019.

Services Provided: Building Cleaning Services as detailed in Table 1
Duration of Contract: 2 years
Period Covered: 1st April 2018-31st March 2020
Period of Notice to Quit: 12 months

1.4 Contract Approval

To accept the terms set out in this contract please sign below and return one copy to the service provider: John Hallam, Durham County Council, Direct Services, St. John's Road, Meadowfield Industrial Estate, Durham, DH7 8XQ; and retain one copy for your records.

Customer

Name of Signatory: Graham Harrison

Signature: _____ on behalf of

Mountsett Crematorium

Date: _____

Service Provider

Name of Signatory: Oliver Sherratt (Head of Direct Services)

Signature:  on behalf of

Direct Services, Durham County Council

Date: 08/01/2018

1.5 Aim of the Contract

To provide efficient building cleaning services with minimal disruption, to agreed priorities and within agreed timescales.

1.6 Changes in Charges

Direct Services retains the right to increase the costs applied in this contract [section 2.0] on an annual basis by RPI. The 'Customer' will be notified in advance of any planned increase.

Charges as detailed in Table 1 and Table 2 of this contract [section 2.0] may be increased or decreased by Direct Services as a result of changes in regulations relating to any area of this contract. In these instances, Direct Services will engage with the 'Customer' in advance of adjusting the charges in order to explain the reasons for the change. During any review period, the current contract will remain in effect.

Please note that the charges detailed in this contract are to be reviewed prior to 1st April 2018 due to the building improvements carried out at Mountsett Crematorium.

1.7 Billing

Charges as detailed in Table 1 and Table 2 of this contract [section 2] will be levied on a quarterly basis, and will be due for payment immediately.

All charges & rates detailed in this contract are exclusive of VAT. The appropriate VAT rate will be applied at the point of billing.

2.0 Schedule of Services & Charges

2.1 Table 1 – Schedule of Services & Charges

Table 1 below represents the general specification of building cleaning that are to be provided by Direct Services to the 'Customer' and is focused on an output based specification with the definition that "a place is deemed to be clean if it is free from removable dirt, dust, marks or unwanted matter (e.g. debris, rubbish, etc.). However, Direct Services can carry out additional cleaning upon request (see Table 2).

Mountsett Crematorium
Offices
<p><u>Daily</u></p> <ul style="list-style-type: none"> • Empty waste receptacles • Remove contents of waste receptacles to point of disposal • Damp wipe tables/desks/work surfaces • Clean all ledges and pipe work • Vacuum all communal areas • Damp mop all ceramic tiled and/or vinyl floor coverings • Vacuum all communal areas as required • Vacuum the main entrances as required
<p><u>Twice Weekly</u></p> <ul style="list-style-type: none"> • Vacuum corridors
<p><u>Weekly</u></p> <ul style="list-style-type: none"> • Damp wipe all skirtings' and ledges as required • Remove any scuff marks from walls/painted doors • Clean internal glass to smear free finish • Clean the interior of the lift 'car' (if applicable)
<p><u>Monthly</u></p> <ul style="list-style-type: none"> • Clean glass panels, screens, borrowed lights, all surfaces as required • Dust walls and high level ledges to ceiling height (3.6m)
Toilets
<p><u>Daily</u></p> <ul style="list-style-type: none"> • Empty waste bins & water receptacles • Remove all litter from area • Clean all wash basins and associated taps/fittings and pipes • Clean all other sanitary fittings • Clean mirrors to a smear free finish • Replenish toilet rolls, soaps and paper hand towels • Sweep and damp mop hard floors
<p><u>Monthly</u></p> <ul style="list-style-type: none"> • Scrub around sanitary fittings by hand if machine cannot access • Wet scrub hard floor areas • Damp wipe finger marks from doors/frames, walls and glass panels

Every Six Months
<ul style="list-style-type: none"> Wash walls and ledges to recommended height
Public Areas
Daily
<ul style="list-style-type: none"> Empty bins and waste receptacles to the point of disposal. Remove all litter from area. Sweep/damp mop/vacuum clean floors and carpets. Clean entrance mats and dust control mats.
Weekly
<ul style="list-style-type: none"> Damp wipe skirting boards. Damp wipe finger marks from doors/frames and glass panels. Damp wipe furniture sills and ledges and skirting. Damp wipe furniture.
Monthly
<ul style="list-style-type: none"> Clean glass panels, screens and borrows lights. Wash doors and frames. Damp wipe bins and waste receptacles.
Annual Cost of Service Provision: £7,280.00
<i>The price quoted includes all labour and materials required to carry out the activities identified in Table 1 above; and is based on a cleaning requirement of 10 hours per week</i>

All prices quoted in Table 1 above are based on cleaning activities being undertaken during normal working hours. Direct Services are able to undertake cleaning activities outside of normal working hours upon request; however, these will be subject to an overtime premium.

2.2 Table 2 – Schedule of Additional Cleaning Charges

Table 2 sets out the rates that will be applied when Direct Services' cleaners attend to carry out additional cleaning as requested by the 'Customer'.

	<u>Standard Hourly Rate</u>	<u>Overtime Rate</u> (Mon - Thurs 16:30 to 00:00; Fri 15:30 to 00:00; Saturday 05:00 to 00:00)	<u>Overtime Rate</u> (Mon - Fri 00:00 to 08:00; Saturday 00:00 to 05:00; all day Sunday & Public Holidays)
Cleaner	14.00	Priced upon request	Priced upon request
Materials & Contractors	Charged at actual costs + 10%		

3.0 Service Provider Requirements

3.1 General Services

The following general conditions/provisions apply and Direct Services will:-

- 3.1.1 Be professional, courteous and sensitive to the 'Customers' needs at all times.
- 3.1.2 Deliver a quality cleaning service.
- 3.1.3 Undertake all cleaning using only Direct Services' own workforce or Direct Services' approved contractors.
- 3.1.4 Undertake cleaning during normal working hours, unless otherwise agreed between Direct Services and the 'Customer' or their representative(s).
- 3.1.5 Levy charges in accordance with the terms and rates detailed in section 1.7 and 2.0
- 3.1.6 Monitor the quality of work to ensure compliance with current standards and legislation.
- 3.1.7 Fully co-operate with the 'Customer' or their representative(s) to maintain the security of the premises and its contents whilst undertaking cleaning activities. This will include complying with premises visitor management systems.
- 3.1.8 Comply fully with all relevant legislation and will maintain appropriate health and safety management systems, which are audited periodically.

3.2 Queries, Comments and Concerns

If you have a specific query or concern relating to any aspect of this contract please refer the issue/s to the Single Point of Contact (03000 267 358).

4.0 Customer Obligations

It is essential for both you (the 'Customer') and Direct Services that you or your representative(s):-

- 4.1 Provide accurate and concise information, including details of the location of the cleaning requirement, its priority, contact details, the room availability, any notice periods for access and details of any known hazards, where appropriate.
- 4.2 Facilitate/allow access to enable the cleaning to be carried out, including making arrangements to provide keys where necessary (if the Direct Services is not a registered key holder).
- 4.3 Co-operate with the Direct Services' staff and contractors as far as reasonably practicable, to ensure disruption is minimised.
- 4.4 Report as soon as reasonably practicable, any defect or hazard associated with the works.
- 4.5 Provide Direct Services and approved contractors with all necessary Health & Safety information relevant to the building and on site activities.
- 4.6 Where needed, arrange for the attendance of a suitable member of staff to act as the 'Customer' representative whilst cleaning work is being carried out.
- 4.7 Provide feedback on performance and participate in customer satisfaction surveys.
- 4.8 Co-operate with Direct Services' staff to maintain the security of premises and property whilst cleaning activities are being undertaken.
- 4.9 Indicate clearly any budget or cost limit that applies to any maintenance project/repair.

5.0 Contract Review & Performance

5.1 Monitor & Review

- 5.1.1 An annual review meeting may be arranged by Direct Services to review service delivery and any issues arising from the provision of the contract. An updated contract will be issued if required following these discussions.
- 5.1.2 The 'Customer' or Direct Services has the right to convene additional meetings should these become necessary.

5.2 Key Performance Indicators

Specific key performance indicators for building cleaning may be agreed with the 'Customer' prior to the commencement of the contract.

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Appendix 3: Recycling of metals cheque presentation



Cllr Owen Temple along with Jill Mackey (treasurer) and Daniel Malley (befriender and committee member) attending the cheque presentation.

We are part of the Sands UK-wide network of local groups

Email: support@durham-sands.org www.durham-sands.org



19th November 2017

Graham Harrison
Bereavement Services Manager and Registrar,
Durham County Council,
South Road,
Durham,
DH1 3TQ

Dear Graham,

I am writing on behalf of Durham and Wearside Sands to thank you for our nomination to the ICCM recycled metals fund.

The £5000 donation has been used to help us support the three aims of Sands in the local area

- To support anyone affected by the loss of a baby at our Support Group.
- To work in partnership with health professionals at local hospitals to try to ensure that bereaved parents and families receive the best possible care
- To promote and fund research that could help to reduce the loss of babies' lives.

We have recently funded 40 midwives at County Durham and Darlington Foundation Trust to complete the RCM accredited bereavement care workshop. This will enable the staff at UHND and Darlington Memorial Hospitals to deliver the best possible care to bereaved families.

We have also supplied toiletry packs for the bereavement suites and 'Heart in their Hand' keyrings.

Our embroidery project will soon be launched which will mark the tenth year of our support group and 40 years of Sands

Thank you for your generous support as which allows us to continue this valuable work to support anyone affected by the death of a baby.

Yours Sincerely,

A handwritten signature in black ink that reads "Ashleigh Corker".

Ashleigh Corker

Secretary, Durham and Wearside Sands.



Mountsett Crematorium Joint Committee

30 January 2018

Financial Monitoring Report – Position at 31/12/17, with Projected Outturn at 31/03/18



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources & Treasurer to the Joint Committee

Purpose of the Report

1. This report sets out details of income and expenditure in the period 1 April 2017 to 31 December 2017, together with the forecast outturn position for 2017/18, highlighting areas of over / underspend against the revenue budgets at a service expenditure analysis level.
2. The report also details the funds and reserves of the Joint Committee at 1 April 2017 and forecast outturn position at 31 March 2018, taking into account the provisional financial outturn.

Background

3. Scrutinising the financial performance of the Mountsett Crematorium is a key role of the Joint Committee. Regular (quarterly) budgetary control reports are prepared by the Treasurer and aim to present, in a user friendly format, the financial performance in the year to date together with a forward projection to the year end. Routine reporting and consideration of financial performance is a key component of the Governance Arrangements of the Mountsett Crematorium.

Financial Performance

4. Budgetary control reports, incorporating outturn projections, are considered by Regeneration and Local Services' Management Team on a monthly basis. The County Council's Corporate Management Team also considers quarterly budgetary control reports, with quarterly reports also being considered by Cabinet / Overview and Scrutiny Committee. The outturn projections for the Mountsett Crematorium are included within this report.
5. The figures contained within this report have been extracted from the General Ledger and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The following table highlights the provisional outturn financial performance of the Mountsett Crematorium:

Subjective Analysis	Base Budget 2017/18 £	Year to Date Actual April – December £	Probable Outturn 2017/18 £	Variance Over/ (Under) £
Employees	147,144	106,207	144,786	(2,358)
Premises	145,200	63,471	106,401	(36,799)
Transport	600	374	500	(100)
Supplies & Services	92,870	30,829	93,991	1,121
Agency & Contracted	7,100	5,252	5,252	(1,848)
Central Support Costs	27,450	27,450	27,450	0
Gross Expenditure	420,364	233,584	378,379	(41,985)
Income	(881,000)	(644,933)	(922,900)	(41,900)
Net Income	(460,636)	(411,349)	(544,521)	(83,885)
Transfer to (from) Reserves				
- Repairs Reserve	15,000	0	15,000	0
- Cremator Reserve	280,746	0	364,631	83,885
- General Reserve	0	0	0	0
Distributable Surplus	(164,890)	0	(164,890)	0
65% Durham County Council	107,178	80,385	107,178	0
35% Gateshead Council	57,712	43,284	57,712	0
Mountsett Crematorium Earmarked Reserves	Balance @ 1 April 2017 £	Transfers to Reserve £	Transfers From Reserve £	Balance @ 31 March 2018 £
Repairs Reserve	(24,370)	(15,000)	0	(39,370)
Cremator Reserve	(1,235,484)	(363,181)	1,598,665	0
General Reserve	(263,400)	(165,790)	164,890	(264,300)
Total	(1,523,254)	(543,971)	1,763,555	(303,670)

Explanation of Significant Variances between Original Budget and Forecast Outturn

6. As can be seen from the table above, the updated projected outturn is showing a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £544,521 against a budgeted surplus of £460,636, (£83,885) more than the budgeted position. This compares with the previously forecast position (based on actual performance to 31 August 2017) of a surplus of £548,830, £88,194 more than the budgeted position. The following section outlines the reasons for any significant variances by subjective analysis areas:

6.1 **Employees**

The updated outturn projections show an underspend of **(£2,358)** in relation to employee costs. The reasons for this are identified below:

- The Business Admin Apprentice costs are lower than budgeted due to the age of the year 1 apprentice appointed, resulting in a projected underspend of **(£2,358)**.

6.2 **Premises**

The updated outturn projections indicate an underspend of **(£38,799)** in relation to premises costs this year. The reasons for this are identified below:

- The installation of air conditioning budget will not be required as the costs are being incorporated within the cremator replacement capital works, resulting in an underspend of **(£15,000)**.
- The replacement of carpets to the office area budget is also being incorporated within the cremator replacement capital works, resulting in an underspend of **(£10,000)**.
- Cremator servicing and repairs are forecast to underspend by **(£4,663)** due to the old cremators being replaced during the year.
- Gas, electricity and water is forecast to be underspent by **(£3,636)** due to lower consumption rates and better prices than was originally estimated.
- General repairs are forecast to underspend by **(£5,500)** mainly due to the cremator replacement works being undertaken this year.

6.3 **Supplies and Services**

The updated outturn projections shows a net overspend of **£1,121** in relation to supplies and services. The reasons for this are highlighted below:

- Other general office costs such as printing and telephone costs are expected to be underspent by **(£1,849)**.
- Due to the projected numbers of cremations and a back dated payment due from 2015, medical referee expenditure is projected to overspend by **£2,970**.

6.4 **Agency & Contracted**

The updated outturn shows an underspend of **(£1,848)** in relation to agency and contracted services. The reasons for this are highlighted below:

- Environmental Protection Act testing will not need to be carried out due to the cremators being replaced, resulting in a underspend of **(£1,848)**

6.5 **Income**

An increase in income of **(£41,900)** from the 2017/18 budgeted position is included within the updated outturn projections. The reasons for this are identified below:

- The updated projection includes a forecast additional 56 more cremations compared to budget, totalling an over-achievement in the income budget of **(£36,400)**. The outturn allows for a total of 1,356 cremations against a budget estimate of 1,300 during the 2017/18 financial year.
- Book of Remembrance and Memorial Plaque income is forecast to be **(£5,500)** higher than budget.

6.5 **Earmarked Reserves**

Following the budget setting in January 2017, the cremator replacement and extension works are now scheduled to be completed this year and therefore contributions from earmarked reserves of **£1,597,765** are forecast to fund these works.

In line with the MCJC Reserve Policy to maintain a General Reserve of 30% of the income budget, a transfer to the General Reserve of **(£900)** is required in year. This results in a net transfer from the Cremator Replacement Reserve of **£1,235,484**.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2017 are forecast to be **£39,370**, along with a General Reserve of **£264,300**, giving a forecast total reserves and balances position of **£303,670** at the year end.

Recommendations and reasons

7. It is recommended that:-

- Members note the April to December 2017 revenue spend financial monitoring report and associated provisional outturn position at 31 March 2018, including the projected year end position with regards to the reserves and balances of the Joint Committee.

Contact(s): Paul Darby 03000 261930
Ed Thompson 03000 263481

Appendix 1: Implications

Finance

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

Staffing

There are no staffing implications associated with this report.

Risk

The figures contained within this report have been extracted from the General Ledger, and have been scrutinised and supplemented with information supplied by the Bereavement Services Manager. The projected outturn has been produced taking into consideration spend to date, trend data and market intelligence, and includes an element of prudence. This, together with the information supplied by the Bereavement Services Manager should mitigate the risks associated with achievement of the forecast outturn position.

Equality and Diversity / Public Sector Equality Duty

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

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

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

Human Rights

There are no Human Rights implications associated with this report

Consultation

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

Procurement

None

Disability Issues

None

Legal Implications

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

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Mountsett Crematorium Joint Committee

30 January 2018



Provision of Support Services 2018/19



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources and Treasurer to the Joint Committee

Purpose of the Report

1. This report outlines the proposed Service Level Agreement (SLA) for Support Service provision by Durham County Council to the Mountsett Crematorium Joint Committee for the period April 2018 to March 2019.

Background

2. A formal Service Level Agreement for Support Services provided by Durham County Council to the Mountsett Crematorium Joint Committee has been considered and approved by the Joint Committee for the past five years. As part of the budget setting for 2018/19, Members are now requested to consider the Support Services requirements for the coming year.
3. This report sets out details of the proposed SLA for the period 1 April 2018 to 31 March 2019 to cover the following functions:
 - Management Services
 - Financial Services
 - Administration Services (including Committee support)
 - Payroll Services
 - Human Resources Services

Service Level Agreement (SLA)

4. The SLA established for the provision of Support Service functions to the Joint Committee provides a commitment for both parties over the medium term. This includes the provision of Management advice and attendance at Joint Committee Meetings by the Head of Finance and Transactional Services, in addition to Accountancy, HR, Payroll, Creditor payment and Business Support / Administration Services.
5. The proposed SLA, attached at Appendix 2, has been developed in consultation with the Head of Finance and Transactional Services under the delegated responsibility of the Treasurer to the Joint Committee and reflects the nature of the current partnership, the services to be provided, the period of agreement and total estimated annual budget.
6. As in previous years, all work carried out directly on behalf of the Joint Committee will be recharged and the resultant budget requirement for Support Services is set out in the

SLA. Details of all work to be carried out will be itemised so that costs are more transparent.

7. The proposed SLA considers the proportion of time spent by key staff undertaking the requirements of the Joint Committee. The proposed charge for 2018/19 is £21,750 (a 2.6% increase on the recharges levied in 2017/18). The applicable fee takes into consideration inflationary pressures such as the staff pay award and pension increases following the triennial review.
8. The Support Service SLA is attached at Appendix 2 for consideration and approval by Members. Schedule 1 to the Appendix, as attached, provides a more detailed breakdown of the following functions and responsibilities:

Management Services

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

Financial Services

- Preparation and Production of Revenue Budget
- Budget Monitoring and guidance
- Preparation and production of the Joint Committees Annual Return
- Review of the Effectiveness of Internal Audit
- Creditor payments and day to day cash flow management.
- Financial Appraisals and budget monitoring of Service Asset Management Plan works

Administration Services

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

Payroll Services

- Employee crematorium salary processing.

Human Resources Services

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

Recommendations

9. It is recommended that:-
 - Members consider and approve the Service Level Agreement attached at Appendix 2 (including relevant schedule) for the year 2018/19.

Contact(s):	Paul Darby	03000 261930
	Ed Thompson	03000 263481

APPENDIX 1 – Implications

Finance

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

Staffing

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

Risk

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

Equality and Diversity/ Public Sector Impact Duty

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

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

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

Human Rights

There are no Human Rights implications associated with this report.

Consultation

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

Procurement

None

Disability Discrimination Act

None

Legal Implications

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

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APPENDIX 2



Service Level Agreement

for the provision of Support Services to

**MOUNTSETT CREMATORIUM JOINT
COMMITTEE**

AGREEMENT FOR THE PROVISION OF SUPPORT SERVICES

THIS AGREEMENT is made the [30th] of [January] **two thousand and eighteen**
BETWEEN DURHAM COUNTY COUNCIL (“the Council”) and **MOUNTSETT**
CREMATORIUM JOINT COMMITTEE (“the Partnership”)

1. PROVISION OF SERVICES

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

2. DURATION

- 2.1. This agreement will be effective 1st April 2018 and will continue until 31st March 2019 (“the Term”)

3. THE COUNCIL’S OBLIGATIONS

3.1. Services

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

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

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

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

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

3.2. Accommodation

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

3.3. Insurance

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

4. THE JOINT COMMITTEE'S OBLIGATIONS

4.1. Support Services Fee Provision

- 4.1.1. To make available such Support Services provision as set out in Schedule 2 for the provision of agreed services for the year 2018/19 notwithstanding the contents of Schedule 2, the Support Services provision will be the subject of regular review and agreement by both parties as part of the Joint Committee's normal budget timetable. Final confirmation of the Support Services provision must be agreed no later than the 31st January in each year.
- 4.1.2. Both parties intend that the annual Support Services fee provision will be set at such a level as to cover the costs incurred by the Council in delivering the Central Support Functions.
- 4.1.3. The parties agree that, without affecting the annual Support Services fee provision and the principles set out in Schedule 2, at the Joint Committee's request;
- The percentage split between the service elements to be provided can be varied up to 10% provided always that the maximum number of days per element specified in Schedule 2 is not exceeded
 - Crematorium Joint Committee being satisfied that any such changes will not have an adverse impact on the delivery of the service provision.
- 4.1.4. The parties agree that all variations, other than those referred to in the clause 4.1.3 above, require the expressed written consent of both parties.
- 4.1.5. To pay the Council annually the payments as set out in Schedule 2. The payment principles set out in Schedule 2 will apply for the purposes of determining the payments paid to the Council by the Joint Committee.

4.2. Service Delivery

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

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

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

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

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

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

4.2.1.5. Approving the Joint Committees Annual Return, Annual Governance Statement, Revenue Budget and all other Financial Reports.

4.2.1.6. Taking whatever action it considers necessary as a result of issues highlighted by the Head of Finance and Transactional Services.

5. MANAGEMENT OF THE SERVICE

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

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

5.2. The Head of Finance and Transactional Services will report to the Corporate Director of Regeneration and Local Services and to the Corporate Director of Resources and Treasurer to the Joint Committee and to the Mountsett Crematorium Joint Committee.

5.3. The Head of Finance and Transactional Services and the Bereavement Services Manager will meet periodically to review performance on delivering agreed services and agree any changes to the delivery of the Service.

Such meetings may be attended by other such persons as either party may wish.

- 5.4. The Corporate Director of Resources at the Council is ultimately responsible for the performance and effectiveness of services provided to the Joint Committee under this agreement. Any issues concerning any aspect of the delivery of the service or terms of this agreement that can not be satisfactorily resolved with Head of Finance and Transactional Services should be referred to the Council's Corporate Director: Resources.

Contact details are:

John Hewitt, Corporate Director: Resources
Durham County Council,
County Hall, Durham
e.mail:john.hewitt@durham.gov.uk
Telephone 03000 261943

- 5.5. The Principal Accountant: Direct Services (under delegated responsibility) will meet with the Bereavement Services Manager each financial year to consider the support service fee for the following financial year. Such meetings will be scheduled in line with the Joint Committee's annual budget timetable (final confirmation of the support service fee provision must be agreed no later than the 31st January in each year) and be attended by such other persons as either party may wish.

- 5.6. The Bereavement Services Manager is responsible for ensuring:-

- Responses to reports are received within timescales specified
- Information is provided to substantiate the implementation of any recommendations when requested
- Co-operation with Support Services staff when required
- Timely contact with the Head of Finance and Transactional Services / Principal Accountant: Direct Services
- Compliance with relevant Codes of Conduct and Durham County Council Policies and Procedures.

6. INFORMATION AND CONFIDENTIALITY

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

7. DATA PROTECTION AND FREEDOM OF INFORMATION

7.1. Each party will:-

7.1.1. Comply with the Data Protection Act 1998

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

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

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

8. TERMINATION

8.1. Either party may terminate the agreement before the 1 April 2018 by giving the other not less than 3 months prior written notice.

9. VARIATION

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

AS WITNESSED

Signed by:.....

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

Date

Signed by:.....

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

Date

Schedule 1

The following Support Services will be provided.

Management Services

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

Financial Services

3. Preparation and Production of the Annual Revenue Budget for approval by the Mountsett Crematorium Joint Committee.
4. Review and setting of the Annual Fees and Charges taking into consideration inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc.
5. Revenue Budget Monitoring including the provision of sound financial advice.
6. Preparation of Monthly Payroll, Bank, Debtor and Creditor Reconciliations.
7. Production of the Joint Committees Annual Return for the Mountsett Crematorium Joint Committee and liaison with External Audit.
8. Timely processing and payment of all Mountsett Crematorium Joint Committee purchase order and direct invoices in line with BVPI 8 Regulations and Durham County Council payment terms via the SAGE system.
9. Financial Appraisals and Budget Monitoring of Service Asset Management Plan works.

Payroll Services

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

Human Resources

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

Administration (including Committee support)

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

Advice

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

BUDGET SCHEDULE

Support Service Area	2018/19
Management	
Attendance at Joint Committee Meetings	
Report Review and overall Management	
	4,900
Financial Services	
Budget Preparation including fees and charges setting	
Budget Monitoring including monthly reconciliations	
Production of the Annual Return (including liaison with External Audit)	
Financial Appraisals	
	10,900
Payroll Services	
Employee payroll processing	150
Human Resources	
Health and Safety support and guidance	
Employee relations and interaction with trade unions	
Training and development facilitation	
	1,900
Administration (including Committee support)	
Distribution of Committee Papers	
Committee and Secretarial Services	
Minute maintenance and indexing	
	3,900
Total	21,750

BASIS OF CHARGE

- Charges in respect of the period 1 April 2018 to 31 March 2019 will be recharged to the Joint Committee using the existing methodology.
- This SLA charge is in addition to the fixed term Audit SLA totalling £6,250 previously approved by members on 28 September 2016 for the period 2017/18 to 2019/20.

In overall terms the Support Service charge represents 2.3% of the gross turnover of the Joint Committee.

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Mountsett Crematorium Joint Committee

30 January 2018

Fees and Charges 2018/19



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources & Treasurer to the Joint Committee

Purpose of the Report

1. This report sets out details of the proposed fees and charges for Mountsett Crematorium for 2018/19.

Background Information

2. In reviewing existing charges or setting new charges inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc need to be fully taken into consideration.
3. The impacts of decisions made by the Central Durham Crematorium Joint Committee also need to be carefully considered. Members of the Joint Committee will recall that following Local Government Review in 2009 the fees and charges at the Mountsett Crematorium were harmonised with the charges at the Central Durham Crematorium. The cremation fees and charges were not increased in 2017/18 in recognition of the major works that were being undertaken in the current year.

Fees and Charges 2018/19

4. The inflationary and cost pressures facing the crematorium along with the views of the Bereavement Services Manager with regards to the local market and customer impact from any proposed increase, benchmarking data on the charges levied in other neighbouring facilities, plus the fact that the crematorium has recently undertaken a major refurbishment are key factors in considering any increases in charges for 2018/19.
5. Taking the above into consideration, particularly the redevelopment works that have been undertaken and the fact that there was no increase made in 2017/18, it is proposed that there is a £30 (4.6%) increase to the current cremation fees and charges for 2018/19.

Cremation Charges

6. The projected number of cremations in 2017/18 is 1,356 which is 83 less than the number of cremations delivered in 2016/17 but 56 higher than the budgeted position of 1,300. For 2018/19 budget setting purposes it has been assumed there will be 1,300 cremations next year.
7. The current 2017/18 fees and charges for the other neighbouring crematoria across the region, including the average total charge levied, is attached at Appendix 3, which indicates an average cremation fee of £755 (inclusive of medical referees fees and environmental surcharge). Increasing the current charges by £30 will mean that the total cremation fees levied for the Mountsett Crematorium in 2018/19 (inclusive of medical referee fees) will increase to £680.
8. In terms of the charging policy for child cremations, it is proposed to retain the NIL fee. Members will see from Appendix 3 that neighbouring crematoria charges for these services range from £0 to £300.
9. All other fees and charges at the Crematorium are proposed to remain at the same levels as 2017/18.
10. A full schedule of the proposed fees and charges for Mountsett Crematorium is shown in Appendix 2, with benchmarking comparison data shown in Appendix 3 for Members' information.

Recommendations and Reasons

10. It is recommended that:-

- Members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2018, which seeks to increase the cremation by £30 (4.6%) per crematorium from £650 to £680.
- The proposed fees and charges are incorporated into the 2018/19 budget.

Background Papers

2017/18 Budget and Financial Monitoring Reports

2018/19 Budget Working Papers

Contact(s):	Paul Darby	03000 261930
	Ed Thompson	03000 263481

Appendix 1: Implications

Finance

A detailed schedule of the proposed fees and charges for Mountsett Crematorium is included at Appendix 2. These proposals have been factored into budget proposals for 2018/19.

Staffing

There are no staffing implications associated with this report.

Risk

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

Equality and Diversity/Public Sector Equality Duty

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

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

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

Human Rights

None

Consultation

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

Procurement

None

Disability Discrimination Act

None

Legal Implications

None

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SCHEDULE OF PROPOSED MOUNTSETT CREMATORIUM CHARGES 2018-19

	2017/2018 Charges incl VAT (where appropriate)	Proposed Charges 2018/2019 incl VAT (where appropriate)	VAT Status	Increase / (Decrease)	
	£	£		£	%
Non-viable Foetus	£9	£9	O	£0	0.00%
Child	£0 up to 1 mth	£0 up to 1 mth	O	£0	0.00%
Child	£0 up to 16 yrs	£0 up to 16 yrs	O	£0	0.00%
Adult	£630 over 16 yrs	£660 over 16 yrs	O	£30	4.76%
<u>Surcharges</u>					
Non Resident (Adult)	£0	£0	O	£0	0.00%
Environmental surcharge	£0	£0	O	£0	0.00%
Saturdays - Additional	50%	50%	O	Not Applicable	Not Applicable
Certificate of Cremation	Included	Included	O	Not Applicable	Not Applicable
Medical Referees Fees	£20	£20	O	£0	0.00%
Body Parts	£9	£9	O	£0	0.00%
2 line entry Book of Remembrance	£53	£53	S	£0	0.00%
Seat for Lease of 10 years	£1,042	£1,042	E/S	£0.00	0.00%
Columbaria Unit for Lease of 20 years	£1,240	£1,240	E/S	£0.00	0.00%
Small Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£186	£186	E/S	£0.00	0.00%
Large Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£312	£312	E/S	£0.00	0.00%
Vase Block for Lease of 10 years Plus Cost of Plaque at supplier price	£540	£540	E/S	£0.00	0.00%
Inside New Garden Large Plaques for Lease of 10 years Plus Cost of Plaque at supplier price	£342	£342	E/S	£0.00	0.00%
Inside New Garden Vase Block for Lease of 10 years Plus Cost of Plaque at supplier price	£594	£594	E/S	£0.00	0.00%
Organist	£35	£35	E/S	£0.00	0.00%
Urn	£6	£6	E/S	£0.00	0.00%
Scatter Tubes	£12	£12	E/S	£0.00	0.00%
Small Scatter Tubes	£5	£5	E/S	£0.00	0.00%
Use of Chapel:					
Between 10.00am and 2.30pm	£600	£600	E/S	£0.00	0.00%
Before 10.00am or after 2.30pm	£200	£200	E/S	£0.00	0.00%

Period charged: 2017/18 2017/18 2017/18 2017/18 2017/18 2017/18 2017/18 2017/18 2017/18 2017/18

Mountsett		Coundon	Darlington	Gateshead	Middlesbrough	Hartlepool	South Tyneside	Sunderland	Newcastle	North Tyneside	Durham
£		£	£	£	£	£	£	£	£	£	£

Cremation Fees

£660 over 16 yrs	Adult	£795 over 16 yrs	£728 15yrs or over	£640 over 18yrs	£640 15yrs or over	£710 over 16 yrs	£647 15yrs or over	£670 15yrs or over	£718	£713.00 over 18 yrs	£660 over 16 yrs
£0	Environmental surcharge	Included	£53	£46	£60	Included	£69	£45	£70	Included	Included
£20	Medical Referees Fees	Included	£20	£38	Included	Included	£38	£25	£46	£27.50	£20
£680	Sub total	£795	£801	£724	£700	£710	£754	£740	£834	£741	£680

Average of Benchmarking Group Cremation Fees**£755****Other Charges**

£9	Non-viable Foetus	£0	£0	£0	£7.25	£104	£0	£0	£0	£0	£9
£0 up to 1 month	Infant Child	£0	£0 12 mths	£38	£46.00 12 mths	£68 12 mths	£0 up to 14 yrs	£0	£0 up to 12 yrs	£27.50	£0 up to 1 month
£0 up to 16 yrs	Child	£0	£300 up to 18 yrs	£38	£46 up to 14yrs	£212 up to 16 yrs	£38 up to 14 yrs	£0 under 14 yrs	£0	£27.50	£0 up to 16 yrs
£0	Non Resident (Adult)	£0	£0	£675	£0	£0	£647	£800	Not Available	£713	£0
50%	Saturdays/ Additional	£158	No Cremations on a Saturday	No Cremations on a Saturday	£50	No Cremations on a Saturday	£431	£330	No Cremations on a Saturday	£356	50%
£53	2 line entry Book of Remembrance (inclusive of VAT)	£137	£70	£68	£42.00	£62	£40	£57	£74	£60	£53
£600 £200	Use of Chapel Between 10.00am and 2.30pm Before 10.00am or after 2.30pm	£317.50 all day	£100 all day	£61 all day	£125 all day	£104 all day	£146 all day	£134 all day	£150 all day	£90 all day	£600 £200

* Subject to consideration by the Central Durham Crematorium Joint Committee 31 January 2018

Mountsett Crematorium Joint Committee

30 January 2018

2018/19 Revenue Budget



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources and Treasurer to the Joint Committee

Purpose of the Report

1. To set out for Members' consideration proposals with regards to the 2018/19 revenue budgets for the Mountsett Crematorium.

Background Information

2. The 2018/19 budget has been developed with the Bereavement Services Manager, taking into account the proposed Fees and Charges set out in the previous report, the 2017/18 forecast outturn position and known expenditure pressures in the coming year.

Budget Proposals 2018/19

3. The proposed 2018/19 revenue budget is shown at Appendix 2, together with the forecast position with regards to the reserves of the Mountsett Crematorium. Members should note that the main changes from the 2017/18 budget are as follows:

Employees

4. The 2018/19 budget has been increased by **£4,292** due to the impact of the pay award and incremental progression.

Premises

5. The base budget has reduced by **(£850)** from 2017/18. The main reasons for this reduction are as follows:
 - The repairs and maintenance budgets include provision for the scheduled works in 2018/19 as per the Service Asset Management Plan. The net result of the removal of the 2017/18 works schedule and the inclusion of the 2018/19 requirements is a reduction in the base budget of **(£18,000)** year on year. Provision for the following works are included in 2018/19 budgets:

➤ Installation of Memorial Tower	£6,000
➤ Replacement of Exterior Gates	£5,000
➤ Repairs to Book Of Remembrance	£25,000

- The Business Rates budget has increased by **£14,770** due to the new extension at the Crematorium, in addition to the annual rate increase.
- General Repairs, maintenance and utility budgets have been amended to reflect the 2017/18 projected outturn, which has resulted in an overall decrease of **(£820)**.
- Cremator servicing and repair budgets have increased by **£3,200** to reflect the new service contract.

Supplies and Services

6. The budget has been reduced by **(£24,801)** from 2017/18, details below:-

- The supplies and services budgets include the Service Asset Management Plan scheduled works in 2018/19. The net result of the removal of the 2017/18 works schedule and the inclusion of the 2018/19 requirements is an increase in the base budget of **£4,000**. Provision for the following works are included in 2018/19 budgets:

➤ Purchase of a pressure washer	£1,000
➤ Purchase of a Vac sweeper	£3,000
- The environmental surcharges payable for the tradable mercury abated cremations from the CAMEO scheme will no longer be payable following the installation of the new cremators. This will reduce the budget by **(£34,450)**.
- Other general supplies and services budgets have been increased by **£127**.
- The Subscription budget has been increased by **£5,522** to fund the website development, as mentioned in a previous report.

Agency and Contracted

7. The Agency and Contracted Services budget has been increased by **£300** to reflect the external audit contract price.

Capital Financing Costs

8. The 2018/19 budget includes full repayment of the loan from Durham County Council to finance the Cremator Replacement and Extension project of **£222,712**.

Support Service Costs

9. The 2018/19 budget factors in the proposed increase of **£520** in the SLA for the provision of Support Service as detailed in a previous report.

Income

10. The income budget has been increased by **(£45,850)**. This is due to a combination of the following factors:

- An element of prudence has again been factored into the income budget proposal for next year. The projected outturn as at 31 December 2017 assumes

an increase of 56 cremations against the 2017/18 budgeted number of cremations (1,300). In preparing the 2018/19 budget the estimated number of cremations has been kept at 1,300. Along with the proposal to increase the cremation charges to £680 the cremation fee income budget has increased by **(£39,000)**

- In consideration of the 2017/18 projected outturn, the Plaque and Book Of Remembrance income budget has increased for 2018/19 by **(£4,000)**.
- The investment interest budget has reduced by **£3,000** due to the significant reduction in reserves following the cremator replacement.
- A new income budget of **(£5,850)** has been included for 2018/19 to reflect the environmental surcharge rebate from the CAMEO scheme following the installation of the new cremators with mercury abatement equipment.

11. Should cremation numbers be maintained in line with those estimated in 2017/18 and realised in previous years, and memorial sales become more popular than the forecasts for 2017/18, then a reasonable surplus would again be generated in 2018/19.

Earmarked Reserves

12. The transfer to the Repairs Reserve next year is budgeted in line with the 2017/18 level at **£15,000**.
13. In line with the Reserves Policy, the surplus created after all of the above factors have been taken into account necessitates a transfer from the Cremator Reserve. The Reserves Policy requires a General Reserve equal to 30% of the Joint Committees income budget. This results in a required transfer from the Cremator Reserve to the General Reserve of **£13,755**. The forecast net increase to the Cremator Reserve is therefore budgeted to be **£110,669** in 2018/19.
14. The estimated total earmarked reserves and balances of the Mountsett Crematorium Joint Committee at 31 March 2019, taking into account the 2017/18 Quarter 3 budgetary control report, the 2018/19 budget and the proposed transfers to / from earmarked as follows:
- General reserve of £278,055, an increase of £13,755 (5.2%) from 2017/18
 - Retained Reserves of £165,039 a decrease of £1,412,680 (89.5%) from 2017/18

The estimated total reserves as shown in Appendix 2 at 31 March 2019 are **£443,094**.

15. Members should note that the 2018/19 budget proposal incorporates £40,000 of one off expenditure requirements which will provide further scope in the 2019/20 budget setting round.

Recommendations and Reasons

15. It is recommended that:
- Members of the Joint Committee note and approve the budget proposals contained within the report (as set out at Appendix 2).

- Members note the forecast level of reserves and balances at 31 March 2019 (also set out at Appendix 2).

Background Papers

- 2017/2018 Budget and Financial Monitoring Reports
- 2018/2019 Budget Working Papers
- 2018/2019 Fees and Charges report.

Contact(s):	Paul Darby	03000 261930
	Ed Thompson	03000 263481

Appendix 1: Implications

Finance

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

Staffing

The employee budget provides for 6 members of staff.

Risk

The budgets take into account the 2017/18 forecast outturn position and all known expenditure pressures and opportunities for efficiencies in the coming year. The budget also considers one off expenditure requirements for 2018/19. Knowledge of these requirements ensures that risk is minimised.

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

Equality and Diversity/Public Sector Equality/ Duty

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

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

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

Human Rights

None

Consultation

None, however officers of Gateshead Council were provided with a copy of the report and given opportunity to comment/ raise any detailed questions on the content of the report in advance of circulation to members of the Mountsett Crematorium Joint Committee.

Procurement

None

Disability Discrimination Act

None

Legal Implications

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

APPENDIX 2

MOUNTSETT CREMATORIUM 2018/2019 BUDGET				
2016/2017 Actual Outturn (Memo Info)	2017/2018 Base Budget	2017/2018 Projected Outturn (QTR3)		2018/2019 Base Budget
£	£	£		£
			EXPENDITURE	
134,557	147,144	144,786	Employees	151,436
261,982	145,200	106,401	Premises	144,350
637	600	500	Transport	600
97,354	92,870	93,991	Supplies and Services	68,069
8,703	7,100	5,252	Agency & Contracted	7,400
0	0	0	Capital Financing Costs	222,712
26,100	27,450	27,450	Support Service Costs	27,970
529,335	420,364	378,379	Gross Expenditure	622,536
(974,250)	(881,000)	(922,900)	INCOME	(926,850)
(444,916)	(460,636)	(544,521)	Net Income	(304,314)
			Transfer to/from Reserves	
(49,246)	15,000	15,000	- Repairs Reserve	15,000
307,942	280,746	364,631	- Cremator Reserve	124,424
21,330	0	0	- General Reserve	0
(186,220)	(164,890)	(164,890)	Distributable Surplus	(164,890)
107,178	57,712	57,712	35% Gateshead Council	57,712
57,712	107,178	107,178	65% Durham County	107,178

Actual Balance @ 31/03/17	Budget Earmarked Reserves Balance @ 31/03/18	Revised (QTR3) Forecast Balance @ 31/03/18	Reserve	Transfer to Reserve	Transfer from Reserve	Budget Forecast Balance @ 31/03/19
£	£	£		£	£	£
(24,370)	(39,370)	(39,370)	Repairs Reserve	(15,000)	0	(54,370)
(1,235,484)	(1,538,349)	0	Cremator Reserve	(124,424)	13,755	(110,669)
(263,400)	(264,300)	(264,300)	General Reserve	(178,645)	164,890	(278,055)
(1,523,254)	(1,842,019)	(303,670)	TOTAL	(318,069)	178,645	(443,094)

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**Mountsett Crematorium
Joint Committee**



30 January 2018

**Update Report on Cremator
Replacement and Extension**



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources and Treasurer to the Joint Committee

1. Purpose of the Report

1.1 This report provides Members with a progress update regarding the procurement of the replacement cremators and associated extension works to the crematorium.

2. Background Information

2.1 In September 2015 the Mountsett Crematorium Joint Committee considered an options appraisal report regarding the replacement of the cremators, which are at the end of the economic life, taking into account the Mercury Abatement Regulations, which come into effect from 1 January 2013. The report set out six possible development options:

- **Option 1a** - installation of 2 new cremators plus 2 sets of mercury abatement equipment (2+2) in a purpose built extension.
- **Option 1b** - installation of 2 new cremators in a purpose built extension with no abatement (2+0).
- **Option 1c** - installation of 2 new cremators with 1 set of abatement equipment in a purpose built extension in the new extension plus another set of abatement equipment in the existing building.
- **Option 2** to install 2 cremators with mercury abatement equipment to current location where existing cremators are in situ and a smaller extension.
- **Option 3** to install 1 cremator with mercury abatement equipment and have scope to transfer any excess cremations to be carried out to a collaborative crematorium.
- **Option 4** to install 1 cremator with mercury abatement within a smaller extension and have scope to transfer any excess cremations to be carried out to a collaborative crematorium. This option also had scope to place an additional cremator within the existing area but without abatement.

2.2 Following work carried out by the design team, it was proposed that the options most feasible were Options 1a, 1b & 1c, as this would allow for two cremations to take place at the same time.

- 2.3 Indicative cost projections, shown in the table below, were put forward for each of the three options, which were to be financed by a combination of utilising Earmarked Reserves and loan finance (loan to be taken out by Durham County Council, who would be the lead authority in terms of procuring the works) “paid back” over a 10 year period, whilst protecting (so far as was possible) the income dividend to the partner authorities during the pay-back period.

	Option 1a (2+2)	Option 1b (2+0)	Option 1c (2+1+1)
New cremators based on Quotes	1,198,925	627,462	1,198,925
Building extension, external works, drainage, service yard, mechanical & electrical installation & essential alterations. Internal alterations	657,546	591,043	616,104
Provisional sums of Direct Payments	110,400	110,400	110,400
Design Fees, Project / Site Mgmt	262,577	177,409	257,045
Allowance for cost increase to Q1 2017	159,182	107,551	155,828
Total Feasibility (projected to Q1 2017)	2,388,630	1,613,865	2,338,302
<i>Rebased to Q1 2018 based on BCIS</i>	<i>2,507,757</i>	<i>1,694,353</i>	<i>2,454,919</i>
<i>Rebased to Q1 2020 based on BCIS</i>	<i>2,775,165</i>	<i>1,875,025</i>	<i>2,716,692</i>
<i>Rebased to Q1 2025 based on BCIS</i>	<i>3,705,499</i>	<i>2,503,601</i>	<i>3,627,425</i>

- 2.4 Members of the Joint Committee subsequently approved option 1a, with the cremator replacement planned for 2017/18 to mitigate interest rate rises whilst allowing sufficient time to procure the equipment, design and deliver the finished facility at the earliest opportunity. Members also agreed that a negotiated tender with Durham County Council’s Direct Services be undertaken with regards to the building works.
- 2.5 It was agreed to finance the preferred option from a combination of earmarked reserves and a ten year loan from Durham County Council as follows:

Description	Option 1a	Notes
Capital Expenditure	2,507,757	Rebased to Q1 2018 as above
Contribution from Reserves	(1,223,422)	Forecast as at Sept 2015
Loan Finance	(1,284,335)	10 years @ £154,003 p.a.
Balance	0	

3 Current Position – Progress Update

- 3.1 All surveys were completed and during the planning process, the Coal Authority identified possible mine workings underground. Additional surveys were undertaken and Direct Services carried out additional works for ground stabilisation (void grouting) as this was required by the Coal Authority before planning permission was granted.

- 3.2 The procurement process for the supply of the cremators and mercury abatement plant was undertaken via an Official Journal of the European Union (OJEU) Tendering process, which was completed in April 2016.
- 3.3 Four tenders were returned by the due date and evaluated in detail. The evaluation process involved the following checks:
- That they fully comply with the specification and all items are included;
 - Arithmetic checks of the tenders are carried out;
 - Financial checks of the companies to ensure that they are financially stable;
 - The ability of the equipment to meet the UK specification and standards.
 - Installation of the equipment and the ability to of the company to complete the work to the agreed timescale.
 - Resolution of issues and disputes during installation and ongoing maintenance.
 - Contract performance.
 - Performance of the machinery including comparison of gas and electric usage.
- 3.4 The successful company was ATI Environment UK Ltd (ATI) and contracts were signed on 3 January 2017.
- 3.5 The Design Team completed the extension plans in conjunction with ATI and Direct Services.
- 3.6 Construction work commenced on the 3 April 2017 and Direct Services left site as scheduled on 8 October 2017. ATI commenced with the delivery of the new cremators on 9 October 2017.
- 3.7 Installation of the new cremators began on 10 October 2017, however it was not until 18 December 2017 that one of the cremators was fully operational. We are still currently awaiting the second cremator to be fully commissioned.
- 3.8 The 2 mercury abatement plants along with the heat exchangers were delivered in November 2017. This had been held up due to problems with the factory in France.
- 3.9 One of the old existing cremators has been removed and we are currently awaiting ATI to return to site to complete the pipework connections before Direct Services can return to site to finish off the Phase 2 works.
- 3.10 It was envisaged that ATI would complete their works within 8 weeks. However this has not happened, therefore as part of the tender process we are imposing liquidated damages as per our tender document.

- 3.11 Our Project manager and senior managers met with ATI on 22 December 2017 in order to try and get them to complete the outstanding works and complete the installation by the middle of January 2018.

4 Revised Financial Position

- 4.1 The revised costs compared to the original estimate in September 2015 are shown in the table below:

Description	Original Estimate (Sept 15) £	Revised Estimate (Dec 17) £	Variance £
New cremators	1,198,925	689,687	(509,238)
Construction works: Building extension, external works, drainage, service yard, mechanical & electrical installation & essential alterations. Internal alterations	657,546	843,351	185,805
Direct Payments	110,400	16,916	(93,484)
Design Fees, Project / Site Mgmt	262,577	165,522	(97,055)
Allowance for cost increase to Q1 2017	159,182	0	(159,182)
Contingencies	0	100,000	100,000
Total Feasibility (projected to Q1 2017)	2,388,630	1,815,476	(573,154)
BCIS Inflation Allowance to Q1 2018	119,127	0	(119,127)
Total	2,507,757	1,815,476	(692,281)
Funded By:			
Contribution from Reserves	1,223,422	1,598,665	375,243
Loan Finance	1,284,335	216,811	(1,067,524)
Total	2,507,757	1,815,476	(692,281)

Notes re revised estimate:

- New cremator costs reflect the final tender price from ATI
- Construction works reflect the revised tender price from Direct Services following discussions with ATI and incorporating the revised designs, variations and additional works. These include ground stabilisation and void grouting below the new extension, air conditioning in the Chapel, renewal of floor coverings, additional out of hours working and work in connection with gas supply pipes to the new cremators.
- Direct payments include site investigation fees, electrical service supply upgrades and signage. The budget included £75,000 for potential large scale electrical service supply upgrades, but these works were not required.
- The contingency sum includes a risk for the internal adaptation works which will commence shortly. These include floor works once the old cremators have been removed, stoppages of work due to noise disruption and heating to the extension, as incidental heat loss from the new cremators is much lower than anticipated.

- 4.2 The revised estimate for the scheme is £692,281 lower than originally forecast, mainly due to more competitive prices being secured for the new cremators following the procurement exercise.
- 4.3 The 2017/18 budget report forecasts the Cremator Reserve balance to be £1,598,665 at 31 March 2018, compared to the original forecast of £1,223,422 in September 2015, which is £375,243 higher and which can be utilised to reduce the loan required.
- 4.4 The loan required from Durham County Council has subsequently reduced to £216,811, compared to the original forecast of £1,284,335 due to the above factors. The repayment of this revised loan amount can now be achieved over only 1 year instead of the initial 10 years forecast.

5 Next Steps

- 5.1 The current project plan / key milestones are set out below.
- January 2018 – Second cremator to be commissioned, along with final installation of pipework and commissioning of abatement plants.
 - January to March 2018 – Second Phase of works to be undertaken by Direct Services.

6 Recommendation

- 6.1 It is recommended that Members of the Mountsett Crematorium Joint Committee:
- Note the content of this report and the current position with regard to the cremator replacement and extension.

Contact(s): Paul Darby 03000 261930
Graham Harrison 03000 265606

Appendix 1: Implications

Finance

The financial implications associated with this report are disclosed in full within the body of the report.

Staffing

None.

Equality and Diversity

None.

Accommodation

There are no Accommodation implications associated with this report

Crime and disorder

None.

Sustainability

The Environmental Protection Act 1990 (as amended) regulates emissions from Crematoria, specifically, PG5 / 2 (05) requires operators of crematoria to install Mercury Abatement Equipment by 31 December 2012 – in line with the requirement to use Best Available Techniques Not Entailing Excessive Cost (BATNEEC).

The current cremators are coming to the end of their economic life and will need replacing or in the least relining within the next 2 - 3 years. The opportunity exists to reduce emissions and install a heat recovery system to provide a more sustainable heating solution for the Crematorium, with associated efficiency savings on current costs.

Human rights

None.

Localities and Rurality

None.

Young people

None.

Consultation

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

Health

None.

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