

DURHAM COUNTY COUNCIL

At a Meeting of **Mountsett Crematorium Joint Committee** held in Chapel - Mountsett Crematorium, Dipton on **Thursday 31 January 2019 at 9.30 am**

Present:

Councillor O Temple (Chairman)

Members of the Committee:

Durham County Council

Councillors A Batey, J Charlton, C Hampson and O Milburn

Gateshead Council:

Councillors C Buckley, D Bradford (Vice-Chairman), L Green, S Green, J Lee and M Ord

1 Apologies for Absence

Apologies for absence were received from Councillors A Bainbridge and J Shuttleworth (Durham County Council) and Councillor K Dodds (Gateshead Council).

2 Minutes of the Meeting held on 27 September 2018

The minutes of the meeting held on 27 September 2018 were confirmed as a correct record and signed by the Chairman.

3 Declarations of Interest, if any

There were no declarations of interest.

The Chairman at this point announced that Graham Harrison had recently been awarded a fellowship of Cemeteries and Crematorium Management (ICCM) which, was a significant achievement. In addition, Graham had also been awarded by Durham County Councils Inspiring People Awards, Employee of the Year. This was a great achievement and demonstrated his commitment and hard work undertaken in transforming the council's crematoria.

The Joint Committee joined the Chair in congratulating Graham on his recent successes.

4 Mountsett Crematorium Performance and Operational Report:

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

The Bereavement Services Manager reported that during the period 1 September 2018 to 31 December 2018, 427 cremations had been undertaken compared to 423 in the comparable period last year, an increase of 4. He further advised that during the same period, 59 memorials (£17,436) had been sold compared to 15 (£5,436) in the same period last year, an increase of 44 (£12,000).

Moving on details were reported with regard to operational matters. It was explained that the trainee crematorium attendant had now passed all exams and was fully qualified. He had therefore requested that his pay grade be reviewed, to bring in line with other crematorium attendants. Following advice from Human Resources, it was advised that in order to facilitate this request the joint committee would be required to approve the creation of a new crematorium attendant post, which would be advertised in the usual way. If supported, the new post would increase the salary budget by £576 per year, assuming the trainee was successful in securing the post and the trainee post would then be deleted from the establishment.

The Bereavement Services Manager then went on to provide details relating to the Green Flag application and noted that progress would be reported to future meetings.

Following discussions at a previous meeting regarding a dedicated website for the crematorium, the Bereavement Services Manager advised that contact had been ongoing with the councils Digital and Customer Services team and despite some delays regarding movement of data across servers, the new site would be ready by the end of July 2019.

Further details were reported with regard to the recycling of metals scheme, noting that a cheque for £5,000 had been presented to the IF U CARE U SHARE charity in October 2018. The next charity nominated to receive funds was Winston's Wish Charity and should this be accepted, a cheque for £7,000 would be available.

The Bereavement Services Manager in conclusion of his report, referred to paragraph 18 of the report onwards, which highlighted proposed action and options to be considered in relation to recommendations made by the Internal Auditor regarding document retention and the supplier for Book of Remembrance entries.

He went on to advise that the Internal Audit report had highlighted that all entries into the Book of Remembrance were completed by one supplier due to the specialism of the work required and therefore it had been recommended that a procurement exercise be undertaken in order to ensure value for money whilst maintaining quality. This had now been actioned and the contract was open to tender on the procurement portal.

Moving on to the issue of document retention the Bereavement Services Manager advised that Internal Audit had identified that documents were currently being retained in paper form for 15 years however this required significant storage space and that going forward documents should be scanned for retention. Therefore four options had been suggested and costed by Procurement and were detailed in the report. The Bereavement Services Manager advised that Option 4 was the recommended and Internal Audit had confirmed that this was an acceptable solution.

Discussion then ensued regarding the crematorium attendant post and an explanation was provided as to why the post would need to be advertised, given that the trainee post was not career graded and effectively was the creation of a new post.

Moving on the issue of document retention Councillor Charlton asked what the proposed contract length and overall cost the crematorium would be if option 4 was agreed. The Bereavement Services Manager advised that the proposals were part of a wider corporate contract, however it could be assumed that it would cost in the region of £15,000 for 15 years.

Resolved:

- (i) That the current performance of the crematorium be noted.
- (ii) That the proposed creation of a crematorium attendance post be agreed and advertised.
- (iii) That the continued success with regards to the Green Flag Award
- (iv) That the updated position with regards to the development of a dedicated website.
- (v) That the updated position with regards to the recycling of metals scheme be noted
- (vi) That the updated position with regards to the Book of Remembrance tender be noted
- (vii) That Option 4 for the secure storage for past records and scan records going forward be agreed.

5 Financial Monitoring Report - Position at 31/12/18, with Projected Outturn at 31/03/19:

The Joint Committee considered a joint report of the Corporate Director Regeneration and Local Services and Corporate Director Resources and Treasurer to the Joint Committee which set out details of income and expenditure in the period 1 April 2018 to 31 December 18, together with the forecast outturn position for 2018/19, 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 2018 and forecast outturn position at 31 March 2019, taking into account the provisional financial outturn (for copy see file of Minutes).

The Head of Finance and Transactional Services explained that the updated projected outturn showed a surplus (before transfers to reserves and distribution of surpluses to the partner authorities) of £446,694 against a budgeted surplus of £304,314, (£142,380) more than the budgeted position. The improved position relates to efficiencies / underspending against expenditure budgets and additional income. The report went on to outline reasons for those significant variances by subjective analysis area.

Moving on to discuss the earmarked reserves of the Joint Committee, the Head of Finance and Transactional Services advised that contributions to the reserves were £204,161 more than originally budgeted, primarily as a result of the increase in cremation income and a reduction in the Cremator Replacement and Extension costs.

The retained reserves of the Mountsett Crematorium Joint Committee at 31 March 2019 were forecast to be £369,200, along with a General Reserve of £278,055, giving a forecast total reserves and balances position of £647,255 at the year end.

Resolved: That the April to December 2018 revenue spend financial monitoring report and associated provisional outturn position at 31 March 2019, including the projected year end position with regards to the reserves and balances of the Joint Committee be noted.

6 Provision of Support Services 2019/20:

The Joint Committee received a joint report of the Corporate Director Regeneration and Local Services and Corporate Director Resources and Treasurer to the Joint Committee which outlined the proposed Service Level Agreement (SLA) for Support Service provision by Durham County Council to the Mountsett Crematorium Joint Committee, for the period April 2019 to March 2020 (for copy see file of Minutes).

The Head of Finance and Transactional Services advised that there were no changes proposed to existing arrangements however, a 2% increase on charges levied in 2018/19 was proposed, to compensate for inflationary pressures such as the staff pay award.

Resolved: That the Service Level Agreement attached at Appendix 2 (including relevant schedule) for the year 2019/20.

7 Fees and Charges 2019/20:

The Joint Committee considered a joint report of the Corporate Director Regeneration and Local Services and Corporate Director Resources and Treasurer to the Joint Committee which set out details of the proposed fees and charges for the crematorium for 2019/20 (for copy see file of Minutes).

The Head of Finance and Transactional Services advised that the current Medical Referee fee of £20 had not been reviewed since Local Government Reorganisation in 2009 and the medical practitioners had asked for a review due to difficulties covering their rota. It was therefore proposed that the Medical Referee fee be increased to £30 for 2019/20.

With that in mind, it was reported that due to the increase in Medical Referee costs and inflationary and costs pressures that a £20 (2.9%) increase to the current cremation fees and charges for 2019/20 be imposed.

It was noted that despite the proposed increase, the charges remained relatively low compared to neighbouring facilities and £79 below the average charges levied across the region. Paragraph 10 of the report went on to outline the extra income which would be generated from the £20 increase.

The Head of Finance and Transactional Services further advised that in addition to the above it was proposed to introduce new charges from 2019/20 for cremations with no service and for instances where services overran or were cancelled. All other charges were proposed to remain at the same level as 2018/19.

Councillor L Green asked whether a hardship fund was available to help cover and fund those who were unable to meet the costs of a cremation. The Bereavement Services Manager advised that a similar hardship scheme was offered and also was why some of the new charges were to be introduced to cut costs for those who did not want a service.

Resolved:

- (i) That the proposed fees and charges shown at Appendix 2 be effective from 1 April 2019, which sought to increase the cremation by £20 (2.9%) per crematorium from £680 to £700.
- (ii) That the agreed fees be incorporated into the 2019/20 budget.

8 2019/20 Revenue Budget:

The Joint Committee considered a joint report of the Corporate Director Regeneration and Local Services and Corporate Director Resources and Treasurer to the Joint Committee which set out proposals with regards to the 2019/20 revenue budgets for Members consideration (for copy see file of Minutes).

The Head of Finance and Transactional Services in presenting the budget explained the main changes and reasons for those changes. He further noted that the 2019/20 budget included an increase in the surplus distribution of £185,110 from 2018/19 in line with the Budget Strategy.

With regard to earmarked reserves, it was reported that the estimated total earmarked reserves and balances of the Mountsett Crematorium Joint Committee at 31 March 2020, taking into account the 2018/19 Quarter 3 budgetary control report, the 2019/20 budget and the proposed transfers to / from earmarked reserves were as follows:

- General reserve of £286,515, an increase of £8,460 (3.04%) from 2018/19
- Retained Reserves of £517,449 an increase of £352,410 (213.5%) from 2018/19

Members also noted that the 2019/20 budget proposal incorporated £57,000 of one off expenditure requirements which would provide further scope in the 2020/21 budget setting round.

The Head of Finance and Transactional Services then went on to provide details regarding the cremator reserve and reported that the long term budget strategy for the Joint Committee forecasted a minimum annual contribution of £100,000 to the Cremator Reserve, giving assurance that the reserve would have sufficient funds to meet the replacement cost of the cremators in 15 years time. In addition, he advised that, should there be an urgent need to replace cremators, this could be financed immediately by a combination of utilising the Cremator Reserve and a 10 year annuity loan, which could be repaid from the annual contribution to the Cremator Reserve.

Resolved:

- (i) That the Joint Committee note and approve the budget proposals contained within the report as set out in Appendix 2 of the report.
- (ii) That the forecast level of reserves and balances at 31 March 2020 as set out in Appendix 2 of the report.

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

Review of the Terms of Reference for the Mountsett Crematorium Joint Committee

The Chair advised that the Joint Committee would shortly be reviewing the Terms of Reference of the Joint Committee and therefore sought members views on whether substitute members should be permitted and if so, whether they should be named or general.

Members were generally in agreement with the proposal, however it was noted, that procedures for obtaining substitutes and notifying the Clerk differed between the two authorities. The Head of Finance and Transactional Services suggested that provision could be made for both authorities to retain the usual method for notifying of substitutes. The Clerk (Legal Manager Litigation) advised that the legal team would review in line with the terms of reference with a view to providing updated arrangements in due course.

10 Exclusion of Press and Public

Resolved:

That under Section 100 A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt info as defined in Paragraphs 3 and 5 of Part 1 of Schedule 12A of the said Act.

11 Update Report on Cremator Replacement and Extension:

The Joint Committee considered a joint report of the Corporate Director Regeneration and Local Services and Corporate Director Resources and Treasurer to the Joint Committee which provided a progress update on the current position with regard to the replacement cremators, new abatement and other associated equipment.

Resolved:

- i) That the content of the report and the current position be noted with regard to the replacement cremators, new abatement equipment and new extension.
- ii) That a further update be circulated in 4-6 weeks and at that time, consideration be given as to whether a special meeting is required.