

**DURHAM COUNTY COUNCIL
SPENNYMOOR TOWN COUNCIL**

CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE

AT A MEETING of the **CENTRAL DURHAM CREMATORIUM JOINT COMMITTEE** held in **COMMITTEE ROOM 1A** at **COUNTY HALL** on **27 APRIL 2011** at **5.30 pm**.

PRESENT

COUNCILLOR M Plews in the Chair

Members of the Committee:

Councillors J Blakey, J Chaplow, N Foster, J Graham, J Marr, D Stoker and J Wood

Officers Present:

Paul Darby	Head of Finance, HR and Business Support, Neighbourhood Services, Durham County Council (DCC)
Sharon Spence	Clerk to the Central Durham Crematorium Joint Committee
Derek Shingleton	Accountant, Spennymoor Town Council

Apologies for absence were received from Councillors A Hopgood and M Williams.

A1 Minutes of the meeting held 24 January 2011

The minutes of the meeting held 24 January 2011 were confirmed by the Joint Committee as a correct record and signed by the Chair.

A2 Declarations of Interest

There were no Declarations of Interest.

A3 Report of the Clerk to the Joint Committee: Potential Site Visits and Start Time of the Meetings

The Clerk referred Members to the report setting out responses from Members regarding the start times for the meetings of the Joint Committee and potential sites visits to Crematoria with IFZW equipment, equipment similar to that which is to be installed at the Durham Crematorium (for copy, see file of minutes).

Members noted the majority view was for the start times of the meetings to remain at 5.30pm and for a visit to the Crematorium at Newcastle to be arranged later in the year.

Councillor N Foster noted that the arrangement of the meetings of the Joint Committee should be coordinated such to avoid weeks with Bank Holidays.

Resolved:

- (a) That the meetings of the Central Durham Crematorium Joint Committee continue to be held at 5.30pm.
- (b) That a site visit be arranged to the Crematorium at Newcastle, later in the year, when the facility and equipment are completed and in operation.

A4 Report of the Superintendent and Registrar

The Head of Finance, HR and Business Support, Paul Darby presented the report noting the following matters associated with the Crematorium on behalf of the Superintendent and Registrar, Alan José (for copy, see file of minutes).

Cremations

The Head of Finance, HR and Business Support reported the number of cremations for the period 1 January 2011 to 31 March 2011 inclusive. Members noted that there were 621 (+8 NVF), a decrease of 3 (+2 NVF) on the same period in the previous year. The total included 366 from outside the area, with the remaining total being 255 for the area. The Joint Committee noted that the total number of cremations for the period 1 April 2010 to 31 March 2011 was 2273, and increase of 100 on the same period last year.

Memorial Gardens

The Head of Finance, HR and Business Support reported that for Quarter 3 and Quarter 4 2010/11, the following Vase Blocks and Memorial Plaques had been sold:

	Quarter 3 2010/11 October to December		Quarter 4 2010/11 January to December	
	Number	£	Number	£
Vase Blocks	10	£5,481.00	16	£6,191.02
Large Plaques	23	£8,182.00	20	£5,731.63
Small Plaques	2	£436.00	4	£872.00
Columbaria	4	£4,239.90	1	£1172.00
Total	39	£18,338.90	41	£13,966.65

Staffing Issues

The Head of Finance, HR and Business Support explained that, as previously reported, the vacancy relating to Grounds Maintenance / Cremator Operator had not yet been filled.

Independent Testing of Cremators and Environmental Permitting (England and Wales) Regulations 2010

The Joint Committee were advised that the Crematorium facility had been independently tested by Catalyst Environmental during the period 15-17 February 2011 and the results were within the limits as specified in the Secretary for State's notes for Crematoria. Members also noted that a varied Environmental Permit for operations of the Crematorium had been issued, superseding the previous permit. Councillors noted that the new permit recognised that the new cremators and abatement plant would be installed and fully operational by 31 December 2012.

Cremator Replacement and Crematoria Redevelopment Project – Update

The Head of Finance, HR and Business Support reminded Members of the additional photographs of the site, as shown to the Joint Committee via a slideshow prior to the meeting, and noted that regular monthly updates had been circulated to Members as previously agreed by the Joint Committee.

Councillors were informed that the works at the crematorium were ahead of schedule and the upcoming key date was mid-May for the erection of the requisite steel structure. Members did note that upon commencement of the ground works on site, it was discovered that there was a requirement for deeper foundations and that this had affected the forecast outturn figures accordingly. The Head of Finance, HR and Business Support explained that the arrangements in place as regards the contractor allowed for changes and variations in the specification, giving a degree of flexibility within the programme of works and overall budget sums.

The Joint Committee noted that timescales had not been adversely affected by the additional work on the foundations and that the recent period of good weather had allowed for works to progress well. Councillors learned that there had only been one complaint as regards the works, which was not relating to the standard of the works themselves or the actions of the main contractor, rather a sub-contractor working on behalf of the electricity supplier, NEDL. The Head of Finance, HR and Business Support explained that the Engineers and Architects had noted some changes regarding expenditure; however, these would be covered via value engineering within the allocated budget.

The Head of Finance, HR and Business Support was pleased to inform Members of the Joint Committee that the screen erected to shield the works from view of the public had been very effective and also that works regarding the car park were slightly ahead of schedule.

Councillor J Marr informed the Joint Committee that Funeral Directors had initially raised concerns regarding potential muddy conditions at the site, however, meetings with Funeral Directors subsequent to works commencing had noted that there had been no issues thus far. Councillor D Stoker noted that as local Member for the electoral division in which the Durham Crematorium was located, he was pleased with the lack of disruption and that the single complaint had been regarding a sub-contractor working for the electrical supplier rather than the main contractor or any large disturbance. Councillor D Stoker added that it was very good that the project was on schedule and was on budget.

The Head of Finance, HR and Business Support added that there were fortnightly Steering Group meetings regarding the major works project and the monthly briefing notes for the Joint Committee would continue. Councillors were asked to note that the 3 major risks to the project within the work schedule were the installation of the foundations, now completed; the completion of the steel erection before the end of May and the requisite Bat Survey being carried out on site; and the point at which the existing building would be connected to the new section housing the new cremator equipment. Members noted that the order for the steel had been placed and should be on site in time to be erected prior to the end of May.

Councillor J Wood noted with disappointment that not all Members of the Joint Committee had been invited to an open evening held at the Durham Crematorium on 6 April 2011. Councillor J Marr noted that he had been asked to attend, however, was not aware that other Members had not been invited. The Head of Finance, HR and Business Support explained that the Superintendent and Registrar would normally liaise with Members regarding such events and the comments of the Joint Committee would be noted.

Resolved:

- (a) That the content of the Report with regards to current performance of the Crematorium be noted.

- (b) That the vacant post continues to be filled temporarily until the wider picture is clearer, at which time a recruitment exercise will be undertaken, with the post advertised internally and simultaneously with the two Partner Authorities.
- (c) That the progress with regards to Cremator Replacement and the Crematoria Redevelopment Project be noted.

A5 Report of the Treasurer to the Joint Committee / Corporate Director Neighbourhood Services: Financial Monitoring Report – Provision Outturn at 31 March 2011

The Head of Finance, HR and Business Support asked Members to note the report setting out the provision outturn for at 31 March 2011. The Joint Committee noted that the outturn position was provisional as the year end for the accounts had just past. Members noted that the Head of Finance, HR and Business Support had spoken to the Principal Accountant, Jo McMahon that morning and the figures, as adjusted for debtors/creditors, had not changed substantially from those set out in the report.

The Committee noted that the projected surplus , as set out within the base budget for 2010/11, had been improved upon by approximately £140,000 and that as agreed by the Joint Committee previously this would be transferred to the earmarked reserves for capital works.

The Head of Finance, HR and Business Support noted that as agreed at the December meeting of the Joint Committee, the sum of £600,000 had been transferred from earmarked reserves into the cremator replacement fund, that the general reserve position was approximately £424,060 and that the provisional outturn at 31 March 2001 for the total reserves was £1,439,045.

Councillor J Chaplow noted unbudgeted post mortem costs of £500 and asked what these referred to. The Head of Finance, HR and Business Support explained that as there is no specific budget allocated for such costs, this was noted specifically for Members' information. A full explanation of these unbudgeted expenditures would be provided in future reports.

Resolved:

That the Joint Committee note the April 2010 to March 2011 Revenue Spend Financial Monitoring Report and associated provisional outturn position 2010/2011.

A6 Report of the Treasurer to the Joint Committee / Corporate Director Neighbourhood Services: Revision and consolidation of the Accounts and Audit Regulations 2003 – Change in the definition of Smaller Relevant Body

The Head of Finance, HR and Business Support presented a Report updating Members on the recent revisions and consolidations of the Accounts and Audit Regulations 2003, setting out the impact on the Central Durham Crematorium Joint Committee as a result (for copy, see file of minutes).

Members were reminded that until recently, the threshold for full application of the Statement of Recommended Practice (SORP) accounting and accounts reporting had been £1 Million and as a consequence, the Joint Committee had noted and agreed measures to enable compliance with the SORP requirements including the application of the new International Financial Reporting Standards (IFRS). Councillors noted that the threshold had now been raised to £6.5 Million, and accordingly, the Central Durham Crematorium Joint Committee would not be subject to the full SORP requirements and would now be classified as a “Smaller Relevant Body” and that an “Annual Return” would need to be prepared, with the costs incurred from the external audit process being a fixed fee. The Joint Committee noted that this would reduce the external audit fee from around £15,000 to £3,000. The Head of Finance, HR and Business Support noted that he had spoken to the Treasurer to the Joint Committee, Don McLure as regards the impact for the Joint Committee and as the Statement of Accounts had already been prepared to the more rigorous SORP requirement it was felt it would be appropriate to still prepare a fully compliant Statement of Accounts, and re-consider the position next year. The “Annual Return” would still be completed in line with the “Small Bodies” requirements.

Resolved:

- (a) That the Members of the Central Durham Crematorium Joint Committee note the revision and consolidation of the Accounts and Audit Regulations 2003 with regards the definition of Smaller Relevant Body.
- (b) That the Members of the Central Durham Crematorium Joint Committee note the change in reporting requirements and approve the Treasurer’s proposal to prepare Financial Statements to further evidence the accuracy of the Annual Return information.
- (c) That the Members of the Central Durham Crematorium Joint Committee note the reduction in Audit costs as a result of the change in the Audit status of the Central Durham Crematorium Joint Committee.

A7 Letter from the Audit Commission: Appointment of External Auditor

The Head of Finance, HR and Business Support referred Members to a letter from the Audit Commission to the Treasurer of the Joint Committee, confirming the appointment of BDO LLP as the appropriate Auditor for Smaller Relevant Bodies within the Cleveland and Durham area. Members understood that this was in line with the information as given and noted at the previous agenda item. The Head of Finance, HR and Business Support added that BDO LLP were the Auditors for the Mountsett Crematorium and were based in Southampton and they audited remotely, requesting information electronically.

Resolved:

That the Members of the Central Durham Crematorium Joint Committee note the change of Auditor as a consequence of the change in the definition of Smaller Relevant Bodies.