

## NORTH EAST SURREY CREMATORIUM BOARD

Minutes of the Meeting held at Civic Offices, St Nicholas Way, Sutton,  
on 11<sup>th</sup> December 2012 at 10.00 am

**MEMBERS** Merton: Councillors Margaret Brierly, Philip Jones,  
(\*absent) Geraldine Stanford

Sutton: Councillors Malcolm Brown, Stanley Theed, and  
Roger Roberts

Wandsworth: Councillors John Farebrother, Claire Clay,  
Jenny Browne\*, Mike Ryder and Liz Stokes

**OFFICERS**

Charles Ward (Clerk)  
Jean Stevenson (Treasurer)  
Tony McDonald (Surveyor)  
Sarah Gordon (Minute Taker)

Wandsworth Officers:  
Clive Andrews (Bereavement Services Manager)  
Margi Singh (Administration Manager)

### 1. DECLARATIONS OF INTEREST

There were no declarations of interest.

### 2. APOLOGIES FOR ABSENCE

No apologies for absence were received.

### 3. MINUTES (11<sup>th</sup> September 2012 Meeting)

3.1 The Minutes of the meeting held on 11<sup>th</sup> September 2012 were approved without amendment.

### 4. REPORT OF THE SURVEYOR

4.1 **Business Level Activity.** The Surveyor reported that business level activity was 8% higher than for the same period last year. Monthly performance had varied widely with November being one of the busiest months ever. Due to this increase the Treasurer had increased the current year's estimate from 1,670 to 1,720. However for the year 2013/14 the proposed estimate would remain at 1,670.

**Resolved: that this item be received for information.**

- 4.2 **Performance Monitoring.** The Surveyor had nothing particular to draw Members attention to. He reported that Athony Randall, an Administrative Assistant based at the Board's offices, had given notice and that the recruitment process for a replacement was underway.

Councillor Farebrother asked whether there had been any redress regarding the problems experienced with the telephone and computer system mentioned in Appendix 5 of the Surveyor's report. The Bereavement Services Manager confirmed that an underground fault was the cause and that the IT Department would be following it up. He was unable to confirm whether the Board would be receiving any compensation.

**Resolved: that this item be received for information.**

- 4.3 **Action Plan – Business Plan.** The Surveyor pointed out that the updated actions on the Action Plan were shown in bold italics. He advised the Board that both an improved drainage system had been installed and improvements made to the cremated remains circle.
- 4.4 **Mercury Abatement.** The Surveyor reminded the Board of their agreement to enter into a Mercury Abatement burden sharing agreement with Wandsworth Council, providing benefits for both parties. The reason it had taken such a long time for officers to complete the agreement was due to the delay in the financial details of the national scheme being published by the Crematoria Abatement of Mercury Emissions Organisation (CAMEO) on behalf of the Department for Environment, Food and Rural Affairs (DEFRA). The details were finally released in October 2012 which the Surveyor summarised. The 'Contributor Participants' would receive £30.56 for every Tradable Mercury Abatement Cremation (TMAC) placed with CAMEO and that 'Burden Sharing Participants' would be required to pay £48.50 for each TMAC purchased to meet the 50% abated cremations requirement.

It had been proposed that the Board and Wandsworth would share the benefit of a local burden sharing arrangement with the Board receiving and Wandsworth paying £39.53 for each TMAC. This would mean that the Board would receive £8.97 more than the £30.56 paid by CAMEO. Wandsworth would pay £8.97 less than the £48.50 required by CAMEO.

For January 2013 to March 2013 it is estimated that the Board would have approximately 247 TMACs available and that Wandsworth would need to purchase 162 TMACs. This would produce an estimated income of £6,403.86. The remaining 85 TMACs would be placed with the CAMEO scheme producing an estimated income of £2,597.60.

The total estimated income from the sale of TMACs for 2012/13 is £9,001.46 and for 2013/14 is £30,639.47.

Councillor Roberts queried whether the Board had paid for the mercury abatement equipment or whether it had been installed free of charge. The Bereavement Services Manager said it had cost in the region of £1.1 million.

In answer to Councillor Clay's query as to how a TMAC was measured and whether the amount of mercury was included, the Surveyor confirmed that mercury was indeed measured and checked, however, it was purely based on the number of cremations.

The Surveyor informed Members that the arrangement with Wandsworth would produce a better return for the Board than via the CAMEO scheme.

Councillor Roberts asked for it to be minuted that the savings would surely be appreciated by Wandsworth Borough Council.

Councillor Clay sought clarification as to what DEFRA's role was. The Surveyor confirmed that they were the government department responsible for the national mercury abatement scheme, which would be delivered by CAMEO, noting that the Board could either abate themselves or through the national scheme or through a local agreement.

**Resolved: that the Board agree the financial arrangements for dealing with the Board's TMACs.**

- 4.5 **Service Time.** The Surveyor reported that following requests from Funeral Directors the standard service time would be increased from 30 to 40 minutes on a trial basis. This would not affect service level activity as officers had timetabled the same number of services to take place each day.

Councillor Roberts asked at what time the last cremation took place and whether another service could be added at the end of the day. It was confirmed as being 4.40 pm, however, the Surveyor reported that Funeral Directors and the bereaved generally did not want services to take place later in the afternoon.

Councillor Jones noted his admiration for officers achieving a timetable of the same number of services with an increased service time.

**Resolved: that Members agree a change in the standard service time from 30 to 40 minutes.**

- 4.6 **Repair and Renewal – Routine Works.** There was no discussion on this item.

**Resolved: that this item be received for information.**

- 4.7 **Repair and Renewal – Capital Works.** There was no discussion on this item.

**Resolved: that this item be received for information.**

## 5. REPORT OF THE TREASURER

### 5.1 Revised Annual Budget 2012/13 and Annual Budget 2013/14.

#### *Annual Budget 2012/13*

The Treasurer advised the Board that the main change regarding the revised Gross Expenditure Budget was that it was approximately £4,000 higher than the original budget. This was mainly the result of a budgeted increase in the gas contract cost.

Councillor Roberts expressed his concern as to whether enough allowance in the budget had been made for increased gas prices. The Treasurer noted that she had discussed the matter with the Energy Management Division at Wandsworth and that she was comfortable with the amount budgeted.

#### *Annual Budget 2013/14*

The Treasurer confirmed that the proposed Annual Budget for 2013/14 was £11,220 higher than the original budget for 2012/13. This was attributable to:

- reduced employee costs;
- increased gas contract costs;
- potential increases in Medical Referees Fees in advance of the current system being replaced with a Medical Examiner system from April 2014;
- increased budget for cremation plots to reflect the current popularity of this memorial type.

The Treasurer also informed the Board that a cash collection service had been introduced replacing the need for staff to visit the bank. In answer to Councillor Brierly's question as to what this entailed the Treasurer confirmed that instead of a member of staff visiting the bank with money received, it was collected by a security company under a contract with Wandsworth Borough Council.

**Resolved: that the Board approve the Revised Annual Budget for 2012/13 and the Annual Budget for 2013/14.**

- 5.2 **Estimates of Income and Expenditure for the Year Ending 31<sup>st</sup> March 2014.** The Treasurer had nothing particular to report to the

Board on this item. She highlighted that the increase in total expenditure for 2013/14 was mainly due to the works noted in the Surveyor's report. She confirmed that the income figures did not include any income from TMACs or any price increases.

**Resolved: that the Board approve the estimates and authorise payments to be made within these approved estimates.**

5.3 **Report on Charges.** Before the Treasurer presented this report, the Surveyor distributed to Members a paper regarding fees for child cremations. He referred to an email received from Patient Affairs at Kingston Hospital who were shocked at the fee charged by the Board for child funerals (£230). After reviewing the fees charged by other local crematoria and the infrequency of child cremations, the Surveyor proposed that the Board's fee be reduced to a minimal rate of £50 for a child under 12 years of age.

The Treasurer then continued with her report proposing that the standard cremation fee be increased to £500 (an increase of 8.7%). Other charges would increase by approximately 4% with an increase of 7.7% for cremated remains graves, reflecting the cost of land utilised in providing this memorial.

Councillor Roberts stated that he did not see a problem with the increase in the cremation fee, however, he wanted to know what the financial impact would be if the other charges remained the same.

Discussion then ensued regarding the recommendations put forward by the Treasurer on fee increases.

Councillor Farebrother pointed out that Funeral Directors would make it known to the Bereavement Services Manager if a fee increase would be a problem.

Councillor Briery highlighted the fact that everybody's budgets were tight and as the Board was making large surpluses, she queried whether fees should be increased.

Councillor Clay questioned whether the Board would gain more business if fees were kept lower.

Councillor Stokes said that she would prefer to see the cremation fee stay the same.

The Bereavement Services Manager noted that primarily Funeral Directors were businesses who compared crematoria charges. He informed Members that the North East Surrey Crematorium fees would remain very competitively priced even with an increase in fees.

The Surveyor pointed out to the Board that they had never had a separately identified environmental or abatement fee before, which needed to be taken into consideration and that when setting a budget there were always unknown variables that needed to be taken into consideration.

The Treasurer also highlighted that the increase in service time was being taken into consideration.

Councillor Stanford made reference to the reduced fees charged by Croydon and Kingston for early morning cremations asking whether that was something the Board could offer. The Bereavement Services Manager confirmed that these slots were mainly contract services for social services and not cremations booked by Funeral Directors.

Councillor Roberts queried whether the fees for a large coffin reflected the increase in gas prices considering the extra time taken for cremating a large casket. The Bereavement Services Manager confirmed that the cost was more than covered.

Councillor Stanford asked what constituted a large coffin. The Bereavement Services Manager confirmed that when a coffin/casket was above a certain width it was classed as large.

**Resolved:**

- 1. that from 1<sup>st</sup> January 2013 the standard cremation fee be increased to £500 and that supplementary cremation charges and memorial fees be increased as set out in Appendix II of the Treasurer's report.**
- 2. that the fee for cremations of children under the age of 12 be reduced to £50. The fee for a stillborn cremation remains at £10.**
- 3. that the reduced fee of £50 be applied retrospectively to the case outlined in the email received from Kingston Hospital's Patient Affairs.**

Councillor Roberts wanted his dissent minuted regarding the increase in fees for supplementary cremation charges and memorial fees and a charge being made for child cremations.

- 5.4 Distribution of Surplus Balances to Constituent Authorities 2012/13.** The Treasurer proposed that surplus balances of £400,000 be distributed to the three authorities according to their respective council tax bases. The Appendix to this report highlighted that the ten year revenue projections showed a gradual increase, which reflected increased charges, TMACs and the loss of cremated remains graves sales in the future, due to the lack of available land.

Councillor Jones asked whether the split of the balances was determined by the Constitution or whether it had been a decision of the Board. The Clerk confirmed that it was in the North East Surrey Crematorium Board Act.

**Resolved: that the Board approve the distribution of surplus balances as set out in paragraph 10 of the Treasurer's report.**

- 5.5 **Conclusion of the Audit for the Year ended 31<sup>st</sup> March 2012.** The Treasurer reported that the External Auditors, BDO Stoy Howard LLP, concluded their audit in August, however, it was too close to the last Board meeting to present.

The Issues Arising Report highlighted three areas:

***Internal Controls***

Issues raised here were relating to an internal audit report. The recommendations raised in this report have now been implemented.

***Minutes***

In future signed copies of the Minutes need to be made available to the External Auditor providing evidence that each individual page had been initialled by the Chair.

***Asset Register***

It was highlighted in the audit that certain information was missing from the asset register. Certain information had already been updated, however, further work was needed to complete the audit requirements.

Councillor Roberts asked over what period the Board wrote off assets. The Treasurer's response confirmed that the Board no longer put depreciation through the accounts as it was not a requirement of the current accounting regime. She confirmed that the replacement of assets was built into the capital reserves.

**Resolved:**

1. **that the Board approve and accept the audited Annual Return for the year ended 31<sup>st</sup> March 2012.**
2. **that the Board note the Issues Arising Report issued by the External Auditor and the management action taken in response of the report.**

**6. URGENT ITEMS**

No urgent items were discussed.

**7. DATES AND VENUES OF MEETINGS FOR 2013**

The Chairman confirmed the date of the next meeting as being 12<sup>th</sup> March 2012.

The meeting ended at 10.59 am.

Chairman: *C. Clay*.....

Dated: ..... *12 March* ..... 2013