

# Agenda



## Greater Gwent Cremation Joint Committee

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Date: Monday, 18 July 2022

Time: 10:00am

Venue: Council Chamber- Hybrid Meeting

To: Councillors Y Forsey, L Lacey, M. Lane, T. Thomas, S. Evans, R. Leadbeater, J Simmonds, J Taylor and M. Cross

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Item		Wards Affected
1	<u>Apologies for Absence</u>	
2	<u>Declarations of Interest</u>	
3	<u>Minutes of the Previous Meeting</u> (Pages 3 - 4)	
4	<u>Facilities Management</u> To receive an oral update from the Newport Norse representative	
5	<u>Draft Accounts Report 2021/22</u> (Pages 5 - 14)	All Wards
6	<u>Funeral Director's Report</u> To consider any issues raised by local Funeral Directors	
7	<u>Manager's Report</u> (Pages 15 - 16)	

Contact: Governance Team

Tel: 01633 656656

E-mail: [democratic.services@newport.gov.uk](mailto:democratic.services@newport.gov.uk)

Date of Issue: 11 July 2022

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# Minutes



## Greater Gwent Cremation Joint Committee

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Date: 19 January 2022

Time: 10.00 am

Present: Councillors J Taylor (Chair), J Hughes, Councillor R Jeavons, K Williams and J Simmonds

Steve Tom, Gareth Price (Head of Law & Regulation), Paul Dundon, Karen Sansom and Joanne Gossage (Green Services Manager)

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### 1 Apologies for Absence

None received.

### 2 Declarations of Interest

None received.

### 3 Minutes of the Previous Meeting: 29 September 2021

The Minutes of the previous meeting were accepted as a true record.

### 4 Restated Annual Return 2020-21 and Audit Wales Closing Letter

The Committee Considered the above report presented by the Head of Finance in relation to the minor joint committees in Wales Annual Return for the Year Ended 31 March 2021.

Section 12 of the Public Audit (Wales) Act 2004 required local government bodies in Wales (including joint committees) to make up their accounts each year to 31 March and to have those accounts audited by the Auditor General for Wales.

The Committee must approve the Annual Return before the accounts and supporting documents were made available for public inspection under section 30 of the Public Audit (Wales) Act 2004.

The audited and certified returns were sent back to the body for publication and display of the accounting statements, Annual Governance Statement and the Auditor General for Wales' certificate and report.

#### Agreed:

That the Restated Annual Return 2020-21 and Audit Wales Closing letter were approved and noted respectively.

### 5 Review of Budget Performance 2021-22 and Budget Proposals for 2022-23

The Committee considered the budget performance for 2021-22 and the budget proposals for 2022-23, including the information outlined in the following appendices:

Appendix 1 Detailed Monitoring Position 21-22

Appendix 2 Fees for consultation 2022-23

Going forward, changes in accounting approach would be made to absorb future ad hoc repairs. Further discussions regarding work with officers and Norse were required. If the reserves weren't used, this would go into a second reserve fund. If the provision was too high, the committee could decide to re distribute the surplus.

Appendix 3 Draft budget proposals 2022-23

Modelled 4% increase in fees proposed to retain fees at current level.

Appendix 4 Distribution summary

The Finance Business Partner went through the preferred options outlined in the report.

Agreed:

- The Committee noted for 2021-22, the revised forecast activity, and approved the budgeted distribution of £950k, and use of reserves to meet that level of payment as needed
- The Committee agreed for 2022-23, to retain cremation fees at 2021-22 levels
- Approved the budget proposals for 2022-23, and the current indicative dividend payment recommended of £450K, subject to review in year, based on financial performance.

## 6 **Manager's Report**

The Superintendent Register presented the Manager's Report to the Committee, and highlighted the sales and cremation figures for the period.

With a total of two crematoriums within the five borough area, Gwent Crematorium was now competing for bookings.

The website was receiving a high volume of views, regarding Covid restrictions in that were in place.

In relation to Covid, Councillor Williams asked if the death count was increasing. The Superintendent Registrar advised that it was, S Tom agreed with this statement.

Agreed:

That the Committee noted the Manager's Report.

# Report

## Greater Gwent Crematorium Joint Committee

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### Part 1

**Date:** Monday 18<sup>th</sup> July 2022

**Subject** **Draft Accounts Report 2021/22**

**Purpose** To approve the draft accounts for 2021/22, prior to audit

**Author** Joanne Hazlewood

**Ward** General

**Summary** To provide the Committee with the draft accounts for 2021/22

Appendix:

Appendix 1 Annual Return 2021/22  
Appendix 2 Summary out-turn analysis

**Proposal** **Members are asked to receive and approve the draft accounts position, and note that a distribution of £950,000 was made to Councils as agreed, in line with budget expectations.**

**Action by** Head of Finance

**Timetable** Draft annual return to be approved by Committee by 30 June, prior to Audit.

This report was prepared after consultation with:

- Head of Finance
- Team Manager - Bereavement
- Service Manager – Environment + Leisure

**Signed**

## **Background**

At the last Committee meeting held in January, the projected out-turn was £307k surplus, prior to distribution. The reason for this was reduced income potential, but predominantly the effect of necessary adhoc repairs based on increasing premises related costs, due to essential cremator and roof repairs/maintenance. However, it was agreed to maintain a distribution of £950,000, and to fund any deficit from the Committee's balances.

The draft out-turn position, has favourably improved, and is showing a surplus of £559k surplus, compared to the budgeted surplus of £472k and the variance analysis shown in Appendix 2, highlights that the reason for this was increased income levels, and reduced expenditure levels, due to a vacant post, and underspend on the purchase of burial memorials.

## **Risks**

n/a

## **Links to Council Policies and Priorities**

The overall aim of the recommendation enables Councils to receive the expected contribution from the service in 2021/22.

## **Options Available and considered**

The out-turn position shows that after making a distribution of £950,000 the deficit will decrease balances by £390,622, to a total of £1,046,681 going forward into 22/23. The overall distribution to Councils will have been made in accordance with agreed budget expectations.

The Committee has the following options available:

- a) Maintain the £950k minimum total distribution which brings the reserves down to just over £1m as noted above
- b) Agree an additional distribution to reduce the balances of the Committee

## **Preferred Option and Why**

Maintain the £950k minimum total distribution and hold reserves pending a review of how on-going budgets will be set and distribution levels set to ensure sustainability.

## **Comments of Chief Financial Officer**

The Committee has already reviewed and agreed to maintain the distribution levels at a minimum £950k in 2021/22 and that has been actioned. That has required the use of reserves as the in-year surplus was not sufficient to fund itself, as it has been in previous years.

As indicated to the Committee previously, the budget and distribution levels of the service requires careful planning from now on as income levels have reduced to levels which is likely to mean reduced distribution levels over the medium term. In addition, funding of on-going major equipment renewals and an allowance for repairs and maintenance to the fabric and internals of the building needs to be

incorporated and planned within budgets and medium term financial planning of the service. This work is on-going and will be reported to the Committee as soon as available.

## **Comments of Monitoring Officer**

There are no specific legal issues arising from the Report. The Joint Committee are required to approve the Annual Accounting Statement and the Annual Governance Statement for 2021/22, and to authorise the Chair to sign-off the statements, in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Accounts and Audit (Wales) Regulations 2014. The Annual Statement confirms the income and expenditure and the budget out-turn position for 2021/22. The Joint Committee previously agreed at the last meeting in January 2022 to make a distribution of £950k, in accordance with the budgeted provision, and accepted that there may be a requirement to utilise reserves to make this level of payment. Although the out-turn figures have improved since then, the full distribution has still required a contribution from reserves and, therefore, balances have decreased by £390,622. The current level of balances is now £1,046,681 and the recommendation is that this level of balances needs to be maintained if the ongoing programme of essential work is to be carried out without further capital borrowing.

## **Comments of Head of People, Policy and Transformation**

There are no HR or People, Policy and Transformation related matters arising from this report.

## **Scrutiny Committees**

n/a

## **Fairness and Equality Impact Assessment:**

- **Wellbeing of Future Generation (Wales) Act**
- **Equality Act 2010**
- **Socio-economic Duty**
- **Welsh Language (Wales) Measure 2011**

n/a

## **Crime and Disorder Act 1998**

n/a

## **Consultation**

n/a

## **Background Papers**

n/a

Dated:

## Minor Joint Committees in Wales Annual Return for the Year Ended 31 March 2022

### Accounting statements 2021-22 for:

Name of body: **GWENT CREMATION COMMITTEE**

	Year ending		Notes and guidance for compilers
	31 March 2021 (£)	31 March 2022 (£)	Please round all figures to nearest £. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to the underlying financial records for the relevant year.
<b>Statement of income and expenditure/receipts and payments</b>			
1. Balances brought forward	1,374,275	1,437,303	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	0	0	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	1,948,531	1,433,829	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	323,414	313,140	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg termination costs.
5. (-) Loan interest/capital repayments	5,000	5,000	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	1,557,089	1,506,311	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	1,437,303	1,046,681	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
<b>Statement of balances</b>			
8. (+) Debtors	118,460	121,102	<b>Income and expenditure accounts only:</b> Enter the value of debts owed to the body.
9. (+) Total cash and investments	1,321,746	941,528	<b>All accounts:</b> The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	2,903	15,949	<b>Income and expenditure accounts only:</b> Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	1,437,303	1,046,681	<b>Total balances should equal line 7 above:</b> Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	2,307,326	2,307,326	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	372,124	318,963	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

## Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2022, that:

	Agreed?		'YES' means that the Council/Board/Committee:	PG Ref
	Yes	No*		
<p>1. We have put in place arrangements for:</p> <ul style="list-style-type: none"> <li>effective financial management during the year; and</li> <li>the preparation and approval of the accounting statements.</li> </ul>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
<p>2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
<p>3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
<p>4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Has given all persons interested the opportunity to inspect the body's accounts as set out in the notice of audit.	6, 23
<p>5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered the financial and other risks it faces in the operation of the body and has dealt with them properly.	6, 9
<p>6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the body.	6, 8
<p>7. We have considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
<p>8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.</p>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

\* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

## Additional disclosure notes\*

The following information is provided to assist the reader to understand the accounting statements and/or the Annual Governance Statement

1.

2.

3.

\* Include here any additional disclosures the Council considers necessary to aid the reader's understanding of the accounting statements and/or the annual governance statement.

## Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<b>Certification by the RFO</b> I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2022.	<b>Approval by the Council/Board/Committee</b> I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:
<b>RFO signature:</b>	<b>Minute ref:</b>
<b>Name:</b> Meirion Rushworth	<b>Chair of meeting signature:</b>
<b>Date:</b>	<b>Name:</b>
	<b>Date:</b>

## Annual internal audit report to:

Name of body: **GWENT CREMATION COMMITTEE**

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2022.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	NOT COVERED. LAST INTERNAL AUDIT WAS UNDERTAKEN DURING 2016/17. NEXT PLANNED FOR 2022/23.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SEE ABOVE
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

**For any risk areas identified by the Council/Board/Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:**

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
11. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	SEE ABOVE
12. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
13. Insert risk area	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

\* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

\*\* If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

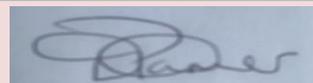
~~[My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated \_\_\_\_\_.] \* Delete if no report prepared.~~

### Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the body (including preparation of the accounts) or as a member of the body during the financial years 2020-21 and 2021-22. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: DONA PALMER

Signature of person who carried out the internal audit:



Date: 06.06.22

Dated: 30<sup>th</sup> May 2022

## APPENDIX 2 – OUT-TURN SUMMARY ANALYSIS

	Approved Estimate 2021/22 £	Forecasted Out turn JANUARY COMMITTEE £	ACTUAL OUT TURN 2021/22 £	Variance  Actual v Budget
<b>INCOME</b>	<b>-1,391,040</b>	<b>-1,672,325</b>	<b>-1,433,829</b>	<b>-42,789</b>
Employees	334,139	313,322	313,140	-20,999
Premises	350,184	416,418	357,076	6,892
Transport	1,010	400	37	-973
Supplies & Services	180,623	110,070	151,037	-29,586
Capital Financing	53,161	53,161	53,161	0
<b>EXPENDITURE</b>	<b>919,117</b>	<b>893,371</b>	<b>874,451</b>	<b>-44,666</b>
<b>(SURPLUS)/DEFICIT</b>	<b>-471,923</b>	<b>-778,954</b>	<b>-559,378</b>	<b>-87,455</b>
Budgeted Distribution	950,000	950,000	950,000	0
(Surplus)/Deficit to Balances	<b>478,077</b>	<b>171,046</b>	<b>390,622</b>	<b>-87,455</b>

Reserves Balances	
b/f into 2021/22	-1,437,303
deficit in 2021/22	390,622
c/f into 2022/23	-1,046,681

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## Manager's Report

### Statistics

#### MEMORIAL SALES

MONTH	VASE BLOCKS	SANCTUM VAULTS	LEASE RENEWALS – vase blocks	LEASE RENEWALS - vaults
JANUARY	6	1	5	1
FEBRUARY	6	2	7	3
MARCH	6	2	8	2
APRIL	4	1	2	0
MAY	3	1	10	3
JUNE	3	1	7	1

#### CREMATIONS

	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Jan	134	241	211	233	246	268	240	262	278	220	254	278	254
Feb	129	225	197	211	254	258	243	262	254	200	268	256	226
Mar	134	148	196	204	230	299	277	287	241	267	279	249	235
Apr	141	111	223	178	237	229	268	245	222	268	237	193	229
May	143	93	240	195	219	266	266	230	234	274	270	232	198
Jun	129	83	140	150	164	260	264	241	239	218	193	232	235
Jul		100	91	212	186	219	211	237	257	211	175	204	208
Aug		121	98	165	176	236	244	187	206	183	168	241	198
Sep		141	149	181	173	228	228	232	204	194	158	221	218
Oct		123	141	206	193	240	224	225	243	234	186	233	232
Nov		146	186	169	190	251	239	249	222	226	176	220	219
Dec		139	215	197	166	191	244	266	248	200	182	234	227
	<b>810</b>	<b>1671</b>	<b>2087</b>	<b>2301</b>	<b>2434</b>	<b>2945</b>	<b>2948</b>	<b>2913</b>	<b>2848</b>	<b>2695</b>	<b>2546*</b>	<b>2793</b>	<b>2679</b>

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