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Monday, 9 November 2020

**Chairman: Councillor R Jackson
Vice-Chairman: Councillor N Mison**

Members of the Committee:

**Councillor L Brailsford
Councillor S Carlton
Councillor M Cope
Councillor D Cumberlidge
Councillor Mrs G Dawn
Councillor P Harris
Councillor Mrs L Hurst
Councillor B Laughton
Councillor J Lee
Councillor Mrs Y Woodhead**

Substitute Members:

**Councillor M Brock
Councillor Mrs I Brown
Councillor L Goff
Councillor M Skinner
Councillor T Smith
Councillor N Mitchell**

MEETING: Leisure & Environment Committee
DATE: Tuesday, 17 November 2020 at 6.00 pm
VENUE: Broadcast from Castle House, Great North Road, Newark NG24 1BY

You are hereby requested to attend the above Meeting for the purpose of transacting the business on the Agenda as overleaf.

Attendance at this meeting and public access will be by remote means due to the Covid-19 Pandemic. Further details to enable remote access will be forwarded to all parties prior to commencement of the meeting. If you have any queries please contact Catharine Saxton on Catharine.saxton@newark-sherwooddc.gov.uk.

AGENDA

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Remote Meeting Details

This meeting will be held in a remote manner in accordance with the Local Authorities and Police & Crime Panels (Coronavirus) (Flexibility of Local Authority and Police & Crime Panel Meetings) (England and Wales) Regulations 2020.

The meeting will be live streamed on the Council's social media platforms to enable access for the Press and Public.

1. Apologies For Absence
2. An apology for absence was submitted on behalf of Councillor
Declarations of Interest by Members and Officers and as to the Party Whip
3. Declaration of any Intentions to Record the Meeting
4. Minutes of the meeting held on 22 September 2020 5 - 13
5. Chairman's Report Verbal
Report

Part 1- Items for Decision

6. Active4Today - Performance Update and Draft Business Plan 2021/22 14 - 36
7. Fly Tipping Action Plan 37 - 41

Part 2- Items for Information

8. Leisure & Environment Revenue and Capital Forecast Outturn Report to 31 March 2021 as at 30 September 2020 42 - 53
9. Mansfield and District Crematorium Joint Committee - Annual Statement of Accounts 54 - 158
10. Urgency Items - Minute of Decision 159 - 161
11. (i) Enforcement of the Corona Virus Regulations
Leisure & Environment Committee Forward Plan 162

Confidential and Exempt Items

12. Grounds Maintenance of HRA Land To Follow
13. Exclusion of the Press and Public
To consider resolving that, under section 100A (4) of the Local Government

Act 1972, the public be excluded from the meeting for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Act.

NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Leisure & Environment Committee** held in the broadcast from the Civic Suite, Castle House, Great North Road, Newark NG24 1BY on Tuesday, 22 September 2020 at 6.00 pm.

PRESENT: Councillor R Jackson (Chairman)
Councillor N Mison (Vice-Chairman)

Councillor L Brailsford, Councillor S Carlton, Councillor D Cumberlidge,
Councillor P Harris, Councillor J Lee and Councillor Mrs Y Woodhead

APOLOGIES FOR ABSENCE: Councillor M Cope, Councillor Mrs L Hurst and Councillor B Laughton

53 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS AND AS TO THE PARTY WHIP

Councillor P Harris declared a personal interest in Agenda Item 6 – Letter of Comfort between Newark & Sherwood District Council and Southwell Leisure Centre Trust, as he was a Southwell Leisure Centre Trust Trustee.

Councillor S Carlton declared a personal interest in Agenda Items 7 – Active4Today Covid 19 Update, 8 – Active4Today Governance Agreement and 10 – Active4Today Annual Report, as he was a member of the Board of Active4Today.

The meeting was held remotely, in accordance with the Local Authorities and Police & Crime Panels (Coronavirus) (Flexibility of Local Authority and Police & Crime Panel Meetings) (England and Wales) Regulations 2020.

54 DECLARATION OF ANY INTENTIONS TO RECORD THE MEETING

The Chairman informed the Committee that the Council was undertaking an audio recording of the meeting which was to be webcast.

55 MINUTES OF THE MEETING HELD ON 21 JANUARY 2020

AGREED that the Minutes of the meeting held on 21 January 2020, be approved as a correct record to be signed by the Chairman.

56 CHAIRMAN'S REPORT

The Chairman delivered an update to the Committee in relation to key developments that have taken place between Committee meetings from services within the Committee remit.

Needless to say, the response to COVID-19 has dominated developments to a large extent this year and some of our services have been on the frontline in terms of the Council's operational response. As members will recall all too vividly, a range of measures were introduced in March which we had to respond to. And indeed, the March committee of Leisure & Environment was stood down as a result. Update reports and communications have been sent to members on the changes that took place so I don't propose to repeat what has already gone before.

But I do, however, want to pay tribute to all those who had the arduous task of interpreting rapidly moving guidance from the Government, to ensure Newark & Sherwood was able to help with mitigating the spread of Covid 19 and ensuring our staff who had to maintain critical services were able to do so safely. Only one recycling round per household was lost as the Council made the shift from three refuse collectors in a cab to two in order to comply with the two metre social distancing rule.

And whilst there was a knock on effect to garden recycling and bulky waste services as residual waste was prioritised, all services were reinstated by June 1. Indeed, I'm pleased to be able to inform members of the Committee that since the reinstatement of the garden recycling service, the Council has managed to generate an additional 1,400 customers to the service which is hugely positive in the circumstances.

As members will be aware, the Council's leisure centres were closed from March until August as part of the response to mitigating the spread of Covid-19. And there is a report later on the agenda in relation to Active4Today and what the impact has been so I won't go into any more detail now. But I do want to update members on the positive news that proposals for the new pool at the Dukeries Leisure Centre were approved by the Police and Finance Committee in June with planning permission for the development being granted in August. I'm delighted to inform you that work on the pool began in early September with the completed facility due for handover to Active4Today in the summer of next year. This is a hugely positive outcome for the people of Ollerton and its surrounds, and finds a much-needed solution to swimming pool access which this Committee is all too aware of.

I also want to update the Committee on the work that colleagues in Environmental Health have been playing in trying to prevent Newark going into a local lockdown which was a real possibility in early August. Members will be aware that the town was put on the Government watchlist as the number of cases per 100,000 over a seven day period exceeded 20 for a consistent period of time. Officers in environmental health worked with colleagues in public health to track and trace cases, as part of a major effort to prevent a wider community outbreak. As a result of their efforts, the community and local businesses, Newark saw a significant reduction in cases and came off the Government watchlist earlier this month.

As a result of Covid, however, some plans have not been able to progress as we would have liked or were anticipating. So, for example, the very much valued Days of Action programme has not been able to progress this year as planned. Days were due to take place in Southwell, Bilsthorpe and Clipstone, but these have had to be put on hold and I'm sure Committee members will understand why.

However, I'm assured by officers that Days of Action in those communities will be honoured as soon as the circumstances allow. Similarly, progress with the Council's anti-flytipping campaign, Not in Newark & Sherwood, has not progressed as was anticipated, as resources were diverted to prioritising the delivery of critical residual waste services and mitigating the local outbreak of Covid-19. But again, the plans have only been paused and a report updating members more fully on a revised programme will be brought to the committee cycle in November.

Finally, a financial report setting out how the budget has been affected by Covid is contained on the agenda so I won't go into any more detail here. I hope this update has been helpful and unless there are any questions, I would propose we move on to the next item on the agenda.

57 LETTER OF COMFORT BETWEEN NEWARK & SHERWOOD DISTRICT COUNCIL AND SOUTHWELL LEISURE CENTRE TRUST

The Committee considered the report presented by the Business Manager - Financial Services, which sought Committee approval to enter into a letter of comfort between the District Council and Southwell Leisure Centre Trust (SLCT) in order to underwrite any potential cash flow losses the Trust had made as a result of COVID-19.

The Council's legal team had worked with Freeths, who were the legal advisors to SLCT, in order to draft a letter of comfort between the two organisations that safeguarded the Council's position whilst offering support to the Trust. The main provisions within the agreement stated that:

- The Council ensured that SLCT would have financial resources available of £220,000, once the Trust had utilised all of its reserves. The support available would be capped at a maximum of £220,000;
- Any support transferred to SLCT must be repaid within 24 months of the payment date;
- Any support transferred to SLCT would not incur any interest expenses for SLCT; and
- Any support considered to be transferred must be evidenced satisfactorily in that the debt to SLCT existed and that SLCT did not have other funds available to pay such debts.

The term of the letter of comfort would be reviewed on a quarterly basis and the Council reserved the right to terminate this having considered the representations made by SLCT at each quarter end. The letter of comfort was appended to the report.

In discussion Members questioned why there was no interest attached to the loan, and whether it was likely that SLCT would need the use the loan from the Council. The Business Manager- Financial Services confirmed that, a prudent approach had been taken in relation to the amount, and, if approved by the Policy and Finance Committee, the loan would be available to SLCT to provide support but hopefully it would not be required.

AGREED (unanimously) that a recommendation be made to the Policy & Finance Committee, for their approval, the request by SLCT for the Council to enter into a letter of comfort with it in order to safeguard its sustainability.

(After declaring an Interest, Councillor P Harris did not take part in the debate or vote on this item.)

58 ACTIVE4TODAY COVID-19 UPDATE COVER REPORT

The Committee considered the report presented by the Health Improvement & Community Relations Manager, which updated the Committee on the current position of Active4Today in relation to the impacts of Covid-19 actual and anticipated for the current year to 31 August 2020.

The report proposed that the Company would use £0.200m of its reserves to support the estimated shortfall, which was currently being forecasted at £0.690m. The Company requested that the Council make provision within its finances to support the current estimated remaining deficit (currently estimated at £0.490m), which based on the forecasted financial modelling, would leave the Company in a balanced position. The Company would provide monthly updates to the Council's Senior Leadership Team, regarding the financial position of the Company and the level of deficit funding support required. The full amount of £0.490m would not be drawn down immediately and would be released based on need and as agreed at the monthly review meetings.

Members considered the report and it was clarified that whilst the majority of staff of Active4Today had been furloughed, the money received was to cover the wages of staff, not the loss of income for Active4Today. Southwell Leisure Centre Trust was not included in the financial support as it was not an asset held by the Council and as such was the subject of separate support through the Letter of Comfort, to be considered by the Policy and Finance Committee.

AGREED (with 7 votes for with 1 abstention) that:

- (a) the content of the Active4Today Covid-19 report be noted; and
- (b) a recommendation be submitted to the Policy & Finance Committee to approve the allocation of £0.490m from MHCLG Covid-19 funding grant to support Active4Today's additional management costs as a direct result of the impact of Covid-19 on its trading activity.

59 ACTIVE4TODAY GOVERNANCE AGREEMENT

The Committee considered the report presented by the Director – Governance & Organisational Development, which sought Member consideration and approval regarding the draft Governance Agreement between the Council and Active4Today.

A proposed Governance Agreement had been drafted for the Council by Anthony Collins Solicitors, based upon the version they prepared for the Council for its other company, Arkwood Developments Ltd. This provided the benefit of consistency of approach by the Council in its control and overview of its wholly owned companies. A copy of the draft document was attached, as Appendix A, to the report.

The document sought to provide greater clarity around governance arrangements:- regulating the Council and Company's respective responsibilities around the operation and management of the Company and the relationship between both parties. It would secure greater transparency between the Council and the Company and reinforce the Council's role as shareholder. Included were provisions regarding the ability of the

Council to have a representative (who would not be a director of the Company) to attend the Company's board meetings as an observer; a requirement for the Company to provide full management accounts and financial forecasts to the Council; and those decisions that were specifically reserved for Council approval; etc. This mirrored the provisions that the Council already had in place for Arkwood Developments Ltd.

Subject to the consideration and approval of the draft governance document by the Committee, it was proposed that officers consult and negotiate with the Company to secure approval by the Board to enter into the Agreement.

AGREED by (7 votes for with 1 abstention) that:

- (a) the draft Governance Agreement, as appended to the report be approved; and
- (b) Officers be authorised to consult and negotiate with the Board of Active4Today to secure the execution of the Agreement between the parties.

60 LEISURE & ENVIRONMENT REVENUE AND CAPITAL FORECAST OUTTURN REPORT TO 31 MARCH 2021 AS AT 31 JULY 2020

The Committee considered the report presented by the Business Manager - Financial Services, which compared the Revised Budgets for the period ending 31 March 2021 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These were based on four months' performance information on the Council's revenue and capital budgets, including: General Fund (GF) Revenue; and Capital Programme.

Appended to the report was the Policy & Finance report to be considered at the 24 September Policy & Finance Committee which detailed the forecast financial position to 31 March 2021 of the Council as at 31 July 2020.

The current position for the Council was an unfavourable variance of circa £0.574m-£0.774m. This was prior to any return funding from the Nottinghamshire Business Rates Pool, for which S151 Officers across the County were working to review the position.

The forecast outturn position for the Leisure & Environment Committee was an unfavourable variance of £0.185m. The main reasons for the variance were contained in Appendix A to the Policy & Finance Report.

AGREED (unanimously) that the content of the report be noted.

61 ACTIVE4TODAY ANNUAL REPORT 2019/20

The Committee considered the report presented by the Health Improvement and Community Relations Manager which provided an update regarding the performance of Active4Today for the financial year ending 31 March 2020.

It was reported that the Company had traded positively in 2019/20. Company turnover had increased slightly by a modest 0.64% however, this should be considered positively in light of the challenges the Company encountered such as the loss of the swimming pool at the Dukeries Leisure Centre and more latterly the impact of Covid-19 which led to the closure of all sites to the public at the close of play on 17 March 2020. Accordingly, the efforts of the Company should be recognised in respect of its positive trading position despite these challenges, which were not within the control or influence of the Company.

During the period 1 April 2019 to 31 March 2020, the financial statements showed that the Company recorded a net operating deficit of £56,788 factoring in the full management fee payable by the Council of £121,220. It was noted, that £224,994 was spent on repairs and renewals on the Council's Assets and £223,548 was paid to the Council in support charges. The trading position moved from a small surplus of £22,453 down to a deficit of £3,311 which was a swing of £25,764 this was due to a combination of increased VAT charges and reduced turnover. Within the accounts the provision for pension deficit was now shown as a net liability in the Balance sheet and was in accordance with generally accepted accounting treatment. The Company's earmarked usable reserves, as at 31 March 2020 stood at £396,819 a decrease of £3,310 on the balances held at 31 March 2019.

It was reported that Members further agreed at the 19 November 2019 Leisure & Environment Committee to review the payment mechanism within the Service Contract so that there was single payment mechanism either to or from the Company, with no separate clause for sharing in the 'operating surplus of the Company'. Under normal operating circumstances that approach would be appropriate, however, the onset and subsequent impact of Covid-19 caused significant financial challenges for the Company and it was agreed by Policy & Finance Committee, under Urgent Delegation Powers, on 24 April 2020 to release the retained 50% management fee for 2019/20 and the first instalment of the management fee for 2020/21 (£60,610) and the management fee to provide strategic support to Southwell Leisure Centre Trust (£80,850) to ease cash flow and to reduce anticipated financial hardships that an extended closure would cause the Company.

Appended to the report was the following information: The 2019/20 Annual Management Report provided by Active4Today; Active4Today Directors' Report and Financial Statements outlining the period of trading; Active4Today Key Performance Indicators 2019-20; and an overview of sports development activities.

AGREED (by 7 votes for with 1 abstention) that:

- (a) the positive performance of Active4Today in 2019/20, be noted;
- (b) the operating agreement between the Council and the Company was under review and any significant changes to the agreement be brought to a future meeting of the Committee;
- (c) the impacts of Covid-19 on the Company's performance would be closely monitored and proposals to support the Company through the pandemic would be brought to a future meeting of the Committee; and

- (d) the proposed reported Key Performance Indicators be noted.

62 RESPONSE TO RECYCLING PETITION

The Committee considered the report presented by the Business Manager – Environmental Services, which updated Members regarding a petition the Council received at the end of the year 2019, organised by a resident of North Muskham. The resident was extremely active in the local community and was a keen advocate of recycling and environmental issues. The concerns raised aligned with the Council's stance on climate change. Although the petition did not reach the required levels of support to be heard at Full Council, Officers considered that it was important to bring it to the attention of Members as it highlighted some of the issues the Council faced and the views of many residents. The full text of the petition was included as an appendix to the report. The actions that had been taken in response to the concerns raised were also contained within the report.

Members considered the petition and the Council's response, and urged Officers to work where they could to improve recycling rates and facilities within the District.

AGREED (unanimously) that Members note the petition and acknowledge the actions taken and that there was a desire within the community to improve recycling services.

63 ENVIRONMENTAL SERVICES STRATEGY AND PROJECT UPDATE

The Committee considered the report presented by the Environmental Services Business Manager, which provided Members with an overview of the Environmental Services Strategy, the background to its development, and an update on Environmental Services Projects.

It was reported that there were 7 key objectives outlined in the strategy and the full document lists a number of actions which were aimed to deliver on each one. These objectives were:

1. To improve the district's recycling rate with the aim of maximising recycling Percentage;
2. Work with communities and partners to 'Green' Newark and Sherwood delivering district wide programmes focusing on tree planting and protecting and enhancing the district's natural environment;
3. Making Newark and Sherwood 'Clean' with a focus on areas in need by conducting targeted activity in identified communities and tackling key issues;
4. Work with our communities to create social capital in the 'Green' and 'Clean' agendas and encourage engagement with Environmental Services;
5. Engage with communities to deliver behaviour change through education and enforcement including campaigns;
6. Work with key colleagues within the Council to reduce Newark and Sherwood District Council's carbon footprint to offset the impact of Climate Change; and
7. Maximise resources within the unit through efficiencies and commercialisation with the aim any additional resource being reinvested into greening initiatives and service improvements.

The project to realign and invest in Environmental Services commenced in September 2019 and aimed to realign and refocus the service towards effective delivery of the Community Plan. The report provided an overview of the work done within the project and complimented the Strategy.

AGREED (unanimously) that:

- (a) Members note the information contained in the strategy and provide their approval and support; and
- (b) the progress made in the development of Environmental Services be noted.

64 PROGRESS REPORT NEWARK & SHERWOOD YMCA COMMUNITY AND ACTIVITY VILLAGE

The Committee considered the report presented by the Health Improvement & Community Relations Manager which provided an update report in respect of building progress at the YMCA Newark and Sherwood Community and Activity Village.

Members were delighted that residents of the District would have access to world class facilities and expressed their hope that local residents would access the facility using alternative active modes of transport.

AGREED (unanimously) that the progress report be noted.

65 ANNUAL REVIEW OF EXEMPT REPORTS

The Committee considered the report of the Chief Executive listing the exempt items considered by the Committee for the period 5 March 2019 to date.

The Committee agreed that the report considered on the 19 November 2019, relating to, 'Proposed expansion of the fitness suite and consideration of alternative management arrangements at Southwell Leisure Centre – update', should remain confidential.

AGREED (by 6 votes for with 1 against) that the report considered on 19 November 2019, relating to, 'Proposed expansion of the fitness suite and consideration of alternative management arrangements at Southwell Leisure Centre – update', should remain confidential.

66 URGENCY ITEMS TAKEN DURING COVID-19 PANDEMIC

The Committee noted the urgency item decisions which had been taken to date during the Covid 19 Pandemic. The urgency items was taken in respect of the following:

- (i) Payment of Management Fees to Active4Today
- (ii) Newark Cattle Market
- (iii) Reinstatement of Garden Recycling Services

- (iv) Car Parking Charges Review – Covid-19
- (v) Parish & Town Council Initiative Funs and Community, Sports & Arts Grants Scheme

AGREED (unanimously) that the urgency items be noted.

67 LEISURE & ENVIRONMENT COMMITTEE FORWARD PLAN

The Leisure & Environment Committee Forward Plan was provided for Member information. Members were encouraged to submit any areas of work they wanted to address for the forthcoming year.

AGREED (unanimously) that the Forward Plan be noted.

Meeting closed at 7.22 pm.

Chairman

LEISURE & ENVIRONMENT COMMITTEE

17 NOVEMBER 2020

ACTIVE4TODAY – PERFORMANCE UPDATE AND DRAFT BUSINESS PLAN 2021/22

1.0 Purpose of Report

1.1 This purpose of this report is to present the Active4Today Draft Business Plan, 2021/22 for member consideration and update the Committee on the Company's performance to end of October 2020.

2.0 Background Information

2.1 At the meeting of Policy & Finance Committee on 29 January 2015 it was resolved to establish a "not for profit" wholly owned leisure company to provide leisure and sports development services on the Council's behalf. This included the three leisure centres; Blidworth, Dukeries and the Newark Sports & Fitness Centre. The Company, Active4Today, was duly incorporated on 9 March 2015. Active4Today commenced operations on 1 June 2015.

2.2 Overall responsibility for setting the strategic direction of the Company through the annual approval of the Active4Today Business Plan, which sets out the outcomes the Committee wishes the Company to deliver. Performance is monitored through a framework agreed by Leisure & Environment Committee.

2.3 As part of the governance arrangements, Active4Today presents its Draft Business Plan for the following year to the Leisure & Environment Committee for consideration during the Autumn Committee cycle. The Draft Business Plan, 2021/22 is outlined in paragraphs 3.19 to 3.22 of this report and performance reports to date from Active4Today are appended. Following Committee consideration, a final Business Plan will be presented to the Committee in January 2021.

2.4 As such, this is an opportunity for Committee to take into account the exceptional circumstances that have impacted on the Company as a result of Covid-19 throughout the year to date. Site closures and restricted operating parameters have had a significant impact on the trading activity to date and will have serious ramifications for the Company in respect of trading activity for the foreseeable future.

2.5 Accordingly the reports that are to be considered in addition to this covering report are as follows:-

- Active4Today Report Appendix 1
- Active4Today Performance Report Appendix 2; and
- Active4today Sports Development Report Appendix 3.

In addition, it is important to recognise that the review of the Company's governance arrangements may lead to further changes to the operating model, to be considered by this Committee, and may impact on the business plan and therefore the draft plan may require further work.

3.0 Key issues

Overview of Performance – Income and Expenditure

- 3.1 The impact of Covid-19 has created significant impacts on the Company's performance as might be expected. Leisure & Environment Committee agreed to provide financial assistance up to £490k based on the Company's forecast due to Covid related losses of £690k at its September meeting. However, it was highlighted that the true impacts would become more apparent as the business returned to a level of normality which included a number of additional measures to ensure a Covid secure offer to users and members.
- 3.2 Regrettably the anticipated loss of approximately 10% of membership has increased quite significantly and therefore the forecasted loss of membership income to year end has risen by an additional £150k with pay and play losses forecast to be an additional £50k to year end. This forecast loss can be offset in respect of savings made in operating costs and the Company has worked hard to reduce its cost envelope by a further £147K over and above the figures shared with L&E Committee in September to approximately £310K to yearend which now has an outturn figure currently forecast to be £735K. The summary figures are identified in section 4 of Appendix 1 but in simple terms are shown in the table below:-

	Original 2020-2021 budget: income/exp	Full Year 31.10.2020 revised:	Variance to 2020-21: original budget
Total income	3,097,920.00	1,992,453.00	-1,105,467.00
Staff	2,165,750.00	1,855,853.00	309,897.00
Premises	498,590.00	315,578.00	183,012.00
Supplies and services	708,700.00	556,417.00	152,283.00
Total expenditure	3,373,040.00	2,727,848.00	645,192.00
Surplus/Deficit	275,120.00	735,395.00	-460,275.00

- 3.3 This position currently suggests that the outturn figure is likely to be £45k worse than forecast at September's L&E Committee and therefore the Company is working on reducing this figure through a combination of further reductions in costs and increases in income when it is able to re-open. The table includes payments in to the Company from Government such as business rate support and furlough payments received or anticipated. Management fees received to date from the District Council and an estimated downturn in income of approximately £1.1m due to the closure of the facilities for approximately 18.5 weeks and the early impacts on memberships on the final quarter of 2019/20.
- 3.4 Staffing costs have reduced by £310k to date due to closures and reprogramming when the centre re-opened which reduced demands on staffing resources. Equally premise costs have reduced by £183k during the period to date in respect of utilities and repairs and maintenance. Supplies and services have also reduced by £152k due to reduced VAT payments, contractual services, printing, stationery and service charges. Therefore the

current reduction in expenditure is at £645k across all relevant budget lines at the end of Period 7 which will help to offset the downturn in income.

- 3.5 The latest forecast to year end is currently therefore anticipated to be £735k and the Company has allocated £200k from its reserves in addition to the £490k that has been allocated to the Company from Covid-19 monies held by the Council, therefore a further shortfall of £45k is predicated to yearend. The proposed transfer from balances will leave the Company with £197k in reserve. Accordingly the company will work on reducing this figure through further reductions in expenditure or increased income where and when possible to do so given that the centres were required to close again due to the new national restrictions with effect from 5th November with an anticipated review prior to 2nd December 2020.

Overview of Performance - Usage

- 3.6 Committee will be aware that the performance of the Company is monitored against an agreed set of indicators as attached in Appendix 2 and 3 of this report. The usage performance data to 31st October 2020 is highlighted in Section 5 of Appendix 1. In terms of membership, this has been in decline since December 2019 when a large national competitor opened a new facility in Newark in November. Thereafter the early impacts of Covid-19 started to erode the membership base further with a reduction of 713 members leaving the Company in the last quarter of 2019/20 which reduced the membership to 8,233.
- 3.7 During July, as notice was given that the leisure centres would be opening, numbers began to reduce once again; this was surprising as at this stage no finance was being taken from members, so there was no need for customers to cancel. However, despite the efforts of the Company, many members continued to cancel their memberships, either with the Company or direct with the bank. The targets in the table were estimates provided as part of the reopening process and not those originally linked into the budget setting process. This is as a result of the large period of closure and the original targets now being unrealistic.

Site	Type	Actual at July 2020	Target	Variation between actual & target	Comparison to July 2019	Variation to previous year
BLC	Adult	667	706	-39	837	-170
DLC	Adult	745	712	+33	934	-189
NSFC	Adult	3,502	3,792	-290	4,775	-1,273
BLC	Child	16	0	+16	31	-15
DLC	Child	224	216	+8	280	-56
NSFC	Child	1,749	1,729	+20	2,189	-440
Totals		6,903	7,155	-252	9,046	-2,143

- 3.8 Following reopening of the centres on 25th July, a number of communications were sent out to the public on social media and to home addresses to confirm that the first direct debit payment would be taken on 1st September. This is a requirement of BACS legislation, which govern the direct debit operations. This, in turn, generated another spell of cancellations which impacted on the first collection in September. The table below

demonstrates the current performance of memberships, between actual and targeted memberships in October and this has then been compared to the same period in October 2019. The targets were increased slightly for September onwards as it was forecasted that more customers would return and new sales would begin to take place.

Site	Type	Actual at October 2020	Target	Variation between actual & target	Comparison to October 2019	Variation to previous year
BLC	Adult	596	762	-166	807	-211
DLC	Adult	630	781	-151	932	-302
NSFC	Adult	3,070	3,913	-843	4,726	-1,656
BLC	Child	12	0	+12	29	-17
DLC	Child	189	218	-29	266	-77
NSFC	Child	1,523	1,916	-393	2,130	-607
Totals		6,020	7,590	-1,570	8,890	-2,870

- 3.9 Based on the figures above, the memberships are down against target for October by approximately 21%, which equates to a loss of 1,570 members. In comparison to 2019, this figure is down by approximately 33%, with a loss of 2,870 members. Whilst these are significant figures, this still represents a good level of memberships across the Company and is a substantially lower as a percentage loss, than several other operators within the industry.
- 3.10 Despite this significant reduction of memberships, work has continued within the Company to maximise the membership sales for retention and new members. A promotional plan has been developed during the closure period and the specific campaigns and marketing is being delivered to a variety of locations across the district.
- 3.11 Whilst the performance detailed above for October presents a disappointing position against target and previous performance, there has been some slight growth in memberships from September to October, totalling +98 across all membership types and sites, which is encouraging. Up to and including October 2019 (from 1st April 2019), user visits across sites reached 525,750 however in comparison to the same period in 2020, as expected, the number of users was significantly less, achieving 137,487, a reduction of 388,263.
- 3.12 The return of over 60's age group to the buildings has been lower than expected, which corresponds with the reduction in Activo 60 memberships. The reasons for this is believed to be associated with the potential medical conditions which users in this age group may experience. The user visits for the period in this age group for July, August, September and October 2020 was 12,301 compared to 50,550 for the same period in 2019.
- 3.13 The return of children to the centres has been significantly reduced. The number of under 16's user visits in July, August, September and October was 40,114, picking up a little once the schools returned in September, compared to 171,438 for the same period in 2019. In respect of GP Referrals, the nature of the close contact and the medical conditions of customers that have been referred from GP's and health professionals, the Company did not accept any new referrals before 7th September. This restarted with customers being contacted to arrange their first visit and sign up to the subsidised membership. There were

13 referrals received during the period; with reassurances from staff, there were 3 individuals that signed up to the membership scheme.

Implications of Further Government Restrictions -November 2020 - Financial Update

- 3.14 With effect from November 5th the Company closed its doors to the public and placed all staff on furlough with the exception of a core team of 5 members of staff who will maintain the core operational requirements of the business until such time that the facilities can re-open, anticipated to be 2nd December 2020. Accordingly there are significant budget implications within this report which are highlighted in the attached appendices. The ongoing situation will be reported regularly to the Senior Leadership Team of the Council, in order they are fully appraised of the most recent financial position of the Company. However, Committee will note that one area which is still be supported is County Swimming. This is the continuation of the school swimming programme, which has been allowed to continue as part of the current restrictions. Through negotiation with the swimming programme coordinator, arrangements have been made and they will continue to use Newark Sports and Fitness Centre.
- 3.15 On a further positive note, the development of the new swimming pool at Dukeries continues to move ahead and is currently not affected by the current restrictions. Work to the new car park (which formed part of the planning conditions) has been substantively completed, triggering groundworks for the main pool hall to be started. During the last two weeks, foundations have now been dug and work on the steel framework is now work in progress. This will provide a significant physical change to the facility and begin to showcase the development of the new pool.
- 3.16 Planning has now commenced regarding the programme for the new facility and how this can ensure it reflects the needs of the community. This will be informed through discussion with partners to understand the various groups which exist. Children and families will be a large focus for the programme with an aim to; get more people, more active, more often.
- 3.17 In summary, the Company now faces a further period of closure and although the majority of the expenditure can be reduced and where possible claimed back e.g. furlough, the Company's income will once again be affected meaning the figures which were provided to the Leisure and Environment Committee in September, will require a further revision to understand the expected deficit and see if further support from the Council, needs to be requested.
- 3.18 Currently, as set out in 3.5 the deficit for the 2020-2021 financial year is forecast at £735k. This is currently being met from £200k of A4T reserves, supported by £490K from the Council. It is expected, further financial support will be required, however at this early stage, this is not known. Without this financial support from the Council, the provision of leisure centre services by the Company will not be sustainable.

Draft Business Plan, 2021/22

- 3.19 Members will be aware that traditionally at this stage in the year, the Company would bring forward its proposals for the following year's business plan. With the current year being exposed to an initial 18.5 weeks closure, followed by slower than expected take up

when the centres reopened, this usual process for business planning has not been able to take place.

3.20 The Company has now gone into a further period of closure, which once again does not provide any certainty with regards to when the business will once again commence operations and also, the size of the operation once it does reopen. In view of this, the Company is proposing at this stage to provide details which it would like to focus on, with further actions being firmed up with members and officers, as greater certainty is known.

3.21 As a result, the Company is proposing the following themes, based on the current environment and the areas known at this stage. Members will note that the emphasis will change for next year with a clear focus of trying to increase memberships once again, to support the sustainability of the Company. This will be through increased advertising and target marketing, using a variety of different methods, depending on the audience and the market which the Company is focusing on.

3.22 Much of this will also be determined on the impacts from the current situation and the operations of the business when the centres reopen once again.

	AIMS	ACTION
1.	Healthy and active lifestyles	
1.1	Childhood obesity - develop and provide opportunities for young people	a) Co-ordinate a series of free sessions for school children, especially focused around the new swimming pool in Ollerton
1.2	Inactive people - develop and provide opportunities for inactive people	a) Development of water based and swimming activities for all ages at Dukeries Leisure Centre b) Introduce a series of taster activities, with specialist instructors at sites
1.3	NSEC 6-8 - develop and provide opportunities for people living in high NSEC 6-8	a) Introduce 7 day adult passes through a partnership with DWP b) Offer 20 bursaries for persons living in the target areas at both DLC and NSFC, to receive a free membership for 12 months
1.4	Development of the VISPA Academy to provide volunteering opportunities for young people	a) Re-commence with work in the schools to develop volunteering opportunities for children aged 14 and over
1.5	Recognising the mental health issues which may have resulted due to the current situation	a) Working directly with CAHMS and mental health professionals to increase physical activity levels and improve health and wellbeing
2.	Accessible facilities	
2.1	Ensure the programme of community use of the Dukeries Leisure Centre, specifically focused on the development of the new swimming pool during 2020 is fully inclusive	a) Develop a programme which reflects the demographic of the community and provides specific sessions for persons with disabilities through the use of the new 'Pool pod' at the facility b) Provision of staff training to broaden the opportunities available
2.2	Improve community access through partner facilities and put in place SLAs with each partner site.	a) Develop a business case to operate the Samworth Academy in Nottingham and The Suthers School, the new school in Newark
2.3	Improve the range of technology utilised to enhance the customer experience	a) Develop self service functions for accessing bookings and account management, customer engagement and fitness tracking b) Pilot a new meet and greet service at Dukeries when the new swimming pool is in place; removing the traditional 'reception' role c) Introduce a range of 'cashless' entry options for customers Develop a 'cashless' offer for the leisure centres
3.	Financial viability	
3.1	Development of the Dukeries swimming pool and existing facilities	a) Develop a pre-sales campaign for the launch of the new swimming pool, which will increase membership b) Develop greater awareness of the membership packages in all

		parts of the community through increased advertising, social media presence and pay per click campaigns c) Develop a corporate offer for businesses in the Ollerton area to showcase the new swimming pool development and provide the benefits of regular exercise to the employee and employer
3.2	Increase junior memberships at the Dukeries LC with the development of the new swimming pool	a) Liaise with schools and other organisations with high numbers of young people, to promote the new swimming pool at Dukeries, providing family sessions as part of the promotion
3.3	Increase adult memberships at all centres	a) Increase the profile at all sites with target advertising, based on greater marketing information, provided by the software system

4.0 Equalities Implications

4.1 There are no equality implications in respect of the various protected characteristic groups in connection with this proposal. The Company will target its services through marketing campaigns and outreach work in areas of deprivation and to priority groups with the aim of attracting segments of the community that would not normally access the services on offer.

5.0 Digital Implications

5.1 The Company already uses multiple digital solutions in the performance of its operations. Moving forwards the Company will work closely with the Council's ICT team to develop further digital solutions as deemed appropriate to ensure that customers are assisted in self-serve as far as is reasonably practicable in order to meet the Council's Digital Agenda and Local Digital Declaration.

6.0 Financial Implications (FIN20-21/7921)

6.1 The Council has paid £80,850 to Southwell Leisure Centre Trust (SLCT) for 2020/21, and £60,610 (half) of the £121,220 budgeted to be paid to Active4Today for 2020/21.

6.2 The Council has currently set aside £490,000 of the emergency COVID-19 funding from government it has received to-date as financial assistance for the Company, based on the Company's forecasts for 2020/21 provided earlier in the year (see paragraph 3.1).

6.3 In the Council's draft 2021/22 budgets and its Medium Term Financial Plan (MTFP) for the four years between 2021/22 and 2024/25, it is currently assumed that it will pay £80,850 and £121,220 annually in management fees to SLCT and Active4Today respectively. Payment of £80,850 annually to SLCT assumes that the Trust will contribute £15,000 annually towards the annual overall management fees of £95,850.

6.4 The draft 2021/22 budgets will be brought to the Committee in January 2021 for review.

7.0 Community Plan – Alignment to Objectives

7.1 The provision of the Council's high quality and accessible leisure centres makes a significant contribution to the health and wellbeing of members of the community. Specifically the role that Active4Today performs for the Council by operating the leisure centres and sports development function attracts regular users each year thereby assisting the Council in the achievement of its objective to 'Improve the health and wellbeing of local residents'.

8.0 RECOMMENDATIONS that:

- (a) the Committee consider the draft themes for the Active4Today Draft Business Plan 2021/2022 and make any representations to the Company via the Authorised Officer;
- (b) the performance up to period 7 (to 31st October 2020) be noted; and
- (c) Active4Today provides the January committee meeting with its latest in-year financial position and full year forecast in order that the Committee can form judgements on the appropriateness of further financial contributions.

Reason for Recommendations

To ensure the company is delivering the outcomes required by the Council in the most efficient and effective way.

Background Papers

Nil

For further information please contact or Matthew Finch on Ext 5716 or Andy Hardy on Ext 5708

Matthew Finch
Director – Communities & Environment

**LEISURE AND ENVIRONMENT COMMITTEE
17TH NOVEMBER 2020**



UPDATE REPORT 1ST APRIL – 31ST OCTOBER 2020

1. REPORT PURPOSE

- 1.1 To provide the Leisure and Environment Committee with an update of the business of Active4Today, since reopening on 25th July 2020, as Covid-19 restrictions were lifted. This will include a financial update since the report to the Leisure and Environment Committee in September and a performance report.

2. BACKGROUND

- 2.1 The Committee will be aware that the Active4Today operation to customers, ceased at close of business on 17th March 2020. This followed an unprecedented lockdown of the United Kingdom, with many businesses only just beginning to emerge from a position of closure. The lockdown closed the leisure industry for approximately 18.5 weeks, until it was lifted on 25th July 2020.
- 2.2 Following the closure, all staff were furloughed, with the exception of the Systems Manager, Company Accountant and Managing Director. Throughout the furlough period, all legislative checks were undertaken weekly at all facilities, the membership and communications were continued to all staff and customers, the financial position of the Company was monitored weekly and the development of a re-opening plan was undertaken, in readiness for the eventual opening of the facilities.
- 2.3 As previously advised during the September meeting of the Committee, the largest loss to the Company was membership income, which was estimated at approximately £1.125m until 31st July 2020, based on the 2019-2020 budget position forecast.
- 2.4 The next largest loss was the employee's salaries. The Company is now currently in the process of claiming its 6th furlough payment, to the value of £3k. The Committee will note this is now a very small amount due to only limited staff now being on either full or part furlough.
- 2.5 Income has been received to date in the form of 50% (£60,610) of the management fee from NSDC, 100% (£80,850) of NSDC's contribution of SLC's management fee and a £25k Government grant to support small businesses.
- 2.6 As a result of the report during September, the Council has agreed to support the Company up to the value of £490,000, which is a proportion of the Company's estimated annual

losses, as a result of the Covid Pandemic. As part of this agreement, the Company was required to contribute £200,000 of its own reserves, to meet the expected in-year deficit.

- 2.7 Whilst this is a large proportion of the Company's reserves, it is a valid reason for its use and would leave the Company with approximately £200K in reserve, to support future repairs, developments, or other emergencies. It is hoped that when the business returns to a 'normal' operating environment, the Company can once again start to contribute back to the reserve fund and build this back up to a sustainable amount.
- 2.8 At the stage the Company requested the support from the Council, the finances were prepared, acknowledging that the environment which customers will return to, will have several new operating procedures in place e.g. reduced occupancy in classes, reduced activities available on the programme, increased staffing, increased cleaning costs etc.
- 2.9 In addition, the Committee is reminded that the forecasts were prepared providing the first month free of charge to all returning members of the direct debit scheme, as set out in the previous end of year report. This was agreed as part of the retention of members and assisted with not having to undertake a schedule amendment of 12,000 members, who may have claimed a 'part month' back, due to closing mid-month. The Company had predicted a net loss of 10%, against an industry prediction of approximately 40%, as this was the current membership base at the time of the report. At that stage no finance was collected from customers, with their first direct debit payments not being taken until 1st September 2020. It was noted at the time that September and October would be crucial months for the Company.
- 2.10 In addition, as part of the process for re-opening, the Company developed new policies and procedures, risk assessments, codes of practise, rotas, activities and many other new operating processes, in a bid to try and reassure staff and customers that the business is operating in a Covid Secure environment. This involved discussion with Newark and Sherwood District Council, and Nottinghamshire County Council Local Outbreak team, Sport England, Active Notts and other local authorities across the county.

3. SITUATION UP TO 31ST OCTOBER 2020

- 3.1 Since 25th July the expected live membership base has reduced on the pre-opening forecasted, which was provided at the last meeting. Further information on the breakdown of memberships is presented later within the report, under the performance section. These reduced numbers have further impacted on the estimated annual losses in membership, which if the trend continues, will result in further losses of approximately £150K; this is based on the position as of 31st October 2020. Forecasts have not taken account of the latest position, which will be referenced later in the report.
- 3.2 In addition to the potential financial loss of memberships, pay and play income is also lower than expected in comparison to where the Company expected it to be in July. This is due to

the restrictions from sports governing bodies impacting on the block bookings. If trends continue, these losses may result in a further annual loss of £50k of this income stream. This reduction in pay and play is mainly from the pay and play fitness suite usage currently and the dryside usage from clubs and organisations who have not returned to operations as we expected. These were expected to return during November not only within the leisure centres, but also in the partner sites where several of the clubs bookings would have been located.

- 3.3 To support the losses in income, the Company has undertaken extensive remodelling of staffing. This has returned an estimated saving for the year of approximately £310K. This is a £147K increase from the Leisure and Environment Committee report presented in September, as the Company reacted to the reduction in memberships, by changing programmes, reducing activities and rebranding several sessions into structured classes which reduces the amount of staff required. Savings have been realised in reception, leisure attendant, operations management and fitness instructors and classes.

4.0 FINANCIAL HEADLINES UP TO 31ST OCTOBER 2020

- 4.1 Set out in the table below, A4T has provided the current financial position of the Company, which is monitored by the Board, as part of its role in managing the operations of the Company. The table below shows the original, revised and profiled budgeted income and expenditure up to period 08, set against actual income and expenditure for the same period. However, as stated further in the report, this will now require revising again, as a result of the latest round of restrictions:

	Original 2020-2021 budget: income/exp	Full Year revised: 31.10.2020	Variance to 2020-21: original budget
Total income	3,097,920.00	1,992,453.00	-1,105,467.00
Staff	2,165,750.00	1,855,853.00	309,897.00
Premises	498,590.00	315,578.00	183,012.00
Supplies and services	708,700.00	556,417.00	152,283.00
Total expenditure	3,373,040.00	2,727,848.00	645,192.00
Surplus/Deficit	275,120.00	735,395.00	-460,275.00

- 4.2 Below are the highlights from the financial information, in a bid to provide some narrative for the Committee, including the variances from the original budget.

Other Income – this line represents the furlough payments received by the Company to date, with an estimation for the payments not yet claimed e.g. September and October. In addition, the grant of £25k from the Government is also contained within this line. This line

of income also includes an estimated £55k, which is the amount the Company is expecting to receive from the furlough return to work scheme, in January 2021.

Other Income (management fees) – this section represents the income which has come into the Company from management fees associated with Southwell Leisure Centre Trust and Newark and Sherwood District Council. As set out above in 2.5, to date the Company has received an upfront payment from the Council of 50% of the expected management fee for 2020-2021, which totalled £60,610 and 100% of NSDC's contribution of SLC's management fee, which totalled £80,850.

Total Income – as the Committee will see, there is a shortfall in the total income expected for the year of over £1.1m. This is approximately a third of the expected income, which was originally forecast within the budget. This is due to losing 5 months' worth of income, as well as the after effects of a lower than expected starting point, due to the cancelled direct debit members, which began to come through in January, February and March 2020.

Staffing – as set out above in paragraph 3.3, there is an overall expected saving in this group of £310k. This is due to the reasons set out above and also the reduction in relief staffing, due to no holiday cover or sickness cover being required in quarter 1. This line does not take into account the income received from furlough, as this is represented in 'other income', as set out above.

Premises – this section of the budget has been reduced by £183k, over various budget lines e.g. repairs and maintenance and utilities. These reductions have been made due to the closure for quarter 1 and assumptions going forward regarding reduced repairs due to lower usage in the sites. This area of the budget may fluctuate as usage changes, however, the estimate made has provided a small margin of tolerance in a bid to meet small changes in demand.

Supplies and Services – this section of the budget has been reduced by £152k, over various budget lines e.g. contractual services, reduced equipment costs, reduced printing and stationary. Reductions in VAT have also been accounted for, which are intrinsically linked to the repairs and renewals e.g. if there is less spend on repairs and renewals, this translates to a reduction on the VAT associated with the works. Finally the support services has also been reduced, as a large proportion of the repairs and renewals work was facilitated by the Council's asset management business unit, which attracted an associated percentage cost. As less work is being undertaken on repairs and renewals, the support services costs should reflect a saving in asset management costs.

Total Expenditure – in totality, there has been a reduction in expenditure over all codes of £645k, to support the expected loss of income.

Transfer from Balances – this line represents the expected shortfall between income and expenditure for the Company, for the financial year 2020-2021. This is currently being forecasted at £735k short for the year. Based on the shortfall above, the Company would pay £200K of this and £490K would be met by the Council. This currently leaves a shortfall of £45K, which the Company is currently working on reducing, through either further expenditure reductions, or increase income generation. This will be monitored closely over the coming weeks.

Reserves – currently the Company holds approximately £397K in reserve. The Company agrees to use £200K of its reserve to support the in-year expected shortfall, (with the Council providing £490K) it would leave the Company with an estimated £197K in reserve.

5.0 USAGE PERFORMANCE

- 5.1 The Committee will be aware, the performance for the Company is monitored against an agreed set of indicators. These indicators have been used for the past several months, which has allowed for comparative data to be available. Attached at appendix 2, is the indicators for the Company.
- 5.2 In addition to the quantitative data provided, more qualitative performance is provided at appendix 3, regarding the performance of the Company's Sports Development team. Whilst activities have taken place since July 25th, when the facilities reopened, this has been a reduced offer, as only one member of the sports development team has been taken of furlough. This is due to the work streams of the individuals being varied and only one member of the team could undertake work which would support the operations of the business. Other team members deal predominantly with schools, clubs (not based within leisure centres) and vulnerable groups and many of these have not returned to 'normal' operations; this resulted in three members of the sports development team remaining on furlough.
- 5.3 As previously reported to the Committee, the membership base for both adults and children at all sites, had been on a decline since December 2019, with the main reduction in membership being experienced at NSFC. This was, as a result of a large national competitor opening a new branch of their fitness gym in Newark during November. However since December 2019, significant cancellations began to take place, as a result of the Covid-19 pandemic.
- 5.4 Whilst this relates to the 2019-2020 financial year, the starting base is then affected, moving into 2020-2021. For the last 3 months of 2019-2020, the membership base across the Company reduced by 713 memberships, with the original target being 8,946 and the actual membership achieving only 8,233.

5.5 The data in the table below details the performance from March 2020 in comparison to target and March 2019.

Site	Type	Actual at March 2020	Target	Variation between actual & target	Comparison to March 2019	Variation to previous year
BLC	Adult	808	816	-8	830	-22
DLC	Adult	908	900	+8	933	-25
NSFC	Adult	4,257	4,720	-463	4,693	-436
BLC	Child	26	0	+26	29	-3
DLC	Child	256	300	-44	302	-46
NSFC	Child	1,978	2,210	-232	2,180	-202
Totals		8,233	8,946	-713	8,967	-734

5.6 Even though the centres closed during mid-March, the direct debit had been collected and so figures remain comparable regarding paying members. Members will note, all areas had felt the significant effects of Covid-19 culminating in a 713 loss in year and a 734 loss of membership compared to the same period in 2019.

5.7 As a result of the above, A4T staff focused on contacting as many cancelled members before the closure on 18th March and through that communication, customers were reassured that a free 'freeze' on the membership was the preferred option and no further payments would be taken until one month after reopening. Although the majority of staff were furloughed during the closure period, staff in the Memberships and Finance dealt with customer enquiries, with some successes in reinstating direct debits.

5.8 During July, as notice was given that the leisure centres would be opening, numbers began to reduce once again; this was surprising as at this stage no finance was being taken from members, so there was no need for customers to cancel. However, despite the efforts of the Company, many members continued to cancel their memberships, either with the Company or direct with the bank. The targets in the table were estimates provided as part of the reopening process and not those originally linked into the budget setting process. This is as a result of the large period of closure and the original targets now being unrealistic.

Site	Type	Actual at July 2020	Target	Variation between actual & target	Comparison to July 2019	Variation to previous year
BLC	Adult	667	706	-39	837	-170
DLC	Adult	745	712	+33	934	-189
NSFC	Adult	3,502	3,792	-290	4,775	-1,273
BLC	Child	16	0	+16	31	-15
DLC	Child	224	216	+8	280	-56
NSFC	Child	1,749	1,729	+20	2,189	-440
Totals		6,903	7,155	-252	9,046	-2,143

5.9 Following reopening of the centres on 25th July, a number of communications were sent out to the public on social media and to home addresses to confirm that the first direct debit payment would be taken on 1st September. This is a requirement of BACS legislation, which govern the direct debit operations. This, in turn, generated another spell of cancellations which impacted on the first collection in September.

5.10 The table below demonstrates the current performance of memberships, between actual and targeted memberships in October and this has then been compared to the same period in October 2019. The targets were increased slightly for September onwards as it was forecasted that more customers would return and new sales would begin to take place.

Site	Type	Actual at October 2020	Target	Variation between actual & target	Comparison to October 2019	Variation to previous year
BLC	Adult	596	762	-166	807	-211
DLC	Adult	630	781	-151	932	-302
NSFC	Adult	3,070	3,913	-843	4,726	-1,656
BLC	Child	12	0	+12	29	-17
DLC	Child	189	218	-29	266	-77
NSFC	Child	1,523	1,916	-393	2,130	-607
Totals		6,020	7,590	-1,570	8,890	-2,870

5.11 This current level of adult membership at BLC and DLC has not been experienced since before the recording of the membership data began in March 2014; since this date, both sites had maintained a steady membership base between approximately 800 to 1100 members in the last 6 years.

5.12 The current level of adult membership of 3,070 at NSFC was last experienced in May 2016 (3,063), a month after the new leisure centre opened and members moved from the Grove Leisure Centre. The centre then steadily rose to a peak of 4,775 adult members in July 2019. This reduction is extremely disappointing after the hard work of the staff over the last 4 years since the centre opened. However, that said, these are unprecedented times and figures like this are being experienced in many business across the country e.g. cinemas, pubs and restaurants, retail and many other businesses have still not opened for business yet, including many museums, theatres and music venues. In addition, the leisure industry as a whole is reporting losses in the region of 40 - 60%.

5.13 Based on the figures above, the memberships are down against target for October by approximately 21%, which equates to a loss of 1,570 members. In comparison to 2019, this figure is down by approximately 33%, with a loss of 2,870 members. Whilst these are significant figures, this still represents a good level of memberships across the Company and is a substantially lower as a percentage loss, than several other operators within the industry.

- 5.14 The comparison of the BLC adult membership base to October 2019 has reduced by 211, and did not achieve the revised target of 762 members (-166).
- 5.15 The current number of adult members at DLC is much lower than the same period in 2019 and as BLC, DLC did not achieve the revised target of 781 (-151).
- 5.16 Despite this significant reduction of memberships, work has continued within the Company to maximise the membership sales for retention and new members. A promotional plan has been developed during the closure period and the specific campaigns and marketing is being delivered to a variety of locations across the district.
- 5.17 Whilst the performance detailed above for October presents a disappointing position against target and previous performance, there has been some slight growth in memberships from September to October, totalling +98 across all membership types and sites, which is encouraging.
- 5.18 Due to the new operational procedures put in place to ensure the buildings are Covid secure, the capacity of children's course places has been substantially reduced for children who were accessing multiple sessions. Children are now limited to a maximum of two sessions per week, one wet and one dry. This has, in turn though, reduce staffing costs considerably, whilst allowing children to still be active in a safe and enjoyable activity following National Governing Body guidelines.
- 5.19 Work is currently taking place to assess the net position of costs against income, with regards to the saving of staffing against the loss of income. Currently this approach offers a very good option for parents and the Company, as there is presently no latent demand for any children's activity at any site. This is a position that the Company has never experienced previously and is once again a reflection of the environment we are currently operating in.
- 5.20 As expected the number of user visits across all sites has experienced a large decrease since reopening. This, in part, can be demonstrated from the decline in membership as described above, however it can also be explained by the delay in guidance issued from National Governing Bodies, which has meant that club bookings were delayed in returning. The regular bookings using all sites, including partner sites, accounted for vast levels of usage, as well as income. In addition to the reduction in club usage, usage figures have also been impacted on through reduced capacity of the buildings, classes and children's courses.
- 5.21 Up to and including October 2019 (from 1st April 2019), user visits across sites reached 525,750 however in comparison to the same period in 2020, as expected, the number of users was significantly less, achieving 137,487, a reduction of 388,263.
- 5.22 The return of over 60's age group to the buildings has been lower than expected, which corresponds with the reduction in Activo 60 memberships. The reasons for this anecdotally

is due to the potential medical conditions which users in this age group may experience. In addition, the added risk, which may occur in entering a building with multiple persons in the same facility. This is despite the reassurances from our staff and press releases highlighting our changes in operations to ensure the centres are Covid secure. The user visits for the period in this age group for July, August, September and October 2020 was 12,301 compared to 50,550 for the same period in 2019.

5.23 The return of children to the centres has been significantly reduced. The number of under 16's user visits in July, August, September and October was 40,114, picking up a little once the schools returned in September, compared to 171,438 for the same period in 2019.

5.24 Due to the nature of the close contact and the medical conditions of customers that have been referred from GP's and health professionals, the Company did not accept any new referrals before 7th September. This restarted with customers being contacted to arrange their first visit and sign up to the subsidised membership. There were 13 referrals received during the period; with reassurances from staff, there were 3 individuals that signed up to the membership scheme.

6.0 CURRENT UPDATE FROM 1ST NOVEMBER 2020

6.1 As the Committee will be aware, greater restrictions were announced by the UK Government on Saturday 31st October, which would come into place at midnight on Wednesday 4th November 2020.

6.2 Unfortunately, these restrictions once again affected the functions of Active4Today Ltd and meant that at 21:00 on 4th November, the operations of the Company ceased until further notice. As a result of the latest restrictions, with the exception of 5 staff, all other members of staff have been furloughed. The staff who are remaining will be dealing with:

- Communication and support for staff
- Direct debit member enquiries
- Legislative checks
- Development of plans for reopening
- Essential maintenance
- Finance, payroll and budget forecasts
- Communication to the customers
- XN software improvements, ready for reopening
- Communication and liaison with the Council
- Continued support for the Dukeries capital project
- Support to Southwell LCT
- Support for County Swimming (School Swimming)

6.3 The Committee will note that one area set out above which is still be supported is County Swimming. This is the continuation of the school swimming programme, which has been allowed to continue as part of the restrictions. Through negotiation with the swimming

programme coordinator, arrangements have been made and they will continue to use Newark Sports and Fitness Centre.

- 6.4 On a positive note, the development of the new swimming pool at Dukeries continues to move ahead and is currently not affected by the current restrictions. Work to the new car park (which formed part of the planning conditions) has nearly been completed, meaning work on the swimming pool could commence. During the last two weeks, foundations have now been dug and the steel framework is expected on site within the next two weeks; this will provide a significant physical change to the facility and begin to showcase the development of the new pool.
- 6.5 Planning has now commenced regarding the programme for the new facility and how this can ensure it reflects the needs of the community. This will be informed through discussion with partners to understand the various groups which exist. Children and families will be a large focus for the programme with an aim to; get more people, more active, more often.

7.0 BUDGET IMPLICATIONS

- 7.1 There are significant budget implications within this report which are highlighted in the body of the report and the attached. This will be reported regularly to the Senior Leadership team of the Council, in order they are fully apprised of the most recent financial position of the Company.
- 7.2 In summary, the Company now faces a further period of closure, which although the majority of the expenditure can be reduced and where possible claimed back e.g. furlough, the Company's income will once again be affected meaning the figures which were provided to the Leisure and Environment Committee in September, will require a further revision to understand the expected deficit and see if further support from the Council, needs to be requested.
- 7.3 Currently, as set out in 4.2 'Transfer from Balances' the deficit for the 2020-2021 financial year is forecast at £735K. This is currently being met from £200K of A4T reserves, supported by £490K from the Council. It is expected, further financial support will be required, however at this early stage, this is not known. Without this financial support from the Council, the provision of leisure centre services by the Company will not be sustainable.

8.0 BUSINESS PLAN 2021-2022

- 8.1 Members will be aware that traditionally at this stage in the year, the Company would bring forward its proposals for the following year's business plan. With the current year being exposed to an initial 18.5 weeks closure, followed by slower than expected take up when the centres reopened, this usual process for business planning has not been able to take place.

8.2 The Company has now gone into a further period of closure, which once again does not provide any certainty with regards to when the business will once again commence operations and also, the size of the operation once it does reopen. In view of this, the Company is proposing at this stage to provide themes which it would like to focus on, with more detailed actions being firmed up with members and officers, as greater certainty is known.

8.3 As a result, the Company is proposing the following themes, based on the current environment and the areas known at this stage. Members will note that the emphasis will change for next year with a clear focus of trying to increase memberships once again, to support the sustainability of the Company. This will be through increased advertising and target marketing, using a variety of different methods, depending on the audience and the market which the Company is focusing on.

8.4 Much of this will also be determined on the 'fall out' from the current situation and the operations of the business when the centres reopen once again.

	AIMS	ACTION
1.	Healthy and active lifestyles	
1.1	Childhood obesity - develop and provide opportunities for young people	a) Co-ordinate a series of free sessions for school children, especially focused around the new swimming pool in Ollerton
1.2	Inactive people - develop and provide opportunities for inactive people	a) Development of water based and swimming activities for all ages at Dukeries Leisure Centre b) Introduce a series of taster activities, with specialist instructors at sites
1.3	NSEC 6-8 - develop and provide opportunities for people living in high NSEC 6-8	a) Introduce 7 day adult passes through a partnership with DWP b) Offer 20 bursaries for persons living in the target areas at both DLC and NSFC, to receive a free membership for 12 months
1.4	Development of the VISPA Academy to provide volunteering opportunities for young people	a) Re-commence with work in the schools to develop volunteering opportunities for children aged 14 and over
1.5	Recognising the mental health issues which may have resulted due to the current situation	a) Working directly with CAHMS and mental health professionals to increase physical activity levels and improve health and wellbeing
2.	Accessible facilities	
2.1	Ensure the programme of community use of the Dukeries Leisure Centre, specifically focused on the development of the new swimming pool during 2020 is fully inclusive	a) Develop a programme which reflects the demographic of the community and provides specific sessions for persons with disabilities through the use of the new 'Pool pod' at the facility b) Provision of staff training to broaden the opportunities available
2.2	Improve community access through partner facilities and put in place SLAs with each partner site.	a) Develop a business case to operate the Samworth Academy in Nottingham and The Suthers School, the new school in Newark
2.3	Improve the range of technology utilised to enhance the customer experience	a) Develop self service functions for accessing bookings and account management, customer engagement and fitness tracking b) Pilot a new meet and greet service at Dukeries when the new swimming pool is in place; removing the traditional 'reception' role c) Introduce a range of 'cashless' entry options for customers Develop a 'cashless' offer for the leisure centres
3.	Financial viability	
3.1	Development of the Dukeries swimming pool and existing facilities	a) Develop a pre-sales campaign for the launch of the new swimming pool, which will increase membership

		<ul style="list-style-type: none"> b) Develop greater awareness of the membership packages in all parts of the community through increased advertising, social media presence and pay per click campaigns c) Develop a corporate offer for businesses in the Ollerton area to showcase the new swimming pool development and provide the benefits of regular exercise to the employee and employer
3.2	Increase junior memberships at the Dukeries LC with the development of the new swimming pool	a) Liaise with schools and other organisations with high numbers of young people, to promote the new swimming pool at Dukeries, providing family sessions as part of the promotion
3.3	Increase adult memberships at all centres	a) Increase the profile at all sites with target advertising, based on greater marketing information, provided by the software system

9.0 EQUALITY & DIVERSITY IMPLICATIONS

9.1 There are no equality or diversity issues. All information will continue to be available in a number of formats in line with Active4Today's access requirements and those set out in the equalities and diversity policy.

For further information please contact Andy Carolan – Managing Director via email on andy.carolan@active4today.co.uk or via telephone by calling ext.

Pentana PI Ref	Active4Today Performance Indicators (incl SLCT)	31st October 2019	31st October 2020	Growth (+) Decline (-)	Comments
HHC_KI108	No. of User Visits - TOTAL	713,180	191,788	-73.11%	Significant reduction of user visits due to the Covid-19 pandemic.
A4T_DI001	No. of Leisure Centre user visits - Children (under 16) - TOTAL	235,238	42,164	-82.08%	Significant reduction of user visits due to the Covid-19 pandemic.
A4T_DI002	No. of Leisure Centre user visits - Aged Over 60 - TOTAL	77,967	19,958	-74.40%	Significant reduction of user visits due to the Covid-19 pandemic.
A4T_DI003	No. of Leisure Centre user visits - Deprived areas - Total users	14,932	3,554	-76.20%	Significant reduction of user visits due to the Covid-19 pandemic.
A4T_DI004	No. of individuals referred to Active4Today from a health professional - Total	299	16	-94.65%	Significant reduction of referrals due to the Covid-19 pandemic.
A4T_DI005	No. of individuals referred to Active4Today from a health professional - Attended Session - TOTAL	172	4	-97.67%	Significant reduction of Gp referral sign ups due to the Covid-19 pandemic.
A4T_DI006	No. of Community Groups supported by Sports Development	104	47	-54.81%	Significant reduction in contact with community groups due to the Covid-19 pandemic and sports development staff remaining on furlough.
A4T_DI007	No. of user visits on Sports Development programmes in deprived areas	0	0	0.00%	There have been no activities taking place in community settings during the last year that are directly delivered by the sports development team. More value is achieved through supporting clubs and voluntary groups to develop more activities to take place and therefore becoming sustainable in the long term. More qualitative detail included in appendix II.
A4T_DI008	Live Leisure Centre Membership base (adults) - Total	8,888	6,007	-32.41%	There has been a significant decrease in the adult membership base across all sites (-2,881) in comparison to October 2019. This data includes SLCT.
A4T_DI009	Live Leisure Centre Membership base (children) - Total	3,816	2,902	-23.95%	A decrease has been seen in the children's membership base compared to the same period last year (-914) across all sites. This data includes SLCT.
A4T_DI014	% Customer Satisfaction - TOTAL	19	63	+231.58%	The customer satisfaction is calculated by an NPS (Net Promoter Score) that is automatically calculated and updated daily based on the survey comments and scores received. Following reopening of the sites in July, the survey sent to customers was amended slightly to reflect the current pandemic and customers were asked 'how likely they are to recommend our centres to someone they know. Giving them an opportunity to tell us how they feel about our new practices since reopening. This provides valuable feedback and enables the team to take necessary action relatively quickly, but also communicate with customers directly to understand their concerns and feedback. Although, the scores given by customers are very subjective at times, the total score benchmarks across a variety of sectors and other operators of a similar status. Feedback has been extremely positive, with many customers extremely disappointed following the second closure.
A4T_DI015	Number of people on concessionary membership	245	166	-32.24%	The number of people taking advantage of the reduced concessionary monthly direct debit has seen a reduction in comparison to October 2019, due to the pandemic.

**PERFORMANCE MANAGEMENT REPORT, FROM 1ST APRIL TO 31ST OCTOBER 2020
SPORTS DEVELOPMENT UPDATE**

Following the closure of the centres on 17th March, the Sports Development officers in the team were furloughed, with no organised sport and activity taking place in community settings.

When the centres reopened, the Inclusion and Engagement Officer (Place) returned on 25th July to rebuild the club network and partner site projects.

Due to the nature of the work undertaken by the Inclusion and Engagement Officer (People) and Active Lifestyles Officer, being about people with specific medical requirements, long term health conditions and disabilities, they have both remained on furlough and will be returning on 1st November.

Since late July, there have been several contacts made with various clubs to support a safe return to offering physical activity to their members and prospective new members.

Staff have been following the latest guidance released by the UK Government as well as the detailed documentation from National Governing Bodies of Sport (NGB's).

A virtual Newark and Sherwood Sports Council has been planned for November and clubs are invited to join remotely. It is hoped that this would be a positive step as traditionally club volunteers are very active in their communities and find it a challenge to attend in person.

This in turn, will develop a series of priorities for clubs as most club activities outside of participating have been put on hold over the summer months. This means that A4T staff are developing different ways to engage and club volunteers to renew safeguarding and first aid certificates to ensure they maintain their Clubmark status and compliance.

There are many sports that are still not yet competing in the leagues and offering very little competitive opportunities for their members.

There are also a number of community based projects linked to NGB developments including a 'Game On' project for Ollerton for juniors to play football. This was originally taking place on the outdoor all weather pitch operated by the Dukeries Academy however due to Covid-19, the School are not allowing any external activities to take place so the activity may move indoors into the leisure centre sports hall to restart the sessions as soon as possible.

Due to the FA national guidance, the indoor walking football sessions that have been taking place at Newark Sports and Fitness Centre for many years have not yet returned however the team have

been working with Newark Town Football Club to take this group of adults under the clubs' banner and offer training outdoors.

There have been many enquiries regarding funding and support and advice has been provided to Newark Castle Archers, Ollerton Town Bowls Club, Newark R&M CC, Southwell Town BC, Coddington & Winthorpe CC, Caythorpe CC, Balderton Cricket Club, Lowdham Parish Council for a variety of different projects, with some submitting an application to the Councils Grant Aid Scheme.

Funding has been secured from Badminton England & Greater Nottingham Badminton Network to fund 50% coaching fees to allow Newark and Sherwood based schools to access quality badminton coaching in school and after school time – with a particular emphasis on schools based in the Sherwood side of the district.

A community basketball project is being developed in partnership with the School Games Organiser, Sherwood Forest Education Trust, Dukeries Academy, Town Council and local coach to access basketball sessions within the community of Ollerton. Local primary school events have previously been well attended, but there is a large drop off at secondary school level. These sessions will be held either in the leisure centre or on the community courts, directly after school time to encourage maximum participation –

Club support and guidance with Covid-19 protocol has been provided to the following clubs who have also booked partner site facilities:

1. Balderton Badminton Club
2. Newark Judo Club
3. Shotokan Karate Club
4. Pro Martial Arts
5. Notts County Cricket – Super 1s (Disability group)
6. Kixx
7. Theatre Train
8. Play Netball
9. Newark Castle Keepers Netball
10. Warriors JFC
11. Pylons Badminton
12. Norwell Badminton
13. Newark Town FC

LEISURE & ENVIRONMENT COMMITTEE

17 NOVEMBER 2020

FLY TIPPING ACTION PLAN

1.0 Purpose of Report

1.1 To inform Members of the challenges in progressing the Fly Tipping Action plan and to agree a new timetable for implementing co-ordinated actions in the district. The report also sets out the impact of Coronavirus on levels of fly tipping and the enforcement response.

2.0 Background Information

2.1 In September 2019 a report was presented to the Leisure & Environment Committee setting out an outline approach to fly tipping. This was in support of the Council's Cleaner, Safer & Greener campaign and the objectives of the Community Plan. The action plan forms part of the 'Not in Newark & Sherwood' Campaign.

2.2 Fly tipping is the illegal disposal of household, industrial, commercial or other "controlled" waste without a waste management licence. The waste can be liquid or solid. Fly tipping is not the same as littering.

2.3 In order to provide a co-ordinated approach to fly tipping and to ensure that a robust and effective plan is in place a 'Fly Tipping Task Group' was established to develop a range of actions across a number of disciplines that provide a framework for future work.

2.4 The task group consists of staff from the following areas:

- Public Protection
- Environmental Services
- Communications
- Legal

2.5 The action plan that has been developed is multi-faceted in that it addresses short, medium and long term solutions across enforcement, education, prevention and public awareness.

2.6 The Task Group was meeting regularly and Members will be aware of some of the actions that have already been implemented. For example the review of the Council's Bulky Waste Collection service has been undertaken and changes to the service are to be introduced in April. A more co-ordinated approach to enforcement has also been implemented with the Community Protection Officers now working more closely with both the Neighbourhood Wardens in the Housing Service and the Environmental Protection Officers in the Waste Team. This approach has already seen an increase in the enforcement activity in relation to fly tipping.

- 2.7 The impact of the coronavirus on the delivery of the actions has been profound. Staff resources have been stretched across much of the Council. The focus within the Waste team has been the delivery of essential services such as refuse collection and the challenge of doing this in a safe socially distanced way. The Public Protection team has had to respond to an increase in demand in many areas as well as advising on and enforcing the coronavirus regulations across the district. Because of this many of the activities set out in the original action plan have been delayed and work has taken place to profile the action plan with a view to starting up the programme in a meaningful way next year.
- 2.8 The proposals for the action plan are set out below.
- 2.9 What was noticeable at the start of the national covid lockdown was an increase in fly tipping. Many factors contributed to this, the closure of the Household Waste Recycling Centres, the reduction in domestic refuse collection and that more people were at home and producing more waste. During this time, we were able to continue the investigation and removal of fly tips. Wherever evidence is found, fixed penalty notices are issued or in the case of large fly tips legal proceedings initiated.
- 2.10 The table below highlights the increase in numbers of fly tips and the weight collected.

Month	Number of Fly tips		Weight of Fly Tips	
	2019	2020	2019	2020
April	97	124	26.32	33.46
May	108	128	33.84	40.18
June	101	123	26.72	45.46
July	110	121	25.89	38.82
August	139	122	29.03	Not yet available
September	85	125	34.16	Not yet available

- 2.11 Since the national lockdown in late March there have been 11 fixed penalty notices issued for flytipping. These have been issued to people responsible for the fly tip but also to householders that have not exercised their duty of care in ensuring that anyone offering a waste service is suitable licensed.

3.0 Proposals

- 3.1 The action plan set out below shows the range of actions that have been developed and the progress so far. It also highlights those that have not been progressed and the intended start time.

Action	Progress	Comments
Re-launch the Council's bulky waste service	Complete	This service was suspended for 3 months due to covid. It was restarted with the agreed reduced prices and demand has increased.

Promotion and advertising of new bulky waste service on the collection vehicle	Postponed	The bulky waste service vehicle were redeployed when the service was suspended. The advertising will be in place when a normal service can be guaranteed.
Promote three free collection days in three communities, to dovetail with the Days of Action	Postponed Demands on essential services have not allowed this to take place	Areas will be identified next year to tie in with days of action. Planning to commence in March 2021
Produce leaflet for tradespeople reminding of the responsibilities of carrying waste and ensuring its proper disposal	Complete/ongoing	Whenever officers visit business they are promoting the message that waste must be disposed of correctly and legally.
Day of Action addressing illegal waste carriers to be carried out in conjunction with the Police	Postponed A second day of action in the western side of the district has been put on hold as it could not be done in a covid secure way.	When circumstances allow this will be arranged in partnership with the police and the Environment Agency
Scrapyard visits with the Police	Postponed Staff resources have not been available for this.	This will be revisited in March 2021
Install 'covert cameras' and signage at key sites	On-going	A trial site is being monitored by mobile CCTV. The layby has seen a reduction in fly tipping.
Negotiate with the County Council and amended access to Household waste sites for trade vehicles	On-going. Positive progress has been made. NCC and Veolia have agreed in principle to open the site in Newark to vehicles not exceeding 3500 kg on a pay as you visit basis. Veolia are undertaking feasibility study to ascertain the implications of this.	The scheme will be monitored and reviewed to ascertain take up and whether it contributes positively to a reduction in fly tipping
Examine feasibility of covert operation for rogue waste collection businesses.	Postponed This is delayed due to availability of partners, limited staff resource and covid secure issues	Review in new year with a view to taking place summer 2021
Approach local social media sites to ensure the irresponsible promotion of 'tip run' requests and services are monitored to prevent the risk of residents falling foul of the law	Postponed Delayed due to covid demands. Staff in Communications and PR have been mainly focused on coronavirus messaging.	This will be kept under review and actions initiated when possible.

Examine feasibility of using Public Space Protection Orders to control fly tipping on Deerdale Lane/Eakring Road	<p>25% complete</p> <p>Good progress being made. An agreement in principle has been reached with the County Council, Forestry Commission and Mansfield DC. The Council's legal team have confirmed that the PSPO can be used for this purpose.</p>	The terms of the PSPO and the way it will operate now need to be developed.
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3.2 Many of the items set out above will not be able to be progressed effectively in the current Covid climate. However, day to day enforcement continues.

4.0 Equalities Implications

4.1 The set of actions likely to be involved in the campaign have been assessed and it is considered that with the exception of the use of covert cameras there are not likely to be any implications.

4.2 If, and when, covert cameras are deployed these will be done in accordance with the information Commissioners Office guidance and the protocols issued by the Surveillance Commissioner.

5.0 Digital Implications

The use of CCTV and associated technologies may be something that is developed in the future but at the moment there are no digital implications associated with this report.

6.0 Financial Implications (FIN20-21/2191)

6.1 The CSG/Enforcement reserve has £15,000 committed to support this work, as agreed in September 2019. This is still available when required.

6.2 The fixed penalty notices generate relatively small amount of income. The penalty is £400 reduced to £200 if paid with 14 days.

7.0 Community Plan – Alignment to Objectives

7.1 Objective 1 of the Community Plan is to 'Improve the cleanliness and appearance of the local environment'. This is supported by the following actions:

- Reduce littering, fly-tipping, graffiti and dog fouling, through a programme of education aimed at changing behaviours.
- Increasing the number/profile of enforcement actions
- Supporting communities to build civic pride and facilitating activities to enable communities to improve their local areas.

7.2 The campaign actions proposed will assist in the delivery of this element of the Community Plan.

8.0 RECOMMENDATIONS

That the progress made on the action plan be noted and to:

(a) Agree the new time table for delivery of the action plan: and to

(b) Support the enforcement actions being taken against fly tipping.

Reason for Recommendation

To allow a sustained and targeted programme to be delivered to reduce the level of fly tipping in the district.

Background Papers - Nil

For further information, please contact Andy Kirk ext 5577 or Alan Batty ext 5467.

Matthew Finch

Director - Environment & Communities

LEISURE & ENVIRONMENT COMMITTEE

17 NOVEMBER 2020

LEISURE & ENVIRONMENT REVENUE AND CAPITAL FORECAST OUTTURN REPORT TO 31 MARCH 2021 AS AT 30 SEPTEMBER 2020

1.0 Purpose of Report

1.1 This report compares the Revised Budgets for the period ending 31 March 2021 with the Projected Outturn forecast for the period, based on meetings with Financial Services staff and the appropriate Business Manager. These are based on six months' performance information on the Council's revenue and capital budgets, including:-

- General Fund (GF) Revenue
- Capital Programme

1.2 It was requested by Members at the Policy & Finance Committee during February 2020 that reports were presented to individual Committees, for noting, for them to understand the financial position of their Committee.

2.0 Background Information

2.1 Attached is the Policy & Finance report to be tabled at 26 November Committee which details the forecast financial position to 31 March 2021 of the Council as at 30 September 2020.

2.2 The current position for the Council is an unfavourable variance of circa £0.537m-£0.737m. This is prior to any return funding from the Nottinghamshire Business Rates Pool, for which S151 Officers across the County are working to review the position.

2.3 The forecast outturn position for the Leisure & Environment Committee is an unfavourable variance of £0.146m. The main reasons for this variance are attached as **Appendix A** to the attached Policy and Finance Report.

2.4 It should be noted that this position is still an indication of the anticipated outturn position, and officers continue to work throughout the year revising their forecasts. Further forecast reports closer to the financial year end will give a more accurate assessment of the outturn position.

3.0 Financial Implications (FIN20-21/7238)

3.1 The financial implications are all contained within the report to Policy & Finance Committee 26 November which is attached to this report.

4.0 RECOMMENDATION

That the contents of the report be noted.

Reason for Recommendation

To inform Members of the proposed forecast outturn position for Leisure & Environment Committee as at 30 September 2020.

Background Papers

Nil

For further information please contact Nick Wilson, Business Manager – Financial Services on Ext. 5317

Sanjiv Kohli
Deputy Chief Executive, Director - Resources and Section 151 Officer

General Fund (GF) Revenue Outturn Variance Analysis by Committee as at 30 September 2020

Favourable variances are bracketed and in red - £(0.123)m. Unfavourable variances are in black - £0.123m.

Economic Development - £0.737m	£'m
Heritage & Culture: reduced income, partly offset by reduced expenditure and additional grant income	0.071
Land Charges: reduced income, due to increase use of Environmental Information Regulations (EIR) requests for free search information, partly offset by increasing number of customers	0.043
Growth/Technical Support: vacant post	(0.025)
Development Management: vacant posts and increased income, largely from a large solar farm application	(0.133)
Planning Policy: reduced staffing spend due to a restructure not being implemented	(0.016)
Newark Beacon: reduced income, largely from workshop rents, catering and hire charges, and small increases in staffing and internet spend, partly offset by less spend on refreshments and catering	0.176
Buttermarket: reduced income, largely because of rent reductions for existing tenants and first floor currently unoccupied	0.034
Former M&S Building: non-domestic rates (NDR) payable for the year due to change in budgeted assumptions	0.081
Surface Car Parks Newark: reduced income, slightly offset by reduced costs of rent and security services	0.488
Newark Lorry Park: reduced income, largely from rent allowances and change in budgeted assumptions, largely offset by over-budgeting of NDR payable.	0.010
Other small variances	0.008
Total	0.737
Homes & Communities - £0.002m	£'m
Private Sector Speech Call: increased income partly offset by increased recharge to Housing Revenue Account	(0.014)
Strategic Housing: vacant Business Manager post largely offset by reduced income from recharges to third parties	(0.013)
ICT: recruitment planned soon for new posts created as part of restructure	(0.019)
Customer Services: vacant posts	(0.035)
Licensing: reduced income, largely from licensing of taxi vehicles and drivers	0.035
CCTV: reduced income due to invoice dispute	0.010
Other small variances	0.038
Total	0.002
Leisure & Environment - £0.146m	£'m
Waste & Recycling: greater than expected increase in number of garden waste collection customers, partly offset by increase in purchase of garden waste bins; reduced income from waste disposal, partly offset by reduced payment to Nottinghamshire County Council; and reduced income from trade refuse, partly offset by increased income from recycling	(0.012)
Environmental Health: vacant posts and reduced spend on mileage, partly offset by reduced income such as from licence and registration fees	(0.062)
Arts & Community Development: reduced spend on activities/events and on services delivered by parish councils and voluntary bodies	(0.010)
Newark Livestock Market: reduced income, largely due to financial performance of old tenant in 2019-20 worse than expected and no rent expected for 2020-21 or to be recovered related to previous years	0.320
Vehicle Pool and Workshop: reduced fuel costs largely offset by increased materials costs on older vehicles; and reduced income such as from MOT's, air conditioning and coaches	(0.015)
Health & Community Relations: reduced staffing spend	(0.009)
Waste & Recycling & Street Scene Street Cleansing: miscoded staffing spend between these teams (Leisure & Environment Committee) and the Environmental Services Management & Street Scene Grounds Maintenance teams (Economic Development Committee) following a restructure	(0.044)
Other small variances	(0.022)
Total	0.146
Policy & Finance - £0.011m	£'m
Elections and Democratic Services: reduced spend on canvasser salaries, mileage and chauffeur services	(0.028)
Senior Leadership Team: vacant corporate projects manager and capital projects manager posts, partly offset by reductions in recharges to third parties	(0.058)
Transformation: post being held vacant	(0.011)
Administration Services: vacant posts	(0.045)
Rent Allowances/Rent Rebates: based on mid-year submission to Department for Work and Pensions (DWP)	0.029
Revenues & Benefits: vacancies against substantive posts of employees seconded to Business Rates Property Unit team, additional unbudgeted grant income, partly offset by reduced summons income	(0.073)
Castle House: reduced income, largely from partners for cost of desk hire, partly offset by reduced spend on security, refreshments and catering	0.070
Corporate Property: vacant posts, and surveyors appointed at lower rates than budgeted	(0.115)
Coronavirus Costs: budget for Housing Revenue Account (HRA) bad debt not expected to be required and less than budgeted spend for working from home (WFH) audits	(0.130)
£400,000 saving budgeted for in-year vacancies council-wide (3.5% of total salaries plus oncosts budget)	0.400
Corporate Management: additional audit fees	0.012
Other small variances	(0.040)
Total	0.011
	0.896

Comparison of budgeted and forecasted 2020/21 use of £1.483m Coronavirus-related government grants

Service	Budgeted use of £1.483m (£m)	Forecasted use of £1.483m (£m)	Variance (£m)
Contribution towards Lorry Park Showers	0.035	0.037	0.002
Additional costs for Waste Management	0.155	0.148	(0.007)
Additional costs for Revenues and Benefits	0.012	0.014	0.002
Rough sleepers	0.010	0.012	0.001
ICT upgrades	0.010	0.010	0.000
Various safety checks	0.011	0.011	0.000
Hand wash & wipes	0.021	0.012	(0.009)
Face masks	0.001	0.003	0.002
Signs	0.004	0.004	0.000
Miscellaneous	0.005	0.012	0.007
Additional cleaning	0.062	0.062	0.000
Reintegration to Castle House for officers' information pack	0.001	0.001	0.000
Additional lanyards	0.000	0.000	0.000
Letter to residents within the District that were shielding	0.008	0.008	(0.000)
Queue barriers	0.001	0.001	0.000
Sneeze screens	0.019	0.019	0.000
Movement of urinals and boiler	0.000	0.000	0.000
Blidworth Leisure Centre safety shutdown	0.000	0.000	0.000
Additional security	0.016	0.029	0.013
Additional risk assessments	0.014	0.014	0.000
Void Housing Revenue Account (HRA) properties	0.012	0.000	(0.012)
Beacon drop-in centre	0.005	0.005	0.000
Hire of vehicles	0.018	0.015	(0.003)
Temperature equipment	0.004	0.004	0.000
Humanitarian Assistance Response Team (HART)	0.025	0.017	(0.008)
Reopening High Streets Safely Fund	0.025	0.025	0.000
Working from home (WFH) audits	0.075	0.030	(0.045)
Contribution to Active4Today	0.490	0.490	0.000
Buying back annual leave from employees	0.050	0.050	0.000
Air handling unit	0.001	0.005	0.004
Banners/communications materials	0.002	0.005	0.003
Post-payment assurance work re: Business Grants	0.004	0.004	0.000
Allocation towards GF bad debt provision	0.100	0.100	0.000
Allocation towards HRA bad debt provision	0.100	0.000	(0.100)
Unallocated	0.026	0.000	(0.026)
Contribution towards service unfavourable variance	0.160	0.160	0.000
Spend to be reallocated to services above	0.000	0.045	0.045
Total	1.483	1.351	(0.132)

General Fund Additions

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TC3139	Appletongate Resurfacing	0.027	As per urgency item
Total General Fund Additions/Reductions		0.027	

General Fund - Reprofiting

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
TA3286	Technology Investment	0.033	Reprofile hardware purchase from 2021/22
TF3227	Lowdham Flood Grant	-0.200	Lowdham professional partners update set out the programme for flood alleviation works and our contribution is now required in 2022/23.
Total General Fund Re profiling		-0.167	

HRA - Reprofiting

Project	Capital Description	Additions / Reductions 20-21 £m	Comments
SA1047	New Build Programme Contingency	-0.008	Move to Phase 2 Cluster 1 Stand Alone
SA1060	Phase 3	-3.899	Move to two new clusters in phase 3 SA1063 & SA1064 below
SA1061	Phase 3 - Cluster 1 Stand Alone	0.008	Move from Contingency
SA1063	Phase 3 - Cluster 3	1.699	Move from SA1060 original budget code
SA1064	Phase 3 - Cluster 4	2.200	Move from SA1060 original budget code
SA1070	Phase 4	-1.000	reprofile budget to 2021/22
Total HRA Re profiling		-1.000	
Total Re profiling		-1.167	
Total Variations		-1.140	

General Fund - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TC3130	Lorry Park Shower Upgrade	R Churchill	45,400	45,400	19,000	0	26,400	45,400	0	07.08.20 urgency item during August to increase the budget in order to provide additional showers to make site COVID-secure.
TC3131	Extension to London Road Car Park	B Rawlinson	107,407	107,407	0	0	107,407	107,407	0	07.08.20 scheme currently on hold.
TC3134	Works to SFACC	R Churchill	23,560	23,560	-31,697	18,461	36,796	23,560	0	07.08.20 Robert to look into the works that are required for phase 2.
TC3135	Works to Buttermarket	P Preece	870,053	870,053	64,045	30,963	775,044	870,052	0	07.08.20 Ground Floor work to be completed by the end of October. Then revisit First Floor PID.
TC3139	Works to Buttermarket	P Preece	0	27,060	0	0	27,060	27,060	0	07.08.20 Ground Floor work to be completed by the end of October. Then revisit First Floor PID.
TA3053	Museum Improvements	C Coulton-Jones	211,808	211,808	0	62,967	148,842	211,809	0	07.08.20 now have visitor research report - final phase of improvements inc instalation into tudor attic. Impacted by Tudor Hall scheme below and all on hold due to COVID.
TA3056	NCWC Tudor Hall	C Coulton-Jones	200,000	200,000	0	0	200,000	200,000	0	07.08.20 currently obtaining quotes.
TB3154	Castle Gatehouse Project	C Coulton-Jones	4,025,150	4,025,150	0	967	4,024,183	4,025,150	0	
TB6161	S106 Vicar Water Play Area Improvements	A Kirk	38,296	38,296	38,296	0	0	38,296	0	07.08.20 scheme nearly complete.
TI1001	Joesph Whittaker School Contribution	M Norton	620,000	620,000	0	0	620,000	620,000	0	
	Economic Development Committee		6,141,674	6,168,734	89,644	113,358	5,965,732	6,168,734	-0	
TA3286	Information Technology Investment	D Richardson	543,330	576,330	224,772	213,947	137,610	576,330	0	
TF2000	CCTV Replacement Programme	A Batty	150,500	150,500	0	0	150,500	150,500	0	24.09.20 £10k funding from Safer Neighbourhoods for x2 redeployable cameras
TA3097	Yorke Drive Regeneration and Community Facility	C Clarkson	130,000	130,000	0	0	130,000	130,000	0	10.08.20 Heads of terms and consultants appointment to deliver enabling works agreed.
TF3221	Southwell Flood Mitigation	A Batty	453,421	453,421	0	0	453,421	453,421	0	
TF3227	Lowdham Flood Alleviation	A Batty	200,000	0	0	0	0	0	0	16/10/20 Lowdham professional partners update set out the programme for flood alleviation works and our contribution is now required in 2022/23.
TF3228	Homeless Hostel	L Monger	1,000,000	1,000,000	156	98,231	901,613	1,000,000	0	07.08.20 need to reprofile budget. went our for expression of interest in April and wasn't a great response - so further work to be carried out. start on site could be early 2021. 14.10.20 Feasibility and outline designs with outline planning currently being progressed and procurement for main contract due to commence January 2021. Will review budget profile in Q3.
TF3229	Bicycle Storage - Safer Neighbourhoods	A. Batty	34,000	34,000	0	0	34,000	34,000	0	24.09.20 Safer Neighbourhoods Funding 16.10.20 Discussions taking place around types of storage.

Project	Capital Description	Project Manager	Revised Budget 20-21 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
TF6011	Private Sector Disabled Facilities Grants	A Batty	761,782	761,782	91,900	8,077	661,805	761,783	0	16/10/20 26 completions to date and 23 approved, waiting to start on site and 29 referrals being worked on. Unlikely to spend the full year budget, but will review in Q3.
TF6012	Discretionary DFG	A Batty	140,000	140,000	41,187	0	98,813	140,000	0	
TF6020	Flood Grants - 2020 - 2022	A Batty	250,000	250,000	0	0	250,000	250,000	0	14.09.20 Grants offer from DEFRA up to £5k per household for flood mitigation. Expected around 100 households. Will review budget each quarter.
TF6807	Warm Homes on Prescription	L Monger	179,939	179,939	2,611	11,312	166,017	179,939	0	12.08.20 since the beginning of the financial year, only emergency work is being carried out until the recovery group approve restarting business as usual. Currently £33k committed for urgent work. Revisit the budget and potential rephasing in Q2.
TF6809	Fairholme Park (Ollerton) Conversion to Mains Gas	L Monger	97,488	97,488	0	0	97,488	97,488	0	12.08.20 44 Gas connections completed and home surveys delayed due to COVID but have recommenced in August. Invoices expected following completion of work.
	Homes & Communities Committee		3,940,460	3,773,460	360,626	331,567	3,081,267	3,773,460	0	
TA1215	Leisure Centre Car Park Extension	A Hardy	0	0	-5,814	5,138	676	0	0	
TA1216	Dukeries LC New Pool	A Hardy	2,928,852	2,928,852	28,849	2,017,308	882,695	2,928,852	0	07.08.20 start on site due 1.9.20. 16.10.20 work started and progressing well, with regular site meetings.
TA1217	Southwell Leisure Centre Improvements	A Hardy	1,500,000	1,500,000	0	0	1,500,000	1,500,000	0	07.08.20 conversations are taking place with SLCT with a view to an update report to P&F. Feasibility and business case to do.
TA1219	S106 - Blidworth LC Steam & Sauna Facility	R Churchill	23,754	23,754	16,504	0	7,250	23,754	0	07.08.20 Scheme is complete, snags to do.
TA1220	Vehicular Access Control at Newark Sports and Fitness Centre	R Churchill	16,680	16,680	0	0	16,680	16,680	0	15.09.20 Installation of security barrier on Lord Hawke Way to control unauthorised access to Newark Sports & Fitness Centre.
TB2253	Vehicles & Plant (NSDC)	A Kirk	945,410	945,410	23,800	386,460	535,150	945,410	0	07.08.20 most of the vehicles in the replacement programme are on order. Brown bins purchase part completed in 2019/20, final payment to be made in September.
TB6153	Cricket Facilities Kelham Rd - S106	A Hardy	0	0	0	0	0	0	0	
TB6154	S106 Community Facilities Provision Community & Activity Village	A Hardy	156,183	156,183	0	0	156,183	156,183	0	07.08.20 payable on commencement of phase due, due October 20.
TB6162	Loan to Newark Academy	A Hardy	240,000	240,000	0	0	240,000	240,000	0	07.08.20 school unable to accept the loan. Need to seek alternative.
TB6163	S106 Community Facilities Provision Clipstone Welfare	A Hardy	66,385	66,385	0	0	66,385	66,385	0	
TC3136	Climate Change	M Finch	30,000	30,000	0	0	30,000	30,000	0	
TC3137	Brunel Drive Door Entry System	A Kirk	42,227	42,227	16,270	12,484	13,473	42,227	0	07.08.20 fire alarms still to be complete, will be complete by early September.

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	Leisure & Environment Committee		5,949,491	5,949,491	79,610	2,421,390	3,448,492	5,949,492	1	
TC1000	New Council Offices	R Churchill	286,025	286,025	151,826	15,375	118,824	286,025	0	07.08.20 final retention release due during August.
TC2000	Land Acquisition	R Churchill	1,090,760	1,090,760	0	0	1,090,760	1,090,760	0	07.08.20 relevant deals are being progressed.
TC3016	Legionella Remedial Works	R Churchill	133,412	133,412	24,416	57,649	51,347	133,412	0	07.08.20 scheme due for completion by 1st October
TC3138	Lord Hawke Way Remedial Work & Bond	E Langtry	384,150	384,150	24	0	384,126	384,150	0	
TG1002	Contribution to Robin Hood Hotel	R Churchill	2,591,610	2,591,610	939,100	0	1,652,510	2,591,610	0	07.08.20 back in site now following lockdown. Due to reach PC in Feb 2021
TG1003	Loan to Arkwood Developments	N Wilson	11,409,849	11,409,849	0	0	11,409,849	11,409,849	0	
TT	Towns Fund	M Lamb	750,000	750,000	0	22,067	727,934	750,001	1	
	Policy & Finance Committee		16,645,806	16,645,806	1,115,366	95,090	15,435,350	16,645,806	0	
TOTALS			32,677,432	32,537,492	1,645,246	2,961,405	27,930,841	32,537,492	0	

HRA - Spend against budget - Estimated in year

Project	Capital Description	Project Manager	Revised Budget 2021 (Following P&F 24.09.20)	Revised Budget including Variations for Approval	Actuals to end of September	Current outstanding orders	Additional anticipated spend in year	Total Projected spend in year	Variance	Comments - Spend to date
PROPERTY INVESTMENT PROGRAMME										
S91100	ROOF REPLACEMENTS	A Hayward	0	0	0	0.00	0	0	0	
S91115	Roof Replacement Works	A Hayward	200,000	200,000	-5,143	205,143.03	0	200,000	0	04.08.20 starting work end of Aug complete by Dec 20 15.10.20 work is progressing, started end of Sept. Three sites currently.
S91116	Flat Roof Replacement Wrk	A Hayward	200,000	200,000	72,067	127,932.92	0	200,000	0	04.08.20 47 flat roof replacements completed to date.
S711	ROOF REPLACEMENTS		400,000	400,000	66,924	333,075.95	0	400,000	0	
S91200	KITCHEN & BATHROOM CONVERSIONS	A Tutty	0	0	0	0.00	0	0	0	
S91218	Kit & Bathrooms	A Tutty	1,500,000	1,500,000	235,295	675,540.20	95,350	1,006,185	-493,815	04.08.20 work restarted in July. Not expecting to spend the full budget due to delay in starting but this is revisited every month.
S712	KITCHEN & BATHROOM CONVERSIONS		1,500,000	1,500,000	235,295	675,540.20	95,350	1,006,185	-493,815	
S91300	EXTERNAL FABRIC	G Bruce	100,000	100,000	0	0.00	100,000	100,000	0	13.10.20 Plans to spend this on further external works in the latter half of the year.
S91336	External Fabric Works	G Bruce	200,000	200,000	24	200,000.00	0	200,024	24	04.08.20 contract awarded. Start work mid August. 13.10.20 started on site, first valuation received.
S713	EXTERNAL FABRIC		300,000	300,000	24	200,000.00	100,000	300,024	24	
S91400	DOORS & WINDOWS	D Bamford	0	0	0	0.00	0	0	0	
S91412	Doors & Windows Works	D Bamford	170,000	170,000	266	169,132.26	601	170,000	-0	04.08.20 57 properties due to be completed in this year. 13.10.20 105 doors on the list for quotes with the contractor now, but work is currently happening slower than anticipated.
S714	DOORS & WINDOWS		170,000	170,000	266	169,132.26	601	170,000	-0	
S91500	OTHER STRUCTURAL	G Bruce	50,000	50,000	4,756	16,010.00	29,234	50,000	-0	13.10.20 works being carried out across the district
S91511	Walls Re-Rendering	M Carman	0	0	4,526	0.00	0	4,526	4,526	
S91534	Gutter Repairs	A Hayward	50,000	50,000	0	50,000.00	0	50,000	0	15.10.20 work completed.
S715	OTHER STRUCTURAL		100,000	100,000	9,281	66,010.00	29,234	104,525	4,525	
S93100	ELECTRICAL	A Hayward	0	0	0	0.00	0	0	0	
S93115	Rewires	A Hayward	600,000	600,000	50,749	520,902.25	28,348	600,000	-0	04.08.20 8 rewires following start in July. Expected to spend full budget. 15.10.20 74 rewires completed to date.
S731	ELECTRICAL		600,000	600,000	50,749	520,902.25	28,348	600,000	-0	
S93500	HEATING	D Bamford	0	0	0	0.00	0	0	0	
S93510	Heating/Boilers	D Bamford	550,000	550,000	94,514	416,909.38	38,576	550,000	-0	04.08.20 147 properties currently with the contractor. 13.10.20 176 ordered and currently 66 completed replacement boilers with 6 on hold.
S735	HEATING		550,000	550,000	94,514	416,909.38	38,576	550,000	-0	
S93600	ENERGY EFFICIENCY	D Bamford	0	0	0	0.00	0	0	0	
S93624	EE Boilers	D Bamford	150,000	150,000	16,378	0.00	133,622	150,000	-0	13.10.20 replacements are on programme.
S736	ENERGY EFFICIENCY		150,000	150,000	16,378	0.00	133,622	150,000	-0	

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S95100	GARAGE FORECOURTS	A Hayward	0	0	0	0.00	0	0	0	
S95109	Garages	A Hayward	25,000	25,000	0	0.00	25,000	25,000	0	15.10.20 tendered and contractor chosen to replace garage doors (25)
S95115	Resurfacing Works	A Hayward	75,000	75,000	74,956	44.34	0	75,000	0	04.08.20 scheme complete
S751	GARAGE FORECOURTS		100,000	100,000	74,956	44.34	25,000	100,000	0	
S95200	ENVIRONMENTAL WORKS	M Carman	150,000	150,000	0	0.00	150,000	150,000	0	13.10.20 Plans to spend this on further external works in the latter half of the year.
S95203	Car Parking Schemes	D Roxburgh	250,000	250,000	0	0.00	250,000	250,000	0	04.08.20 Identified sites as part of the new build programme to satisfy planning conditions - Collingham and Caunton sites..
S95206	Chatham Court Target Hardening - Safer Neighbourhoods	J Davidson/A Batty	50,000	50,000	0	0.00	50,000	50,000	0	24.09.20 Safer Neighbourhoods Funding
S95250	Communal Lighting	M Carman	20,000	20,000	0	0.00	20,000	20,000	0	13.10.20 Three street lights identified for replacements.
S95252	Flood Defence Systems	D Bamford	10,000	10,000	0	0.00	10,000	10,000	0	
S95253	Play Areas	L Powell	20,000	20,000	0	0.00	20,000	20,000	0	04.08.20 Spend due to occur at the back end of the financial year. Agreed to add additional equipment at Cherry Holt. 13.10.20 Current vandalism being dealt with from revenue - reactive repairs.
S95254	Estate Remodelling	D Roxburgh	65,000	65,000	13,054	11,381.00	40,565	65,000	0	13.10.20 fencing works across the district.
S752	ENVIRONMENTAL WORKS		565,000	565,000	13,054	11,381.00	540,565	565,000	0	
S97100	ASBESTOS	A Hayward	0	0	0	0.00	0	0	0	
S97115	Asbestos Surveys	A Hayward	30,000	30,000	2,413	28,220.00	0	30,633	633	04.08.20 surveys continued through lockdown due to essential services
S97116	Asbestos Removal	A Hayward	20,000	20,000	8,478	11,522.35	0	20,000	0	15.10.20 surveys are progressing.
S771	ASBESTOS		50,000	50,000	10,890	39,742.35	0	50,633	633	04.08.20 removals started in May. 15.10.20 ongoing.
S97200	FIRE SAFETY	J Knowles	50,000	50,000	3,341	4,203.00	42,456	50,000	0	
S97218	Fire Risk Assessments	J Knowles	150,000	150,000	0	0.00	150,000	150,000	0	04.08.20 works completed on receipt of risk assessment reports. 13.10.20 out to tender at the moment, due back late Oct.
S772	FIRE SAFETY		200,000	200,000	3,341	4,203.00	192,456	200,000	0	
S97300	DDA IMPROVEMENTS	L Powell	20,000.00	20,000.00	17,531.03	0.00	0	17,531	-2,469	04.08.20 Completed work at Burton Court. Accessible Kitchens being carried out at Community Centres. All budget will be spent. 13.10.20 works at comm centres finished. Remaining budget is required for a stairlift.
S773	DDA IMPROVEMENTS		20,000	20,000	17,531	0.00	0	17,531	-2,469	
S97400	DISABLED ADAPTATIONS	L Powell	0	0	0	0.00	0	0	0	
S97416	Major Adaptations	L Powell	440,000	440,000	94,664	292,726.93	52,609	440,000	0	04.08.20 only external works carried out due to lockdown. It is expected that this budget will be fully spent due to the level of referrals. 13.10.20 upward trend on referrals.
S97417	Minor Adaptations	L Powell	30,000	30,000	5,809	24,191.07	0	30,000	0	04.08.20 until the end July contractor was only carrying our emergency work. Still expect to fully spend budget due to referrals. 13.10.20 spend on target.
S97418	Adaptation Stair Lift/Ho	L Powell	30,000	30,000	18,561	11,109.62	2,799	32,469	2,469	04.08.20 committed full budget. 13.10.20 spend increased on anticipated due to some specialist stairlifts being installed where staircase has a turn in it.
S774	DISABLED ADAPTATIONS		500,000	500,000	119,034	328,027.62	55,408	502,469	2,469	

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S97500	LEGIONELLA	A Tutty	30,000	30,000	0	0.00	30,000	30,000	0	04.08.20 Surveys due to start again during August. Works will be carried out following reports. 13.10.20 Work started on works following surveys.
S791	UNALLOCATED FUNDING		30,000	30,000	0	0.00	30,000	30,000	0	
S99100	PROPERTY INVESTMENT CONTINGENCY	M Carman	50,000	50,000	0	0.00	45,531	45,531	-4,469	
S99102	Housing Capital Fees	M Carman	378,800	378,800	0	0.00	378,800	378,800	0	
S791	UNALLOCATED FUNDING		428,800	428,800	0	0.00	424,331	424,331	-4,469	
	PROPERTY INVESTMENT		5,663,800	5,663,800	712,238	2,764,968	1,693,491	5,170,698	-493,102	
	AFFORDABLE HOUSING						0			
SA1030	HRA Site Development	K Shutt	0	0	0	1,741	-1,741	-0	-0	
SA1031	Site Acquisition (Inc RTB)	K Shutt / J Sanderson	2,038,529	2,038,529	0	750	2,037,779	2,038,529	0	10.08.20 Three sites currently being investigated. 13.10.20 hoping to finalise the three sites by the end of the financial year. Also investigating another site.
SA1032	New Build Programme	K Shutt	0	0	4,275	26,317	-30,592	-0	-0	14.10.20 expenditure to be recoded to specific clusters.
SA1033	Estate Regeneration	C Clarkson	1,085,430	1,085,430	42,643	78,874	963,912	1,085,429	-1	10.08.20 Heads of terms and consultants appointment to deliver enabling works agreed. Continued work to around funding.
SA1034	Former ASRA Properties	C Clarkson	1,074,579	1,074,579	0	0	1,074,579	1,074,579	0	10.08.20 due to delays additional consultation underway with PA tenants with a view to complete Q3.
SA1047	New Build Contingency	K Shutt	117,902	109,802	0	0	109,802	109,802	-0	
SA1048	Boughton Extra Care	K Shutt	5,967,605	5,967,605	1,843,117	3,004,706	1,119,782	5,967,605	-0	10.08.20 back on site but currently only at 70-80% capacity. PC due March/April 2021, then fit out early June. 13.10.20 still on programme.
SA1050	Phase 2 Cluster 1 - Coddington	K Shutt	0	0	-41,885	48,314	-6,429	0	0	10.08.20 retention due by February 2021
SA1051	Phase 2 Cluster 1 - 1-4-1 Coddington	K Shutt	0	0	-26,657	37,156	-10,500	-0	-0	10.08.20 retention due February 2021
SA1052	Phase 2 Cluster 2 - Southwell	K Shutt	0	0	-8,664	8,673	-10	-0	-0	10.08.20 retention due November 2020
SA1053	Phase 2 Cluster 3 - Hawtonville	K Shutt	152,307	152,307	84,782	14,722	52,803	152,307	0	10.08.20 three sites, retention due in September, final site retention won't be due until 2021/22
SA1054	Phase 2 Cluster 3 - 1-4-1 Hawtonville	K Shutt	-0	-0	-15,554	127,877	-112,323	-0	-0	10.08.20 retention due January 2021
SA1055	Phase 2 Cluster 4 - Sherwood	K Shutt	0	0	-22,053	24,397	-2,344	0	0	10.08.20 retention due February 2021
SA1060	Phase 3	K Shutt	3,899,298	0	87,187	163,719	-250,906	0	0	10.08.20 subject to planning approval, 28 further units being progressed. In qrt 2. Sites are quite complex, causing delays compounded by COVID-19 rephase £1.5m budget into 2021/22. 16.10.20 ready to set up the new final clusters in this phase now, with sites being passed over to contractor. Therefore will need to distribute costs accordingly to SA1061-SA1064.
SA1061	Phase 3 - Cluster 1 Stand Alone	K Shutt	1,004,967	1,013,067	886,076	126,992	0	1,013,067	0	10.08.20 progressing - 4 sites, 8 units 4 week extension due to lockdown. Due for completion between August and October. 13.10.20 3 sites completed, 4th due end of November.
SA1062	Phase 3 - Cluster 2 Various	K Shutt	1,594,000	1,594,000	633,766	914,895	45,339	1,594,000	0	10.08.20 progressing - 4 sites, 9 units started on site in May/June. Due for completion between March/April 2021.

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SA1063	Phase 3 - Cluster 3	K Shutt	0	1,699,298	0	0	1,699,298	1,699,298	0	
SA1064	Phase 3 - Cluster 4	K Shutt	0	2,200,000	0	0	2,200,000	2,200,000	-0	
SA1070	Phase 4	K Shutt	2,700,000	1,700,000	0	0	1,700,000	1,700,000	0	10.08.20 pre planning work on phase 4 is being carried out now. 13.10.20 subject to planning permission, will be onsite before the end of March.
SA1080	Phase 5	K Shutt	0	0	0	0	0	0	0	10.08.20 Land acquisitions will ensure delivery of phase 5.
SC2000	Careline Analogue to Digital	S Hartley-Hill	80,540	80,540	0	0	80,540	80,540	0	
	SUB TOTAL AFFORDABLE HOUSING		19,715,157	18,715,157	3,467,034	4,579,133	10,668,989	18,715,156	-1	
	TOTAL HOUSING REVENUE ACCOUNT		25,378,957	24,378,957	4,179,272	7,344,101	12,362,480	23,885,854	-493,104	

LEISURE & ENVIRONMENT COMMITTEE

17 NOVEMBER 2019

MANSFIELD AND DISTRICT CREMATORIUM JOINT COMMITTEE – ANNUAL STATEMENT OF ACCOUNTS

1.0 Purpose of Report

1.1 To present the Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee to the Leisure & Environment Committee.

2.0 Background Information

2.1 The Councillors' Commission at their meeting held on 4 March 2014 requested that the Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee be presented to the Leisure & Environment Committee for consideration.

3.0 Proposals

3.1 The Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee are attached as **Appendix 2** taken from the Committee's Urgency Decision report **Appendix 1**. The report and the relevant Urgency Decision taken during Covid-19 is also attached as **Appendix 3** for information.

4.0 RECOMMENDATION

That the Leisure & Environment Committee note the Annual Statement of Accounts for the Mansfield and District Crematorium Joint Committee.

Reason for Recommendation

In accordance with the recommendation of the 4 March 2014 meeting of the Councillors Commission.

Background Papers

Nil

For further information please contact Nigel Hill, Business Manager Democratic Services on Ext: 5243.

Karen White

Director - Governance & Organisational Development

MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE
7 SEPTEMBER 2020

URGENCY DECISIONS AND CREMATORIUM UPDATES

1. SUMMARY

- 1.1 The purpose of this report is to report to the Joint Committee on urgency decisions taken in light of the Covid-19 Pandemic, and updates circulated to keep Members informed during this time.

2. RECOMMENDATIONS

To be resolved:

- 2.1 That the report is noted

3.0 Background Information

- 3.1 The May meeting of the Joint Committee was cancelled due to the Covid-19 Pandemic. Some urgent decisions were required during this period. Each of the three constituent local authorities has its own urgency procedure, and the required decisions were made on the basis of the three authorities unanimously confirming the decisions under their own urgency procedures.
- 3.2 In order to keep Members of the Joint Committee informed, the Crematorium team circulated updates during this period also.

4.0 Urgent Decisions

- 4.1 In April 2020 it was agreed that during the period of the COVID-19 crisis, and subject to review in 6 months' time, for Mansfield and Ashfield Crematorium to offer direct cremations at £490 after 4pm, to remove the surcharge for Saturday funerals, and extend the operating times on Saturdays to 3.15pm. The decision reports are attached at **Appendix 1**.
- 4.2 The Annual Statement of Accounts is a statutory document, which must be approved within a fixed timescale. The Annual Report and Statement of Accounts for 2019/20 (**Appendix 2**) set out the Committees' financial position as at March 2020 and the revenue and capital activity during the financial year. In June 2020 it was agreed that (**Appendix 3**):
- a. the Statement of Accounts for the financial year 2019/20 and the 2019/20 budget surplus distribution be approved, and
 - b. that £627,000 capital budget for replacement abatement equipment and associated works be carried forward into the budget for 2020/21, also

- c. Revenue expenditure from general reserves of £11,003 for webcasting equipment, detailed revenue and capital information, financial information and usage information was noted.

4.3 In lieu of the Annual Meeting, the appointment of Chairman and Vice Chairman for 2020/21 was also confirmed by urgency decision in June 2020. Councillor Andy Burgin of Mansfield District Council was appointed as Chairman, and Councillor Tom Hollis of Ashfield District Council was appointed as Vice Chairman. The decision reports are attached at **Appendix 3**.

5.0 Crematorium Updates

5.1 Update reports were circulated to Members of the Joint Committee in May and July; copies are attached at **Appendix 4 and 5**.

Background Papers

None

For further information please contact Sue Bearman Clerk to the Committee, sue.bearman@nsdc.info, 01636 655935.

Report of the Treasurer of Joint Crematorium Committee

To

Mansfield and District Joint Crematorium Committee

26 May 2020

MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE

ANNUAL STATEMENT OF ACCOUNTS 2019/2020

1. SUMMARY

This report presents the annual report and statement of accounts for 2019/2020 showing the committee's financial position as at the 31 March 2020 and the revenue and capital activity during the financial year.

2. RECOMMENDATIONS

- (i) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.
- (ii) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.
- (iii) The remaining carried forward revenue budget of £16,997 for upgraded CCTV equipment, as detailed in 3.7, currently held in general reserves, to be carried forward into 2020/2021 is approved.
- (iv) The £750,000 capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/2021 is approved
- (v) The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.
- (vi) The detailed revenue and capital information provided in Appendix C, is for noting only.
- (vii) The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.

3. BACKGROUND

- 3.1 The annual statement of accounts is a statutory document which must be produced and approved by the committee, Appendix A. The statement informs interested parties of the financial position of the Mansfield and District Joint Crematorium as at the end of the financial year i.e. 31 March 2020 and shows the financial activity during that period (1 April 2019 to 31 March 2020) together with any significant factors affecting the committee and its finances.

- 3.2 Assurance Lincolnshire has reviewed the accounts and has issued a certificate which states that the statement of accounts presents fairly the Crematorium's comprehensive income and expenditure account and balance sheet and that the statements are fully supported with the underlying financial records; this is included within Appendix A page 55.
- 3.3 The Joint Crematorium Committee is required to produce an annual governance statement, which includes the future actions required on internal control issues; this is included within Appendix A pages 45-52.
- 3.4 The actuary report produced by Barnett Waddingham is included within Appendix B. The actuary is instructed by Nottinghamshire County Council, the administering authority to the Nottinghamshire County Council Pension Fund, to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme to employees of Mansfield and District Joint Crematorium as at 31 March 2020.
- 3.5 The statement of accounts for the year ending 31 March 2020 have been prepared in accordance with the latest Code of Practice on Local Authority Accounting in order to provide the necessary detail for subsequent consolidation into the accounts of the constituent authorities. The format reflects the requirements of the Code of Practice in Local Authority Accounting in the United Kingdom 2019/2020 and the Service Accounting Code of Practice published by Chartered Institute of Public Finance and Accounting (CIPFA). This is supported by the International Financial Reporting Standards (IFRS).
- 3.6 A detailed revenue and capital financial information table for 2019/2020 is included within Appendix C and the 2019/2020 usage breakdown by area table and chart is included within Appendices D and E.
- 3.7 At the JCC meeting held on 28 May 2019, revenue budgets totalling £28,000 were approved to be carried forward into 2019/2020. These funds have been held in usable reserves – general reserves. During 2019/2020 webcasting equipment has been purchased and installed costing £11,003. The remaining unused balance of £16,997 is requested to be carried forward to be spent in 2020/2021 to replace and upgrade the CCTV equipment, to increase security.
- 3.8 During 2019/2020 capital works were due to take place to remove and replace the faulty abatement equipment with an original budget set at £750,000, however due to delays, most recently bats roosting on the roof of the crematorium, this work has not yet started.

Following some design reviews after the original budget approval an order has been placed with Matthews Environmental Solutions (Matthews) for the abatement equipment £612,000 and the supplier's original design fees £15,000, totalling £627,000. A contingency fee of £25,000 was also been included in the budget for any unforeseen changes required to the design and/or costs of the equipment to be supplied by Matthews.

Following a recent review by Mansfield District Council's Design Services team, they have identified that the £25,000 contingency fee is very low, usually the contingency fee is estimated at 10% of the costs which would be £61,200. MDC Design Services have estimated the potential budget required for building and accommodation works, which is not included in the order to Matthews, should be a minimum of 15% of the cost of the equipment, approximately £91,800. Once the full design specification is available a more accurate estimate for building/accommodation works can be made.

Therefore, if Matthews' contingency estimate is only £25,000, then a budget of £743,800 is required, but if this is too low then the budget required could increase up to £780,000. It is recommended that the full budget of £750,000 is carried forward into 2020/2021 and that budget requirements are reviewed as the project progresses.

4. OPTIONS AVAILABLE

- 4.1 Members of the Committee could not approve the Statement of Accounts or request amendments to the contents therein. However, the statutory requirement to approve local authority accounts has been moved back this year to 31st August, due to the Coronavirus pandemic. However, Nottinghamshire Councils are aiming to close down their accounts as close as possible to the original 31st May deadline, and approved Crematorium accounts are required for all three authorities to achieve this

5. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

Risk	Risk Assessment	Risk Level	Risk Management
The statement is not approved by 31 May 2020.	This is a statutory deadline; not meeting this deadline will result in a qualification of the audit report	Low	Ensure that the date set for Members of the Committee to consider this report is met

The preparation of the Statement of Accounts is a statutory requirement.

6. IMPLICATIONS

- (a) Relevant Legislation: The accounts are produced in accordance with the requirements of the Accounts and Audit Regulations 2015. The format reflects the requirements of the Code of Practice on Local Authority Accounting in the United Kingdom 2019/2020 and the Service Accounting Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This is supported by the International Financial Reporting Standards (IFRS).
The audit is carried out in accordance with the Accounts and Audit Regulations 2015.
- (b) Human Rights: It is not considered that individual human rights will be infringed.

- (c) Equality and Diversity: No direct impact
- (d) Climate change and environmental sustainability: No direct impact
- (e) Crime and Disorder: No direct impact
- (f) Budget /Resource: There are no budget / resource implications.

7. BACKGROUND PAPERS

A full set of working papers, Statements of Recommended Practice, CIPFA standards and regulations are held within the Finance Department.

Report Author - Wendy Gregson
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**MANSFIELD AND DISTRICT
JOINT CREMATORIUM COMMITTEE**

**ANNUAL REPORT
AND
STATEMENT OF ACCOUNTS
2019/2020**



Mansfield
District Council



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1. INTRODUCTION

Mansfield Crematorium was built in the late 1950's as a joint initiative by a group of local authorities who recognised the need for cremation facilities which were easily accessible to the people of the area.

The operation and management of the Crematorium is conducted through a Joint Committee comprising of Mansfield District Council, Ashfield District Council and Newark and Sherwood District Council. The joint use agreement has been revised as circumstances have changed, currently Mansfield and Ashfield District Council's each appoint three executive members to the Joint Committee and Newark and Sherwood District Council appoints three elected members in accordance with the rules on political balance.

Mansfield District Council is the lead authority for the Joint Committee; who holds the contracts of employment for the staff and the legal title to the Crematorium; its Head of Finance acts as Treasurer of the Committee.

The constituent authorities have given delegated authority to the Joint Committee to determine the capital programme, provided the costs can be met through revenue surpluses or the capital fund.

The operating surplus of the crematorium is distributed to the constituent authorities on the basis of throughput as would any capital expenditure that could not be financed from the Joint Committees own resources.

The Statement of Accounts for the year ended 31 March 2020 have been prepared in accordance with latest Code of Practice on Local Authority Accounting in order to provide the necessary detail for subsequent consolidation into the accounts of the constituent authorities. The format reflects the requirements of the Code of Practice in Local Authority Accounting in the United Kingdom 2019/2020 and the Service Accounting Code of Practice published by the Chartered Institute of Public Finance and Accountancy (CIPFA). This is supported by the International Financial Reporting Standards (IFRS).

These accounts will present:

- An explanation of the Financial Statements
- The Annual Report and a summary of the financial performance
- The Accounting Policies which have been applied in preparing these accounts
- The Core Financial Statements
- Supplementary Financial Statements and Notes to support the accounts

Further Information

If you require any further information concerning the accounts of the Joint Crematorium Committee please contact the Head of Finance at Mansfield District Council, The Civic Centre, Chesterfield Road South, Mansfield, Nottinghamshire, NG19 7BH

Telephone 01623 463495 or by email: ASaccountancy@mansfield.gov.uk

2. EXPLANATION OF THE ACCOUNTING STATEMENTS

The Statement of Accounts sets out the Committee's income and expenditure for the 2019/2020 financial year and its financial position at 31 March 2020. It comprises core and supplementary statements, together with disclosure notes.

The Core Financial Statements are:

Movement in Reserves Statement (MiRS) - This is a summary of the changes to the reserves during the course of the year. Reserves are divided into "usable" those which can be invested in capital projects or service improvements and "unusable" which must be set aside for specific purposes.

Comprehensive Income and Expenditure Statement (CIES) - This records all of the Committee's income and expenditure for the year. The top half of the statement provides analysis of income and expenditure. The bottom half of the statement deals with the corporate transactions and funding.

Balance Sheet - The Balance Sheet is a "snapshot" of the financial position of the Committee. It shows the assets, liabilities, cash balances and reserves at the year-end date.

Cash Flow Statement - This statement shows the reasons for the changes in the Committee's cash balances during the year and whether that change is due to operating activities, new investment or financing activities.

The Supplementary Financial Statements are:

Annual Governance Statement - This sets out the Committees' governance structures and its key internal controls.

Other Key Sections:

Statement of Responsibilities - This sets out the respective responsibilities of the Committee and the Treasurer.

Accounting Policies - These explain the treatment and basis of the figures in the accounts in accordance with proper accounting practices.

Notes to the Financial Statements – The Expenditure and Funding Analysis (EFA) shows how annual expenditure is used and funded from resources in comparison with how those resources are consumed or earned. The other notes expand on important points shown in the core financial statements and provide additional information.

Glossary of Terms and Abbreviations - Key terms used throughout this document are explained further within these pages.

3. ANNUAL REPORT AND SUMMARY OF FINANCIAL PERFORMANCE**3.1 Summary of Financial Performance**

The Committee approved the budget for 2019/2020 on 10 December 2018 and was revised during 2019/2020 to include approved budget carry forwards from 2018/2019 and budget realignments for 2019/2020.

The actual performance for the year compared to the budgeted controllable income and expenditure is shown in the table below:

Table 1 – Financial Performance 2019/2020

2018/2019		2019/2020		
Actual Outturn £	Income and Expenditure Summary	Revised Budget £	Actual Outturn £	Variance to Budget £
	Income			
-1,652,329	Cremation Fees	-1,868,831	-1,712,912	155,919
-34,697	Other Income	-37,308	-30,182	7,126
-1,687,026	Gross Income	-1,906,139	-1,743,094	163,045
	Expenditure			
400,321	Employee Costs	405,521	415,750	10,229
318,419	Premises Costs	364,176	302,597	-61,579
163,519	Supplies and Services	242,378	189,511	-52,867
57,570	Support Services	60,100	67,253	7,153
4,710	Provisions	0	2,897	2,897
98,972	Depreciation and Impairment	126,271	127,106	835
1,043,511	Gross Expenditure	1,198,446	1,105,114	-93,332
-643,515	Net Cost of Service	-707,693	-637,980	69,713
-8,236	Interest Received	-7,688	-8,655	-967
-98,972	Reverse Depreciation and Impairment	-126,271	-127,106	-835
-51,535	Transfer from Usable Reserve	-28,000	-11,003	16,997
-34,041	Net Pension Interest and Liability	0	-58,043	-58,043
35,991	Transfer to Usable Reserve	0	0	0
-800,308	Surplus	-869,652	-842,787	26,865
0	Transfer Surplus in Excess of Budget to Usable Reserves	0	0	0
-800,308	Net Surplus for Distribution	-869,652	-842,787	26,865

The main reasons for the variances between budgeted and actual income and expenditure is summarised below:

3.2 Income

The gross income received during 2019/2020 was £1,743,094 compared to a budget of £1,906,139, a reduction of £163,045 (8.55%). This variance was due to:

- The estimated number of cremations for 2019/2020 was 2,400; the actual number of cremations undertaken was 2,278 which is a reduction of 122 (5.08%). There was an overall decrease in cremation and medical fee income of £137,845 compared to budget.
- As a result of the reduction in the number of cremations, income was reduced for memorial purchases £2,270 and book of remembrance inscriptions £4,149. Income for organist fees also reduced by £11,655 this was also due to the reducing demand for this service.
- Other income net reductions totalling £7,126 include reduction in the cost of clerical works relating to cemetery administration and public health funeral fees due to reduced staffing costs and the minor increases in income for purchasing of containers and visual tributes.

3.3 Expenditure

The gross expenditure incurred during 2019/2020 was £1,105,114 compared to the revised budget of £1,198,446, resulting in underspends totalling £93,332 (7.79%). The main reason for the differences are summarised below:

Employee costs - £10,229 higher than budgeted:

- Staff expenses are under-spent by £53,570 mainly due to staff vacancies during the year. The filling of vacancies has been delayed due to a staffing restructure to meet service demands. Recruitment is to take place in 2020/2021.
- Due to staff vacancies and the provision of cover for annual leave and sickness absence the overtime and associated national insurance and superannuation costs were £6,473 over budget.
- Additional staffing to cover a vacant clerical administration post was required during the busier winter period. Agency costs totalling £2,661 were incurred in 2019/2020.
- The crematorium's proportion of the apprenticeship levy was lower than budget by £214 for 2019/2020.
- Cost savings for other employee costs e.g. occupational health, training and transport were £3,164 under budget.
- Pension adjustment, this is the variance between the employers' pension contributions and the pension scheme actuary report as at 31 March 2020. The £58,043 costs are adjusted as below net cost of service cost for pension interest and liability and accounted for by a movement in the pension liability and pension reserve in the balance sheet.

Premises costs - £61,579 lower than budgeted:

- Utility costs were lower than estimated resulting in an under spend of £15,131.

- National domestic rates for the crematorium was £178 higher than budgeted.
- The costs of cremator repairs and environmental testing were £46,676 lower than budget, this is mainly due to reduced repair work on cremator and abatement equipment. Capital works to replace the faulty abatement equipment have been delayed and are now due to commence in the 2020/2021 financial year
- Repair and maintenance of buildings, cleaning materials and legionella testing were overspent by £7,917. This is mainly due to chimney repairs, bat surveys due to bats roosting on the crematorium roof and increased cleaning material stock levels in light of the COVID19 pandemic.
- Grounds maintenance shows an underspend of £7,867.

Supplies and Services £52,867 lower than budgeted:

- Due to problems with the abatement equipment, the 50% target for abated cremations was not met this financial year. During 2019/2020 the original budget of £20,000 was increased to £61,600 by realigning £41,600 from the repairs and maintenance fixed plant cremators budget to the Crematoria Abatement of Mercury Emissions Organisation (CAMEO) fee budget. As a result of the abatement target not being met in 2019/2020, tradable mercury abated cremations (tmac's) had to be purchased from the CAMEO scheme to meet the 50% target. 1,091 tmac's have been purchased costing £60,005. At the year end this revised budget was underspent by £1,595.
- The budget for equipment acquisitions; £28,000 was carried forward from 2018/2019. During this financial year works to install webcasting equipment have been completed costing £11,003 and this spend will be financed from general reserves. However, works to upgrade the CCTV system have been delayed due to bats roosting on the roof of the crematorium and are expected to be completed in 2020/2021. The remaining carry forward budget of £16,997 was not spent in 2019/2020 and is to be carried forward into 2020/2021 to finance the upgrade to the CCTV system. The £16,997 unused budget is currently held within general reserves.
- Due to the reduction in the number of cremations there are several expenditure items which are below budget. These are medical fees £1,029, temporary memorials £1,470, book of remembrance inscriptions £3,873 and organist fees £7,656.
- Supplies and services for furniture, light plant/tools, materials purchased, skips and rodent pest control totalled a £4,295 underspend to budget.
- Office based services which were below budget include printing £6,793, stationery £2,284, postage £1,199 and as there was no major capital expenditure incurred this year the assets of the crematorium did not require revaluation saving £1,500 in valuer fees.
- Other running costs are showing an under spend of £4,176.

Support Services £7,153 higher than budgeted:

- This is mainly due to increased demand for the services of Mansfield District Council's Design Services team, especially around work relating to future planned preventative maintenance requirements, roof and bat survey works.

Provisions £2,897 higher than budgeted:

- This is the increase in the bad debt provision required from 31 March 2019 to 31 March 2020 and is based on the value and age of the outstanding debtors invoices. This money is held in a provision and would only be used should any of the outstanding debtor accounts need to be written off.

Depreciation and Impairment £835 higher than budgeted:

- The original budgets for depreciation and impairment comprised of £126,271 for depreciation and £0 for impairment. The last revaluation of the crematorium assets was undertaken as at 1 April 2018 which resulted in a depreciation charge per annum of £126,271. A further revaluation has not been undertaken during 2019/2020 due to the delayed installation of the replacement abatement equipment. However, a late legal expense invoice for £835 was paid this year relating to the purchase of strewing land in 2017/2018. During this financial year the capital budget was increased by £835 and this capital expenditure will be financed from the capital fund. The total depreciation and impairment costs are financed from unusable reserves and are shown within the reverse depreciation and impairment value, these charges do not impact on the net surplus for the crematorium.

Interest Received £967 higher than budgeted:

- This is mainly due to interest rates remaining steady between April 2019-February 2020 and the capital works to replace the abatement equipment taking place in 2020/2021 rather than 2019/2020.

Reverse Depreciation and Impairment £835 lower than budgeted:

- This is the reversal of the depreciation and impairment costs which are financed from unusable reserves, these charges do not impact on the net surplus for the crematorium.

Transfer from Useable Reserves £16,997 higher than budgeted:

- The budget of (£28,000) related to the carry-forwards from 2018/2019 as detailed in the supplies and services section above. This budget was not fully required to finance expenditure incurred in 2019/2020, with only £11,003 required for webcasting equipment and is to be held in the general reserve until 2020/2021 for the upgrade CCTV works.

Pension Interest and Liability £58,043 higher than budgeted:

- As detailed in employee costs above this is the variance between the employers pension contributions and the pension scheme actuary report as at 31 March 2020 and the interest on the pension liability. This is accounted for by a movement in the pension liability and pension reserve in the balance sheet.

3.4 Annual Surplus

The Committee approved in December 2017 to only allocate up to the budgeted surplus to the three constituent authorities on an annual throughput basis. The budgeted surplus for 2019/2020 is £869,652. However, due to the reduction in the number of cremations the budgeted surplus total was not achieved and the surplus to be allocated for 2019/2020 is £842,787, this is a reduction of £26,865 (3.09%).

3.5 Number of Cremations

The following table shows the number of cremations conducted during the last five years by area of origin:

Table 2

Year	Ashfield	Mansfield	Newark & Sherwood	Out of Area	Total	% Change
2019/2020	835	935	139	369	2,278	1.9%
2018/2019	826	859	130	420	2,235	-11.1%
2017/2018	888	1,012	169	445	2,514	-4.2%
2016/2017	823	964	232	604	2,623	5.2%
2015/2016	863	831	207	592	2,493	-11.3%

Table 2 above shows that in 2019/2020 there have been;

- An increase in Ashfield's area of 9 (1%)
- An increase in Mansfield's area of 76 (9%)
- An increase in Newark & Sherwood's area of 9 (7%) and
- A decrease in other areas of 51 (12%)

Two recently opened crematoria on the Newark & Sherwood border at Retford, could potentially be impacting on the number out of area cremations. The overall reduction in cremations since 2017/2018 is most likely due to increased competition from recently opened crematoria operating in surrounding areas.

3.6 Surplus Distribution

The annual surplus to be distributed to the three constituent authorities is calculated based on the number of cremations conducted within each area during the year (2019/2020), as shown in the table below:

Table 3

District	Number of Cremations	%	Surplus
Mansfield	935	48.98%	£412,797
Ashfield	835	43.74%	£368,635
Newark & Sherwood	139	7.28%	£61,355
TOTAL	1,909	100%	£842,787

3.7 Balance Sheet Review

The Balance Sheet shows the value of assets and liabilities recognised by the Committee as at the Balance Sheet date. It indicates how much is owed to the Committee and how much the Committee owes to others, together with summarised information on the assets held and the financing of those assets. The net assets of the Committee (assets less liabilities) are matched by the reserves held. During 2019/2020 the net assets of the Committee have reduced by £34,149. The significant points are summarised below and further details are provided in the notes to the accounts.

3.7.1 Long Term Assets - Property, Plant and Equipment

Revaluation

Valuations are required every 5 years or in the year of any major capital works. There have been no major capital works undertaken during the 2019/2020 financial year. The Crematorium land, buildings and equipment were re-valued during the course of 2018/2019 (1 April 2018) by the District Valuation Office at £2,403,319. After deductions are made for 2 years cumulative depreciation totalling £252,542, the closing net book value of the assets at 31 March 2020 was £2,150,777.

Depreciation

The comprehensive income and expenditure statement has an annual capital charge (depreciation) of £126,271 for assets used in the provision of the service. The value of the assets is reduced by the depreciation charge, further details are provided in the Notes to the accounts. The charge for depreciation does not affect the amounts available for distribution under the current policy.

Capital Expenditure

There is a capital budget of £750,000 in the 2019/2020 financial year for works to remove and update the cremator abatement equipment. However, the start of these works has been delayed due to bats roosting on the roof of the Crematorium and the budget is required to be carried forward into the 2020/2021 financial year.

At the Joint Committee meeting held on 16 September 2019, the committee approved a new capital budget for £835, this is for legal expenses relating to a land purchase transaction in 2017/2018. Table 4 below shows the approved capital budgets and actuals for 2019/2020.

Table 4

2018/2019		2019/2020		
Actual Outturn £	Capital Budget Summary	Revised Budget £	Actual Outturn £	Variance to Budget £
0	Land Purchase External Legal Fees	835	835	0
0	Mercury Abatement Contracted Services	750,000	0	-750,000
0		750,835	835	-750,000

3.7.2 Current Assets

Cash and Investments - The Committee's investment activity is carried out by Mansfield District Council. Any surplus monies are invested and are shown on the balance sheet. Interest is earned on the cash balance and is credited to the comprehensive income and expenditure statement. The cash balance has reduced by £15,120 during the year to £1,676,219.

Short Term Debtors have increased by £15,440, this is mainly due to an increase in the value of outstanding debts which remain unpaid after 29 days. Further details are included in the notes to the accounts.

3.7.3 Current Liabilities

Short term creditors – The amounts the Committee owes to others at 31 March 2020 has decreased by £7,801 to £866,669. This is mainly due to the value of surplus which will be distributed to the three constituent authorities during 2019/2020, being £842,787 compared to £800,308 in the previous year and a decrease of £50,280 in outstanding invoices to be paid for 2019/2020.

3.7.4 Long Term Liabilities

Pension Liability -The Committee is a Member of the Nottinghamshire County Council Pension Fund and the assets and liabilities of the fund attributable to the Committee are evaluated on an annual basis by an independent actuary. As assessed by the actuary the Committee's overall position during 2018/2019 shows a decrease in the liability from £1,225,001 to £1,141,000. A statutory accounting adjustment for (£84,001) is therefore reflected in the accounts and has no impact on the overall surplus. Further information is provided in note 9 to the accounts.

3.7.5 Reserves

Reserves are split between those that are usable and those that are accounting reserves and not available to support expenditure. The general reserve has decreased by £11,003 to £237,363, this decrease relates to the purchase of webcasting equipment, detailed in 3.3 supplies and services. The capital fund has decreased by £835 to £799,863, this decrease relates to the payment of legal expenses as detailed in 3.7.1 long term assets – property, plant and equipment. Further details of the movement and balances held in reserves are provided in the statement of accounts.

1. TREASURERS RESPONSIBILITIES

The Treasurer of the Committee is responsible for the preparation of the Committee’s Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom 2019/2020 (the CODE).

In preparing this Statement of Accounts, the Treasurer has:

- Selected suitable accounting policies and then applied them consistently;
- Made judgements and estimates that were reasonable and prudent;
- Complied with the local authority Code.

The Treasurer has also throughout the year:

- Maintained proper accounting records which were kept up to date;
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

CERTIFICATE

I certify that the Statement of Accounts 2019/2020 presents a true and fair view of the financial position of Mansfield and District Joint Crematorium Committee and its income and expenditure for the year ended 31 March 2020.

Signed.....
D Edwards CPFA

Date:

Treasurer of the Mansfield and District Joint Crematorium Committee

2. JOINT COMMITTEE’S RESPONSIBILITIES

The Joint Committee is required to:

- Make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. The Joint Committee has appointed a Treasurer.
- Manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets; and
- Approve the Statement of Accounts.

CERTIFICATE

The Statement of Accounts for the year 1 April 2019 to 31 March 2020 has been prepared and I confirm that these accounts were approved by Mansfield and District Joint Crematorium Committee by the delegated decision taken by Members from all constituent authorities on 26 May 2020.

Signed.....
Chair of Mansfield and District Joint Crematorium Committee

Date:

STATEMENT OF ACCOUNTING POLICIES

1. General Principles

The Statement of Accounts summarises the Committees transactions for the 2019/2020 financial year and its position at the year end of 31 March 2020.

The Accounts have been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2019/2020, based on International Financial Reporting Standards (IFRS) and the Service Reporting Code of Practice for Local Authorities 2019/2020.

2. Accrual of Income and Expenditure

The accounts of the Joint Committee have been prepared on an accrual of income and expenditure basis in accordance with the Code of Practice on Local Authority Accounting. This ensures activity is accounted for in the year that it takes place, not when cash payments are made or received.

Creditors - Payments to creditors are included in the accounts where the payments relate to goods or services received prior to 1 April 2020. Any payments in advance (before 1 April 2020), which relate to the 2020/2021 financial year are shown as prepayments.

One exception to this relates to electricity and similar periodic payments. These are included as at the date of meter readings rather than apportioned between two financial years. This policy is consistently applied each year and therefore does not have a material effect on the accounts.

Debtors - Income from debtors is included for amounts where the income relates to goods and services provided by the Crematorium prior to 31 March 2020. Any income received before 1 April 2020, which relates to the 2020/2021 financial year is shown as receipts in advance. This policy is consistently applied each year and therefore does not have a material effect on the accounts.

3. Cash and Cash Equivalents

Balances classified as 'Cash and Cash Equivalents' fit the definition of being short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

4. Property, Plant and Equipment

Assets that have a physical substance and are held for use in the provision of services on a continuing basis and that are expected to be used during more than one financial year are classified as property, plant and equipment.

Acquisitions of assets which are less than £10,000 (the Committee's de minimus level) are charged straight to the Comprehensive Income and Expenditure Statement.

Recognition

Expenditure on the acquisition, creation or enhancement of property, plant and equipment is capitalised on an accruals basis.

Assets included in the Balance Sheet at fair value are revalued on a regular basis to ensure that their carrying amount is not materially different from their fair value at the year end, but as a minimum every five years. Increases in valuations are matched by credits to the Revaluation Reserve to recognise unrealised gains.

5. Depreciation and Impairment

In accordance with International Accounting Standard IAS16 depreciation has been provided for on all non-current assets with a finite useful life. Land is not depreciated as this is deemed as having an infinite life.

Where assets, such as buildings have land attached, the values are separated and depreciated accordingly. Where an item of Property, Plant and Equipment has major components, whose cost is significant in relation to the total cost of the item, the components are depreciated separately

Assets are depreciated from the year of acquisition using the straight-line method.

Impairment

The values of each category of assets are reviewed at the end of each financial year for evidence of reductions in value. Where impairment is identified as part of this review or as a result of a valuation exercise, this is accounted for by:

- where there is a balance of revaluation gains for the asset in the Revaluation Reserve, the carrying amount of the asset is written down against this balance (up to the amount of the accumulated gains)
- where there is no balance in the Revaluation Reserve or an insufficient balance, the carrying amount of the asset is written down against the relevant service line(s) in the Comprehensive Income and Expenditure Statement

Where an impairment loss is reversed subsequently, the reversal is credited to the relevant service line(s) in the Comprehensive Income and Expenditure Statement, up to the amount of the original loss, adjusted for depreciation that would have been charged if the loss had not been recognised.

6. Charges to Revenue for Non-Current Assets

The Service has been charged with the following amounts to record the cost of holding non-current assets during the year;

- Depreciation attributable to the assets used by the service

- Revaluation and impairment losses on assets used by the service where there are no accumulated gains in the Revaluation Reserve against which the losses can be written off
- Amortisation of intangible assets attributable to the service.

Revaluation gains are also depreciated, with an amount equal to the difference between current value depreciation charged on assets and the depreciation that would have been chargeable based on their historical cost being transferred each year from the Revaluation Reserve into the Capital Adjustment Account.

The Committee is not required to raise council tax to fund depreciation, revaluation and impairment losses or amortisation and are therefore removed by way of an adjusting transaction with the Capital Adjustment Account in the Movement in Reserves Statement.

7. Administration and Management Costs

A charge is made by Mansfield District Council to reflect the appropriate percentage of time spent by employees on Crematorium affairs.

8. Employee Benefits

Benefits Payable during Employment

Short-term employee benefits are those due to be settled within 12 months of the year end. They include such benefits as wages and salaries, paid annual leave, paid sick leave and bonuses for current employees. These are recognised as an expense for the service in the year in which employees render service to the Committee.

Post-Employment Benefits

Employees of the Mansfield and District Crematorium are Members of The Local Government Pensions Scheme, administered by Nottinghamshire County Council. The scheme provides defined benefits to Members (retirement lump sums and pensions) earned as employees worked for the Committee.

The Local Government Scheme is accounted for as a defined benefits scheme:

- The liabilities of the Nottinghamshire County Council pension fund attributable to the Committee are included in the Balance Sheet on an actuarial basis using the projected unit method, that is an assessment of the future payments that will be made in relation to retirement benefits earned to date by employees, based on assumptions about mortality rates, employee turnover rates etc. and projections of projected earnings for current employees.
- Liabilities are discounted to their value at current prices, using a discount rate that reflects the time value of money and the characteristics of the liability.
- The assets of the Nottinghamshire County Council Pension Fund attributable to the Committee are included in the Balance Sheet at their fair value.

The change in the net pension liability is analysed into the following components:

Service cost comprising:

- Current Service Cost - The increase in liabilities as a result of years of service earned this year; included in the Comprehensive Income and Expenditure Statement.
- Past Service Cost - The increase in liabilities as a result of a scheme amendment or curtailment whose effect relates to years of service earned in earlier years; debited the Comprehensive Income and Expenditure Statement.
- Net interest on the net defined benefit liability/asset - for example net interest expense for the Committee, the change during the period in the net defined benefit liability (asset) that arises from the passage of time charged to the Financing and Investment Income and Expenditure line in the Comprehensive Income and Expenditure Statement; this is calculated by applying the discount rate used to measure the defined benefit obligation at the beginning of the period to the net defined liability (asset) at the beginning of the period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contribution and benefit payments.

Re-measurement comprising:

- The return on plan assets – excluding amounts included in net interest on the net defined benefit liability (asset); charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- Actuarial gains and losses – changes in the net pensions liability that arise because events have not coincided with assumptions made at the last actuarial valuation or because the actuaries have updated their assumptions; charged to the Pensions Reserve as Other Comprehensive Income and Expenditure
- Contributions paid to the Nottinghamshire County Council pension fund – cash paid as employer's contributions to the pension fund in settlement of liabilities; not accounted for as an expense.

In relation to retirement benefits, the General Reserve is charged with the amount payable by the Committee to the pension fund or directly to pensioners in the year, not the amount calculated according to the relevant accounting standards.

In the Movement in Reserves Statement, this means that there are transfers to and from the Pension Reserve to remove the notional debits and credits for retirement benefits and replace them with debits for the cash paid to the pension fund and pensioners and any such amounts payable but unpaid at the year end.

The negative balance that arises on the Pension Reserve thereby measures the beneficial impact to the Committee of being required to account for retirement benefits on the basis of cash flows rather than as the benefits are earned by employees.

Discretionary Benefits

The Committee may also make discretionary awards of retirement benefits in the event of early retirements. Any liabilities estimated to arise as a result of an award to any Member of staff are accrued in the year of the decision to make the award and accounted for using the same policies as are applied to the Local Government Pension Scheme.

9. Financial Instruments

A Financial Instrument is any contract that gives rise to a financial asset in one entity and a financial liability in another. These are accounted for in accordance with International Accounting Standards dealing with disclosure, presentation, recognition and measurement.

Financial assets include debtors, payments in advance, investments and cash (either in hand or at the bank). The Committee's investment activity is carried out by Mansfield District Council. Any surplus monies are invested and are shown in the balance sheet at 31 March as cash and cash equivalents, but adjusted for any interest earned but not received before the end of the financial year. Interest earned on investments is credited to Financing and Investment Activity in the Comprehensive Income and Expenditure Statement.

Financial liabilities comprise of long term borrowing and creditors.

10. Reserves

Reserves are reported in two categories;

- Usable Reserves – These are reserves which the Joint Committee may use to provide services, subject to the need to provide a prudent level of reserves and any statutory limitations on their use.
- Unusable Reserves – The Joint Committee is not able to use these reserves to provide services. This category of reserves hold unrealised gains and losses (for example the Revaluation Reserve), where amounts would only become available to provide services if the assets are sold.

In accordance with the latest Code of Practice on Local Authority Accounting, two capital reserve accounts are to be maintained in the Balance Sheet; both of these accounts are regarded as unusable reserves:

- **Revaluation Reserve** – This principally represents the balance of the surpluses or deficits arising from the periodic revaluation of non-current assets.
- **Capital Adjustment Account** – This represents amounts set aside to finance expenditure on non-current assets.

There is a further unusable reserve account;

The Pension Reserve – This represents the value of the pension fund assets and liabilities.

There are two usable reserves in operation:

- **Capital Fund** – This reserve represents amounts set aside to finance expenditure on non-current assets.
- **General Reserve** – This represents the balance of the undistributed surpluses.

The Committee sets aside specific amounts as reserves for future purposes or to cover contingencies. Reserves are created by appropriating amounts out of the General Fund Balance in the Movement in Reserves Statement. When expenditure to be financed from a reserve is incurred, it is charged to the Comprehensive Income

and Expenditure Statement. The reserve is then appropriated back into the General Fund Balance in the Movement in Reserve Statement so that there is no net charge for the expenditure.

11. Value Added Tax

The activities of the Joint Crematorium Committee fall within Mansfield District Councils VAT registration under lead body partnership. VAT is included as an expense only to the extent that it is not recoverable from Her Majesty's Revenue and Customs (HMRC).

With Mansfield District Council being the financial lead authority, during 2018/2019 concerns were raised when the capital budget of £750,000 to replace the abatement equipment was approved for 2019/2020 as the expenditure and accounting for VAT as the lead body will result in the breach of its test of insignificance for partial exemption. Proposals were submitted to HMRC to allow each authority to share the Crematorium income and expenditure in each of the authorities partial exemption calculation based in the annual throughput. As all 3 constituent authorities are VAT registered as well as being section 33 bodies, HMRC have approved this method of accounting for VAT based on a management board or committee approach. Due to the delay in commencing the abatement equipment this change will come into effect when the £750,000 capital budget is spent in 2020/2021.

12. Fundamental Accounting Concepts

This Statement of Accounts has been prepared according with the International Accounting Standards Board (IASB) Framework for the Preparation and Presentation of Financial Statements (the IASB Framework) as interpreted by the Code.

Relevance - The objective of the Statement of Accounts is to provide information about the Committee's financial performance and position that is useful for assessing the stewardship of public funds and for making economic decisions.

Reliability - The key requirement of this statement is that users are able to rely on the information contained within the Statement of Accounts. A number of fundamental accounting concepts are applied in order to ensure this reliability – The Statement of Accounts:

- Has been prepared to reflect the reality or substance of each transaction rather than their formal legal character.
- Is free from deliberate or systematic bias. The financial analyses contained within the accounts are based on fact and do not support any particular view point.
- Is free from material error, containing no misstatement that would influence the conclusions of any user.
- Has been produced within the bounds of materiality, meaning that nothing has been omitted that may have assisted users in gaining an understanding of the Committee's activities.

Where uncertainty exists, the statements have been prepared prudently and caution has been applied with exercising judgement and making necessary estimates.

Understandability - The accounting principles of the Code includes accounting concepts, treatments and terminology which require reasonable knowledge of accounting and local government and reasonable diligence in reading the Statement of Accounts if they are to be properly understood. However all reasonable efforts have been taken in the preparation of the Statement of Accounts to ensure they are as easy to understand as possible.

Going Concern - This statement has been prepared on a 'going concern' basis, under the assumption that the Committee will continue to exist and operate on its current basis for the foreseeable future.

Primacy of Legislative Requirements - Local authorities derive their powers from statute and their financial and accounting framework is closely controlled by primary and secondary legislation. To the extent that treatments are prescribed by law the accounting concepts outlined above may not apply in all cases. It is a fundamental principle of local authority accounting that, where specific legislative requirements and accounting principles conflict, legislative requirements shall apply.

THE CORE FINANCIAL STATEMENTS

Comprehensive Income and Expenditure Statement (CIES)

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices, rather than the amount to be funded from taxation.

Comprehensive Income and Expenditure Statement (CIES)			
2018/2019		Note	2019/2020
£			£
	Income		
-1,652,329	Fees and Charges		-1,712,913
-34,697	Other Income		-30,182
-1,687,026	Gross Income	3	-1,743,095
	Expenditure		
400,321	Employee Expenses	4	415,750
318,419	Premises Related Expenses	5	302,597
163,519	Supplies and Services	6	189,509
4,710	Allowance for Bad Debts	8	2,897
57,570	Central Support Services	10	67,253
98,972	Depreciation and Impairment	11	127,106
1,043,511	Gross Expenditure		1,105,112
-643,515	Net Cost of Services		-637,983
0	Other Operating Expenditure		0
22,764	Financing and Investment Income and Expenditure	12	20,345
0	Taxation and Non-Specific Grant Income		0
-620,751	Surplus / Deficit on Provision of Services		-617,638
-382,540	Surplus or Deficit on revaluation of Property, Plant and Equipment Assets	15	0
0	Impairment Losses on non-current assets charged to the Revaluation Reserve		0
-83,000	Remeasurement of the net defined benefit liability/(asset)	13	-191,000
-465,540	Other Comprehensive Income and Expenditure		-191,000
-1,086,291	Total Comprehensive Income and Expenditure (Prior to Surplus Distribution)	17	-808,638
378,786	Mansfield District Council		412,797
364,220	Ashfield District Council		368,635
57,302	Newark & Sherwood District Council		61,355
800,308	Distribution of Surplus	17	842,787
-285,983	Total Comprehensive Income and Expenditure Statement (After Surplus Distribution)		34,149

Balance Sheet as at 31 March 2020

The Balance Sheet shows the value as at the balance sheet date of the assets and liabilities recognised by the Committee. The net assets of the Committee (assets less liabilities) are matched by the reserves held by the Committee. Reserves are reported in two categories:

Usable reserves: Those reserves that the Committee may use to provide services, subject to the need to maintain a prudent level of reserves and any statutory limitations on their use.

Unusable reserves: Those that the Committee is not able to use to provide services. This category includes reserves that hold unrealised gains and losses (for example the revaluation reserve) where amounts would only become available to provide services if the assets are sold; and reserves that hold timing differences shown in the movement in reserves statement line 'Adjustments between accounting basis and funding basis under regulations'.

The Balance Sheet as at 31 March 2020 is presented below:

Balance Sheet			
2018/2019 £		Note	2019/2020 £
2,277,048	Property, Plant and Equipment	11	2,150,777
2,277,048	Long Term Assets		2,150,777
212,236	Short Term Debtors	7	227,676
1,691,339	Cash and Cash Equivalents	16	1,676,219
1,903,575	Current Assets		1,903,895
-874,470	Short Term Creditors	9	-866,669
-874,470	Current Liabilities		-866,669
-1,225,001	Net Pension Liability	13	-1,141,000
-1,225,001	Long Term Liabilities		-1,141,000
2,081,152	Net Assets		2,047,003
	Financed by:		
800,698	Capital Fund		799,863
248,366	General Reserve		237,363
1,049,064	Usable Reserves	14	1,037,226
461,397	Revaluation Reserve		442,841
1,815,651	Capital Adjustment Account		1,707,936
-1,244,960	Pension Reserve		-1,141,000
1,032,088	Unusable Reserves	15	1,009,777
2,081,152	Total Reserves		2,047,003

Movement in Reserves Statement (MiRS)

This statement shows how the movement in the year on the Committee's reserves are broken down between gains and losses incurred in accordance with generally accepted accounting practices and the adjustments necessary to calculate the amounts available for distribution to constituent authorities.

2019/2020	General Reserve £	Capital Fund £	Total Usable Reserves £	Pension Reserve £	Revaluation Reserve £	Capital Adjustment £	Unusable Reserves £	Total Reserves £
Balance as at 31 March 2019	248,366	800,698	1,049,064	-1,244,960	461,397	1,815,651	1,032,088	2,081,152
Movement in reserves during 2019/2020								
Surplus/ (-) Deficit on the Provision of Service	617,638	0	617,638	191,000	0	0	191,000	808,638
Less Surplus Distribution	-842,787	0	-842,787	0	0	0	0	-842,787
Total Comprehensive Income and Expenditure	-225,149	0	-225,149	191,000	0	0	191,000	-34,149
Adjustment between Accounting basis and funding basis under regulations (Note 1.)	214,146	-835	213,311	-87,040	-18,556	-107,715	-213,311	0
Transfers to/(-)from Reserves (see Notes 13 & 14)	-11,003	-835	-11,838	103,960	-18,556	-107,715	-22,311	-34,149
Balance at 31 March 2020 carried forward	237,363	799,863	1,037,226	-1,141,000	442,841	1,707,936	1,009,777	2,047,003

2018/2019	General Reserve £	Capital Fund £	Total Usable Reserves £	Pension Reserve £	Revaluation Reserve £	Capital Adjustment £	Unusable Reserves £	Total Reserves £
Balance as at 31 March 2018	299,901	764,707	1,064,608	-1,262,919	97,413	1,896,067	730,561	1,795,169
Movement in reserves during 2018/2019								
Surplus/ (-) Deficit on the Provision of Services	584,760	35,991	620,751	83,000	382,540	0	465,540	1,086,291
Less Surplus Distribution	-800,308	0	-800,308	0	0	0	0	-800,308
Total Comprehensive Income and Expenditure	-215,548	35,991	-179,557	83,000	382,540	0	465,540	285,983
Adjustment between Accounting basis and funding basis under regulations (Note 1.)	164,013	0	164,013	-65,041	-18,556	-80,416	-164,013	0
Transfers to/(-)from Reserves (see Notes 13 & 14)	-51,535	35,991	-15,544	17,959	363,984	-80,416	301,527	285,983
Balance at 31 March 2019 carried forward	248,366	800,698	1,049,064	-1,244,960	461,397	1,815,651	1,032,088	2,081,152

Cash Flow Statement

The cash flow statement shows the changes in cash and cash equivalents of the Committee during the reporting period. The statement shows how the Committee generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities.

The amount of net cash flows arising from operating activities is a key indicator of the extent to which the operations of the Committee are funded by way of charges to the recipients of services provided by the Committee.

Investing activities represent the extent to which cash outflows have been made for resources which are intended to contribute to the Committee's future service delivery.

Cash flows arising from financing activities are useful in predicting claims on future cash flows by providers of capital (i.e. borrowing) to the Committee.

Cash Flow Statement		
2018/2019		2019/2020
£		£
-285,983	Net surplus (-) / deficit on the provision of services	34,149
	Adjustment to net surplus / deficit on the provision of services:	
283,568	Depreciation & Impairment	-126,271
-60,799	Creditors	7,801
-18,995	Debtors	15,440
-2,001	Pension Liability	84,001
	Adjustments for items in the net surplus / (-) deficit on the provision of services that are investing and financing activities	
8,236		8,655
-75,974	Net Cash flows from operating activities	23,775
0	Investing Activities	0
-8,236	Financing Activities	-8,655
-84,210	Net increase (-)/ decrease in cash and cash equivalents	15,120
1,607,129	Cash and Cash equivalents at the beginning of the reporting period	1,691,339
1,691,339	Cash and Cash equivalents at the end of the reporting period	1,676,219
-84,210	Movement in Cash and Cash Equivalents increase(-) / decrease	15,120

NOTES TO THE ACCOUNTS**1. MOVEMENT IN RESERVES ACCOUNT - Adjustments between accounting basis and funding basis under regulations**

This table details the adjustments that are made to the comprehensive income and expenditure statement (CIES) in the year in accordance with proper accounting practice to the resources that are specified by statutory provisions as being available to the Committee to meet future capital and revenue expenditure.

2019/2020	General Fund Balance £	Capital Fund £	Movement in Usable Reserve £	Pension Reserve £	Revaluation Reserve £	Capital Adjustment Account £	Movement in Unusable Reserve £
Adjustments primarily involving the Capital Adjustment Account:							
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:							
Charges for depreciation and impairment of non-current assets	-127,106	0	-127,106	0	0	126,271	126,271
Revaluation on Property, Plant and Equipment	0	0	0	0	18,556	-18,556	0
Financing Capital Expenditure	0	835	835	0	0	0	0
Capital grants and contributions applied	0	0	0	0	0	0	0
Revenue expenditure funded from capital under statute	0	0	0	0	0	0	0
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:							
Statutory provision for the financing of capital investment	0	0	0	0	0	0	0
Voluntary provision for the repayment of debt	0	0	0	0	0	0	0
Capital expenditure charged against the General Fund and HRA balances	0	0	0	0	0	0	0
Adjustments primarily involving the Pension Reserve:							
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	0	0	0	0	0	0	0
Employer's pensions contributions and direct payments to pensioners payable in the year	-87,040	0	-87,040	87,040	0	0	87,040
Pension Lump Sum Year 3	0	0	0	0	0	0	0
Total Adjustments	-214,146	835	-213,311	87,040	18,556	107,715	213,311

2018/2019	General Fund Balance £	Capital Fund £	Movement in Usable Reserve £	Pension Reserve £	Revaluation Reserve £	Capital Adjustment Account £	Movement in Unusable Reserve £
Adjustments primarily involving the Capital Adjustment Account:							
Reversal of items debited or credited to the Comprehensive Income and Expenditure Statement:							
Charges for depreciation and impairment of non-current assets	-98,972	0	-98,972	0	0	126,271	126,271
Revaluation on Property, Plant and Equipment	0	0	0	0	18,556	-45,855	-27,299
Financing Capital Expenditure	0	0	0	0	0	0	0
Capital grants and contributions applied	0	0	0	0	0	0	0
Revenue expenditure funded from capital under statute	0	0	0	0	0	0	0
Insertion of items not debited or credited to the Comprehensive Income and Expenditure Statement:							
Statutory provision for the financing of capital investment	0	0	0	0	0	0	0
Voluntary provision for the repayment of debt	0	0	0	0	0	0	0
Capital expenditure charged against the General Fund and HRA balances	0	0	0	0	0	0	0
Adjustments primarily involving the Pension Reserve:							
Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	0	0	0	0	0	0	0
Employer's pensions contributions and direct payments to pensioners payable in the year	-65,041	0	-65,041	65,041	0	0	65,041
Pension Lump Sum Year 3	0	0	0	0	0	0	0
Total Adjustments	-164,013	0	-164,013	65,041	18,556	80,416	164,013

2. EXPENDITURE AND FUNDING ANALYSIS (EFA)

The expenditure and funding analysis shows how the annual expenditure is used and funded from the income obtained from charges in comparison with those resources consumed or earned by the Committee in accordance with generally accepted accounting policies.

Expenditure and Funding Analysis (EFA)						
2018/2019				2019/2020		
Net Expenditure Chargeable to the General Fund Balances	Adjustments between Funding and Accounting basis (Table A)	Net Expenditure in the Comprehensive Income and Expenditure Statement		Net Expenditure Chargeable to the General Fund Balances	Adjustments between Funding and Accounting basis (Table A)	Net Expenditure in the Comprehensive Income and Expenditure Statement
£	£	£		£	£	£
-1,687,026	0	-1,687,026	Gross Income	-1,743,095	0	-1,743,095
902,262	164,013	1,066,275	Gross Expenditure	911,311	214,146	1,125,457
-784,764	164,013	-620,751	Net Cost of Service	-831,784	214,146	-617,638
0	0	0	Other Income and Expenditure	0	0	0
-784,764	164,013	-620,751	(-) Surplus or Deficit	-831,784	214,146	-617,638
800,308	0	800,308	Distribution of Surplus	842,787	0	842,787
15,544	164,013	179,557	Net (-) Surplus or Deficit	11,003	214,146	225,149
-299,901			Opening General Fund Balance	-248,366		
15,544			(-) Surplus or Deficit in Year	11,003		
35,991			Transferred to Capital Reserve	0		
-248,366			Closing General Fund Balance	-237,363		

3. GROSS INCOME

The total income received during 2019/2020 was £1,743,094 compared to £1,687,026 in 2018/2019. This represents an increase of £56,068 (3.32%).

- The Committee aims to fix fees which are not only competitive with those of surrounding crematoria, but which also covers operating costs. The policy in 2019/2020 was to increase the fee for a standard single adult cremation by £34 (5%) from £686 (2012/2019) to £720 (this excludes medical referee fees).
- The number of cremations increased by 43 (1.92%) from 2,235 in 2018/2019 to 2,278 in 2019/2020. When setting the budget for 2019/2020 the number of cremations was estimated at 2,400.
- Organist income has reduced due to lower demand for this service.

2018/2019 £	Gross Income	2019/2020 £
-1,526,370	Cremation Fees	-1,592,893
-41,892	Medical Fees	-41,662
-41,893	Memorials	-42,355
-20,199	Organist	-15,345
-21,975	Book of Remembrance Inscriptions	-20,657
-1,652,329	Fees and Charges	-1,712,912
-30,377	Recharge to Cemeteries MDC	-27,467
-3,780	S46 Burial of the Destitute Admin Fees	-2,340
-540	Containers	-355
0	Visual Tributes	-20
0	CAMEO	0
-34,697	Other Income	-30,182
-1,687,026	Gross Income	-1,743,094

4. EMPLOYEE COSTS

Employee expenses are higher than 2018/2019 by £15,429, this is mainly due:-

- Basic salary costs are lower due to vacant posts during 2019/2020. A new staffing structure has recently been approved and recruitment to the available posts will take place early in the 2020/2021 financial year.
- Employee expenses for the services of a clerk to the joint committee have been removed in 2019/2020. This service is still provided but has changed from an employee expense in 2018/2019 to a service level contract with Newark and Sherwood DC which is now a supplies and services expense.
- Overtime has increased due to current staff working longer hours and/or weekends to ensure continuity of service provision.
- The pension adjustment reflects the cost of service in the actuary report. The pension payments for 2019/2020 have been accounted for below the net cost of service and within the balance sheet so as not to affect the annual surplus calculations.

- Other employee costs have increased due to an agency worker being employed to provide clerical support over the busy winter period.

2018/2019 £	Employee Expenses	2019/2020 £
250,411	Basic Pay	235,331
22,481	Overtime	28,749
21,822	National Insurance	22,045
103,883	IAS19 Pension Adjustments	125,311
1,091	Apprenticeship Levy	1,011
633	Other Employee Costs	3,303
400,321	Total	415,750

5. PREMISES COSTS

Premises costs are lower than 2018/2019 by £15,822, this is mainly due to:

- Water charges have reduced in 2019/2020 to a more consistent level of charge. During 2018/2019 an adjusting invoice was generated following an actual meter reading after a series of estimated readings by the service provider. This increased the costs paid for Water bills in 2018/2019 adjusting for the previous estimated invoices.
- Grounds maintenance costs were higher in 2018/2019 due to installation of boundary fencing to an area of land that had recently been acquired.
- Cremator repairs and maintenance costs vary from year to year depending on the number of services required and parts that require replacing.
- Insurance cover for the book of remembrance was increased in 2019/2020 resulting in higher premiums.

2018/2019 £	Premises Related Expenditure	2019/2020 £
87,902	NDR - Business Rates	89,863
159	Rent	159
14,636	Insurance	18,961
47,290	Electricity	43,527
39,831	Gas	40,264
18,734	Water	4,517
4,319	Cleaning Materials	5,003
53,426	Cremator Repairs and Maintenance	57,496
29,925	Building Repairs and Maintenance	30,234
0	External Painting	0
22,197	Grounds Maintenance	12,573
318,419	Total	302,597

6. SUPPLIES AND SERVICES

Supplies and service are higher than 2018/2019 by £25.991 this is mainly due to:

- Tools, equipment and first aid supply spend is higher in 2019/2020 due to the purchase and installation of webcasting equipment. The budget for this work was carried forward from 2018/2019 so this will be financed from general reserves.
- Non abatement fees due to CAMEO for 2019/2018 were higher due to an increase in the number of tradable mercury abated cremations that were purchased from this scheme.
- The increase in memorial plaque expenditure is partly due to the purchase of memorial vaults. This is a demand led expense that can fluctuate yearly.
- Fees to Newark and Sherwood DC have increased only because of the way the payment for the services of a clerk to the joint committee is paid. This has changed from an employee expense in 2018/2019 to a service level contract in 2019/2020 with Newark and Sherwood DC which is now a supplies and services expense.
- Telephone costs have increased in 2019/2020 due to the installation of webcasting equipment. Changes include new data lines and increased internet speed.
- Organist fees have reduced in 2019/2020. The demand for this service has reduced over the last few years.

2018/2019 £	Supplies and Services	2019/2020 £
41,681	Fees - Medical referees	43,371
13,543	Fees - Organist	9,510
5,190	Memorial plaques	10,260
8,163	Book of Remembrance - inscriptions	5,255
3,362	Caskets / Containers	5,187
3,583	Audit, Clerk/Committee Fees to Newark & Sherwood DC	6,727
-2,000	External Audit Fees	0
51,535	CAMEO Contributions	60,005
8,240	Computer Maintenance, Software and support	9,299
397	Computer Hardware	0
5,256	Printing & Stationery	5,323
6,225	Telephones	9,491
2,142	Tools, Equipment & First Aid supplies	11,576
4,253	Furniture / Office Equipment	3,614
2,728	Uniforms	1,695
2,838	Postages	2,301
2,228	Subscriptions	2,179
700	Skips and Waste Collections	740
2,303	Advertising	1,974
225	Contributions	335
500	Valuation Fee	0
427	Hire of vending machines	668
163,519	Total	189,510

7. DEBTORS

Debtors outstanding is higher than 2018/2019 by £15,440, this is mainly due to;

- The increase in the level of outstanding funeral director invoices.
- There has been an increase in the bad debt provision due to the value of older debtor invoices that remain unpaid.
- The sundry debtor for 2019/2020 is for a credit note due to the Crematorium from Waterplus after an incorrect direct debit payment was taken by this supplier in March 2020.

SUMMARY OF THE DEBTORS OUTSTANDING

2018/2019 £	Short Term Debtors	2019/2020 £
227,794	Funeral Directors	242,970
1,440	Other Local Authorities	1,440
0	Sundry Debtors	3,161
-16,998	Bad Debt Provision	-19,895
212,236	Total Debtors at 31 March	227,676

AGEING OF DEBTS OUTSTANDING

2018/2019 £	Debtors Summary	2019/2020 £	Change £
18,723	Ageing: Over 85 days	31,181	12,458
66,047	29 to 84 days	76,493	10,446
144,465	1 to 28 days	135,296	-9,169
229,235		242,970	13,735

8. PROVISION FOR BAD DEBTS

The provision for potential bad debts has increased by £2,897 to £19,895. The provision for bad debts is based on the age of the debts; the older the debt is the higher percentage provision is required.

2018/2019 £	Provision for Bad Debts	2019/2020 £
229,234	Debtors Outstanding at 31 March	242,970
16,998	Provision required:	19,895
12,288	Provision b/fwd at 1 April	16,998
4,710	Change in Provision	2,897

9. SHORT TERM CREDITORS

Short term creditors is lower than 2018/2019 by £7,802, this is mainly due to:

- Reduced value of short term creditors to other bodies, these are invoices to third parties that relate to expenditure incurred by the crematorium up to 31 March at the end of each financial year, but remain unpaid. The main variance being in 2018/2019 the invoice from CAMEO £51,535 for non-abatement fees for the period Jan-Dec 2018 was not received by 31 March 2019.
- Increased value of short term creditors to constituent authorities has increased mainly due to the increased number of cremations undertaken in 2019/2020 compared to 2018/2019.

2018/2019 £	Short Term Creditors	2019/2020 £
800,308	Constituent Authorities	842,787
74,162	Other Bodies	23,881
874,470	Balance at 31st March	866,668

10. CENTRAL SUPPORT SERVICES AND RECHARGES

Central support services and recharges is higher than 2018/2019 by £9,683, this is mainly due to:

- Design services and building control recharges are a usage based recharge and will vary from year to year. During 2019/2020 more work was undertaken by the Design Services team on projects such as assessing damage to building after theft of copper roof, arranging ecological studies after bats were found roosting on the crematorium roof and reviewing the 20 year planned preventative work programme for the crematorium site.
- With the exception of trade waste and electrician's services which are usage based recharges, all other central support services recharges have been merged into a central corporate overhead recharge in 2019/2020

2018/2019 £	Central Support Services	2019/2020 £
13,008	Information Technology & Financial systems	0
10,150	Human Resources & Payroll	0
7,185	Trade Waste Service	7,349
6,636	Director of Commerce and Customers	0
7,219	Accountancy Services	0
3,030	Debtors/Recovery Services/CSU	0
3,683	Business Support / Creditors	0
3,016	Internal Audit	0
1,809	Design Services & Building Control	12,433
1,054	Postal / Electricians/ Copiers / Telephones	28
780	Risk Management & Environmental Services	0
0	Central Corporate Overhead	47,443
57,570	Total	67,253

11. PROPERTY, PLANT AND EQUIPMENT

Movements in Year	2018/2019	2019/2020
	£	£
Cost or Valuation at 1 April:	2,100,090	2,296,709
Additions	0	0
Revaluation increases/ (-) decreases recognised in the Revaluation Reserve	169,320	0
Revaluation increases/ (-) decreases recognised in the Comprehensive Income and Expenditure Statement	27,299	0
Disposals	0	0
At 31st March	2,296,709	2,296,709
Accumulated Impairment and Depreciation		
At 1 April	-106,610	-19,661
Depreciation Charge recognised in the Comprehensive Income and Expenditure Statement	-126,271	-126,271
Depreciation written out to the Revaluation Reserve	213,220	0
Impairment	0	0
Impairment Losses/ (-) reversals recognised in the Revaluation Reserve	0	0
Disposals	0	0
At 31st March	-19,661	-145,932
Net Book Value at 31st March	2,277,048	2,150,777

12. FINANCING AND INVESTMENT INCOME AND EXPENDITURE

The following table contains corporate items of income and expenditure arising from the Committee's involvement in financial instruments and similar transactions involving interest:

2018/2019	Financing and Investment Income and Expenditure	2019/2020
£		£
0	Interest payable and similar charges	0
31,000	Net interest on the net defined benefit liability / (-) asset	29,000
-8,236	Interest receivable and similar income	-8,655
22,764	Total	20,345

13. RETIREMENT BENEFITS – DEFINED BENEFIT SCHEMES

a. Participation in Pension Schemes

As part of the terms and conditions of employment of its officers, the Committee makes contributions towards the cost of post-employment benefits. Although these benefits will not actually be payable until employees retire, the Committee has a commitment to make the payments (for those benefits) and to disclose them at the time that employees earn their future entitlement.

The Committee participates in the Local Government Pension Scheme (LGPS), administered locally by Nottinghamshire County Council in accordance with the Local Government Pension Scheme Regulations 2013. This is a defined benefit statutory scheme and currently provides benefits based on career average revalued earnings. This means that the Committee and the employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets.

In April 2017, the opportunity to pay for three years Nottinghamshire County Council lump sum pension payments in advance for the period 2017/2018, 2018/2019 and 2019/2020 was accepted by the Treasurer in relation to the employees of the Mansfield and District Crematorium. This resulted in an overall saving of £3,246. The accounts for 2017/2018 and 2018/2019 show only one year lump sum pension payments for £19,960 in each year with accounting adjustments for the £19,959 paid in advance for the year 2019/2020. Due to the three year pension invoice being paid in 2017/2018 the pension reserve and pension liability within the balance sheet will vary by the amount paid in advance in the 2017/2018 accounts by £39,919 and 2018/2019 accounts by £19,959 but has realign in the 2019/2020 accounts.

The Actuary, Barnett Waddingham is instructed by Nottinghamshire County Council to undertake pension expense calculations and have prepared their figures in accordance with their understanding of the International Accounting Standard IAS19.

In General, participating in a defined benefit pension scheme means the employer is exposed to a number of risks.

- Investment risk - The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over long-term, the short-term volatility can cause additional funding to be required if a deficit emerges.
- Interest rate risk - The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cash flows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way.
- Inflation risk - All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation.
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Nottinghamshire County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the employer for example higher than expected investment returns or employers leaving the fund with excess assets which eventually get inherited by the remaining employers.

Further information can be found in the Annual Report of the County Council Pension Fund, which is available upon request from Nottinghamshire County Council, County Hall, West Bridgford, Nottingham NG2 7QP.

The latest available membership data is shown in the table below:

	Number	Salaries / Pensions £000s	Average Age
Active members	13	263	44
Deferred pensioners	9	19	46
Pensioners	7	25	61
Unfunded pensioners	2	0	73

Scheduled Contributions

The table below summarises the minimum employer contributions due from Mansfield and District Joint Crematorium to the fund over this inter-valuation period. The calculated cost of accrual of future benefits is 20.2% of payroll per annum.

Minimum employer contributions:	01-Apr-20	01-Apr-21	01-Apr-22
Percentage of payroll	20.2%	20.2%	20.2%
Plus monetary amount (£000)	17	17	18

Assets

The return on the fund (on a bid value to bid value basis) for the year to 31 March 2020 is estimated to be -9%. The actual return on fund assets over the year may be different.

The fund's assets consist of the following categories, by value and proportion of the total assets held by the fund attributable to the Committee:

31 March 2019		Asset Share	31 March 2020	
£	%		£	%
874,000	60	Equities	788,000	64
42,000	3	Gilts	40,000	3
145,000	10	Other Bonds	107,000	9
226,000	16	Property	156,000	13
44,000	3	Cash	30,000	2
53,000	4	Inflation - Linked Pooled Fund	45,000	4
72,000	5	Infrastructure	65,000	5
1,456,000	100		1,231,000	100

b. Transactions Relating to Post-Employment Benefits

The costs of retirement benefits are recognised in the net cost of services when they are earned by employees, rather than when the benefits are eventually paid as pensions. However, the charge made against the Committee is based on the cash payable in the year, so the real cost of post-employment benefits is reversed out of the general reserve via the movement in reserves statement.

The following transactions have been made in the Comprehensive Income and Expenditure Statement via the movement in reserves statement during the year:

Comprehensive Income and Expenditure Statement		
2018/2019		2019/2020
£		£
	Cost of Services:	
103,000	Current Service cost	98,000
0	Past Service cost	25,000
0	Administration expenses	1,000
	Financing and Investment Income and Expenditure:	
31,000	Net interest on the defined liability / (-) asset	29,000
134,000	Total Post Employment Benefit Charged to the Surplus / Deficit on the Provision of Services	153,000
	Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	
83,000	Actuarial gains and (-) losses	191,000
217,000	Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement	344,000
	Movement in Reserves Statement	
-134,000	Reversal of net charges made to the Surplus / Deficit for the Provision of Services for post-benefits in accordance with the Code	-153,000
	Actual amount charged against the General Fund	
	Balance for pensions in the year:	
49,000	Employers' contribution payable to the Scheme	46,000

c. Assets and Liabilities in Relation to Post-Employment Benefits

The following table provides a reconciliation of present values of the schemes liabilities for the JCC during the 2018/2019 and 2019/2020 financial years:

At 31 March 2019		At 31 March 2020
£		£
2,509,000	Opening Defined Benefit Obligation	2,681,000
103,000	Current service cost	98,000
65,000	Interest cost	65,000
-144,000	Change in demographic assumptions	-37,000
158,000	Change in financial assumptions	-282,000
0	Experience loss / (-) gain on defined benefit obligation	-145,000
-26,000	Estimated benefits paid (net of transfer in)	-49,000
0	Past service costs, including curtailments	25,000
16,000	Contribution by scheme participants	16,000
0	Unfunded pension payments	0
2,681,000	Closing Defined Benefit Obligation	2,372,000

The following table provides a reconciliation of fair values of the schemes assets of the Committee during the 2018/2019 and 2019/2020 financial years:

At 31 March 2019		At 31 March 2020
£		£
1,286,000	Opening fair value of scheme assets	1,456,000
	Expected return on scheme assets	
34,000	Interest on assets	36,000
97,000	Return on assets less interest	-169,000
0	Other actuarial gains / (-) losses	-104,000
0	Administration expenses	-1,000
49,000	Contribution by employer including unfunded benefits	46,000
16,000	Contribution by scheme participants	16,000
-26,000	Estimated benefits paid including unfunded benefits	-49,000
0	Settlement prices received / (-) paid	0
1,456,000	Closing fair value of scheme assets	1,231,000

The interest income on scheme assets and interest expense on scheme liabilities is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date (31 March 2020). Expected returns on equity investments reflect long term rates of return experienced in the respective markets.

The total return on the fund for the year to 31 March 2020 was (£133,000) (2018/2019 £131,000).

d. Scheme History

	2017/2018	2018/2019	2019/2020
	£	£	£
Present value of liabilities	2,509,000	2,681,000	2,372,000
Fair Value of assets	-1,286,000	-1,456,000	-1,231,000
Rounding Adjustment		1	0
Surplus/ (-) Deficit	1,223,000	1,225,001	1,141,000

The liabilities show the underlying commitments that the Committee has in the long run to pay for post-employment (retirement) benefits. The total liability of £1,141,000 has a substantial impact on the net worth of the Committee as recorded in the balance sheet.

However, statutory arrangements for funding the deficit mean that the financial position of the Committee remains healthy; the deficit on the local government scheme will be made good by increased contributions over the remaining working life of employees, as assessed by the scheme actuary.

The total contributions expected to be made to the pension scheme by the Committee in the year to 31 March 2020 are £46,000 (2018/2019 £49,000).

e. Projected Pension Expenditure

The projected pension expenses for the year to 31 March 2021 are:

	£000s
Service Cost	93
Interest Cost	26
Administration Expenses	0
Total	119
Employer Contributions	52

These figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2020. These projections are based on the assumptions as at 31 March 2020, as described in the actuary's report. The actuary has also allowed for the estimated impact of the recent McCloud judgement on the projected service cost. The actuary has estimated the impact as a percentage of the projected service cost to be 3.0%.

f. Basis for Estimating Assets and Liabilities

Liabilities have been assessed on an actuarial basis using the projected unit method, an estimate of the pensions that will be payable in future years is dependent on assumptions about mortality rates and salary levels. The Nottinghamshire County Council Fund liabilities have been assessed by Barnett Waddingham, an independent

firm of actuaries, estimates for the County Council Fund being based on the latest full valuation of the scheme at 31 March 2019.

Under the projected unit method, the current service cost will increase as the Members of the scheme approach retirement.

The main assumptions used by the actuary in their calculations have been:

2018/2019 %		2019/2020 %
	Mortality assumptions:	
	Longevity at 65 for current pensioners:	
21.6	Men	21.8
24.4	Women	24.4
	Longevity at 65 for future pensioners:	
23.3	Men	23.2
26.2	Women	25.8
	Financial Assumptions:	
2.5	Discount Rate	2.4
2.4	Pension Increases	1.9
3.9	Salary Increases	2.9

Additional Assumptions:

- Members will exchange half of their commutable pension for cash at retirement.
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age.
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

The methods and types of assumptions used in preparing the sensitivity analysis below did not change from those used in the previous period.

	Increase in Assumption £	Decrease in Assumption £
Rate for discounting scheme liabilities (increase or decrease by 0.1%)	2,317,000	2,427,000
Rate of increase in salaries (increase or decrease by 0.1%)	2,376,000	2,367,000
Rate of increase in pensions (increase or decrease by 0.1%)	2,423,000	2,321,000
Adjustment to mortality age (longevity) (increase or decrease in 1 year)	2,449,000	2,296,000

The pension accounting disclosures for 2019/20 include the impact of the McCloud & Sargeant judgements on LGPS liabilities. These court cases relate to age discrimination within the Judicial & Fire Pension schemes respectively. The Scheme Advisory Board,

with consent of the Ministry of Housing, Communities and Local Government (MHCLG), commissioned the Government Actuary Department (GAD) to report on the possible impact of the McCloud & Sargeant judgement on LGPS liabilities, and in particular, those liabilities to be included in local authorities' accounts. It is this impact assessment which has been used by the actuaries to estimate the possible impact of the judgement for the employer. This estimated impact is shown as a Past Service Cost, with the impact on the total liabilities as at 31st March 2020 being £25,000 (or 1% as a percentage of total liabilities).

14. USABLE RESERVES

This note sets out the amounts set aside to provide financing for future expenditure plans, subject to the need to provide a prudent level of reserves and any statutory limitations on their use.

The table below shows the usable reserves held by the Committee:

2018/2019 £	Usable Reserves	2019/2020 £
800,698	Capital Fund	799,863
248,366	General Reserve	237,363
1,049,064	Balance at 31st March	1,037,226

Capital Fund

This reserve represents amounts set aside to finance capital expenditure:

2018/2019 £	Usable Reserves - Capital Fund	2019/2020 £
764,707	Balance at 1st April	800,698
0	Financing of Capital Expenditure	-835
35,991	Contributions	0
800,698	Balance at 31st March	799,863

General Reserve

This reserve represents the balance of the undistributed surpluses:

2018/2019 £	Usable Reserves - General Reserves	2019/2020 £
299,901	Balance at 1st April	248,366
-51,535	Movement in Year	-11,003
248,366	Balance at 31st March	237,363

15. UNUSABLE RESERVES

This note sets out those reserves which hold unrealised gains and losses which the Committee is not able to use.

The table below shows the unusable reserves held by the Committee:

2018/2019 £	Unusable Reserves	2019/2020 £
461,397	Revaluation Reserve	442,841
1,815,651	Capital Adjustment Account	1,707,936
-1,244,960	Pension Reserve	-1,141,000
1,032,088	Balance at 31st March	1,009,777

Revaluation Reserve

The Revaluation Reserve contains the gains arising from increases in the value of property, plant and equipment and intangible assets. The balance is reduced when assets with accumulated gains are:

- re-valued downwards or impaired and the gains are lost
- used in the provision of services and the gains are consumed through depreciation, or
- disposed of and the gains are realised

The reserve contains only revaluation gains accumulated since 1 April 2007, the date that the reserve was created. Accumulated gains arising before that date are consolidated into the balance on the Capital Adjustment Account. The last revaluation of the Crematorium assets was undertaken on 1 April 2018.

2018/2019 £	Unusable Reserves - Revaluation Reserve	2019/2020 £
97,413	Balance at 1st April	461,397
382,540	Upwards Revaluation of Assets	0
-18,556	Historic Cost Depreciation	-18,556
0	Downward revaluation of assets and impairment losses not charged to the Comprehensive Income and Expenditure Statement	0
461,397	Balance at 31st March	442,841

Capital Adjustment Account

The Capital Adjustment Account absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions. The Capital Adjustment Account is debited with the cost of acquisition, construction or enhancement. Depreciation, impairment losses and amortisation are charged to the Comprehensive Income and Expenditure Statement (with reconciling postings from the revaluation reserve to convert fair value figures to a historical cost basis). The account is credited with the amounts set aside by the Committee as finance for the costs of acquisition, construction and enhancement.

2018/2019 £	Unusable Reserves - Capital Adjustment Account	2019/2020 £
1,896,067	Balance at 1st April	1,815,651
	Reversal of items relating to capital expenditure debited or credited to the Comprehensive Income and Expenditure Statement:	
-98,972	Charges for Depreciation and impairment of non current assets	-126,271
18,556	Historic Cost Depreciation	18,556
0	Revaluation losses on Property Plant and Equipment	0
	Capital Financing in the Year	
0	Use of Capital Fund to finance capital expenditure	0
1,815,651	Balance at 31st March	1,707,936

Pension Reserve

The Pension Reserve absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions. The Committee accounts for post-employment benefits in the Comprehensive Income and Expenditure Statement as the benefits are earned by employees accruing years of service, updating the liabilities recognised to reflect inflation, changing assumptions and investment returns on any resources set aside to meet the costs. However, statutory arrangements require benefits earned to be financed when the Committee makes employer's contributions to the pension funds, or eventually pay any pensions for which it is directly responsible. Therefore, the debit balance on the Pension Reserve shows a substantial shortfall in the benefits earned by past and current employees and the resources the Committee has set aside to meet them. The statutory arrangements will ensure that funding will have been set aside by the time the benefits come to be paid.

2018/2019 £	Pension Reserve - Pension Reserve	2019/2020 £
-1,262,919	Balance at 1st April	-1,244,960
83,000	Re-measurement of the net defined benefit liability/(asset)	191,000
-134,000	Reversal of items relating to retirement benefits debited or credited to the Comprehensive Income and Expenditure Statement	-153,000
49,000	Employers Pension contributions and direct payments to pensioners in the year	46,000
19,959	Pension Lump Sum Yr 3	19,960
-1,244,960	Balance at 31st March	-1,141,000

16. CASH AND CASH EQUIVALENTS

The cash and cash equivalents are shown in the below:

2018/2019 £	Cash and Cash Equivalents	2019/2020
150	Petty Cash	150
1,691,189	Cash held by Mansfield District Council	1,676,069
1,691,339	Balance at 31st March	1,676,219

17. SURPLUS FOR DISTRIBUTION

The table below shows the values from the Movement in Reserves Statement and Comprehensive Income and Expenditure Statement that comprise the total surplus for distribution:

2018/2019 £		2019/2020 £
-1,086,291	CIES - Total Comprehensive Income and Expenditure (Prior to Surplus Distribution)	-808,638
285,983	MIRS - Transfers to/(-)from Reserves	-34,149
-800,308	Total Surplus for Distribution	-842,787

18. MEMBERS ALLOWANCES

No recharges in respect of members' allowances have been made to the Joint Committee by the constituent authorities in 2019/2020 or in 2018/2019.

19. EXTERNAL AUDIT COSTS

The Committee incurred external audit fees (Audit Lincolnshire) in 2019/2020 of £1,410 (£1,583 in 2018/2019).

20. RELATED PARTIES

The transactions with related parties are disclosed in the statement of accounts as follows:

- Transactions with local authorities within the Comprehensive Income and Expenditure Statement as central support services and the distribution of the surplus

The three constituent local authorities maintain a register of members' interests and a record of interests declared at Cabinet and Committee meetings. There were no material transactions with organisations identified in these records.

21. AUTHORISATION OF THE ACCOUNTS FOR APPROVAL

The statement of accounts for Mansfield Joint Crematorium Committee was signed by the responsible financial officer on the 26 May 2020.

Mansfield Crematorium
ANNUAL GOVERNANCE STATEMENT
2019/2020

It is a requirement that a separate Governance Statement is produced for any joint committees for approval by their relevant management body. Mansfield Crematorium has adopted Mansfield District Council's governance arrangements as detailed below.

1. Scope of Responsibility

- 1.1 Mansfield District Council is responsible for ensuring that its business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively. Mansfield District Council also has a duty under the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in

which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

- 1.2 In discharging this overall responsibility, Mansfield District Council is responsible for putting in place proper arrangements for the governance of its affairs, facilitating the effective exercise of its functions, and which includes arrangements for the management of risk.
- 1.3 Mansfield District Council has approved and adopted a code of corporate governance, which is consistent with the principles of the CIPFA/SOLACE Framework *Delivering Good Governance in Local Government 2016 Edition*. A copy of the code is on the Council's website or can be obtained from the Civic Centre, Chesterfield Road South, Mansfield, NG19 7BH. This statement explains how Mansfield District Council has complied with the code and also meets the requirements of Accounts and Audit (England) Regulations 2015, regulation 6(1) which requires all relevant bodies to prepare an annual governance statement.

2. The Purpose of the Governance Framework

- 2.1 The governance framework comprises the systems and processes, and culture and values, by which the authority is directed and controlled and its activities through which it accounts to, engages with and leads its communities. It enables the authority to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate services and value for money.
- 2.2 The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Mansfield District Council's policies, aims and objectives, to evaluate the likelihood and potential impact of those risks being realised and to manage them efficiently, effectively and economically.
- 2.3 The governance framework has been in place at Mansfield District Council for the year ended 31 March 2020 and up to the date of approval of the statement of accounts.
- 2.4 Due to the Covid-19 pandemic and the emergency measures that had to be introduced by Mansfield District Council, additional assurance was received from the Director & Registrar of the Crematorium that these had not adversely affected the robustness of either the overarching governance framework or supporting risk management and internal control arrangements.

3. Statement of Overall Opinion

- 3.1 It is our opinion, based upon the content of the AGS that the Mansfield Crematorium's governance framework is robust and that the governance arrangements have proved to be highly effective during 2019/2020.

Chairman of Joint Committee

Date

Treasurer

Date

4. The Governance Framework

Vision and Priorities

4.1 The Council’s vision and priorities are contained in its “Making Mansfield: Towards 2030” strategy for transforming the Mansfield district. The strategy sets out its vision and ambitions for the future. It builds on the strong foundations of past successes and reflects Mansfield’s resilience and innate desire to improve and move forward.

The vision for the district is to:

“Grow an ambitious, vibrant and confident place”

The vision for Mansfield is ambitious. It is designed to underpin everything the council does over the next decade. To ensure delivery of the vision the council will focus on the following four cross cutting themes and their priorities:

Place: “Our ambition for place is to create a place to be proud of, a place of choice”

Priorities:

- Create and communicate a positive image of the Mansfield district.
- Preserve, enhance and promote our natural environment and physical assets across the district.
- Improve the town centre experience for residents, visitors and businesses.
- Create a positive cultural and leisure experience for residents and visitors in the area.
- Create a clean, green infrastructure that supports and enhances the quality of life for residents.

Wellbeing: “Our ambition for wellbeing is to create a flourishing place where people are healthy and happy”

Priorities:

- Create an environment where people lead safe, healthy lifestyles and have the opportunities to be physically active.
- Support and encourage people to make healthy choices.
- Support a good quality of life for those that live and work here.
- Understand and respond to the needs of communities and be advocates for support and intervention.
-

Growth: “Our ambition for growth is to create a thriving place for investment and opportunity”

Priorities:

- Develop the district’s infrastructure to embrace technology and technological advances.
- Create employment opportunities that are aligned to meet future requirements.
- Develop a better and wider mix of housing across the district to meet the needs and aspirations of existing and new residents.
- Develop and sustain local businesses and encourage national and regional businesses to invest in the area.

Aspiration: “Our ambition for aspiration is to create a place where people can achieve and succeed”

Priorities:

- Encourage people of all abilities to achieve their true potential.
- Build confidence within communities so that they have more control and influence in what happens in their area.
- Create opportunities for learning, development and achievement for all.
- Ensure local people have clear aspirational pathways into local employment.

- 4.2 The Council's Corporate Values of Excellence, Integrity, Teamwork, Empower and Involve, and Passion and Pride summarise its way of thinking to deliver positive outcomes for its customers.

Underpinning the Corporate Values is its commitment to equality as it aims to treat everyone fairly and strives to achieve equality for its diverse communities.

- 4.3 The Council's Medium Term Financial Strategy (MTFS) for 2019/2020 to 2021/2022 supports the "Making Mansfield: Towards 2030" strategy and identifies its financial implications. It shows the approach the council will take in order to deliver its services and priorities within its financial constraints and in doing so how it will look to provide value for money
- 4.4 The Council is currently delivering its Transformation Strategy which sets out how the Council will become an innovative, efficient, customer focussed, high performing 21st Century Authority

Quality of Services

- 4.5 The Council has an ongoing commitment to community engagement and empowerment and has a Community Involvement Strategy and toolkit to accompany the Customer Insight and Journey Mapping toolkits.
- 4.6 The Council has a performance management software package which brings together all the Council's performance data in one place and enables effective monitoring of key performance indicators.
- 4.7 The Council in accordance with its Contract Procedure Rules, Procurement Guidance and partnership arrangements with Nottingham City's Procurement Service aims to deliver effective procurement practices across the whole organisation.
- 4.8 The Council has in place a corporate complaints system which ensures effective monitoring and action is taken where appropriate.

Constitutional Matters

- 4.9 The Mansfield Crematorium's Joint Committee has adopted a constitution, which details how the Crematorium operates and its decision making policies and procedures.
- 4.10 It has been agreed with HMRC that Mansfield Crematorium's Joint Committee will be classed as an arms-length body for VAT purposes from April 2019

Codes of Conduct

- 4.11 The Council has adopted codes of conduct for both members and employees and also has a protocol for member/employee/partner relations. The codes include reference to the need to declare any interest which may conflict with the

individual's role at the Council, with registers maintained for any such interest to be recorded and monitored.

- 4.12 Compliance with the member and employee codes of conduct is currently monitored by the Council's Governance and Ethics and Personnel Committees respectively.
- 4.13 The Council has in place a whistle-blowing code which ensures that any referrals under the code are fully investigated, with findings reported to the Statutory Officers, senior managers and the Governance and Ethics Committee as appropriate.

Policies, Procedures, Laws and Regulations

- 4.14 The Head of Law and Governance is designated as the Council's Monitoring Officer. It is the function of the Monitoring Officer to ensure compliance with established policies, procedures, laws and regulations.
- 4.15 The financial management of the authority is conducted in accordance with the relevant provisions of the Constitution and the Council's Financial Regulations. The Council has designated the Head of Finance as the Chief Finance Officer in accordance with Section 151 of the Local Government Act 1972.
- 4.16 The Council's Local Code of Corporate Governance fully conforms with the governance requirements of the CIPFA Statement on the *Role of the Chief Financial Officer in Local Government*.
- 4.17 The Council maintains an Internal Audit Service, which operates in accordance with the Accounts and Audit Regulations 2015, the Public Sector Internal Audit Standards (PSIAS) and CIPFA's Local Government Application Note (2019).
- 4.18 The Council has robust policies and procedures relating to the use of resources and the corporate governance framework, including revised Corporate Risk and Opportunity Management Strategy, Financial Regulations and Contract Procedure Rules, Scheme of Delegation and Anti-Fraud and Corruption Strategy.

Risk and Opportunity Management

- 4.19 The Council recognises that it has a responsibility to identify, evaluate and manage risks whilst still creating a fertile climate for innovation. It therefore supports a structured approach through the implementation of its risk and opportunity management strategy with an annual report on its effectiveness.
- 4.20 The Council has a Corporate Risk and Opportunity Monitoring Group which has clear roles and responsibilities, including monitoring implementation of the effective delivery of the Corporate Risk and Opportunity Management Strategy across the authority. In addition the Council's Governance and Ethics Committee is responsible for monitoring the effective development and operation of risk and opportunity management.

- 4.21 The significant operational risks identified for the Crematorium are fully mitigated by its Business Continuity Plan which is approved by the Mansfield Crematorium's Joint Committee.

Governance and Ethics Committee

- 4.22 The Council has a Governance and Ethics Committee which is fully compliant with the guidance provided in CIPFA's *Audit Committees – Practical Guidance for Local Authorities 2018 edition*.

Development and Training Needs

- 4.23 There is an induction programme in place for newly appointed officers and members, with their ongoing training needs being determined by means of one to one discussions with members and annual interviews of employees in accordance with the Council's personal development scheme.
- 4.24 There are opportunities for members and officers to update their knowledge on a regular basis by using the Council's training and development programme, which includes training on corporate governance.
- 4.25 The Council also has a peer coaching and mentoring programme for members and has a management development programme for officers based upon the Council's competency framework.
- 4.26 In accordance with the Member Development Charter for the East Midlands, the Council has a comprehensive member development programme in place.

5. Review of Effectiveness

- 5.1 Mansfield District Council has responsibility for conducting, at least annually, a review of the effectiveness of its governance framework including the system of internal control. The review of effectiveness is informed by the work of the senior managers within the authority who have responsibility for the development and maintenance of the governance environment, the Corporate Assurance Manager's annual report, and also by comments made by the external auditors and other review agencies and inspectorates.
- 5.2 The process that has been applied in reviewing the effectiveness of the Council's governance framework includes:
- 5.3 The Council has carried out a self-assessment of its compliance with the CIPFA Statement on the *Role of the Head of Internal Audit in Public Service Organisations (2019 edition)*. Certain areas for further improvement were identified which will be implemented during 2020/2021
- 5.4 The Corporate Assurance Manager's review of the Council's level compliance with its adopted Local Code of Corporate Governance, which is to be reported to the Governance and Ethics Committee in June 2020, identified no significant governance issues relating to Mansfield Crematorium

- 5.5 The Corporate Assurance Manager has completed a review of the Council's ethical governance arrangements using good practice guidance as a benchmark, with an overall excellent assurance level being achieved
- 5.6 The Governance and Ethics Committee monitors members' compliance with the Code of Conduct and considers any action required from this monitoring. No significant issues have been identified
- 5.7 The Council's counter fraud and corruption arrangements have been reviewed during 2019/2020 to ensure that they continue to be effective and are fully compliant with both the Local Government Counter Fraud and Corruption strategy 2016-2019 and CIPFA's Code of Practice on "managing the risk of fraud and corruption". No areas for improvement have been identified
- 5.8 A review of the Council's corporate risk and opportunity management arrangements has been undertaken by the Corporate Assurance Manager and reported to the Governance and Ethics Committee. Areas for improvement will be implemented during 2020/2021.
- 5.9 The Council has a number of Overview and Scrutiny Committees which provide an overview and scrutiny role. They can "call in" a decision which has been made by the Executive or an officer (where the decision is a key decision) but not yet implemented, to enable them to consider whether they consider the decision is appropriate. They also enquire into issues which are of local concern
- 5.10 Governance and Ethics Committee received a variety of reports during 2019/2020 both from internal assurance providers and from external audit in accordance with its terms of reference as detailed in the Council's constitution.
- 5.11 The audit of the Crematorium's accounts carried out by Assurance Lincolnshire gave an unqualified opinion
- 5.12 No areas for improvement were identified from Internal Audit's systems review of the Crematorium carried out during 2019/2020
- 5.13 The Corporate Assurance Manager's Annual Report for 2019/2020 concluded that the Council's risk management, control and governance processes were effective and therefore an unqualified opinion was given.

Glossary of Financial and Accounting Terms

PLEASE NOTE: *This glossary provides an explanation of terms, not precise definitions. It should not be used as a substitute for the more detailed and specific definitions given in statute, codes of practice and technical guidance. It should be used in conjunction with explanations provided within and supporting the accounting statements.*

ACCOUNTING PERIOD – the period of time covered by the accounts, which is normally 12 months commencing on 1 April and finishing on 31 March the following year. The end of the accounting period is the Balance Sheet date.

ACCRUAL – an amount included in the accounts to cover income or expenditure relating to an accounting period but for which payment has not been received or made. This means that income and expenditure is recognised in the accounts when they are earned or incurred, not when money is exchanged.

BALANCE SHEET – a statement of the recorded assets, liabilities and other balances as they stand in monetary terms, at the end of an accounting period.

BUDGET – a statement defining the Committee's financial plans over a specified period of time (usually an accounting period 1 April to 31 March).

CAPITAL ADJUSTMENT ACCOUNT - this absorbs the timing differences arising from the different arrangements for accounting for the consumption of non-current assets and for financing the acquisition, construction or enhancement of those assets under statutory provisions.

CAPITAL FUND – this fund receives contributions from the Comprehensive Income and Expenditure to accumulate funds for capital expenditure.

CAPITAL EXPENDITURE – this includes expenditure on the acquisition of, or major enhancement of fixed assets such as land, property and other structures.

CREDITORS – an amount owed by the Committee for work done, goods received or services rendered relating to the accounting period, but for which payment has not yet been made.

CURRENT ASSETS – an asset held at the balance sheet date, which will be used within the following accounting period; for example, stock, cash and debtors.

CURRENT LIABILITY – an amount owing at the balance sheet date, which will be paid in the next accounting period; for example, creditors, cash and loan repayments.

DEBTORS – an amount owing to the Committee relating to the accounting period, but for which money has not yet been received.

DEPRECIATION – the measure of the reduction in value of a non-current asset due to age, consumption or other reduction in useful life during the accounting period.

GENERAL RESERVE – amounts put aside, but not allocated to meet, any future spending commitments.

IMPAIRMENT – this reflects a REDUCTION in the market value of a non-current asset due to significant changes in the market (i.e. introduction of new technology), obsolescence, or damage, etc.

NET BOOK VALUE – the amount at which non-current assets are included (valued) in the balance sheet, i.e. their historic value or current valuation less depreciation.

NET REALISABLE VALUE – the open market value of an asset in its existing use.

PENSION RESERVE - this absorbs the timing differences arising from the different arrangements for accounting for post-employment benefits and for funding benefits in accordance with statutory provisions.

PROVISIONS – pre-determined amounts put aside in the accounts for liabilities or losses which are certain or very likely to occur, but the amounts involved or the date when they need to be settled are uncertain.

REVENUE EXPENDITURE – running costs of services, which include employees, premises, transport, interest, supplies and services.

Independent auditor's report.**AUDIT OF MANSFIELD CREMATORIUM
FINAL ACCOUNTS 2019/2020****Remit**

An audit of the Mansfield and District Crematorium Joint Committee accounts 2019/20 has recently been undertaken by Assurance Lincolnshire.

Opinion

In our opinion, the statement of accounts presents fairly the Crematorium's Comprehensive Income and Expenditure Statement (CIES) for the year ended 31st March 2020 and the Balance sheet as at that date. The statements are fully supported with the underlying financial records.

Auditors: Assurance Lincolnshire

Signed:

A Hunt (Principal Auditor)

29/04/2020

M Nkhoma (Senior Auditor)

29/04/2020

Mansfield and District Joint Crematorium Nottinghamshire County Council Pension Fund

Pension accounting disclosure as at 31 March 2020
Prepared in accordance with IAS19

Barnett Waddingham LLP

9 April 2020

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Introduction

We have been instructed by Nottinghamshire County Council, the administering authority to the Nottinghamshire County Council Pension Fund (the Fund), to undertake pension expense calculations in respect of pension benefits provided by the Local Government Pension Scheme (the LGPS) to employees of Mansfield and District Joint Crematorium (the Employer) as at 31 March 2020. We have taken account of current LGPS Regulations, as amended, as at the date of this report.

This report is addressed to the Employer and its advisers; in particular, this report is likely to be of relevance to the Employer's auditor.

These figures are prepared in accordance with our understanding of International Accounting Standard 19 (IAS19).

This advice complies with Technical Actuarial Standard 100: Principles for Technical Actuarial Work (TAS 100).

The figures quoted will form the basis of the balance sheet and funding status disclosures to be made by the Employer as at 31 March 2020 in respect of its pension obligations under the LGPS. The projected pension expense calculations for the year to 31 March 2021 may be used for the purpose of any interim financial reporting during the year to 31 March 2021. However, it may subsequently be necessary to adjust these projections following the occurrence of any material events such as curtailments, settlements or the discontinuance of the Employer's participation in the Fund.

Further information relating to our treatment of GMP is included on page 10 of this disclosure.

An allowance has been made for the recent Court of Appeal judgement in relation to the McCloud & Sargeant cases which relate to age discrimination within the Judicial & Fire Pension schemes respectively. On 27 June 2019 the Supreme Court denied the Government's request for an appeal, and on 15 July 2019 the Government released a statement to confirm that it expects to have to amend all public service schemes, including the LGPS.

The estimated impact on the total liabilities at 31 March 2020 has been allowed for as a past service cost and has resulted in a slight increase in the defined benefit obligation as at 31 March 2020. The projected service cost has also increased as a result of this additional allowance as set out in Appendix 6. Please see the impact of the McCloud/Sargeant judgement section below and in the 31 March 2020 employer briefing note post-accounting date for further information.

It should be noted that this adjustment is an estimate of the potential impact on the Employer's defined benefit obligation based on analysis carried out by the Government Actuary's Department (GAD) and the Employer's liability profile. It is not yet clear how this judgement may affect LGPS members' past or future service benefits.

Please note we have not made any allowance for IFRIC14 in our calculations. We would be happy to speak to the Employer or their auditor if more information is required.

IAS19 also requires the disclosure of any other employer provided pension benefits which are not paid from the Fund itself: examples include additional pensions paid on retirement under the Discretionary Payment Regulations. We have only valued such additional liabilities, which would not be covered in the formal LGPS valuation, to the extent that they have been notified to us and are as disclosed in the Valuation data section of this report.

Amendments to the IAS19 standard now requires that, when determining any past service cost or gain or loss on settlement, the net defined benefit liability is remeasured using current assumptions and the fair value of plan assets at the time of the event. The amendment does, however, note that the extra remeasurement does not need to be applied where the application of that remeasurement is immaterial. No events have occurred over the accounting period that would be treated as material 'special events'.

Characteristics of defined benefit plans and associated risks

The LGPS is a defined benefit statutory scheme administered in accordance with the Local Government Pension Scheme Regulations 2013 and currently provides benefits based on career average revalued earnings. Full details of the benefits being valued are as set out in the Regulations as amended and summarised on the LGPS website and the Fund's membership booklet.

The administering authority for the Fund is Nottinghamshire County Council. The Pension Fund Committee oversees the management of the Fund whilst the day to day fund administration is undertaken by a team within the administering authority. Where appropriate some functions are delegated to the Fund's professional advisers.

As administering authority to the Fund, Nottinghamshire County Council, after consultation with the Fund Actuary and other relevant parties, is responsible for the preparation and maintenance of the Funding Strategy Statement and the Investment Strategy Statement. These should be amended when appropriate based on the Fund's performance and funding.

Contributions are set every three years as a result of the actuarial valuation of the Fund required by the Regulations. The next actuarial valuation of the Fund will be carried out as at 31 March 2022 and will set contributions for the period from 1 April 2023 to 31 March 2026. There are no minimum funding requirements in the LGPS but the contributions are generally set to target a funding level of 100% using the actuarial valuation assumptions.

On the Employer's withdrawal from the Fund, a cessation valuation will be carried out in accordance with Regulation 64 of the LGPS Regulations 2013 which will determine the termination contribution due by the Employer, on a set of assumptions deemed appropriate by the Fund Actuary.

In general, participating in a defined benefit pension scheme means that the Employer is exposed to a number of risks:

- Investment risk. The Fund holds investment in asset classes, such as equities, which have volatile market values and while these assets are expected to provide real returns over the long-term, the short-term volatility can cause additional funding to be required if a deficit emerges;
- Interest rate risk. The Fund's liabilities are assessed using market yields on high quality corporate bonds to discount future liability cashflows. As the Fund holds assets such as equities the value of the assets and liabilities may not move in the same way;
- Inflation risk. All of the benefits under the Fund are linked to inflation and so deficits may emerge to the extent that the assets are not linked to inflation; and
- Longevity risk. In the event that the members live longer than assumed a deficit will emerge in the Fund. There are also other demographic risks.

In addition, as many unrelated employers participate in the Nottinghamshire County Council Pension Fund, there is an orphan liability risk where employers leave the Fund but with insufficient assets to cover their pension obligations so that the difference may fall on the remaining employers.

All of the risks above may also benefit the Employer e.g. higher than expected investment returns or employers leaving the Fund with excess assets which eventually get inherited by the remaining employers.

Valuation data

Data sources

In completing our calculations for pension accounting purposes we have used the following items of data, which we received from Nottinghamshire County Council:

- The results of the valuation as at 31 March 2019 which was carried out for funding purposes and the results of the 31 March 2019 IAS19 report which was prepared for accounting purposes;
- Estimated whole Fund income and expenditure items for the period to 31 March 2020;
- Estimated Fund returns based on Fund asset statements provided (or estimated where necessary) as at 31 March 2019 and 31 December 2019, Fund income and expenditure as noted above, and estimated market returns thereafter for the period to 31 March 2020;
- Estimated Fund income and expenditure in respect of the Employer for the period to 31 March 2020;
- Details of any new early retirements for the period to 31 March 2020 that have been paid out on an unreduced basis, which are not anticipated in the normal employer service cost; and
- Details of any settlements for the period to 31 March 2020.

Although some of these data items have been estimated, we do not believe that they are likely to have a material effect on the results of this report. Further, we are not aware of any material changes or events since we received the data. The data has been checked for reasonableness and we are happy that the data is sufficient for the purposes of this advice.

Employer membership statistics

The table below summarises the membership data, as at 31 March 2019 for members receiving funded benefits.

Member data summary	Number	Salaries/Pensions	Average age
		£000s	
Actives	13	263	44
Deferred pensioners	9	19	46
Pensioners	7	25	61
Unfunded pensioners	2	0	73

The service cost for the year ending 31 March 2020 is calculated using an estimate of the total pensionable payroll during the year. The estimated total pensionable payroll during the year is £259,000, as advised by the Employer. The projected service cost for the year ending 31 March 2021 has been calculated assuming the payroll remains at this level over the year.

Scheduled contributions

The table below summarises the minimum employer contributions due from Mansfield and District Joint Crematorium to the Fund over this inter-valuation period. The calculated cost of accrual of future benefits is 20.2% of payroll p.a.

Minimum employer contributions due for the period beginning	1 Apr 2020	1 Apr 2021	1 Apr 2022
Percent of payroll	20.2%	20.2%	20.2%
plus monetary amount (£000s)	17	17	18

However, Mansfield and District Joint Crematorium have agreed with the administering authority that they will prepay their monetary contributions for the three years to 31 March 2023 by making a single lump sum payment of £48,454 by 30 April 2020. This lump sum payment has received an actuarially equivalent discount to the monetary rates above and Mansfield and District Joint Crematorium have been notified separately of this amount. If they don't make this lump sum payments by 30 April 2020, the contribution rates set out above will apply as normal.

Mansfield and District Joint Crematorium may pay further amounts at any time and future periodic contributions, or the timing of contributions may be adjusted on a basis approved by us.

Early retirements

We requested data on any early retirements in respect of the Employer from the administering authority for the year ending 31 March 2020.

It is our understanding that there were no new early retirements over the year which were not allowed for at the previous accounting date.

Assets

The return on the Fund (on a bid value to bid value basis) for the year to 31 March 2020 is estimated to be -9%. The actual return on Fund assets over the year may be different.

The estimated asset allocation for Mansfield and District Joint Crematorium as at 31 March 2020 is as follows:

Asset breakdown	31 Mar 2020		31 Mar 2019	
	£000s	%	£000s	%
Equities	788	64%	874	60%
Gilts	40	3%	42	3%
Other bonds	107	9%	145	10%
Property	156	13%	226	16%
Cash	30	2%	44	3%
Inflation-linked pooled fund	45	4%	53	4%
Infrastructure	65	5%	72	5%
Unit trust	0	n/a	0	n/a
Total	1,231	100%	1,456	100%

We have estimated the bid values where necessary. Please note that the individual percentages shown are to the nearest percentage point for each asset class and may not sum to 100%. The final asset allocation of the Fund assets as at 31 March 2020 is likely to be different from that shown due to estimation techniques.

Based on the above, the Employer's share of the assets of the Fund is less than 1%.

We received the following information from the administering authority regarding the detail of their assets as at 31 December 2019, representing the percentages of the total Fund held in each asset class (split by those that have a quoted market price in an active market, and those that do not).

Asset breakdown		31 Dec 2019	
		% Quoted	% Unquoted
Fixed Interest Government Securities			
	UK	3.3%	-
Corporate Bonds			
	UK	8.5%	-
	Overseas	0.2%	-
Equities			
	UK	25.8%	0.1%
	Overseas	34.6%	-
Property			
	All	-	12.7%
Others			
	Private Equity	-	2.5%
	Infrastructure	-	5.3%
	Unit trust	-	1.0%
	Inflation-linked pooled fund	-	3.6%
	Cash/Temporary Investments	-	2.4%
Total		72.4%	27.6%

We do not have any further detail on the current asset allocation of the Fund; we suggest that if further information is required the administering authority is contacted in the first instance. Please note that as above, no adjustments for presentational purposes have been made to the percentages shown.

Actuarial methods and assumptions

Valuation approach

Valuation of the Employer's liabilities

To assess the value of the Employer's liabilities at 31 March 2020, we have rolled forward the value of the Employer's liabilities calculated for the funding valuation as at 31 March 2019, using financial assumptions that comply with IAS19.

The full actuarial valuation involved projecting future cashflows to be paid from the Fund and placing a value on them. These cashflows include pensions currently being paid to members of the Fund as well as pensions (and lump sums) that may be payable in future to members of the Fund or their dependants. These pensions are linked to inflation and will normally be payable on retirement for the life of the member or a dependant following a member's death.

It is not possible to assess the accuracy of the estimated value of liabilities as at 31 March 2020 without completing a full valuation. However, we are satisfied that the approach of rolling forward the previous valuation data to 31 March 2020 should not introduce any material distortions in the results provided that the actual experience of the Employer and the Fund has been broadly in line with the underlying assumptions, and that the structure of the liabilities is substantially the same as at the latest formal valuation. From the information we have received there appears to be no evidence that this approach is inappropriate.

Valuation of the Employer's assets

To calculate the asset share we have rolled forward the assets allocated to the Employer at 31 March 2019 allowing for investment returns (estimated where necessary), contributions paid into, and estimated benefits paid from, the Fund by and in respect of the Employer and its employees.

The Employer currently participates in the Small Scheduled Bodies pool with other employers in order to share experience of risks they are exposed to in the Fund. At the 2019 valuation, the deficit for the whole pool was calculated and allocated to each employer in proportion to their value of liabilities. The next reallocation will be carried out at the 2022 valuation, should the Employer remain in the pool. Each employer within the pool pays a contribution rate based on the cost of benefits of the combined membership of the pool.

Experience items allowed for since the previous accounting date

As a result of allowing for actual experience, which may be different from that assumed previously, an experience item may be observed in the reconciliation of liabilities to 31 March 2020. The effect of allowing for the actual experience is shown in Appendix 3.

Guaranteed Minimum Pension (GMP) Equalisation

As a result of the High Court's recent Lloyds ruling on the equalisation of GMPs between genders, a number of pension schemes have made adjustments to accounting disclosures to reflect the effect this ruling has on the value of pension liabilities. It is our understanding that HM Treasury have confirmed that the judgement "does not impact on the current method used to achieve equalisation and indexation in public service pension schemes". More information on the current method of equalisation of public service pension schemes can be found [here](#).

On 22 January 2018, the Government published the outcome to its *Indexation and equalisation of GMP in public service pension schemes* consultation, concluding that the requirement for public service pension schemes to fully price protect the GMP element of individuals' public service pension would be extended to those individuals reaching State Pension Age (SPA) before 6 April 2021. HM Treasury published a Ministerial Direction on 4 December 2018 to implement this outcome, with effect from 6 April 2016. Details of this outcome and the Ministerial Direction can be found [here](#).

Our valuation assumption for GMP is that the Fund will pay limited increases for members that have reached SPA by 6 April 2016, with the Government providing the remainder of the inflationary increase. For members that reach SPA after this date, we have assumed that the Fund will be required to pay the entire inflationary increase. Therefore we do not believe we need to make any adjustments to the value placed on the liabilities as a result of the above outcome.

Impact of McCloud/Sargeant judgement

The Scheme Advisory Board, with consent of the Ministry of Housing, Communities and Local Government (MHCLG), commissioned GAD to report on the possible impact of the McCloud/Sargeant judgement on LGPS liabilities, and in particular, those liabilities to be included in local authorities' accounts as at 31 March 2019. This followed an April 2019 CIPFA briefing note which said that local authorities should consider the materiality of the impact. This analysis was to be carried out on a "worst-case" basis, (i.e. what potential remedy would incur the highest increase in costs/liabilities). The results of this analysis are set out in GAD's report dated 10 June 2019.

We have used this analysis provided by GAD to estimate the possible impact of the McCloud/Sargeant judgement for the Employer. The key assumption is the assumed rate of future salary increases which is set out in the Financial assumptions section of this disclosure. The average age of the Employer's membership can be found in the table on page 6.

We have included a summary of our impact assessment below.

GAD estimated the impact on past service liabilities to be 3.2% of active liabilities based on a salary increase assumption of CPI plus 1.5% p.a.

➔ Adjusting this to reflect the Employer's own salary increase assumption (which is that salaries will increase at 1.0% p.a. above CPI), gives an estimated impact of 2.1% of active liabilities.

➔ Adjusting this to allow for the additional accrual of liabilities since 31 March 2019 and an approximate adjustment to strip out members who joined the Scheme who are unlikely to be affected by the outcome of the judgement gives an estimated impact of 2.0% of active liabilities.

➔ **This is equivalent to 1.0% of the Employer's total liabilities at the accounting date** (i.e. active liabilities are estimated to be 47% of the Employer's total liabilities at the accounting date).

GAD estimated the impact on the service cost to be 3.0% of payroll based on a salary increase assumption of CPI plus 1.5% p.a.

- ➔ Adjusting this to reflect the Employer's own salary increase assumption (as set out above), gives an estimated impact of 2.0% of payroll.
- ➔ Making an approximate adjustment to strip out members who are unlikely to be affected by the outcome of the judgement gives an estimated impact of 1.0% of payroll.
- ➔ **This is equivalent to 3.0% of the projected service cost.**

Demographic/Statistical assumptions

We have adopted a set of demographic assumptions that are consistent with those used for the most recent Fund valuation, which was carried out as at 31 March 2019. The post retirement mortality tables adopted are the S3PA tables with a multiplier of 110% for males and 105% for females. These base tables are then projected using the CMI_2018 Model, allowing for a long-term rate of improvement of 1.25% p.a., smoothing parameter of 7.5 and an initial addition to improvements of 0.5% p.a.

This has been updated since the last accounting date where the demographic assumptions were based on those adopted for the Fund's 31 March 2016 valuation, other than updating mortality improvement projections in line with CMI_2018 at the previous accounting date. The impact of updating the demographic assumptions is set out in the Change in demographic assumptions figure in Table 1 of Appendix 3.

The assumed life expectations from age 65 are:

Life expectancy from age 65 (years)	31 Mar 2020	31 Mar 2019
Retiring today		
Males	21.8	21.6
Females	24.4	24.4
Retiring in 20 years		
Males	23.2	23.3
Females	25.8	26.2

We have also assumed that:

- Members will exchange half of their commutable pension for cash at retirement;
- Members will retire at one retirement age for all tranches of benefit, which will be the pension weighted average tranche retirement age; and
- The proportion of the membership that had taken up the 50:50 option at the previous valuation date will remain the same.

Financial assumptions

The financial assumptions used to calculate the results are as follows:

Assumptions as at	31 Mar 2020	31 Mar 2019	31 Mar 2018
	% p.a.	% p.a.	% p.a.
Discount rate	2.35%	2.45%	2.60%
Pension increases	1.85%	2.40%	2.30%
Salary increases	2.85%	3.90%	3.80%

These assumptions are set with reference to market conditions at 31 March 2020.

Our estimate of the Employer's past service liability duration is 24 years. This has been calculated based on membership data provided for the most recent full valuation of the Employer's liabilities at 31 March 2019. This may differ from the estimated duration at the previous accounting date.

An estimate of the Employer's future cashflows is made using notional cashflows based on the estimated duration above. These estimated cashflows are then used to derive a Single Equivalent Discount Rate (SEDR). The discount rate derived is such that the net present value of the notional cashflows, discounted at this single rate, equates to the net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve (where the spot curve is assumed to be flat beyond the 30 year point). This is consistent with the approach used at the previous accounting date.

Similar to the approach used to derive the discount rate, the Retail Prices Index (RPI) increase assumption is set using a Single Equivalent Inflation Rate (SEIR) approach, using the notional cashflows described above. The single inflation rate derived is that which gives the same net present value of the cashflows, discounted using the annualised Merrill Lynch AA rated corporate bond yield curve, as applying the BoE implied inflation curve. As above, the Merrill Lynch AA rated corporate bond yield spot curve is assumed to be flat beyond the 30 year point and the BoE implied inflation spot curve is assumed to be flat beyond the 40 year point. This is consistent with the approach used at the previous accounting date.

As future pension increases are expected to be based on the Consumer Prices Index (CPI) rather than RPI, we have made a further assumption about CPI which is that it will be 0.8% p.a. below RPI i.e. 1.85% p.a. We believe that this is a reasonable estimate for the future differences in the indices, based on the different calculation methods, recent independent forecasts and the duration of the Employer's liabilities. The difference between RPI and CPI is less than assumed at the previous accounting date. This reflects the movement in market implied RPI inflation that occurred following the UK Statistics Authority's proposal to change how RPI is calculated and subsequent announcements from the Chancellor on the issue.

Salaries are assumed to increase at 1.0% p.a. above CPI. This differs from the salary increase assumption at the previous accounting date and has been updated in line with the most recent funding valuation.

Past service costs/gains

Past service costs/gains arise as a result of introduction or withdrawal of, or changes to, member benefits. For example, an award of additional discretionary benefits to a member such as added years by a member would be considered a past service cost.

The capitalised cost of the additional benefits awarded during the year is calculated at £25,000. This figure has been included within the service cost in the statement of profit or loss.

The above past service cost is an estimate of the impact of the McCloud/Sargeant judgement as set out above.

Curtailments

We have calculated the cost of curtailments arising as a result of the payment of unreduced pensions on early retirement. The Employer may also have to account for non-pension related costs (e.g. lump sum payments on redundancy) but for the avoidance of doubt, we have only calculated the cost of curtailments which affect the Employer's LGPS pension liabilities.

We calculate the cost of curtailments at the point of exit, with interest applied to the accounting date accounted for separately.

Over the year, we understand no employees were permitted by the Employer to take unreduced early retirement that they would not otherwise have been entitled to.

Settlements

We are not aware of any liabilities being settled at a cost materially different to the accounting reserve during the year..

Results and disclosures

We estimate that the value of the net liability as at 31 March 2020 is a liability of £1,141,000.

The results of our calculations for the year ended 31 March 2020 are set out in the appendices below:

- Appendix 1 sets out the Statement of financial position as at 31 March 2020;
- Appendix 2 sets out the Statement of profit and loss for the year ended 31 March 2020;
- Appendix 3 details a reconciliation of assets and liabilities during the year;
- Appendix 4 shows a sensitivity analysis on the major assumptions;
- Appendix 5 shows the Remeasurements in other comprehensive income for the year;
- Appendix 6 contains our estimates of the projected profit and loss account costs for the year ending 31 March 2021. Please note that no allowance has been made for the costs of any early retirements or augmentations which may occur over the year and whose additional capitalised costs would be included in the value of liabilities. It is only an estimate so actual experience over the year is likely to differ. We have not provided balance sheet projections on the basis that they will depend upon market conditions and the asset value of the Fund at the end of the following year.

The figures presented in this report are prepared only for the purposes of IAS19. In particular, they are not relevant for calculations undertaken for funding purposes or for other statutory purposes under UK pensions legislation.

We would be pleased to answer any questions arising from this report.



Julie Baillie FFA
Actuary

Appendix 1 Statement of financial position as at 31 March 2020

Net pension asset as at	31 Mar 2020	31 Mar 2019	31 Mar 2018
	£000s	£000s	£000s
Present value of the defined benefit obligation	2,365	2,674	2,502
Fair value of Fund assets (bid value)	1,231	1,456	1,286
Deficit / (Surplus)	1,134	1,218	1,216
Present value of unfunded obligation	7	7	7
Unrecognised past service cost	-	-	-
Impact of asset ceiling	-	-	-
Net defined benefit liability / (asset)	1,141	1,225	1,223

Appendix 2 Statement of profit and loss for the year to 31 March 2020

The amounts recognised in the profit and loss statement are:	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Service cost	123	103
Net interest on the defined liability (asset)	29	31
Administration expenses	1	-
Total loss (profit)	153	134

Appendix 3 Asset and benefit obligation reconciliation for the year to 31 March 2020

Reconciliation of opening & closing balances of the present value of the defined benefit obligation	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Opening defined benefit obligation	2,681	2,509
Current service cost	98	103
Interest cost	65	65
Change in financial assumptions	(282)	158
Change in demographic assumptions	(37)	(144)
Experience loss/(gain) on defined benefit obligation	(145)	-
Liabilities assumed / (extinguished) on settlements	-	-
Estimated benefits paid net of transfers in	(49)	(26)
Past service costs, including curtailments	25	-
Contributions by Scheme participants and other employers	16	16
Unfunded pension payments	-	-
Closing defined benefit obligation	2,372	2,681

We have allowed for the estimated impact of the recent McCloud judgement as a past service cost. We have estimated the impact on the total liabilities as at 31 March 2020 to be £25,000 (or 1.0% as a percent of total liabilities).

Reconciliation of opening & closing balances of the fair value of Fund assets	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Opening fair value of Fund assets	1,456	1,286
Interest on assets	36	34
Return on assets less interest	(169)	97
Other actuarial gains/(losses)	(104)	-
Administration expenses	(1)	-
Contributions by employer including unfunded	46	49
Contributions by Scheme participants and other employers	16	16
Estimated benefits paid plus unfunded net of transfers in	(49)	(26)
Settlement prices received / (paid)	-	-
Closing Fair value of Fund assets	1,231	1,456

The total return on the fund assets for the year to 31 March 2020 is (£133,000).

Appendix 4 Sensitivity analysis

Sensitivity analysis	£000s	£000s	£000s
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	2,317	2,372	2,427
Projected service cost	91	93	95
Adjustment to long term salary increase	+0.1%	0.0%	-0.1%
Present value of total obligation	2,376	2,372	2,367
Projected service cost	93	93	93
Adjustment to pension increases and deferred revaluation	+0.1%	0.0%	-0.1%
Present value of total obligation	2,423	2,372	2,321
Projected service cost	95	93	91
Adjustment to life expectancy assumptions	+1 Year	None	- 1 Year
Present value of total obligation	2,449	2,372	2,296
Projected service cost	96	93	90

Appendix 5 Remeasurements in other comprehensive income

Remeasurement of the net assets / (defined liability)	Year to	Year to
	31 Mar 2020	31 Mar 2019
	£000s	£000s
Return on Fund assets in excess of interest	(169)	97
Other actuarial gains/(losses) on assets	(104)	-
Change in financial assumptions	282	(158)
Change in demographic assumptions	37	144
Experience gain/(loss) on defined benefit obligation	145	-
Changes in effect of asset ceiling	-	-
Remeasurement of the net assets / (defined liability)	191	83

Appendix 6 Projected pension expense for the year to 31 March 2021

Projections for the year to 31 March 2021	Year to 31 Mar 2021 £000s
Service cost	93
Net interest on the defined liability (asset)	26
Administration expenses	-
Total loss (profit)	119
Employer contributions	52

Note that these figures exclude the capitalised cost of any early retirements or augmentations which may occur after 31 March 2020. These projections are based on the assumptions as at 31 March 2020, as described in the main body of this report.

We have allowed for the estimated impact of the recent McCloud judgement on the projected service cost. We have estimated the impact as a percentage of the projected service cost to be 3.0%.

Appendix C

REVENUE CREMATORIUM	Full Year 2019-2020		
Description	Revised Budget	Actuals	Variance
	£	£	£
Salaries Basic Pay	294,454	234,376	-60,078
Salaries Overtime	18,000	28,749	10,749
Salaries National Insurance	23,287	22,045	-1,242
Salaries Superannuation	69,134	67,268	-1,866
Salaries Pension Liability	0	32,043	32,043
Salaries Vacancy Savings	-5,553	0	5,553
Superann Additional Allowances	1,168	26,000	24,832
Agency Staff	0	2,661	2,661
Occupational Health Services	500	0	-500
Apprenticeship Levy	1,225	1,011	-214
Training Expenses Staff	3,000	642	-2,358
Pay in Lieu of Notice	0	955	955
Car Allowances	306	0	-306
Employee Related Expenditure	405,521	415,751	10,230
Repair/Maintenance Buildings	23,120	29,974	6,854
Grounds Maintenance General	20,440	12,573	-7,867
EPA Testing	1,500	1,161	-339
Repair/Maintenance Fixed Plant Cremators	102,672	56,335	-46,337
Electricity	45,900	43,527	-2,373
Gas	48,000	40,264	-7,736
Rent of Premises	159	159	0
Business Rates	89,685	89,863	178
Sewage/Water Rates	9,539	4,517	-5,022
Insurance	18,961	18,961	0
Cleaning Materials	4,200	5,003	803
Legionella	0	260	260
Premises Related Expenditure	364,176	302,597	-61,839
Equipment Acquisitions	28,000	11,003	-16,997
Furniture Acquisitions	4,000	3,155	-845
Hire Vending Machines	1,200	668	-532
Light Plant and Tools	4,000	573	-3,427
Bio Boxes	4,000	5,187	1,187
Rodent Control	450	0	-450
Office Machinery Repair/Maintenance	100	0	-100
Office Machinery Replacement	900	459	-441
Uniforms	3,500	1,695	-1,805
Printing	9,000	2,207	-6,793
Stationery	5,400	3,116	-2,284
Advertising Other	1,800	1,974	174
Waste Collection Skips	1,500	740	-760
Medical Referee Fees	44,400	43,371	-1,029

REVENUE CREMATORIUM	Full Year 2019-2020		
	Description	Revised Budget	Actuals
	£	£	£
Payments to Local Authorities	7,277	6,727	-550
Software Licences	9,000	8,780	-220
Postages	3,500	2,301	-1,199
Systems Software	519	519	
Telephones	8,815	9,491	676
Conference Expenses	1,000	0	-1,000
Subscriptions	2,393	2,179	-214
Book of Remembrance Inscriptions	9,128	5,255	-3,873
External Legal Expenses	1,500	0	-1,500
Other Expenses General	500	335	-165
Memorial Plaques	11,730	10,260	-1,470
Organist Fees	17,166	9,510	-7,656
CAMEO Non Abatement Fees	61,600	60,005	-1,595
Bad Debt Provision	0	2,897	2,897
Supplies & Services Expenditure	242,378	192,407	-49,972
Design Services	5,530	12,433	6,903
Waste & Litter Collection	7,127	7,349	222
Electricians Service	0	28	28
Central Corporate Overheads	47,443	47,443	0
Support Services	60,100	67,253	7,153
Depreciation	126,271	126,271	0
Impairment	0	835	835
Depreciation and Impairment	126,271	127,107	836
Revenue Gross Expenditure	1,198,446	1,105,114	-93,592
Book of Remembrance Inscriptions	-24,806	-20,657	4,149
Crematorium Containers	-200	-355	-155
Crematorium Memorials	-44,625	-42,355	2,270
Organist	-27,000	-15,345	11,655
Cremation Fees	-1,728,000	-1,592,893	135,107
Medical Fees	-44,400	-41,662	2,738
Miscellaneous Income	-4,000	-2,340	1,660
Recharges to Cemeteries	-33,108	-27,467	5,641
Revenue Gross Income	-1,906,139	-1,743,074	163,065
Net Cost of Service	-707,693	-637,960	69,473
Financing and Investment Income and Expenditure			
Interest Income	-7,688	-8,655	-967
Interest on Pension Liability	0	29,000	29,000
Surplus/Deficit on Provision of Services	-715,381	-617,615	97,506
Crem Pension Asset Liability	0	-191,003	-191,003
Other Comprehensive Income and Expenditure	0	-191,003	-191,003

REVENUE CREMATORIUM	Full Year 2019-2020		
Description	Revised Budget	Actuals	Variance
	£	£	£
Total Comprehensive Income and Expenditure	-715,381	-808,618	-93,497
Charges for Impairment of non-current assets	0	-835	-835
Reverse Depreciation	-126,271	-126,271	-0
Pension Liabilities	0	-87,040	-87,040
MIRS Statements	-126,271	-214,147	-87,876
Net Surplus (-)/Deficit	-841,652	-1,022,764	-181,372
Appropriations - Expenditure Financed from General Reserve Fund	-28,000	-11,003	16,997
Crem Pension Gains and Losses	0	191,000	191,000
Carried Forward Budget to General Reserve Fund	0	0	0
Carried Forward Budget to Capital Fund	0	0	0
Surplus	-869,652	-842,767	26,625
Excess Surplus to General Reserve	0	0	0
Net Surplus for Distribution	-869,652	-842,767	26,625

CAPITAL CREMATORIUM	Full Year 2019-2020		
Description	Budget	Actuals	Variance
	£	£	£
Land Purchase	835	835	0
New Land Infrastructure	750,000	0	-750,000
Grand Total	750,835	835	-750,000

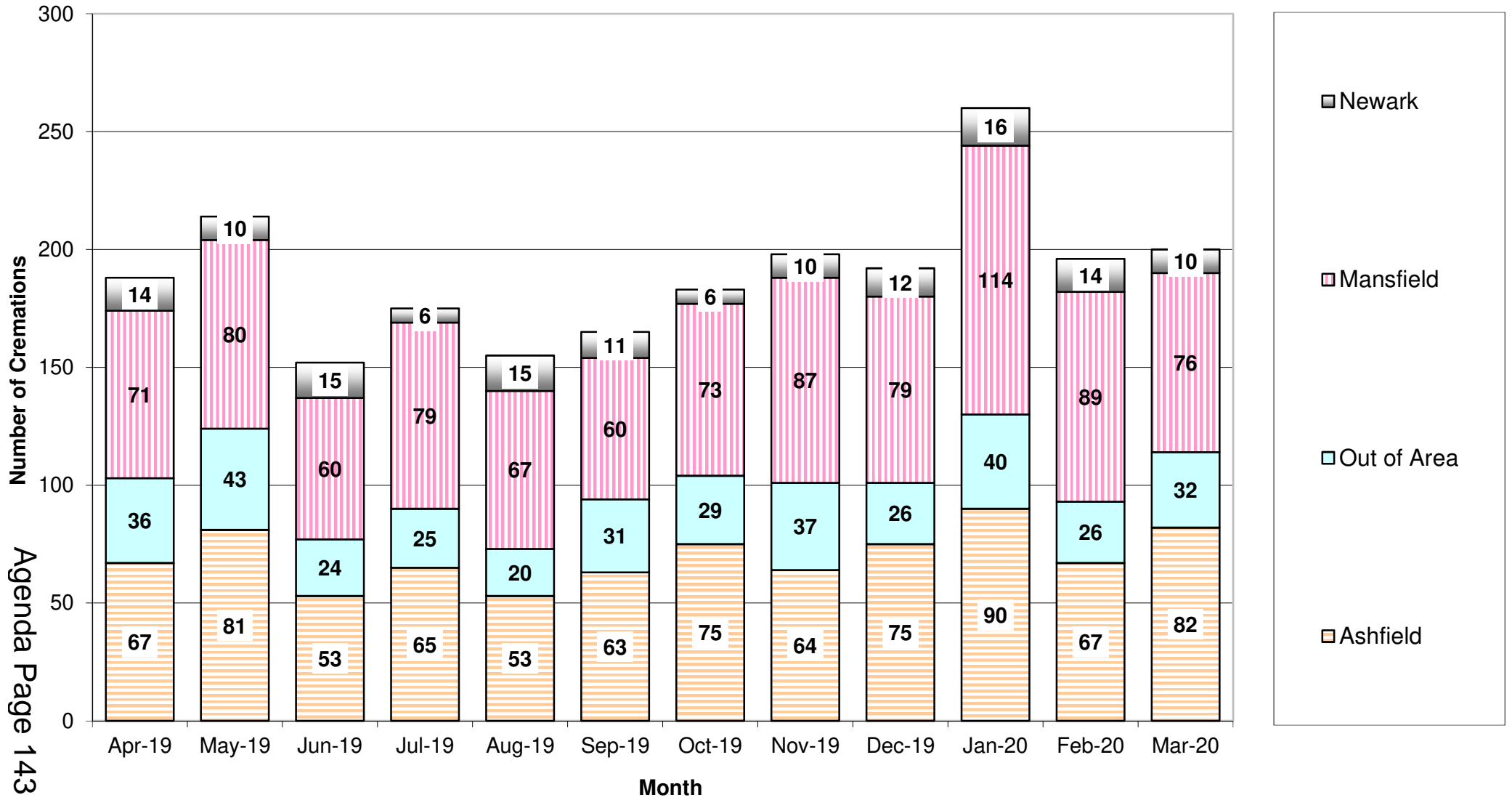
Appendix D

Number of Cremations by Area - 2019/2020

Month	Ashfield	%	Mansfield	%	Newark	%	Out of Area	%	TOTAL
Apr-19	67	36%	71	38%	14	7%	36	19%	188
May-19	81	38%	80	37%	10	5%	43	20%	214
Jun-19	53	35%	60	39%	15	10%	24	16%	152
Jul-19	65	37%	79	45%	6	3%	25	14%	175
Aug-19	53	34%	67	43%	15	10%	20	13%	155
Sep-19	63	38%	60	36%	11	7%	31	19%	165
Oct-19	75	41%	73	40%	6	3%	29	16%	183
Nov-19	64	32%	87	44%	10	5%	37	19%	198
Dec-19	75	39%	79	41%	12	6%	26	14%	192
Jan-20	90	35%	114	44%	16	6%	40	15%	260
Feb-20	67	34%	89	45%	14	7%	26	13%	196
Mar-20	82	41%	76	38%	10	5%	32	16%	200
	835	37%	935	41%	139	6%	369	16%	2278

Appendix E

Mansfield & District Crematorium - Cremations 2019/2020





ASHFIELD DISTRICT COUNCIL: EXECUTIVE FUNCTIONS DECISION RECORD

Please use this form to record any Executive Decision taken by a Cabinet Member or Chief Officer.

TO BE COMPLETED BY THE DECISION TAKER:	
1.	MANSFIELD CREMATORIUM – APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN FOR 2020/21 AND ANNUAL STATEMENT OF ACCOUNTS 2019/20
2.	<p>Is this a Key Decision: A Key Decision is one that is likely to:</p> <p>(a) Result in the Council spending or making savings of over £50,000 revenue or £1m capital, or;</p> <p>(b) Have a significant impact on two or more Wards, or electoral divisions in the Council's area.</p> <p>No</p>
3.	<p>Decision Taken:</p> <p><u>Appointment of Chairman and Vice Chairman</u></p> <p>1. That Councillor Andy Burgin of Mansfield District Council be appointed as Chairman of the Joint Crematorium Committee for the year 2020/21</p> <p>2. That Councillor Tom Hollis of Ashfield District Council be appointed as Vice Chairman of the Joint Crematorium Committee for the year 2020/21</p> <p><u>Statement of Accounts 2019/20</u></p> <p>1. The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.</p> <p>2. The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.</p> <p>3. The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.</p> <p>4. The detailed revenue and capital information provided in Appendix C, is for noting only.</p> <p>5. The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.</p>

- 6. The £627k capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/21 is approved**

4. Reasons for the Decision:

Appointment of Chairman and Vice Chairman

In accordance with the Constitution of the Joint Crematorium Committee the offices of Chair and Vice-Chair shall, in successive years, rotate between the three constituent authorities. The Chair for 2020/21 will be a Member from Mansfield District Council. The Vice Chairman for 2020/21 will be a Member from Ashfield District Council.

Mansfield District Council has nominated Councillor Andy Burgin as Chairman. Ashfield District Council has nominated Councillor Tom Hollis as Vice Chairman.

Statement of Accounts

The annual statement of accounts for the Joint Crematorium Committee is a statutory document which must be produced and approved by the Committee. The report attached to this urgent decision together with its appendices (referenced below) presents the annual report and statement of accounts for 2019/2020 showing the Committee's financial position as at 31 March 2020 and the revenue and capital activity during the financial year.

The statement of accounts need to be approved before 31 May 2020 to allow the three Authorities to close their own respective statement of accounts.

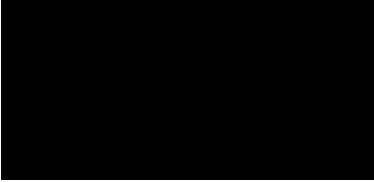
In order to finalise the contract and commence the replacement abatement works without delay, the contract amount for the works which have been identified to date (£627,000) be approved. Officers advised that it is likely further works will be identified once the abatement works has commenced and if so, Committee will be asked to approve additional spend

5. Copy of the Report or Briefing Note setting out the information which was used as the basis for the Decision:

Attached.

6. Was the Decision classed as exempt? If so, what were the reasons for this:

No.

<p>7. Alternative Options Considered / Rejected:</p> <p>None due to the urgency of the decisions and the need to fulfil the requirements to be placed upon the Crematorium during the COVID19 pandemic</p>
<p>8. Declarations of Interest and Dispensations – if applicable:</p> <p>N/A</p>
<p>9. Name / Title of the relevant lead Cabinet Member(s) consulted (if appropriate):</p> <p>Councillor Helen-Ann Smith Councillor Tom Hollis Councillor David Martin</p> <p>All are members of the Joint Crematorium Committee</p>
<p>10. Name / Title of the decision taker:</p> <p>(a) Cabinet Member-The LEADER OF THE COUNCIL, COUNCILLOR JASON ZADROZNY</p> 
<p>Date: 31 May 2020</p>
<p>TO BE COMPLETED BY DEMOCRATIC SERVICES</p>
<p>1. Date that the decision was notified to members:</p> <p>N/A – Urgent Decision Section 13, Overview and Scrutiny Procedure Rules</p>
<p>2. Date and time when the Call-In period for this decision ends:</p>
<p>3. Date when the decision can be implemented (five working days following publication):</p>
<p>4. Decision Reference Number:</p>

The completed form should be emailed to the Democratic Services Team:

democratic.services@ashfield.gov.uk

They will arrange for it to be published on the Council's web site.

EXEMPT OR CONFIDENTIAL BACKGROUND INFORMATION IN SUPPORT OF THE DECISION:

Use this section to share any confidential information. **This will not be published or placed on the Council's web site.** It will only be shared within the Authority, as appropriate.

For further support or guidance please contact Ruth Dennis, Director of Legal and Governance (and Monitoring Officer) r.dennis@ashfield.gov.uk or any member of the Democratic Services Team.

Report To:	LEADER OF THE COUNCIL	Date:	31 May 2020
Heading:	MANSFIELD CREMATORIUM – APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN FOR 2020/21 AND ANNUAL STATEMENT OF ACCOUNTS 2019/20		
Portfolio Holder:	LEADER OF THE COUNCIL, COUNCILLOR JASON ZADROZNY		
Ward/s:	N/A		
Key Decision:	NO		
Subject to Call-In:	NO		

Purpose of Report

To approve the appointment of the Chairman and Vice Chairman for 2020/21 and approve the 2019/20 statement of accounts for the Mansfield and District Joint Crematorium.

Recommendation(s)**Appointment of Chairman and Vice Chairman**

1. That Councillor Andy Burgin of Mansfield District Council be appointed as Chairman of the Joint Crematorium Committee for the year 2020/21
2. That Councillor Tom Hollis of Ashfield District Council be appointed as Vice Chairman of the Joint Crematorium Committee for the year 2020/21

Statement of Accounts 2019/20

1. The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.
2. The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.
3. The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.
4. The detailed revenue and capital information provided in Appendix C, is for noting only.
5. The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.
6. The £627k capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/21 is approved

Reasons for Recommendation(s)**Appointment of Chairman and Vice Chairman**

In accordance with the Constitution of the Joint Crematorium Committee the offices of Chair and Vice-Chair shall, in successive years, rotate between the three constituent authorities. The Chair for 2020/21 will be a Member from Mansfield District Council. The Vice Chairman for 2020/21 will be a Member from Ashfield District Council.

Mansfield District Council has nominated Councillor Andy Burgin as Chairman. Ashfield District Council has nominated Councillor Tom Hollis as Vice Chairman.

Statement of Accounts

The annual statement of accounts for the Joint Crematorium Committee is a statutory document which must be produced and approved by the Committee. The report attached to this urgent decision together with its appendices presents the annual report and statement of accounts for 2019/2020 showing the Committee's financial position as at 31 March 2020 and the revenue and capital activity during the financial year.

The statement of accounts need to be approved before 31 May 2020 to allow the three Authorities to close their own respective statement of accounts.

In order to finalise the contract and commence the replacement abatement works without delay, the contract amount for the works which have been identified to date (£627,000) be approved. Officers advised that it is likely further works will be identified once the abatement works has commenced and if so, Committee will be asked to approve additional spend

Alternative Options Considered

(with reasons why not adopted)

None considered due to the urgency of the situation.

Detailed Information

Ashfield District Council, Mansfield District Council, and Newark & Sherwood District Council have constituted the Joint Crematorium Committee to exercise their respective powers for the provision, running, maintenance and management of Mansfield Crematorium. Section 101(4) of the Local Government Act 1972 says that this arrangement does not prevent the Council from exercising these functions itself. It is acknowledged that the three Authorities will need to make a unanimous decision in order for it to be implemented.

In accordance with an Executive Decision taken on 17 April 2020, it was agreed to temporarily amend the Executive Scheme of Delegation such that urgent decisions relating to the Mansfield Crematorium, currently delegated to the Mansfield and District Crematorium Joint Committee are taken by the Leader during the coronavirus (COVID-19) pandemic.

The Councils' representatives on the Joint Committee (Councillors, Helen-Ann Smith, Tom Hollis and David Martin) have all been consulted and are in favour of the recommendations.

Implications

Corporate Plan:

There are no specific Corporate Plan issues relating to these recommendations.

Legal:

Constitutional and legal issues are set out in the report.

Finance:

Budget Area	Implication
General Fund – Revenue Budget	Ashfield's share of the surplus is £368,635. This is £4,619 less than the budgeted surplus of £373,254.

General Fund – Capital Programme	N/A
Housing Revenue Account – Revenue Budget	N/A
Housing Revenue Account – Capital Programme	N/A

Risk:

Risk	Mitigation
If the statement of accounts are not approved, by 31 st May 2020 it prevents the Council from closing its own 2019/20 financial accounts by the required deadlines	To approve the 2019/20 recommendations.

Human Resources:

There are no direct HR issues.

Environmental/Sustainability

There are no significant Environmental/Sustainability issues.

Equalities:

There are no equalities issues.

Other Implications:

None

Reason(s) for Urgency

In accordance with Part 4 of the Constitution, Overview and Scrutiny Rules of Procedure, Rule 13, where a decision needs to be implemented urgently call in does not apply. The recommendations need to be implemented without delay due to the needs placed upon in during the coronavirus pandemic.

Reason(s) for Exemption

N/A

Background Papers

None.

Report Author and Contact Officer

Craig Bonar
DIRECTOR OF RESOURCES AND BUSINESS TRANSFORMATION
c.bonar@ashfield.gov.uk
01623 457203



Chief Officer: Hayley Barsby CEO	Date of Decision: 3 July 2020
Title/Reference: Mansfield Crematorium – Statement of Accounts and Chairman Appointment Ref: 20/01/CEO-EMG	
Consultee Member (if applicable): Executive Mayor A Abrahams – 09 June 2020 Councillor A Burgin – 09 June 2020 Councillor S Richardson – 09 June 2020 All Members emailed with detailed and then email followed up. No response received.	
Record of Decision: In respect of the appointment of Chairman and Vice Chairman: <ul style="list-style-type: none">(i) That Councillor Andy Burgin of Mansfield District Council be appointed as the Chairman of the Committee for the year 2020/21.(ii) That Councillor Tom Hollis of Ashfield District Council be appointed as the Vice Chairman of the Committee for the year 2020/21. In respect of the Statement of Accounts: <ul style="list-style-type: none">(iii) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.(iv) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.(v) The £627,000 capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/2021 is approved(vi) The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.(vii) The detailed revenue and capital information provided in Appendix C, is for noting only.(viii) The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.	
Reasons for Decision: Appointment of Chairman and Vice Chairman for 2020/21 In accordance with the Constitution of the Joint Crematorium Committee the offices of Chair and Vice-Chair shall, in successive years, rotate between the three constituent authorities. The Chair for 2020/21 will be a Member from Mansfield District Council. The Vice Chairman for 2020/21 will be a Member from Ashfield District Council. Mansfield District Council has nominated Councillor Andy Burgin as Chairman. Ashfield District Council has nominated Councillor Tom Hollis as Vice Chairman.	

Annual Statement of Accounts 2019/20

The annual statement of accounts for the Joint Crematorium Committee is a statutory document which must be produced and approved by the Committee. The report attached to this urgency decision together with its appendices (referenced below) presents the annual report and statement of accounts for 2019/2020 showing the Committee's financial position as at 31 March 2020 and the revenue and capital activity during the financial year.

The Recommendations in the report are: -

- (i) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.
- (ii) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.
- (iii) The remaining carried forward revenue budget of £16,997 for upgraded CCTV equipment, as detailed in 3.7, currently held in general reserves, to be carried forward into 2020/2021 is approved.
- (iv) The £750,000 capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/2021 is approved
- (v) The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.
- (vi) The detailed revenue and capital information provided in Appendix C, is for noting only.
- (vii) The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.

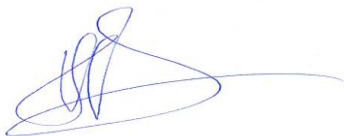
In consultation regarding this report Ashfield District Council Members requested further detail regarding recommendations (iii) and (iv) in order to be suitably informed to consider approval. Mansfield District Council Officers agreed in response to provide further information in due course, but requested that in order to finalise the contract and commence abatement works without delay, the amount for the works which have been identified to date (£627,000), be approved. Officers advised that it is likely further works will be identified once the abatement work has commenced, and if so Committee will be asked to approve the additional spend.

Legal Powers / Authority:

Paragraph 3.01.3 of the Council's Constitution (last approved January 2018) provides that Chief Officers may take emergency decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures.

Given the current emergency in respect of the Covid-19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the emergency decision provision under Paragraph 3.01.3 of the Council's Constitution is deemed to apply.

Ashfield District Council, Mansfield District Council, and Newark & Sherwood District Council have constituted the Joint Crematorium Committee to exercise their respective powers for the provision, running, maintenance and management of Mansfield Crematorium. The Council's Constitution stipulates at 3.08.2.2(c) "Even if executive functions have been delegated, this does not prevent the discharge of those delegated functions by the person or body who originally delegated those

functions.”	
Given the urgency of this matter and in consultation with the Executive Mayor and the other two Joint Committee Members, it is proposed that the Chief Executive in exercise of her emergency powers will take this decision. It is acknowledged that the three Authorities will need to make a unanimous decision in order for it to be implemented.	
Implications: You should also consult any other relevant officers if you think the decision will have an impact on their areas of responsibility.	Relevant Legislation: The following legislation provides for a local authority to make arrangements for the discharge of their functions – The Local Government Act 1972 Section 101(5) and The Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012 Regulation 3 and 11
	Finance: All financial implications are included within the reports.
	HR: N/A
	Climate Change: N/A
	Data Protection: N/A
	Human Rights: N/A
	Equality and Diversity: N/A
In consultation with: (Where applicable)	Head of Paid Service: N/A – Decision Taker
	Monitoring Officer: 09 June 2020 - Agreed
	Section 151 Officer: 09 June 2020 - Agreed
Signature of Decision Taker: (Please do not 'pp')	

Please send all decision for publication to: Democratic Services, at democraticservices@mansfield.gov.uk.

All decisions with exempt information should be sent to Mark Pemberton, Democratic Services Manager at mpemberton@mansfield.gov.uk.

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice Chairman) and the Opposition Spokesperson of the appropriate committee (Constitution incorporating a scheme of delegation approved by the Council on 14th May 2013).

Given the current emergency in respect of the Covid-19 pandemic and the decision taken to suspend committee meetings while social distancing measures continue, the urgency decision provision under Paragraph 7.2.1 of the Council's Constitution has been widened to extend the consultation to include the Leaders of all the political groups on the Council.

Subject: Mansfield Crematorium – Appointment of Chairman and Vice Chairman for 2020/21 and Annual Statement of Accounts 2019/20

Appropriate Committee: Mansfield and Ashfield Joint Crematorium Committee

Details of Item (including reason(s) for use of urgency procedure):

The urgency procedure has been used due to the Covid-19 pandemic.

Ashfield District Council, Mansfield District Council, and Newark & Sherwood District Council have constituted the Joint Crematorium Committee to exercise their respective powers for the provision, running, maintenance and management of Mansfield Crematorium. Section 101(4) of the Local Government Act 1972 says that this arrangement does not prevent the Council from exercising these functions itself. It is proposed that the Council's Chief Executive considers this item by virtue of this Section and the urgency delegation set out above. It is acknowledged that the three Authorities will need to make a unanimous decision in order for it to be implemented.

Appointment of Chairman and Vice Chairman for 2020/21

In accordance with the Constitution of the Joint Crematorium Committee the offices of Chair and Vice-Chair shall, in successive years, rotate between the three constituent authorities. The Chair for 2020/21 will be a Member from Mansfield District Council. The Vice Chairman for 2020/21 will be a Member from Ashfield District Council.

Mansfield District Council has nominated Councillor Andy Burgin as Chairman. Ashfield District Council has nominated Councillor Tom Hollis as Vice Chairman.

Decision

- (i) That Councillor Andy Burgin of Mansfield District Council be appointed as the Chairman of the Committee for the year 2020/21.
- (ii) That Councillor Tom Hollis of Ashfield District Council be appointed as the Vice Chairman of the Committee for the year 2020/21.

Annual Statement of Accounts 2019/20

The annual statement of accounts for the Joint Crematorium Committee is a statutory document which must be produced and approved by the Committee. The report attached to this urgency decision together with its appendices (referenced below) presents the annual report and statement of accounts for 2019/2020 showing the Committee's financial position as at 31 March 2020 and the revenue and capital activity during the financial year.

The Recommendations in the report are: -

- (i) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.
- (ii) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.
- (iii) The remaining carried forward revenue budget of £16,997 for upgraded CCTV equipment, as detailed in 3.7, currently held in general reserves, to be carried forward into 2020/2021 is approved.
- (iv) The £750,000 capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/2021 is approved
- (v) The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is for noting only.
- (vi) The detailed revenue and capital information provided in Appendix C, is for noting only.
- (vii) The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.

In consultation regarding this report Ashfield District Council Members requested further detail regarding recommendations (iii) and (iv) in order to be suitably informed to consider approval. Mansfield District Council Officers agreed in response to provide further information in due course, but requested that in order to finalise the contract and commence abatement works without delay, the amount for the works which have been identified to date (£627,000), be approved. Officers advised that it is likely further works will be identified once the abatement work has commenced, and if so Committee will be asked to approve additional spend.

Decision

- (i) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.
- (ii) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.

- (iii) The £627,000 capital budget for replacement abatement equipment and associated works, as detailed in 3.8, to be carried forward into 2020/2021 is approved.
- (iv) The revenue expenditure £11,003 for webcasting equipment as detailed in 3.7, previously approved to be financed from general reserves, is noted.
- (v) The detailed revenue and capital information provided in Appendix C, is noted.
- (vi) The financial information provided in Appendix D and usage information provided in Appendix E, is noted.

Members Consulted

Joint Committee Members:

Councillor Mrs Lydia Hurst, Chairman

Councillor Tom Smith

Councillor Mrs Gill Dawn (also Group Leader)

Group Leaders:

Councillor David Lloyd

Councillor Paul Peacock

Councillor Peter Harris



Signed
Deputy Chief Executive

Date: 10 June 2020

URGENCY ITEMS - MINUTE OF DECISION

Delegation arrangements for dealing with matters of urgency

Paragraph 7.2.1 of the Council's Constitution provides that Chief Officers may take urgent decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved through normal Council Procedures. They shall, where practicable, first consult with the Leader and Chairman (or in their absence the Vice-Chairman) and the Opposition Spokesperson of the appropriate committee.

Subject:

Enforcement of the Corona Virus Regulations

Various regulations have recently been published providing an opportunity to issue fixed penalty notices for a number of offences relating to breaches of coronavirus controls.

The Health Protection (Coronavirus, Collection of Contact Details etc and Related Requirements) Regulations 2020 No. 1005

Designation of officers

In accordance with regulation 18(11)(a)(iv) of the above regulations, Newark and Sherwood District Council hereby designates the officers named below as authorised persons to enforce the provisions of the regulations and to issue penalty charge notices, to the extent set out in the regulations.

This designation includes any amendment or addition to the regulations, any regulations of similar or wider effect.

The Health Protection (Coronavirus, Restrictions) (Obligations of Undertakings) (England) Regulations 2020 No. 1008

Designation of officers

In accordance with regulation 4(12)(a)(iv) of the above regulations, Newark and Sherwood District Council hereby designates the officers named below as authorised persons to enforce the provisions of the regulations and to issue penalty charge notices, to the extent set out in the regulations.

This designation includes any amendment or addition to the regulations, any regulations of similar or wider effect.

**The Health Protection (Coronavirus, Restrictions) (No. 2) (England) Regulations 2020 (as amended)
No.684**

Designation of officers

In accordance with regulation 9(13)(a)iv) of the above regulations, Newark and Sherwood District Council hereby designates the officers named below as authorised persons to enforce the provisions of the regulations and to issue penalty charge notices, to the extent set out in the regulations.

This designation includes any amendment or addition to the regulations, any regulations of similar or wider effect

**The Health Protection (Coronavirus, Local COVID-19 Alert Level) (High) (England) Regulations 2020
No.1104**

Designation of officers

In accordance with regulation 6(16)(a)iv) of the above regulations, Newark and Sherwood District Council hereby designates the officers named below as authorised persons to enforce the provisions of the regulations and to issue penalty charge notices, to the extent set out in the regulations.

This designation includes any amendment or addition to the regulations, any regulations of similar or wider effect

All staff in the following posts are authorised to issue fixed penalty notices under the above regulations

Business Manager – Public Protection
Senior Environmental Health Officers
Environmental Health Officers
Environmental Health Technical Officers
Community Protection Officers
Licensing Enforcement Officers
Anti-Social Behaviour Officers

Financial Implications

It is envisaged that the costs of enforcing the Regulations will be met by current budgets and there will be no financial implications on the Business Unit

A small amount of income may be generated from the issuing of fixed penalty notices.

Appropriate Committee:

Leisure and Environment

Details of Decision Taken:

Agreed:

- a) That all officers in the posts listed above are authorised to issue fixed penalty Notices under the Regulations set out above.

Members Consulted:

David Lloyd
Roger Jackson
Yvonne Woodhead

Signed Matthew Finch:



Date: 22 October 2020

Forward Plan of the Leisure & Environment Committee Decisions from 1 November 2020 to 18 March 2021

This document records some of the items that will be submitted to the Leisure & Environment Committee over the course of the next twelve months.

These committee meetings are open to the press and public.

Agenda papers for the Leisure & Environment Committee meetings are published on the Council's website 5 days before the meeting <http://www.newark-sherwooddc.gov.uk/agendas/>. Any items marked confidential or exempt will not be available for public inspection.

Meeting Date	Subject for Decision and Brief Description	Contact Officer Details
19 Jan	Physical Activity and Sports Plan 2018-2021 – Annual Update	leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
19 Jan	Mental Wellbeing – presentation from Charitable/Voluntary Group.	leanne.monger@newark-sherwooddc.gov.uk helen.ellison@newark-sherwooddc.gov.uk
19 Jan	Hawtonville Community Centre and Reach Update and Lease Arrangements	andy.hardy@newark-sherwooddc.gov.uk
19 Jan	YMCA Community and Activity Village Update	
19 Jan	Active4Today Final Business Plan and Performance (up to end Nov - part Q3)	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
19 Jan	Public Health/Active Notts Physical Insight Project	Leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk
8 Jan	Clinical Commissioning Group (CCG) Update regarding how their work is affecting the District	leanne.monger@newark-sherwooddc.gov.uk
19 Jan	N&S Health & Wellbeing Partnership Plan – Delivery Update	leanne.monger@newark-sherwooddc.gov.uk andy.hardy@newark-sherwooddc.gov.uk helen.ellison@newark-sherwooddc.gov.uk
18 Mar	Quarterly Performance Report	Nicola.priest@newark-sherwooddc.gov.uk