

## MANSFIELD AND DISTRICT CREMATORIUM JOINT COMMITTEE

### COMMITTEE MEETING

Meeting to be held virtually via MS Teams.

**Monday, 7 September 2020 at 10.00 am**

*Members:-*

Ashfield District Council	Councillor D Martin (Committee Member) Councillor T Hollis (Vice-Chairman) Councillor H Smith (Committee Member)
Mansfield District Council	A Abrahams (Committee Member) Councillor A Burgin (Chairman) Councillor Richardson (Committee Member)
Newark & Sherwood District Council	Councillor Mrs L Hurst (Committee Member) Councillor T Smith (Committee Member) Councillor Mrs G Dawn (Committee Member)

### AGENDA

Item		Page No.
1.	Apologies for Absence	
2.	Declarations of interest by Members and Officers	
3.	Declarations of intent to record the meeting	
4.	Minutes of the meeting held on 24 February 2020	2 - 5
5.	Operations Update Report	6 - 10
6.	Financial Management Review 1 April - 31 July 2020	11 - 27
7.	Provision of New Mercury Abatement Equipment	28 - 30
8.	Planned Preventative Works Programme	31
9.	Urgency Decisions and Crematorium Updates	32 - 153
10.	Committee Work Programme	154 - 156
11.	Date of Next Meeting	

# Agenda Item 4

## NEWARK AND SHERWOOD DISTRICT COUNCIL

Minutes of the Meeting of **Mansfield and District Crematorium Joint Committee** held in the Castle House, Newark and Sherwood District Council Offices on Monday, 24 February 2020 at 10.00 am.

PRESENT: Councillor Mrs L Hurst (Chairman)

Councillor T Hollis, Councillor A Burgin, Councillor Richardson and Councillor T Smith

177 APOLOGIES FOR ABSENCE

7

Councillor A Abrahams (Vice-Chairman) and Councillor D Martin.

177 DECLARATIONS OF INTEREST BY MEMBERS AND OFFICERS

8

Councillor A Burgin declared a personal interest as an employee of Ashfield District Council.

177 DECLARATIONS OF INTENT TO RECORD THE MEETING

9

NOTED that no intention to record the meeting was declared.

178 MINUTES OF THE MEETING HELD ON 13 JANUARY 2020

0

The Minutes of the Meeting held on 13 January 2020 were approved as a correct record and signed by the Chairman.

178 MATTERS ARISING

1

NOTED there were no matters arising.

178 FINANCIAL MANAGEMENT REVIEW APRIL 2019-JAN 2020

2

The report showed the forecasted year end position for the 2019/2020 financial year for the Mansfield Crematorium as at 31 January 2020.

The committee were advised that the figures were an improvement on last times with a busy January, having calmed down through February. A restructure will provide recruitment to permanent posts.

AGREED

- i) The financial information provided in appendix 1 and table 3 was noted.
- ii) The VAT partial exemption calculation update for the 3 constituent authorities in 3.4 was noted.

178 SITUATION REPORT

3

The report provided the committee with a picture of where the crematorium currently is.

It was noted that the way forward between cremations would be hour long intervals rather than 45 minutes, to allow the flow of visitors for each appointment.

The committee highlighted a concern as to the reasoning why as a local crematorium it is not being fully utilised. A suggestion would be to advertise in a newsletter and circulate to funeral directors, the committee Chairman to approve each newsletter before publication.

The committee were informed that another way to advertise would be through the local hospitals, a sample to be provided at the next meeting.

AGREED

- i) That the report be noted.
- ii) The committee discussed and agreed to provide a report of staffing level comparisons at other sites at the next meeting.
- iii) The Chairman to approve the newsletter for funeral directors before publication.

178 BUSINESS PLAN FOR A COMMERCIAL REVIEW OF THE CREMATORIUM SERVICE

4

The report explained to the committee the rationale for a commercial review of the crematorium service and proposed next steps.

The committee discussed the proposals and were in agreement that a visit to Gedling Crematorium would be beneficial in order to gather ideas.

AGREED

- i) That the joint Committee approves a commercial review of the crematorium service; authority for coordinating an initial high level review to be delegated to Mansfield District Council's Head of Finance in consultation with the Director and Registrar of the Crematorium.
- ii) That a progress report be brought to the next meeting of the Joint Committee.
- iii) Subject to the agreement of Gedling Crematorium, arrangements be made for a visit for members and officers to attend Gedling Crematorium prior to the day of the May meeting.

178 FUNERAL DIRECTORS MEETING

5

The report gave an update on the proposal to meet with Funeral Directors and tour the crematorium.

The committee suggested it would be beneficial to provide the survey to the funeral directors when meeting with them after the May meeting.

AGREED

- i) That a group of funeral directors be invited to meet with members of the committee immediately following the May meeting of the Joint Committee.
- ii) That there is an open invitation to all members of the Joint Committee to visit the crematorium, but that a formal visit will take place prior to the day of the May meeting.
- iii) That feedback from the meeting and visit will feed into the commercial review.

178 ABATEMENT

6

The report updated the Joint Committee on the proposed timelines for work relating to the abatement equipment to ensure operation in accordance with Environmental Permitting (England and Wales) Regulations 2010 which are made under the Pollution, Prevention and Control Act 1999 and cascaded down to crematoria under the Process Guidance Notes PG5/2 (12).

The committee were aware that the actual costings would not be known until the equipment is removed to ascertain if there is any damage to the roof.

AGREED

- i) That the report is noted for information only.
- ii) To bring a further report to the next meeting providing a breakdown of figures in the budget.

178 RECYCLING REPORT

7

AGREED

- i) That the Joint Committee agrees to offer Funeral Directors the opportunity to recycle any pacemakers they remove to prior to cremation so that they can either filter in to the Recycling of Metals scheme or, once assessed if deemed to be suitable sent for use in developing countries through a pacemaker charity.
- ii) That the Joint Committee agrees to the continued rotation of donations as indicated in the report to support charities that give the most benefit locally to both those who are in the end of life care and also in the wider community for counselling etc of those who require bereavement counselling.
- iii) That any monies gained through the final collection for any of the remembrance services held at the crematorium (usually in December) are also donated to the nominated charities in the same rotation.

178 ANY OTHER BUSINESS

8

178 DATE OF NEXT MEETING

9

Tuesday, 26 May 2020 (Ashfield District Council)

Meeting closed at 11.37 am,

Chairman

Meeting closed at 11.37 am.

Chairman

## MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE

7 SEPTEMBER 2020

### OPERATIONS UPDATE REPORT

#### **1. SUMMARY**

1.1 This report seeks to provide an update on the staff restructure and current operational issues.

#### **2. RESTRUCTURE**

2.1 The Chief Executive Officer approved the following structure that was due to come into effect on the 1<sup>st</sup> July 2020, but has been delayed due to the onset of the Covid-19 pandemic.

2.2 The post of Supervisor / Assistant Registrar and Clerical Assistant were deleted and an Operational Supervisor and Administrative Supervisor were created, to provide line management to the operational and administrative teams.

2.3 The new Administrative Supervisor commenced on the 3<sup>rd</sup> August 2020 and the Operational Supervisor has been offered, but is currently awaiting an official commencement date.

2.4 Interviews have also taken place for the part time and full time Administrative Assistants to fill vacant posts, and the successful candidates are awaiting clearance.

2.5 The Gardener / Relief Technicians have been re-graded and those posts have been re-designated to Gardener / Technician. There is now a requirement for these staff to complete their technician accreditation within 12 months of being appointed to post, to provide additional resilience to the technical team. One member of staff has been registered with the ICCM and training has begun, an assessment will be carried out on the other two members of staff with a view to registering them within the next couple of months.

2.6 A copy of the old and new structure charts can be found at Appendix 1 and 2.

2.7 The new structure and working hours will reduce overtime by an anticipated £9,565 and an overall projected annual saving of £33,828 is expected through the restructure.

- 2.8 The overtime saving will be realised by incorporating weekend working into the normal working week, for example: if they work a Saturday they take a day off in the week to compensate, rather than being paid for additional hours as overtime.

### **3. DIRECTOR & REGISTRAR – CREMATORIUM**

- 3.1 It is with great sadness that we have to inform you that Sally Curtis lost her fight with cancer on the 5<sup>th</sup> August 2020, she fought long and hard against this awful disease, whilst continuing to carry out her duties almost to the end. I'm sure you will agree that her dedication and professionalism to her work will be greatly missed by all who knew her and we would like to thank everyone for their condolences. Our thoughts are with her family at this time, especially her husband Ian and her son Matthew.

- 3.2 As an interim measure and to provide stability for the service and staff, Julie Snowdon, Town Centre Manager has been asked to provide temporary cover for the day to day operations of the service.

### **4. COVID-19**

- 4.1 The number of funerals have now returned to a normal pre-Covid level for the time of year, with the majority of services being booked for the Thoresby Chapel due to higher capacity levels.

- 4.2 The staff have worked throughout the lockdown and I would like to take this opportunity to acknowledge all of their hard work and dedication during the first two months of the pandemic as they worked long hours to keep the service running in very difficult circumstances.

- 4.3 As from week commencing 10 August the staff have returned to working full hours, whilst continuing to work in two separate bubbles to provide resilience for the service, should anyone develop symptoms.

- 4.4 During lockdown the grounds have suffered greatly from lack of maintenance as all staff were required inside to ensure they could meet all of the service demands. Now the levels have returned to normal and staff are back on full hours they are working hard to bring the grounds back up to standard as quickly as possible.

- 4.5 Witnessed strewing's have also recommenced and the administration staff have been contacting the families to arrange appointments for these to be carried out.

This has already reduced the backlog significantly and we are now able to offer witnessed strewings for services straight away again.

4.6 It is planned that the Book of Remembrance will re-open to the public from the 1<sup>st</sup> September and families will be able to make an appointment to view a specific date from the lockdown period. Safety measures will be implemented to reduce the risk to staff and visitors. However, the floral hall will remain closed to visitors, other than service attendees.

4.7 Work has also been done to install a screen in the reception area, for staff to deal with funeral directors and visitors who arrive despite the signage advising them not to. Face coverings in public areas are now a requirement for both staff and visitors, in line with MDC procedures.

## **5. New Proposals**

5.1 We are currently reviewing the internet and phone supplier contracts with a view to negotiating a better deal, improving connectivity and reducing cost to the service. The contract has been in place for some time, and as such a review of what is necessary is likely to yield positive results.

5.2 In order to improve efficiency of the service we are reviewing both the Obitus and BACAS systems with a view to enabling funeral directors to book their own services and music, which is in-line with the majority of other crematoriums and reduces the amount of paperwork that is processed. Naturally there is a cost associated with facilitating this, which is being reviewed to evaluate the potential benefit that could be derived, and how savings could be generated as a result.

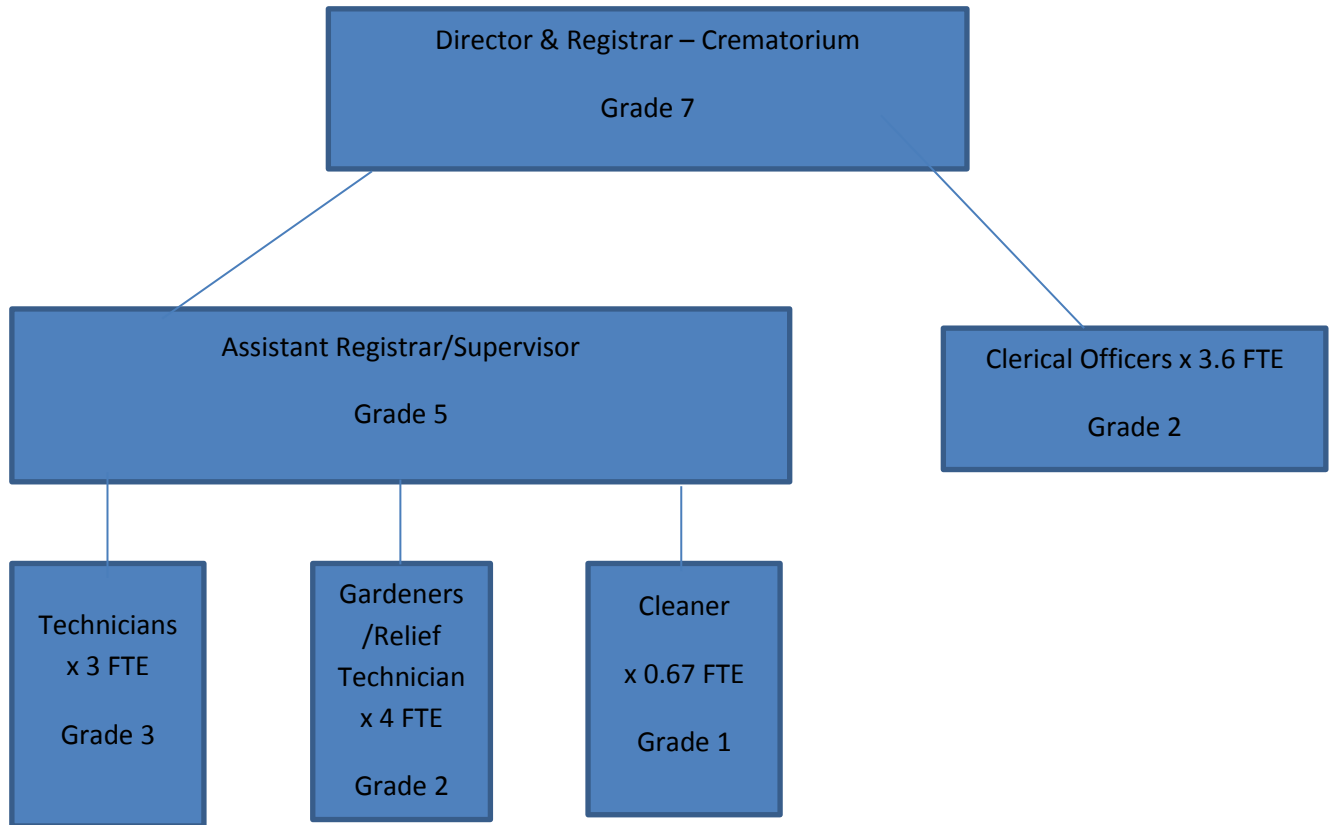
## **6. Recommendation**

6.1 That members note the report.



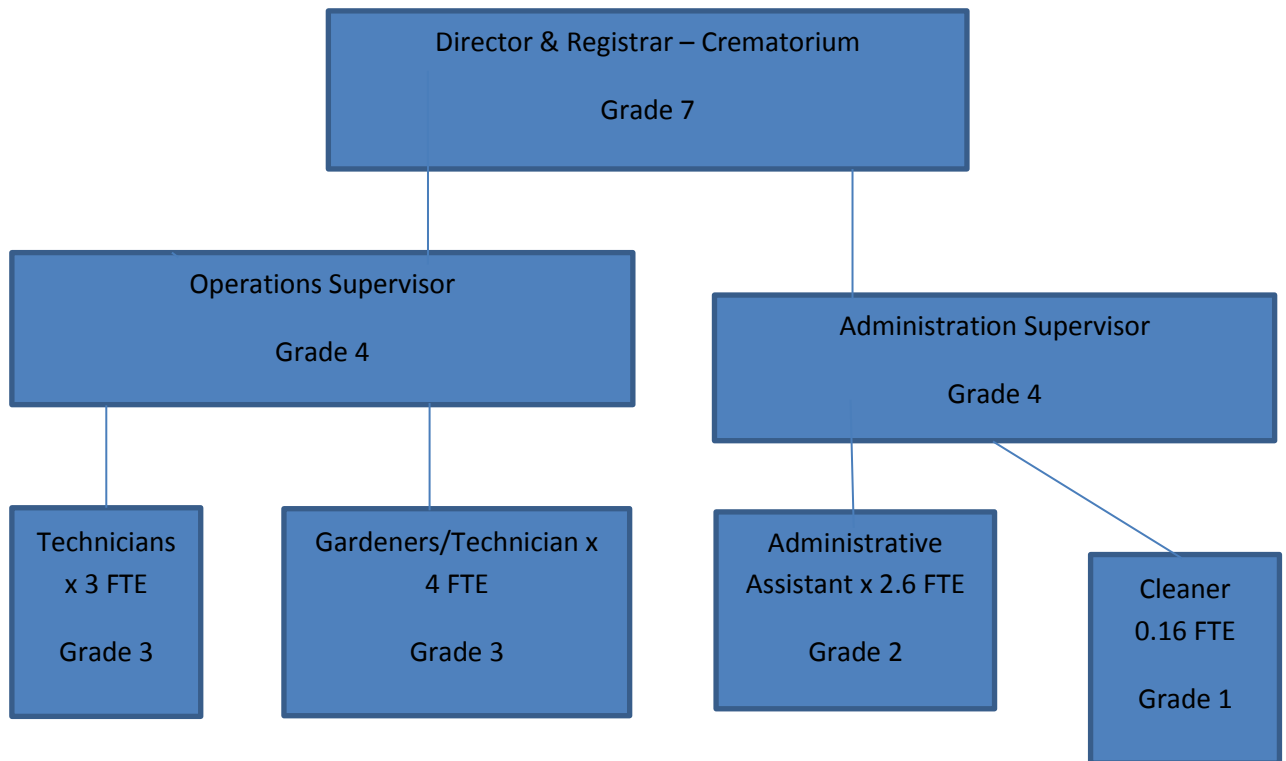
**Appendix 1**

**Current Crematorium Structure**



**Appendix 2**

**Proposed Crematorium Structure**



**Report of Treasurer of Joint Crematorium Committee  
To  
Mansfield and District Joint Crematorium Committee  
On  
7 September 2020**

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**FINANCIAL MANAGEMENT REVIEW**

**1 APRIL 2020 TO 31 JULY 2020**

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**1. SUMMARY**

- 1.1 This report shows the forecasted year end position for the 2020/2021 financial year for the Mansfield Crematorium as at 31 July 2020.

**2. RECOMMENDATION**

**To be resolved:**

- i). The financial information provided in appendix 1 and table 4 is for noting only.
- ii) The revenue budget increases of £5,000 for webcasting expenditure identified in 3.1.3 and (£7,500) for webcasting fee income identified in 3.1.5 are approved.

**3. BACKGROUND**

- 3.1 Summary Forecast Financial Position - see appendix 1

Table 1 below summarises the income and expenditure incurred to 31 July 2020 and the variances expected at year end. Further explanations are provided below where there are significant variances between the forecasted outturn position and the budget.

**Table 1**

<b>CREMATORIUM REVENUE</b>	<b>FULL YEAR</b>			<b>1 April 2020 to 31 July 2020</b>
Description	Original Budget	Forecast	Variance - Forecast to Original Budget	Actuals
Employee Costs	408,936	378,123	-30,813	150,135
Premises Related Expenses	404,487	391,644	-12,843	185,259
Transport Related Expenditure	200	50	-150	0
Supplies and Services	149,601	196,091	46,490	41,239
Support Services	61,382	63,191	1,809	18
Depreciation & Impairment	126,271	126,271	0	0
<b>Revenue Gross Expenditure</b>	<b>1,150,877</b>	<b>1,155,370</b>	<b>4,493</b>	<b>376,651</b>
Revenue Income	-1,765,350	-1,947,655	-182,305	-683,751
<b>Income</b>	<b>-1,765,350</b>	<b>-1,947,655</b>	<b>-182,305</b>	<b>-683,751</b>
Recharge to Cemeteries	-31,046	-28,000	3,046	0
<b>Income Recharges</b>	<b>-31,046</b>	<b>-28,000</b>	<b>3,046</b>	<b>0</b>
<b>Revenue Gross Income</b>	<b>-1,796,396</b>	<b>-1,975,655</b>	<b>-179,259</b>	<b>-683,751</b>
<b>Net Cost of Service</b>	<b>-645,519</b>	<b>-820,285</b>	<b>-174,766</b>	<b>-307,100</b>
Depreciation to be Reversed	-126,271	-126,271	0	0
2 Year Pension Lump Sum Prepayment	0	0	0	-32,303
3% Increase of Standard Cremation Fees to Capital Fund	46,200	53,460	7,260	16,984
<b>Below Net Cost of Service</b>	<b>-80,071</b>	<b>-72,811</b>	<b>7,260</b>	<b>-15,319</b>
<b>Net (-) Surplus</b>	<b>-725,590</b>	<b>-893,096</b>	<b>-167,506</b>	<b>-322,419</b>

<b>CREMATORIUM CAPITAL</b>	<b>FULL YEAR</b>			<b>1 April 2020 to 31 July 2020</b>
Description	Original Budget	Forecast	Variance - Forecast to Revised Budget	Actuals
Capital - Replacement of Abatement Equipment	627,000	627,000	0	0
Capital - New Tractor	16,500	0	-16,500	0
Capital - Car Park Lighting	8,000	0	-8,000	0
<b>Capital Gross Expenditure</b>	<b>651,500</b>	<b>627,000</b>	<b>-24,500</b>	<b>0</b>

### 3.1.1 Employee Expenses total forecasted variance (£31,000)

The Head of Neighbourhoods has undertaken a staffing restructure which came into effect on 1 July 2020. The changes to the Crematorium budgets to reflect this new structure will be implemented during August 2020. During April-July staff vacancies have resulted in an under-spend of (£46,822). However this is offset by additional employee costs due to COVID19 demands and the need to employ one agency employee to provide clerical support. The agency employee has been working since March 2020 and their contract is expected to cease at the end of August. The forecast for agency costs are £10,077.

As a result of the COVID19 pandemic a casual technician was employed and existing staff undertook additional overtime. The cost between April and July were an additional £3,254 in basic pay and £8,802 in overtime. These additional costs will be allocated to the Crematorium accounts during August 2020 and have been included within the forecasts in Table 1 and Appendix 1

When the Crematorium budgets were set for 2020/2021 the information regarding the triennial NCC pension revaluation and annual pension contributions had not been received, so the annual pension budget was set at £22,058. In April 2020 the opportunity to pay for three years Nottinghamshire County Council lump sum pension payments in advance for the period 2020/2021, 2021/2022 and 2022/2023 was accepted by the Treasurer in relation to the employees of the Mansfield Crematorium. This resulted in a reduction in NCC estimated pension payments to the pension scheme of £3,571 over the 3 year period, as shown in table 2 below. The payment due for 2020/2021 will be £16,151 resulting in an overall Crematorium budget saving for 2020/2021 of £5,907. Table 1 and Appendix 1 show adjustments for the prepayment total of £32,303 for years 2021/2022 & 2022/2023, which will be treated as a prepayment at the year end and shown in the 2021/2022 and 2022/2023 accounts.

**Table 2**

<b>NCC Pension Lump Sum</b>	<b>2020/2021</b>	<b>2021/2022</b>	<b>2022/2023</b>	<b>TOTAL</b>
Original NCC Annual Contribution	£16,725	£17,334	£17,966	£52,025
Advance 3 Year Payment	£16,151	£16,151	£16,152	£48,454
<b>Saving Per Annum</b>	<b>£574</b>	<b>£1,183</b>	<b>£1,814</b>	<b>£3,571</b>

The employee budgets for 2020/2021 include a pay award of 2%. However, the pay award has not yet been paid and is still being negotiated with the latest offer being 2.75%. Should the award when agreed be in excess of 2% the employee expenses budgets will be re-forecast to reflect these increases with additional costs to be accommodated within current employee expenses budget under-spends.

### 3.1.2 Premises Related Expenses total forecasted variance (£13,000)

The annual business rates invoice for 2020/2021 was (£5,500) lower than the budget estimate. Utility expenditure has been reviewed and savings have been forecast for electricity (£3,500) and water rates (£4,000). Actual costs will be continually monitor throughout the year.

The actual expenditure figure for repair and maintenance fixed plant cremators includes the costs for the full relining of the brickwork in cremator 2 following the recent fire. The costs were £31,307.

Crematorium staff are to review spend on cleaning materials and material purchases to identify any costs that specifically relate to COVID19, so these can be identified separately within the accounts.

### 3.1.3 Supplies and Services Expenses total forecasted variance £46,000

The capital works to replace the abatement equipment were delayed and not completed in the 2019/2020 financial year. The capital budget for the equipment and suppliers design fees has been carried forward into the current financial year. Officers at the Crematorium are working with the

equipment supplier to determine an installation date but in the meantime cremations are not being abated. This will result in fees being due to the CAMEO scheme to buy back tradable mercury abated cremations (tmac's). Details of the 2020 CAMEO scheme terms and conditions have been requested by the Crematorium and are due to be confirmed by CAMEO during August 2020.

The assumption made in the forecasts for this report are that cremations between January 2020 and December 2020 will not be abated, the volume of cremations excluding exemptions will be 2,430, the rate applied will be 50% as per 2019/2020 and the cost per tmac to be purchased will be £55, this results in a forecast cost of £66,825. Once the CAMEO terms have been confirmed and the date set for the abatement equipment to be replaced, this forecast will be reviewed. Consideration needs to be given as to whether this unbudgeted cost will be met from existing budgets, reduction in excess surplus or to be financed from general reserves.

The furniture equipment budget forecast has been reduced by (£3,250) as no major items of furniture currently need replacing.

The books and publications special budget forecast has been reduced by (£10,000) mainly due to there no longer being a need to replace hymn/service books. Due to the pandemic these books are not currently used during services.

The printing budget forecast has been reduced by (£3,500), most printed forms have now been updated and due to changes in how the administration of services is undertaken, there is a move towards more online methods of working. A review of future printing requirements and copier equipment at the crematorium will be undertaken this year to try and move away from printed documentation where possible.

As detailed in 3.1.6, due to the increased forecast in the number of cremations, both the expenditure and income budgets for medical fees will need increasing by £6,105 as the charge paid for this service is fully reimbursed through a matching fee per cremation.

The organist expenses forecast has been reduced by (£11,000). Due to the pandemic this service is not currently being provided. The organist fee income budget has also been reduced in line with this budget. The forecast will be reviewed if the situation changes.

Other minor variations to budget forecasts totalling (£3,690) include reductions to the stationery, misc. software licences, postages, systems software and conference expenses budgets.

Crematorium staff are undertaking reviews of the telephone and subscriptions budgets to ensure that current contracts/fees are competitively priced and meet the current requirements of the service.

A new budget is required for webcasting expenses and income from webcasting fees. The forecast for expenses is initially £5,000. Although there has been a good uptake in this service so far this year, this is mainly down to the limit on the number of mourners that can attend services. This forecast will be reviewed on a regular basis. It is recommended that a webcasting revenue expenditure budget of £5,000 is included within the 2020/2021 accounts.

#### 3.1.4 Support Services Expenses total forecasted variance £2,000

The forecast recharges for Design Services for April-June 2020 has been estimated at £1,858, using these costs as a projection for the remainder of the year the budget forecast has been increased by £2,000. Design services will be undertaking planned preventative work reviews and assisting with the replacement abatement equipment works.

#### 3.1.5 Income total forecasted variance (£179,000).

As detailed in 3.1.6 below, the increase in forecasted cremations has resulted in the cremation fee income budget being increased by (£185,200). The usage and related income will be closely monitored and the forecast will be adjusted if required.

As noted in 3.1.3 the medical fee income forecast has been increased by (£6,105) in line with the medical fee costs.

As detailed in 3.1.3, a new income budget is required for webcasting fees. It is recommended that a webcasting revenue income budget of (£7,500) is included within the 2020/2021 accounts.

As noted in 3.1.3, the forecast for income from the organist service has been reduced by £16,500, this is as a result of this service not being made available during service restrictions. The level of forecast fee income is 150% of the forecasted expenditure.

Due to the level of forecasted employee savings, it is forecast that the recharge to Mansfield District Council Cemeteries' service for the administrative role undertaken by the Crematorium staff will be £3,000 lower this financial year. This is due to the recharge calculation being mainly based on a proportion of actual salary costs incurred.

Actual income for memorials and book of remembrance inscriptions is low as these services have been on hold since the start of the pandemic. During July these services recommenced and staff are processing delayed transactions.

#### 3.1.6 Below Net Cost of Service total forecasted variance £7,000

With reference to minute 1773 approved by the JCC on 13 January 2020; the additional 3% increase in the standard cremation fee for 2020/2021, is

to be transferred to the Capital Fund. The 3% increase equates to £22 per standard cremation. Due to the forecasted number of cremations increasing from 2,100 to 2,430, the amount to be transferred to the Capital Fund is forecast to increase by £7,260.

### 3.1.7 Capital total forecasted variance (£24,000)

Replacement abatement equipment, the approved carry-forward budget from 2019/2020 of £627,000 has been allocated for spending during 2020/2021. No costs have been incurred as at 31 July 2020.

New Tractor budget for £16,500, the Head of Neighbourhoods has advised that this capital budget will not be required as a review is being undertaken for a tractor to be hired from Mansfield District Council Parks department with an annual hire cost yet to be agreed. When the annual revenue costs are known a revenue budget review will be undertaken to identify budget forecast underspends that can be realigned to a new revenue hire of plant budget

Car Park Lighting budget will not be required as a review of urgent planned preventative works is to be completed by MDC Design Services/Property Services teams with the likelihood that these works will need to be delayed due to other more urgent works.

### 3.1.8 The number of cremations carried out between 1 April 2020 and 31 July 2020 is 910, an increase of 181 (24.8%) compared to 729 over the same period in 2019/2020. Table 3 below compares the April to July number of cremations for the last 5 years.

**Table 3**

April 2020-July 2020	356	354	53	147	<b>910</b>
April 2019-July 2019	266	290	45	128	<b>729</b>
April 2018-July 2018	259	289	33	156	<b>737</b>
April 2017-July 2017	274	328	55	155	<b>812</b>
April 2016-July 2016	267	315	92	187	<b>861</b>

Appendix 2 shows the number of cremations and the percentage of the split between Ashfield District Council, Mansfield District Council, Newark and Sherwood District Council and Outside of the Joint Committee area between April and July. Appendix 3 shows the last 5 year annual cremation throughput totals per area. The budgeted number of cremations for 2020/2021 was 2,100, however due to the impact of the COVID19 pandemic the number of cremations for April and May 2020 were considerably higher than forecast. The forecast number of cremations for this financial year has been increased to 2,430. The throughput figures will be reviewed on a monthly basis and any changes will be reflected in the budgetary forecasts.

### 3.2 Balance Sheet Review – Table 4 below shows the balance sheet as at 31 July 2020



**Table 4**

<b>Mansfield &amp; District Joint Crematorium</b>		
<b>Balance Sheet as at 31 July 2020</b>		
<b>31 March 2020</b>		<b>31 July 2020</b>
<b>£</b>		<b>£</b>
2,150,777	Property, Plant & Equipment	2,150,777
<b>2,150,777</b>	<b>Long Term Assets</b>	<b>2,150,777</b>
247,571	Short Term Debtors	284,649
0	NCC Pension Prepayment 2 years	32,303
-19,895	Provisions	-19,895
1,676,219	Cash and Cash Equivalents	1,079,572
<b>1,903,895</b>	<b>Current Assets</b>	<b>1,376,629</b>
-866,669	Short Term Creditors	0
<b>-866,669</b>	<b>Current Liabilities</b>	<b>0</b>
-1,141,000	Net Pension Liability	-1,141,000
-1,141,000	<b>Long Term Liabilities</b>	<b>-1,141,000</b>
<b>2,047,003</b>	<b>Net Assets</b>	<b>2,386,406</b>
	<b>Financed by:</b>	
799,863	Capital Fund	816,847
0	Surplus/(deficit) in year	322,419
237,363	General Reserve	237,363
<b>1,037,226</b>	<b>Usable Reserves</b>	<b>1,376,629</b>
442,841	Revaluation Reserve	442,840
1,707,936	Capital Adjustment Accounts	1,707,936
-1,141,000	Pension Reserve	-1,141,000
<b>£1,009,777</b>	<b>Unusable Reserves</b>	<b>1,009,776</b>
<b>2,047,003</b>	<b>Total Reserves</b>	<b>2,386,405</b>

3.2.1 Long Term Assets – There is currently no movement in the long term assets. Transactions for depreciation and any changes in the re-valuation of the crematorium assets, which is to be undertaken during this financial year, will be calculated before the financial year end.

### 3.2.2 Current Assets

Short Term Debtors - Total outstanding at 31 July 2020 was £284,649

This total comprises of £280,048 which is the value of invoices raised mainly to funeral directors which remain unpaid as at 31 July 2020 and £4,601 which relates to accruals for income due in 2019/2020 from two external suppliers. An invoice is to be raised and a credit note has been received to recover the £4,601 accrued debtor. The summary below breaks down the value outstanding per period for the invoices outstanding issued to funeral directors totalling £280,048.

#### Ageing Debtor Summary as at 31 July 2020

<b>Period Invoice Raised</b>	<b>Amount Outstanding £</b>
2016-17 Financial Year	1,247
2017-18 Financial Year	3,310
2018-19 Financial Year	1,440
2019-20 Financial Year	31,056
April 2020	19,252
May 2020	22,856
June 2020	61,451
July 2020	139,436
<b>TOTAL</b>	<b>280,048</b>

NCC Pension Prepayment 2 Years – as detailed in 3.1.1 the value for 2021/2022 & 2022/2023 will be treated as a prepayment at the end of the current financial year.

Provisions – At the financial year end the value required for this provision will be recalculated based on the age of outstanding debtor invoices.

Cash and Cash Equivalents – The main changes relate to the payment of the 2019/2020 allocated surplus to each authority, accrued creditor payments to suppliers and the revenue surplus calculated up to 31 July 2020 on the revenue accounts.

### 3.2.3 Current Liabilities

Short Term Creditors – There are no short term creditors at 31 July 2020. However, at the financial year end the outstanding creditors will be calculated based on the invoices relating to the 2020/2021 accounts that have not yet been paid and the net surplus due to the 3 authorities

### 3.2.4 Long Term Liabilities

Net Pension Liability – This will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme.

### 3.2.5 Usable Reserves

Capital Fund – The Capital Fund brought forward balance as at 1 April 2020 was £799,863. This opening balance includes an approved carried forward budget of £627,000 for replacement abatement equipment and supplier design fees only. A further report is required to determine the building repair costs associated with these works. No expenditure has been incurred yet on this project.

Capital budget for £16,500 for the purchase of a replacement tractor – the Head of Neighbourhoods has forecast that this budget will not be required as a review to hire this equipment from MDC Parks is being considered, as detailed in 3.1.2.

Capital budget for £8,000 for Car Park Lighting – the Head of Neighbourhoods has advised that these works are not a priority this financial year and has requested a planned preventative works report to determine the most urgent works and timelines.

**Table 5**

<b>Capital Fund Balance Brought Forward 1 April 2020</b>		<b>£799,863</b>
<b>Approved Capital Budgets 2020/2021</b>		
Replacement Abatement Equipment		-£627,000
New Tractor		-£16,500
Car Park Lighting		-£8,000
		-£651,500
<b>Capital Budgets Not Required 2020/2021</b>		
New Tractor		£16,500
Car Park Lighting		£8,000
		£24,500
<b>3% increase in Standard Cremation Fee 2020/2021</b>		
Actuals April-July 2020		£16,984
Forecast August - March 2020		£36,476
		£53,460
<b>Capital Fund Forecasted Balance as at 31 March 2021</b>		<b>£226,323</b>

General Reserve – The General Reserves brought forward balance as at 1 April 2020 was £237,363, as detailed below in table 6.

**Table 6**

<b>General Reserve Balance Brought Forward 1 April 2020</b>	<b>£237,363</b>
<b>General Reserve Forecasted Balance as at 31 March 2021</b>	<b>£237,363</b>

3.2.6 Unusable Reserves

Revaluation reserve - This will remain unchanged until the end of the current financial year.

Capital Adjustment Account – This will remain unchanged until the end of the current financial year.

Pension Reserve - This will remain unchanged until the actuary report is received at the financial year end advising of the changes to the value of the JCC pension scheme.

3.3 The position at 31 July 2020 is a surplus of £322,419, see appendix 1.

The year-end forecast position to 31 March 2021 is a surplus of £893,096, compared to the budgeted surplus of £725,590, which is an increase in surplus of £167,506.

As approved at the December 2017 JCC meeting, the surplus distribution will not exceed the budgeted surplus of £725,590 and that any additional surplus will be transferred to the General Reserve for future planned preventative works.

The main reason for this increase to the forecast budget surplus is the increase in the number of cremations forecast during 2020/2021 from 2,100 to 2,430 due to the Coronavirus pandemic. This usage forecast will be monitored closely and any further changes in usage will be reflected in revised forecasts and surplus estimates.

Currently offset against this increase in excess surplus is the forecasted budget for CAMEO fees for non-abatement of cremations. As detailed in 3.1.3 consideration needs to be given on how the CAMEO fees are to be financed either from existing budgets, reduction in excess surplus or from general reserves.

3.3.1 Table 7 below shows the forecast surplus payments to each authority based on the budgeted surplus and the usage to date by area.

**Table 7**

<b>District</b>	<b>April - July 2020 No. of Cremations</b>	<b>April - July 2020 Usage Percentage</b>	<b>Budgeted Surplus £725,590 split</b>
Ashfield	356	46.66%	£338,545
Mansfield	354	46.40%	£336,643
Newark & Sherwood	53	6.95%	£50,401
<b>TOTAL</b>	<b>763</b>	<b>100.00%</b>	<b>£725,590</b>

#### **4. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS**

<b>Risk</b>	<b>Risk Assessment</b>	<b>Risk Level</b>	<b>Risk Management</b>
Financial forecasts are inaccurate	A number of the Joint Crematorium's budgets are dependent on external factors and influences which cannot be accurately forecast	Medium	The budgetary management system is in place whereby finance and budget officers meet to discuss issues surrounding the budgets.

#### **5. ALIGNMENT TO COMMITTEES PRIORITIES**

This report is directly aligned to ensuring effective management of the Crematorium.

#### **6. IMPLICATIONS RELATING TO RELEVANT LEGISLATION**

- (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: No impact
- (c) Equality and Diversity: No impact.
- (d) Climate change and environmental sustainability: No impact.
- (e) Crime and Disorder: No impact.
- (f) Budget / Resources: This report is to note the out-turn position on the Joint Crematorium Account and the balances on the Reserve funds.

**7. CONSULTATION**

Head of Neighbourhoods

**8. BACKGROUND PAPERS**

None.

Report Author	-	Wendy Gregson
Designation	-	Senior Finance Advisor
E-mail	-	<a href="mailto:wgregson@mansfield.gov.uk">wgregson@mansfield.gov.uk</a>

				Appendix 1
REVENUE CREMATORIUM	Full Year			1 April 2020 to 31 July 2020
Description	Original Budget	Forecast Budget	Variance Forecast Budget to Original Budget	Actuals
	£	£	£	£
Salaries Basic Pay	295,852	255,753	-40,099	68,042
COVID19 Basic Pay	0	3,264	3,264	0
Salaries Overtime	18,000	9,198	-8,802	0
COVID19 Overtime	0	8,802	8,802	4,702
Salaries National Insurance	23,057	21,647	-1,410	6,875
Salaries Superannuation	49,407	47,370	-2,037	16,021
Salaries Vacancy Savings	-5,525	0	5,525	0
Superann Additional Allowances	1,261	1,261	0	-1,084
Pension Deficit Lump Sum	22,058	16,151	-5,907	48,454
Agency Staff	0	10,077	10,077	7,124
Occupational Health Services	500	500	0	0
Training Expenses Staff	3,000	3,000	0	0
Apprenticeship Levy	1,326	1,100	-226	0
<b>Employee Related Expenditure</b>	<b>408,936</b>	<b>378,123</b>	<b>-30,813</b>	<b>150,135</b>
Repair/Maintenance Buildings	23,582	23,582	0	3,304
Grounds Maintenance General	20,440	20,440	0	3,797
EPA Testing	1,500	1,161	-339	1,161
Repair/Maintenance Fixed Plant Cremators	135,000	135,000	0	42,750
Electricity	51,000	47,500	-3,500	8,738
Gas	42,000	42,000	0	8,901
Rent of Premises	159	159	0	159
Business Rates	96,776	91,290	-5,486	91,290
Sewage/Water Rates	10,000	6,000	-4,000	3,161
Insurance	19,340	19,822	482	19,822
Cleaning Materials	4,200	4,200	0	2,001
Legionella	490	490	0	175
<b>Premises Related Expenditure</b>	<b>404,487</b>	<b>391,644</b>	<b>-12,843</b>	<b>185,259</b>
Car Allowances	200	50	-150	0
<b>Transport Related Expenditure</b>	<b>200</b>	<b>50</b>	<b>-150</b>	<b>0</b>
Furniture Acquisitions	4,000	750	-3,250	0
Hire Vending Machines	600	600	0	41
Light Plant and Tools	4,000	4,000	0	1,717
Bio Boxes	4,000	4,000	0	2,386
Materials Rodent Control	450	450	0	0
Office Machinery Repair/Maintenance	100	100	0	0
Office Machinery Replacement	900	900	0	0
Uniforms	3,500	3,500	0	718
Books & Publications Special	10,000	0	-10,000	0
Printing	7,000	3,500	-3,500	1,533
Stationery	5,000	3,500	-1,500	1,188
Advertising Other	2,000	2,000	0	1,092
Waste Collection Skips	1,500	1,500	0	0
Medical Referee Fees	38,850	44,955	6,105	16,613
Payments to Local Authorities	7,038	7,038	0	2,040
Software Licences	9,000	8,780	-220	2,500
Postages	3,500	2,800	-700	681
Systems Software	530	260	-270	260
Telephones	7,200	7,200	0	2,590
Webcasting Costs	0	5,000	5,000	3,868
Conference Expenses	1,000	0	-1,000	0
Subscriptions	2,440	2,440	0	712
Book of Remembrance Inscriptions	9,028	9,028	0	2,769
External Legal Expenses	1,500	1,500	0	0
Other Expenses General	500	500	0	0
Memorial Plaques	11,965	11,965	0	531
Organist Fees	14,000	3,000	-11,000	0
CAMEO Non Abatement Fees	0	66,825	66,825	0
<b>Supplies &amp; Services Expenditure</b>	<b>149,601</b>	<b>190,091</b>	<b>40,490</b>	<b>41,239</b>

				Appendix 1
REVENUE CREMATORIUM	Full Year			1 April 2020 to 31 July 2020
Description	Original Budget	Forecast Budget	Variance Forecast Budget to Original Budget	Actuals
	£	£	£	£
Design Services	5,641	7,432	1,791	0
Trade Waste/Recycling	7,349	7,349	0	0
Electricians Service	0	18	18	18
Central Corporate Overhead	48,392	48,392	0	0
<b>Support Services</b>	<b>61,382</b>	<b>63,191</b>	<b>1,809</b>	<b>18</b>
Depreciation	126,271	126,271	0	0
<b>Depreciation and Impairment</b>	<b>126,271</b>	<b>126,271</b>	<b>0</b>	<b>0</b>
<b>Revenue Gross Expenditure</b>	<b>1,150,877</b>	<b>1,155,370</b>	<b>4,493</b>	<b>376,651</b>
Book of Remembrance Inscriptions	-23,500	-23,500	0	-603
Crematorium Containers	-200	-200	0	-155
Crematorium Memorials	-41,000	-41,000	0	-669
Organist	-21,000	-4,500	16,500	0
Cremation Fees	-1,633,800	-1,819,000	-185,200	-660,956
Webcasting Fees	0	-7,500	-7,500	-6,306
Medical Fees	-38,850	-44,955	-6,105	-16,502
Interest Income	-3,000	-3,000	0	0
Miscellaneous Income	-4,000	-4,000	0	1,440
<b>Income</b>	<b>-1,765,350</b>	<b>-1,947,655</b>	<b>-182,305</b>	<b>-683,751</b>
Recharges to Cemeteries	-31,046	-28,000	3,046	0
<b>Income Recharges</b>	<b>-31,046</b>	<b>-28,000</b>	<b>3,046</b>	<b>0</b>
<b>Revenue Gross Income</b>	<b>-1,796,396</b>	<b>-1,975,655</b>	<b>-179,259</b>	<b>-683,751</b>
<b>Net Cost of Service</b>	<b>-645,519</b>	<b>-820,285</b>	<b>-174,766</b>	<b>-307,100</b>
Depreciation to be Reversed	-126,271	-126,271	0	0
2 Year Pension Lump Sum Prepayment	0	0	0	-32,303
3% Increase of Standard Cremation Fees to Capital Fund	46,200	53,460	7,260	16,984
<b>Below Net Cost of Service Sub Total</b>	<b>-80,071</b>	<b>-72,811</b>	<b>7,260</b>	<b>-15,319</b>
<b>Net Surplus</b>	<b>-725,590</b>	<b>-893,096</b>	<b>-167,506</b>	<b>-322,419</b>
<b>CAPITAL CREMATORIUM</b>	<b>Full Year</b>			<b>1 April 2020 to 31 July 2020</b>
Description	Original Budget	Forecast Budget	Variance Forecast Budget to Original Budget	Actuals
	£	£	£	£
Replacement of Abatement Equipment	627,000	627,000	0	0
New Tractor	16,500	0	-16,500	0
Car Park Lighting	8,000	0	-8,000	0
<b>Grand Total</b>	<b>651,500</b>	<b>627,000</b>	<b>-24,500</b>	<b>0</b>



Appendix 2									
<u>Number of Cremations by Area - 2020/2021</u>									
Month	Ashfield	%	Mansfield	%	Newark	%	Out of Area	%	TOTAL
April 2020	111	36%	132	43%	22	7%	45	15%	310
May 2020	110	45%	80	33%	14	6%	40	16%	244
June 2020	77	41%	70	37%	6	3%	36	19%	189
July 2020	58	35%	72	43%	11	7%	26	16%	167
August 2020									
September 2020									
October 2020									
November 2020									
December 2020									
January 2021									
February 2021									
March 2021									
	356	39%	354	39%	53	6%	147	16%	910
Constituent Authority Percentage excluding out of area cremations									
April-July 2020	356	46.66%	354	46.40%	53	6.95%			763

Appendix 3

Summary Total Number of Cremations Per Annum	2016/17	2017/18	2018/19	2019/20	2020/21
April	247	189	202	188	310
May	196	232	174	214	244
June	226	193	196	152	189
July	192	198	165	175	167
August	189	187	183	155	
September	209	187	160	165	
October	185	188	194	183	
November	211	179	190	198	
December	245	221	166	192	
January	236	252	199	260	
February	233	255	204	196	
March	254	233	202	200	
<b>TOTAL Number of Cremations</b>	<b>2623</b>	<b>2514</b>	<b>2235</b>	<b>2278</b>	<b>910</b>

**New Crematorium Openings & Other Changes**

2016/2017 Total Cremations per Area	ADC	MDC	N&S DC	Out of Cttee area	TOTAL
April	72	91	22	62	247
May	68	59	24	45	196
June	67	95	22	42	226
July	60	70	24	38	192
August	61	72	20	36	189
September	64	78	14	53	209
October	65	68	17	35	185
November	60	75	15	61	211
December	76	80	23	66	245
January	65	96	22	53	236
February	76	82	14	61	233
March	89	98	15	52	254
<b>TOTAL per area 2016/2017</b>	<b>823</b>	<b>964</b>	<b>232</b>	<b>604</b>	<b>2623</b>
<b>Percentage total per authority 2016/2017</b>	<b>40.76%</b>	<b>47.75%</b>	<b>11.49%</b>		<b>2019</b>

Jan 2017 - Gedling Crematorium opened Lambley

2017/2018 Total Cremations per Area	ADC	MDC	N&S DC	Out of Cttee area	TOTAL
April	64	78	13	34	189
May	84	83	20	45	232
June	62	82	14	35	193
July	64	85	8	41	198
August	66	66	16	39	187
September	67	82	11	27	187
October	73	72	13	30	188
November	55	82	13	29	179
December	85	76	16	44	221
January	83	107	19	43	252
February	95	100	17	43	255
March	90	99	9	35	233
<b>TOTAL per area 2017/2018</b>	<b>888</b>	<b>1012</b>	<b>169</b>	<b>445</b>	<b>2514</b>
<b>Percentage per authority 2017/2018</b>	<b>42.92%</b>	<b>48.91%</b>	<b>8.17%</b>		<b>2069</b>

Appendix 3

2018/2019 Total Cremations per Area	ADC	MDC	N&S DC	Out of Cttee area	TOTAL	Aug 2018 - Babworth Crematorium opened, Retford/Ranby
April	71	79	12	40	202	
May	55	79	6	34	174	
June	68	76	8	44	196	
July	65	55	7	38	165	
August	69	67	17	30	183	
September	65	56	8	31	160	
October	72	71	8	43	194	
November	70	73	14	33	190	
December	63	62	17	24	166	
January	83	79	9	28	199	
February	62	88	12	42	204	
March	83	74	12	33	202	
<b>TOTAL per area 2018/2019</b>	<b>826</b>	<b>859</b>	<b>130</b>	<b>420</b>	<b>2235</b>	
<b>Percentage per authority 2018/2019</b>	<b>45.51%</b>	<b>47.33%</b>	<b>7.16%</b>		<b>1815</b>	
2019/2020 Total Cremations per Area	ADC	MDC	N&S DC	Out of Cttee area	TOTAL	Early 2019 - Barnby Moor Crematorium opened Ranby
April	67	71	14	36	188	
May	81	80	10	43	214	
June	53	60	15	24	152	
July	65	79	6	25	175	
August	53	67	15	20	155	
September	63	60	11	31	165	
October	75	73	6	29	183	
November	64	87	10	37	198	
December	75	79	12	26	192	
January	90	114	16	40	260	
February	67	89	14	26	196	
March	82	76	10	32	200	
<b>TOTAL per area 2019/2020</b>	<b>835</b>	<b>935</b>	<b>139</b>	<b>369</b>	<b>2278</b>	
<b>Percentage per authority 2019/2020</b>	<b>43.74%</b>	<b>48.98%</b>	<b>7.28%</b>		<b>1909</b>	
2020/2021 Total Cremations per Area	ADC	MDC	N&S DC	Out of Cttee area	TOTAL	Covid 19 Pandemic
April	111	132	22	45	310	
May	110	80	14	40	244	
June	77	70	6	36	189	
July	58	72	11	26	167	
August					0	
September					0	
October					0	
November					0	
December					0	
January					0	
February					0	
March					0	
<b>TOTAL per area 2020/2021</b>	<b>356</b>	<b>354</b>	<b>53</b>	<b>147</b>	<b>910</b>	
<b>Percentage per authority 2020/2021</b>	<b>46.66%</b>	<b>46.40%</b>	<b>6.95%</b>		<b>763</b>	

**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**  
**7 SEPTEMBER 2020**

**PROVISION OF NEW MERCURY ABATAMENT EQUIPMENT**

**1. SUMMARY**

- 1.1 This report provides an update to the Committee on the provision of the new Mercury Abatement Equipment (MAE).

**2. RECOMMENDATIONS**

**To be resolved:**

- 2.1 That the current 2020/2021 capital budget of £627,000 for the provision of Mercury Abatement Equipment is increased by £191,460 to £818,460 to take into account the additional costs over and above the design and installation of the Equipment.
- 2.2 That if necessary funds are transferred from General Reserves to the Capital Fund to make up the shortfall of £1,613.

**3.0 Background Information**

- 3.1 A budget quotation was received from Matthews Environmental Solutions (Matthews) in respect of the provision and installation of MAE and the removal of one cremator.
- 3.2 Specifically, the quotation includes for:
- a) The design, manufacture, delivery, installation and commissioning works for the removal of one of the existing standard sized cremator to include all necessary alterations, adaptation to control, monitoring equipment, flues etc.
  - b) The design, manufacture, delivery, installation and commissioning of mercury abatement plant to service three cremators and meet current emission levels, legislation etc. to include all necessary control, monitoring equipment, flues and the like.
  - c) A maintenance regime for new and existing equipment will form a separate contract from the expiry of the Defects Liability Period. Any maintenance within the DLP period is to be contained within the quotation.
- 3.3 Matthews returned a quotation based on two options. The first option at £720,000 was for three single line systems. The second option instead of having three single line systems, allowed for one single line abatement system servicing one cremator (the newest cremator) with the other two cremators being serviced by a 2-into-1 system. This was costed at £627,000.
- 3.4 A decision was taken to proceed with the second option as it was cheaper but also improved the system design and the resultant ease of use and maintenance. A subsequent Purchase Order was raised for £627,000 and issued to Matthews.

- 3.5 It is understood that the budget was set at £750,000 based on Matthews' first option however this did not include builder's accommodation works, an allowance for contingencies (which is standard practice) and Mansfield District Council's Design Services fees. It is further understood that the 2019/2020 capital budget of £750,000 was requested to be carried forward into the 2020/2021 financial year but the recommendation was reduced to £627,000 to meet the value of the purchase order raised to Matthews. This now needs to be increased to include the costs shown below.
- 3.6 The contract with Matthews for the value of £627,000 was entered into on 25 August 2020. We are now awaiting a timetable from them.

#### 4.0 **Proposals**

4.1 The total estimated cost of the works is shown below:

Budget quote	£627,000
10% contingencies	£61,200
Builder's accommodation works 15%	£92,000
Design Services fees 5%	£38,260
<b>Total budget cost</b>	<b>£818,460</b>

4.2 The final extent of accommodation works will be determined once the design work has been completed by Matthews however it will potentially include such items of work as:

- Resin floor to transfer room. Required due to removal of cremator.
- Making good to walls, ceilings etc. where No 1 cremator removed. Finishes and design to be approved possible public viewing
- Sound insulation to transfer room.
- Adaptation/new screen to roof mounted MAE plant.
- Possible alterations to roof and recovering to mess room and mezzanine. Requires recovering prior to new equipment being fitted. Note that the recovering of the Crematory roof is an independent project subject to an insurance claim following copper theft. This work will be carried out in conjunction with MAE due to restrictions relating to a European Protected Species Licence (relating to bats) which gives restricted timescales when work can be carried out.
- Possible structural steelwork alterations subject to final MAE design. (Equipment support)
- Chimney flue alteration/additional flue, cladding etc. to external flue dependant on final design. Work to the chimney will also be subject to the European Protected Species licence restrictions.
- Upgrade of incoming gas safety valve including connection to the fire alarm system.
- New steel deck mezzanine over yard and mess room
- New screen to control room.
- New access gate to service yard.
- Electrics

4.3 The budget will therefore need to be increased accordingly in order for the works to proceed. The current usable reserves balances held for the Joint Crematorium Committee at 26 August 2020 are £427,210 as shown in the table below.

**Usable Reserves of the Joint Crematorium Committee as at 26 August 2020, including Capital Fund and General Reserves.**

Please note the table below does not include any forecasted income for August 2020 to March 2021 for the 3% increase on standard cremation fees or any forecasts for year-end excess surplus contributions to usable reserves.

<b>Capital Fund Balance Brought Forward 1 April 2020</b>	<b>£799,863</b>
<b>Less Approved Capital Budgets 2020/2021</b>	-
Carried Forward Replacement Abatement Equipment	£627,000
New Tractor	-£16,500
Car Park Lighting	-£8,000
	-
	£651,500
<b>Plus Capital Budgets Not Required 2020/2021</b>	
New Tractor	£16,500
Car Park Lighting	£8,000
	£24,500
<b>Plus 3% increase in Standard Cremation Fee 2020/2021</b>	
Actuals April-July 2020 transferred to Capital fund	£16,984
<b>Capital Fund Available Balance as at 26 August 2020</b>	<b>£189,847</b>
<b>General Reserve Balance Brought Forward 1 April 2020</b>	<b>£237,363</b>
<b>General Reserve Available Balance as at 26 August 2020</b>	<b>£237,363</b>
<b>Total Usable Reserves Available as at 26 August 2020</b>	<b>£427,210</b>

Background Papers

Matthews Budget Quotation MQ27575rev1

For further information please contact Rob Purser, Development Manager, Mansfield District Council, [rpurser@mansfield.gov.uk](mailto:rpurser@mansfield.gov.uk), 01623 463123.

**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**  
**7 SEPTEMBER 2020**

**PLANNED PREVENTATIVE WORKS PROGRAMME**

**1. SUMMARY**

1.1 This report provides an update on the Planned Preventative Works programme.

**2. RECOMMENDATIONS**

**To be resolved:**

2.1 That the Planned Preventative Works programmed is fully reviewed and a new asset survey is carried out together with estimated costs.

**3.0 Background Information**

3.1 A Planned Preventative Works programme (PPW) was formulated in 2018/19 and covered a 20 year period. The programme allowed for repairs, improvements and maintenance to the buildings and also repairs and renewal of equipment.

3.2 Mansfield District Council's Design Services have added in work that the team is currently overseeing and additionally has RAG rated the works. Red items would be required to be carried out within a year, amber items within 5 years and green items within 5 – 20 years.

**4.0 Proposals**

4.1 It is proposed that Mansfield District Council carries out an updated asset survey by the end of September, updates the estimated costs by the end of October to then allow Crematorium staff to profile out the PPW having regard to reserves that are held, the fee income that is generated and decisions taken as to whether the replacement cremators are to be purchased or leased.

**Background Papers**

2018/19 PPW spreadsheet

For further information please contact Rob Purser, Development Manager, Mansfield District Council, [rpurser@mansfield.gov.uk](mailto:rpurser@mansfield.gov.uk), 01623 463123.

## 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](mailto:sue.bearman@nsdc.info), 01636 655935.

**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:	
<b>1.</b>	<p><b>Title / Subject Matter:</b> Please give a brief summary of what the decision was about. A short title for future reference would also be helpful.</p> <p><b>MANSFIELD CREMATORIUM – INTERIM ARRANGEMENTS DURING THE CORONAVIRUS PANDEMIC</b></p>
<b>2.</b>	<p><b>Is this a Key Decision:</b> A Key Decision is one that is likely to:</p> <p>(a) Result in the Council spending or making savings of over <b>£50,000 revenue</b> or <b>£1m capital</b>, or;</p> <p>(b) Have a significant impact on <b>two</b> or more Wards, or electoral divisions in the Council’s area.</p> <p><b>No</b></p>
<b>3.</b>	<p><b>Decision Taken:</b> Briefly summarise what you have decided to do. For instance, to purchase a specific piece of equipment for a specific cost. Don’t include any information in your summary that you would not want to be published.</p> <ol style="list-style-type: none"> <li><b>1. 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;</b></li> <li><b>2. To offer direct cremation at a cost of £490 after 4pm for up to 6 months;</b></li> <li><b>3. To remove the current £108 surcharge for funerals held on Saturdays (revised fee being £778) and to extend the number of service times available on Saturdays from 8 to 14, by extending operating times on Saturdays to 3.15pm for up to 6 months.</b></li> </ol>
<b>4.</b>	<p><b>Reasons for the Decision:</b> Again, briefly explain why you thought this was the right decision.</p> <p>During the current coronavirus (COVID-19) pandemic, the volume of cremations is expected to be higher than usual. The Nottinghamshire Local Resilience Forum, which is the multi-agency group responsible for co-ordinating the response to this major incident, has requested that the crematorium increases its capacity. The proposals will enable the Mansfield Crematorium to fulfil its responsibilities.</p>

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

Please attach the relevant Report or Briefing Note. Unless classified as exempt, this information will be included with the Decision Record and published on the Council's website.

Attached

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

Please refer to the Constitution which explains the legal grounds for exempting from publication information used to make a decision.

No

**7. Alternative Options Considered / Rejected:**

Briefly summarise what other options, if any, you considered and explain why you rejected them.

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.

**8. Declarations of Interest and Dispensations – if applicable:**

Any Declarations of Interest relating to this decision and subsequent dispensations should be listed.

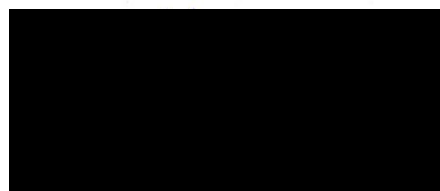
N/A

**9. Name / Title of the relevant lead Cabinet Member(s) consulted (if appropriate):**

Councillors Helen-Ann Smith, Tom Hollis and David Martin – Members of the Joint Crematorium Committee

**10. Name / Title of the decision taker:**

(a) Cabinet Member **The LEADER OF THE COUNCIL, COUNCILLOR JASON ZADROZNY**



Date: 17 April 2020
TO BE COMPLETED BY DEMOCRATIC SERVICES
<b>1. Date that the decision was notified to members:</b>  Not applicable
<b>2. Date and time when the Call-In period for this decision ends:</b>
<b>3. Date when the decision can be implemented (five working days following publication):</b>
<b>4. Decision Reference Number:</b>

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

[democratic.services@ashfield.gov.uk](mailto: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](mailto:r.dennis@ashfield.gov.uk) or any member of the Democratic Services Team.

<b>Report To:</b>	<b>LEADER OF THE COUNCIL</b>	<b>Date:</b>	<b>17 APRIL 2020</b>
<b>Heading:</b>	<b>MANSFIELD CREMATORIUM – INTERIM ARRANGEMENTS DURING THE CORONAVIRUS PANDEMIC</b>		
<b>Portfolio Holder:</b>	<b>LEADER OF THE COUNCIL, COUNCILLOR JASON ZADROZNY</b>		
<b>Ward/s:</b>	<b>N/A</b>		
<b>Key Decision:</b>	<b>NO</b>		
<b>Subject to Call-In:</b>	<b>NO</b>		

### **Purpose of Report**

To put in place interim arrangements at the Mansfield Crematorium in response to the coronavirus (COVID-19) pandemic.

### **Recommendation(s)**

- 1. 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;**
- 2. To offer direct cremation at a cost of £490 after 4pm for up to 6 months;**
- 3. To remove the current £108 surcharge for funerals held on Saturdays (revised fee being £778) and to extend the number of service times available on Saturdays from 8 to 14, by extending operating times on Saturdays to 3.15pm for up to 6 months.**

### **Reasons for Recommendation(s)**

During the current coronavirus (COVID-19) pandemic, the volume of cremations is expected to be higher than usual. The Nottinghamshire Local Resilience Forum, which is the multi-agency group responsible for co-ordinating the response to this major incident, has requested that the crematorium increases its capacity. The proposals will enable the Mansfield Crematorium to fulfil its responsibilities.

### **Alternative Options Considered**

*(with reasons why not adopted)*

None considered due to the urgency of the situation.

### **Detailed Information**

Mansfield Crematorium is seeking to fulfil its responsibilities in response to the COVID-19 crisis, and increase capacity. A decision on revised opening hours and charging arrangements is required urgently and it would cause unacceptable delay to convene a remote meeting of the Joint Crematorium Committee.

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.

Under the existing Executive Scheme of Delegation, the Leader of the Council has delegated decisions relating to the Joint Crematorium Committee pursuant to The Local Authorities (Arrangement for Discharge of Functions) (England) Regulations 2012, Regulations 4, 9 and 11. The Leader is personally responsible for the discharge of all Executive Functions and may take any decision in relation to any such function. In order to ensure a decision can be taken as a matter of urgency in respect of the Mansfield Crematorium, the Leader has decided 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.

The Crematorium currently offers direct cremation at £490 prior to 10am in the morning – during the pandemic period the Crematorium proposes to offer that facility after 4pm. This would mean that the Crematorium has a concentration of coffins coming in at a time it can cope with storage and also still allow families to have a normal service during the day. The Crematorium is currently booking direct cremations in at 15 minute slots to increase its capacity.

The Crematorium currently has a surcharge of £108 in place for Saturday funerals – it is not currently receiving any requests for Saturday funerals and this may be partially due to the surcharge. The Crematorium proposes to remove the surcharge and offer the same price as during the week (£778), and extend the number of service times available on Saturdays from 8 to 14, extending operating times on Saturdays to 3.15pm. This would help with downtime of machinery as the cremators do not like to become really cold as it affects the brickwork and this would aid start up times on a Monday. It is suggested that these decisions are reviewed in 6 months time.

### **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	This temporary change is likely to lead to a short term net increase in income.
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 revised arrangements are not approved, the Mansfield Crematorium may be unable to fulfil its responsibilities in response to the COVID-19 crisis, and increase capacity.	To approve the temporary changes as recommended in the report.

**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 amendments to the arrangements at the Crematorium 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**

Ruth Dennis

DIRECTOR OF LEGAL AND GOVERNANCE

[r.dennis@ashfield.gov.uk](mailto:r.dennis@ashfield.gov.uk)

01623 457009

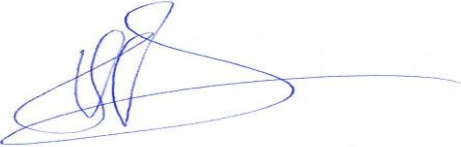


## RECORD OF DECISION BY CHIEF OFFICER USING EMERGENCY POWERS

<b>Chief Officer:</b> Hayley Barsby CEO	<b>Date of Decision:</b> 17 April 2020
<b>Title/Reference:</b> Mansfield Crematorium Ref: 20/16/CEO	
<b>Consultee Member (if applicable):</b> Executive Mayor A Abrahams – 17 April 2020 Agreed Councillor A Burgin – 16 April 2020 Agreed Councillor S Richardson – 16 April 2020 Agreed	
<b>Record of Decision:</b> During the period of the COVID-19 crisis, and subject to review 6 months from today's date, for Mansfield and Ashfield Crematorium to offer direct cremations at £490 after 4pm, to remove the surcharge for Saturday funerals, and to extend the operating times on Saturdays to 3.15pm.	
<b>Reasons for decision:</b> Mansfield Crematorium is seeking to fulfil its responsibilities in response to the COVID-19 crisis, and increase capacity. A decision on revised opening hours and charging arrangements is required urgently and it would cause unacceptable delay to convene a remote meeting of the Joint Crematorium Committee.  The Crematorium currently offers direct cremation at £490 prior to 10am in the morning – during the pandemic period the Crematorium proposes to offer that facility after 4pm. This would mean that the Crematorium has a concentration of coffins coming in at a time it can cope with storage and also still allow families to have a normal service during the day. The Crematorium is currently booking direct cremations in at 15 minute slots to increase its capacity.  The Crematorium currently has a surcharge of £108 in place for Saturday funerals – it is not currently receiving any requests for Saturday funerals and this may be partially due to the surcharge. The Crematorium proposes to remove the surcharge and offer the same price as during the week (£778), and extend the number of service times available on Saturdays from 8 to 14. This would help with downtime of machinery as the cremators do not like to become really cold as it affects the brickwork, would aid start up times on a Monday and would help meet requests coming through the Local Resilience Forum.	
<b>Legal Powers / Authority:</b> 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.

<b>Implications:</b> You should also consult any other relevant officers if you think the decision will have an impact on their areas of responsibility.	<b>Finance:</b> None
	<b>HR:</b> None
<b>In consultation with:</b> (Where applicable)	<b>Head of Paid Service:</b> N/A
	<b>Monitoring Officer:</b> 17 April 2020
	<b>Section 151 Officer:</b> 17 April 2020
<b>Signature of Decision Taker:</b> (Please do not 'pp')	

Please send all decision for publication to: Democratic Services, at [democraticservices@mansfield.gov.uk](mailto:democraticservices@mansfield.gov.uk).

All decisions with exempt information should be sent to Mark Pemberton, Democratic Services Manager at [mpemberton@mansfield.gov.uk](mailto: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 14<sup>th</sup> 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**

**Appropriate Committee: Mansfield and Ashfield Joint Crematorium Committee**

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

Mansfield Crematorium is seeking to fulfil its responsibilities in response to the COVID-19 crisis, and increase capacity. A decision on revised opening hours and charging arrangements is required urgently and it would cause unacceptable delay to convene a remote meeting of the Joint Crematorium Committee.

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.

The Crematorium currently offers direct cremation at £490 prior to 10am in the morning – during the pandemic period the Crematorium proposes to offer that facility after 4pm. This would mean that the Crematorium has a concentration of coffins coming in at a time it can cope with storage and also still allow families to have a normal service during the day. The Crematorium is currently booking direct cremations in at 15 minute slots to increase its capacity.

The Crematorium currently has a surcharge of £108 in place for Saturday funerals – it is not currently receiving any requests for Saturday funerals and this may be partially due to the surcharge. The Crematorium proposes to remove the surcharge and offer the same price as during the week (£778), and extend the number of service times available on Saturdays from 8 to 14. This would help with downtime of machinery as the cremators do not like to become really cold as it affects the brickwork, would aid start up times on a Monday and would help meet requests coming through the Local Resilience Forum.

### **Decision**

During the period of the COVID-19 crisis, and subject to review 6 months from today's date, 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.

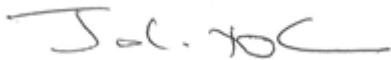
### **Members Consulted**

Joint Committee Members:

Councillor Mrs Lydia Hurst, Chairman	16/04/2020 agreed
Councillor Tom Smith	16/04/2020 agreed
Councillor Mrs Gill Dawn (also Group Leader)	16/04/2020 agreed

Group Leaders:

Councillor David Lloyd	17/04/2020 agreed
Councillor Paul Peacock	17/04/2020 agreed
Councillor Peter Harris	16/04/2020 agreed



Signed  
Chief Executive

Date: 17 April 2020

**Report of the Treasurer of Joint Crematorium Committee**

**To**

**Mansfield and District Joint Crematorium Committee**

**26 May 2020**

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**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**

**ANNUAL STATEMENT OF ACCOUNTS 2019/2020**

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**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 31<sup>st</sup> August, due to the Coronavirus pandemic. However, Nottinghamshire Councils are aiming to close down their accounts as close as possible to the original 31<sup>st</sup> May deadline, and approved Crematorium accounts are required for all three authorities to achieve this

#### **5. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS**

<b>Risk</b>	<b>Risk Assessment</b>	<b>Risk Level</b>	<b>Risk Management</b>
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  
Designation - Senior Finance Advisor  
Telephone - 01623 463305  
E-mail - [wgregson@mansfield.gov.uk](mailto:wgregson@mansfield.gov.uk)



**MANSFIELD AND DISTRICT  
JOINT CREMATORIUM COMMITTEE**

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



**Mansfield**  
District Council



## **CONTENTS**

Page No.	
2	Introduction
3	Explanation of the Accounting Statements
4-10	Annual Report and Summary of Financial Performance
11	Statement of Responsibility for the Statement of Accounts
12-18	Statement of Accounting Policies
	<b><u>The Core Financial Statements</u></b>
20	Comprehensive Income and Expenditure Statement (CIES)
21	Balance Sheet
22-23	Movement in Reserves Statement (MiRS)
24	Cash Flow Statement
25-44	Notes to the core Financial Statements
	<b><u>Supplementary Financial Statements</u></b>
45-52	Annual Governance Statement
53-54	Glossary of Financial and Accounting Terms
55	Auditors Report

## 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](mailto: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 £
	<b>Income</b>			
-1,652,329	Cremation Fees	-1,868,831	-1,712,912	155,919
-34,697	Other Income	-37,308	-30,182	7,126
<b>-1,687,026</b>	<b>Gross Income</b>	<b>-1,906,139</b>	<b>-1,743,094</b>	<b>163,045</b>
	<b>Expenditure</b>			
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
<b>1,043,511</b>	<b>Gross Expenditure</b>	<b>1,198,446</b>	<b>1,105,114</b>	<b>-93,332</b>
<b>-643,515</b>	<b>Net Cost of Service</b>	<b>-707,693</b>	<b>-637,980</b>	<b>69,713</b>
-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
<b>-800,308</b>	<b>Surplus</b>	<b>-869,652</b>	<b>-842,787</b>	<b>26,865</b>
0	Transfer Surplus in Excess of Budget to Usable Reserves	0	0	0
<b>-800,308</b>	<b>Net Surplus for Distribution</b>	<b>-869,652</b>	<b>-842,787</b>	<b>26,865</b>

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	<b>2,278</b>	1.9%
2018/2019	826	859	130	420	<b>2,235</b>	-11.1%
2017/2018	888	1,012	169	445	<b>2,514</b>	-4.2%
2016/2017	823	964	232	604	<b>2,623</b>	5.2%
2015/2016	863	831	207	592	<b>2,493</b>	-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
<b>TOTAL</b>	<b>1,909</b>	<b>100%</b>	<b>£842,787</b>

### 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.....

Date: .....

D Edwards CPFA

**Treasurer of the Mansfield and District Joint Crematorium Committee**

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## 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.....

Date: .....

**Chair of Mansfield and District Joint Crematorium Committee**

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## **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.

<b>Comprehensive Income and Expenditure Statement (CIES)</b>			
<b>2018/2019</b>		<b>Note</b>	<b>2019/2020</b>
<b>£</b>			<b>£</b>
	<b>Income</b>		
-1,652,329	Fees and Charges		-1,712,913
-34,697	Other Income		-30,182
<b>-1,687,026</b>	<b>Gross Income</b>	<b>3</b>	<b>-1,743,095</b>
	<b>Expenditure</b>		
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
<b>1,043,511</b>	<b>Gross Expenditure</b>		<b>1,105,112</b>
<b>-643,515</b>	<b>Net Cost of Services</b>		<b>-637,983</b>
0	Other Operating Expenditure		0
22,764	Financing and Investment Income and Expenditure	12	20,345
0	Taxation and Non-Specific Grant Income		0
<b>-620,751</b>	<b>Surplus / Deficit on Provision of Services</b>		<b>-617,638</b>
-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
<b>-465,540</b>	<b>Other Comprehensive Income and Expenditure</b>		<b>-191,000</b>
<b>-1,086,291</b>	<b>Total Comprehensive Income and Expenditure (Prior to Surplus Distribution)</b>	<b>17</b>	<b>-808,638</b>
378,786	Mansfield District Council		412,797
364,220	Ashfield District Council		368,635
57,302	Newark & Sherwood District Council		61,355
<b>800,308</b>	<b>Distribution of Surplus</b>	<b>17</b>	<b>842,787</b>
<b>-285,983</b>	<b>Total Comprehensive Income and Expenditure Statement (After Surplus Distribution)</b>		<b>34,149</b>

### **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:

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

### **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.

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

Mansfield and District Joint Crematorium Committee  
Annual Statement of Accounts 2019/2020

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



### **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.

<b>Cash Flow Statement</b>		
<b>2018/2019</b>		<b>2019/2020</b>
<b>£</b>		<b>£</b>
-285,983	Net surplus (-) / deficit on the provision of services	34,149
	<b>Adjustment to net surplus / deficit on the provision of services:</b>	
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
<b>-75,974</b>	<b>Net Cash flows from operating activities</b>	<b>23,775</b>
0	Investing Activities	0
-8,236	Financing Activities	-8,655
<b>-84,210</b>	<b>Net increase (-)/ decrease in cash and cash equivalents</b>	<b>15,120</b>
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
<b>-84,210</b>	<b>Movement in Cash and Cash Equivalents increase(-) / decrease</b>	<b>15,120</b>

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

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

## 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	<b>-1,687,026</b>	Gross Income	-1,743,095	0	-1,743,095
902,262	164,013	<b>1,066,275</b>	Gross Expenditure	911,311	214,146	1,125,457
<b>-784,764</b>	<b>164,013</b>	<b>-620,751</b>	<b>Net Cost of Service</b>	<b>-831,784</b>	<b>214,146</b>	<b>-617,638</b>
0	0	<b>0</b>	Other Income and Expenditure	0	0	0
<b>-784,764</b>	<b>164,013</b>	<b>-620,751</b>	<b>(-) Surplus or Deficit</b>	<b>-831,784</b>	<b>214,146</b>	<b>-617,638</b>
800,308	0	<b>800,308</b>	Distribution of Surplus	842,787	0	842,787
<b>15,544</b>	<b>164,013</b>	<b>179,557</b>	<b>Net (-) Surplus or Deficit</b>	<b>11,003</b>	<b>214,146</b>	<b>225,149</b>
-299,901			Opening General Fund Balance	-248,366		
15,544			(-) Surplus or Deficit in Year	11,003		
35,991			Transferred to Capital Reserve	0		
<b>-248,366</b>			<b>Closing General Fund Balance</b>	<b>-237,363</b>		

### 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 (2018/2019) 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
<b>-1,652,329</b>	<b>Fees and Charges</b>	<b>-1,712,912</b>
-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
<b>-34,697</b>	<b>Other Income</b>	<b>-30,182</b>
<b>-1,687,026</b>	<b>Gross Income</b>	<b>-1,743,094</b>

### 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
<b>400,321</b>	<b>Total</b>	<b>415,750</b>

## 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
<b>318,419</b>	<b>Total</b>	<b>302,597</b>

## 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
<b>163,519</b>	<b>Total</b>	<b>189,510</b>

## 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
<b>212,236</b>	<b>Total Debtors at 31 March</b>	<b>227,676</b>

### 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
<b>229,235</b>		<b>242,970</b>	<b>13,735</b>

## 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
<b>16,998</b>	<b>Provision required:</b>	<b>19,895</b>
12,288	Provision b/fwd at 1 April	16,998
<b>4,710</b>	<b>Change in Provision</b>	<b>2,897</b>

## 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
<b>874,470</b>	<b>Balance at 31st March</b>	<b>866,668</b>

## 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
<b>57,570</b>	<b>Total</b>	<b>67,253</b>

## 11. PROPERTY, PLANT AND EQUIPMENT

<b>Movements in Year</b>	<b>2018/2019</b>	<b>2019/2020</b>
	<b>£</b>	<b>£</b>
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
<b>At 31st March</b>	<b>2,296,709</b>	<b>2,296,709</b>
<b>Accumulated Impairment and Depreciation</b>		
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
<b>At 31st March</b>	<b>-19,661</b>	<b>-145,932</b>
<b>Net Book Value at 31st March</b>	<b>2,277,048</b>	<b>2,150,777</b>

## 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:

<b>2018/2019</b>	<b>Financing and Investment Income and Expenditure</b>	<b>2019/2020</b>
<b>£</b>		<b>£</b>
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
<b>22,764</b>	<b>Total</b>	<b>20,345</b>

## 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
<b>1,456,000</b>	<b>100</b>		<b>1,231,000</b>	<b>100</b>

### 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:

<b>Comprehensive Income and Expenditure Statement</b>		
<b>2018/2019</b>		<b>2019/2020</b>
£		£
	<b>Cost of Services:</b>	
103,000	Current Service cost	98,000
0	Past Service cost	25,000
0	Administration expenses	1,000
	<b>Financing and Investment Income and Expenditure:</b>	
31,000	Net interest on the defined liability / (-) asset	29,000
<b>134,000</b>	<b>Total Post Employment Benefit</b> Charged to the Surplus / Deficit on the Provision of Services	<b>153,000</b>
	<b>Other Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>	
83,000	Actuarial gains and (-) losses	191,000
<b>217,000</b>	<b>Total Post Employment Benefit Charged to the Comprehensive Income and Expenditure Statement</b>	<b>344,000</b>
	<b>Movement in Reserves Statement</b>	
-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
	<b>Actual amount charged against the General Fund</b>	
49,000	<b>Balance for pensions in the year:</b> 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
£		£
<b>2,509,000</b>	<b>Opening Defined Benefit Obligation</b>	<b>2,681,000</b>
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
<b>2,681,000</b>	<b>Closing Defined Benefit Obligation</b>	<b>2,372,000</b>

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
£		£
<b>1,286,000</b>	<b>Opening fair value of scheme assets</b>	<b>1,456,000</b>
	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
<b>1,456,000</b>	<b>Closing fair value of scheme assets</b>	<b>1,231,000</b>

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
<b>Surplus/ (-) Deficit</b>	<b>1,223,000</b>	<b>1,225,001</b>	<b>1,141,000</b>

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
<b>Total</b>	<b>119</b>
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 %
	<b>Mortality assumptions:</b>	
	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
	<b>Financial Assumptions:</b>	
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 31<sup>st</sup> 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
<b>1,049,064</b>	<b>Balance at 31st March</b>	<b>1,037,226</b>

#### 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
<b>800,698</b>	<b>Balance at 31st March</b>	<b>799,863</b>

#### 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
<b>248,366</b>	<b>Balance at 31st March</b>	<b>237,363</b>

#### 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
<b>1,032,088</b>	<b>Balance at 31st March</b>	<b>1,009,777</b>

### 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	<b>Balance at 1st April</b>	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
<b>461,397</b>	<b>Balance at 31st March</b>	<b>442,841</b>

### 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 £	<b>Unusable Reserves - Capital Adjustment Account</b>	2019/2020 £
1,896,067	<b>Balance at 1st April</b>	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
	<b>Capital Financing in the Year</b>	
0	Use of Capital Fund to finance capital expenditure	0
<b>1,815,651</b>	<b>Balance at 31st March</b>	<b>1,707,936</b>

### 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 £	<b>Pension Reserve - Pension Reserve</b>	2019/2020 £
<b>-1,262,919</b>	<b>Balance at 1st April</b>	<b>-1,244,960</b>
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
<b>-1,244,960</b>	<b>Balance at 31st March</b>	<b>-1,141,000</b>

### 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	<b>Balance at 31st March</b>	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
<b>-800,308</b>	<b>Total Surplus for Distribution</b>	<b>-842,787</b>

## 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 21<sup>st</sup> 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

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**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 31<sup>st</sup> 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

## Contents

Introduction.....	3
Characteristics of defined benefit plans and associated risks.....	5
Valuation data .....	6
Data sources .....	6
Employer membership statistics.....	6
Scheduled contributions.....	7
Early retirements .....	7
Assets .....	8
Actuarial methods and assumptions .....	10
Valuation approach .....	10
Valuation of the Employer’s liabilities .....	10
Valuation of the Employer’s assets .....	10
Experience items allowed for since the previous accounting date .....	10
Guaranteed Minimum Pension (GMP) Equalisation.....	10
Impact of McCloud/Sargeant judgement .....	11
Demographic/Statistical assumptions.....	12
Financial assumptions.....	13
Past service costs/gains .....	14
Curtailments .....	14
Settlements .....	14
Results and disclosures.....	15
Appendix 1 Statement of financial position as at 31 March 2020.....	16
Appendix 2 Statement of profit and loss for the year to 31 March 2020 .....	17
Appendix 3 Asset and benefit obligation reconciliation for the year to 31 March 2020 .....	18
Appendix 4 Sensitivity analysis.....	20
Appendix 5 Remeasurements in other comprehensive income .....	21
Appendix 6 Projected pension expense for the year to 31 March 2021.....	22

## 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
<b>Total</b>	<b>1,231</b>	<b>100%</b>	<b>1,456</b>	<b>100%</b>

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

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
<b>Deficit / (Surplus)</b>	<b>1,134</b>	<b>1,218</b>	<b>1,216</b>
Present value of unfunded obligation	7	7	7
Unrecognised past service cost	-	-	-
Impact of asset ceiling	-	-	-
<b>Net defined benefit liability / (asset)</b>	<b>1,141</b>	<b>1,225</b>	<b>1,223</b>



## 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	-
<b>Total loss (profit)</b>	<b>153</b>	<b>134</b>

## 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
<b>Opening defined benefit obligation</b>	<b>2,681</b>	<b>2,509</b>
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	-	-
<b>Closing defined benefit obligation</b>	<b>2,372</b>	<b>2,681</b>

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
<b>Opening fair value of Fund assets</b>	<b>1,456</b>	<b>1,286</b>
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)	-	-
<b>Closing Fair value of Fund assets</b>	<b>1,231</b>	<b>1,456</b>

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	-	-
<b>Remeasurement of the net assets / (defined liability)</b>	<b>191</b>	<b>83</b>

## 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	-
<b>Total loss (profit)</b>	<b>119</b>
<b>Employer contributions</b>	<b>52</b>

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
<b>Employee Related Expenditure</b>	<b>405,521</b>	<b>415,751</b>	<b>10,230</b>
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
<b>Premises Related Expenditure</b>	<b>364,176</b>	<b>302,597</b>	<b>-61,839</b>
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	Variance
	£	£	£
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
<b>Supplies &amp; Services Expenditure</b>	<b>242,378</b>	<b>192,407</b>	<b>-49,972</b>
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
<b>Support Services</b>	<b>60,100</b>	<b>67,253</b>	<b>7,153</b>
Depreciation	126,271	126,271	0
Impairment	0	835	835
<b>Depreciation and Impairment</b>	<b>126,271</b>	<b>127,107</b>	<b>836</b>
<b>Revenue Gross Expenditure</b>	<b>1,198,446</b>	<b>1,105,114</b>	<b>-93,592</b>
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
<b>Revenue Gross Income</b>	<b>-1,906,139</b>	<b>-1,743,074</b>	<b>163,065</b>
<b>Net Cost of Service</b>	<b>-707,693</b>	<b>-637,960</b>	<b>69,473</b>
<b>Financing and Investment Income and Expenditure</b>			
Interest Income	-7,688	-8,655	-967
Interest on Pension Liability	0	29,000	29,000
<b>Surplus/Deficit on Provision of Services</b>	<b>-715,381</b>	<b>-617,615</b>	<b>97,506</b>
Crem Pension Asset Liability	0	-191,003	-191,003
<b>Other Comprehensive Income and Expenditure</b>	<b>0</b>	<b>-191,003</b>	<b>-191,003</b>



REVENUE CREMATORIUM	Full Year 2019-2020		
Description	Revised Budget	Actuals	Variance
	£	£	£
<b>Total Comprehensive Income and Expenditure</b>	<b>-715,381</b>	<b>-808,618</b>	<b>-93,497</b>
Charges for Impairment of non-current assets	0	-835	-835
Reverse Depreciation	-126,271	-126,271	-0
Pension Liabilities	0	-87,040	-87,040
<b>MIRS Statements</b>	<b>-126,271</b>	<b>-214,147</b>	<b>-87,876</b>
<b>Net Surplus (-)/Deficit</b>	<b>-841,652</b>	<b>-1,022,764</b>	<b>-181,372</b>
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
<b>Surplus</b>	<b>-869,652</b>	<b>-842,767</b>	<b>26,625</b>
Excess Surplus to General Reserve	0	0	0
<b>Net Surplus for Distribution</b>	<b>-869,652</b>	<b>-842,767</b>	<b>26,625</b>

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

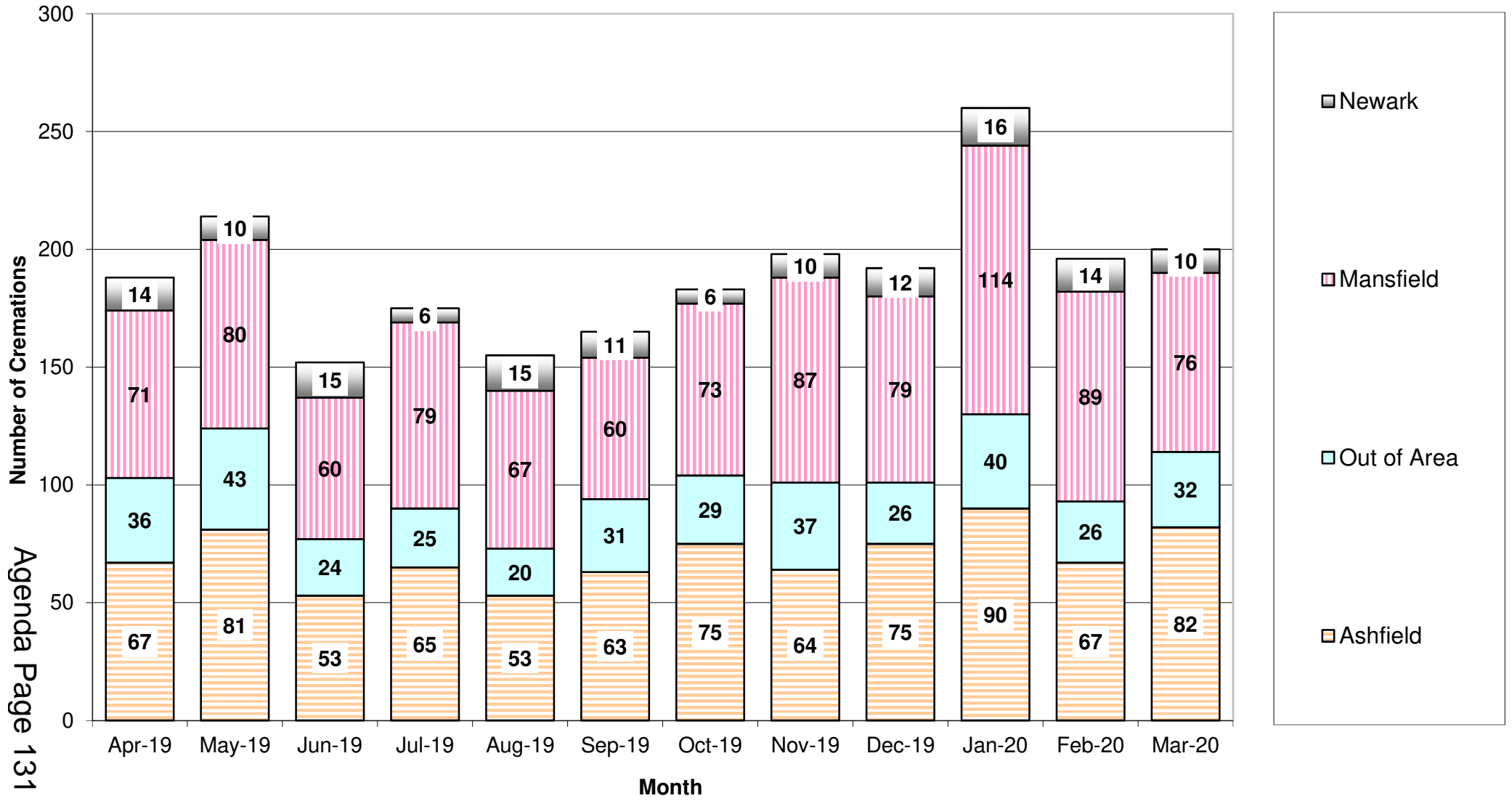
**Appendix D**

**Number of Cremations by Area - 2019/2020**

<b>Month</b>	<b>Ashfield</b>	<b>%</b>	<b>Mansfield</b>	<b>%</b>	<b>Newark</b>	<b>%</b>	<b>Out of Area</b>	<b>%</b>	<b>TOTAL</b>
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
	<b>835</b>	<b>37%</b>	<b>935</b>	<b>41%</b>	<b>139</b>	<b>6%</b>	<b>369</b>	<b>16%</b>	<b>2278</b>

**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:	
<b>1.</b>	<b>MANSFIELD CREMATORIUM – APPOINTMENT OF CHAIRMAN AND VICE-CHAIRMAN FOR 2020/21 AND ANNUAL STATEMENT OF ACCOUNTS 2019/20</b>
<b>2.</b>	<p><b>Is this a Key Decision:</b> A Key Decision is one that is likely to:</p> <p>(a) Result in the Council spending or making savings of over <b>£50,000 revenue</b> or <b>£1m capital</b>, or;</p> <p>(b) Have a significant impact on <b>two</b> or more Wards, or electoral divisions in the Council's area.</p> <p><b>No</b></p>
<b>3.</b>	<p><b>Decision Taken:</b></p> <p><b><u>Appointment of Chairman and Vice Chairman</u></b></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><b><u>Statement of Accounts 2019/20</u></b></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.

**7. Alternative Options Considered / Rejected:**

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

**8. Declarations of Interest and Dispensations – if applicable:**

N/A

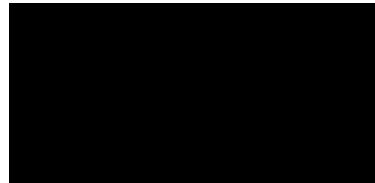
**9. Name / Title of the relevant lead Cabinet Member(s) consulted (if appropriate):**

**Councillor Helen-Ann Smith  
Councillor Tom Hollis  
Councillor David Martin**

**All are members of the Joint Crematorium Committee**

**10. Name / Title of the decision taker:**

(a) Cabinet Member-The **LEADER OF THE COUNCIL, COUNCILLOR JASON ZADROZNY**



Date: 31 May 2020

TO BE COMPLETED BY DEMOCRATIC SERVICES

**1. Date that the decision was notified to members:**

N/A – Urgent Decision  
Section 13, Overview and Scrutiny Procedure Rules

**2. Date and time when the Call-In period for this decision ends:**

**3. Date when the decision can be implemented (five working days following publication):**

**4. Decision Reference Number:**

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

[democratic.services@ashfield.gov.uk](mailto: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](mailto:r.dennis@ashfield.gov.uk) or any member of the Democratic Services Team.

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

**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.**
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- 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)**

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### **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:**

<b>Budget Area</b>	<b>Implication</b>
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 <sup>st</sup> 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](mailto:c.bonar@ashfield.gov.uk)  
**01623 457203**

<b>Chief Officer:</b> Hayley Barsby CEO	<b>Date of Decision:</b> 3 July 2020
<b>Title/Reference:</b> Mansfield Crematorium – Statement of Accounts and Chairman Appointment Ref: 20/01/CEO-EMG	
<b>Consultee Member (if applicable):</b> 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.	
<b>Record of Decision:</b> In respect of the appointment of Chairman and Vice Chairman: <ul style="list-style-type: none"><li>(i) That Councillor Andy Burgin of Mansfield District Council be appointed as the Chairman of the Committee for the year 2020/21.</li><li>(ii) That Councillor Tom Hollis of Ashfield District Council be appointed as the Vice Chairman of the Committee for the year 2020/21.</li></ul> In respect of the Statement of Accounts: <ul style="list-style-type: none"><li>(iii) The statement of accounts as presented in Appendix A for the financial year 2019/2020 is approved.</li><li>(iv) The 2019/2020 budgeted surplus distribution as detailed in Appendix A, page 8, 3.6, is approved.</li><li>(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</li><li>(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.</li><li>(vii) The detailed revenue and capital information provided in Appendix C, is for noting only.</li><li>(viii) The financial information provided in Appendix D and usage information provided in Appendix E, is for noting only.</li></ul>	
<b>Reasons for Decision:</b>  <b>Appointment of Chairman and Vice Chairman for 2020/21</b> 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:**

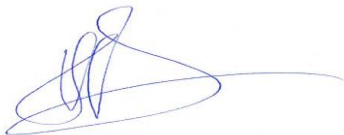
Paragraph 3.01.3 of the Council's Constitution (last approved January 2018) provides that Chief Officers may take emergency decisions if they are of the opinion that circumstances exist which make it necessary for action to be taken by the Council prior to the time when such action could be approved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

<b>Implications:</b> You should also consult any other relevant officers if you think the decision will have an impact on their areas of responsibility.	<b>Relevant Legislation:</b> 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
	<b>Finance:</b> All financial implications are included within the reports.
	<b>HR: N/A</b>
	<b>Climate Change: N/A</b>
	<b>Data Protection: N/A</b>
	<b>Human Rights: N/A</b>
	<b>Equality and Diversity: N/A</b>
<b>In consultation with:</b> (Where applicable)	<b>Head of Paid Service: N/A – Decision Taker</b>
	<b>Monitoring Officer: 09 June 2020 - Agreed</b>
	<b>Section 151 Officer: 09 June 2020 - Agreed</b>
<b>Signature of Decision Taker:</b> (Please do not 'pp')	

Please send all decision for publication to: Democratic Services, at [democraticservices@mansfield.gov.uk](mailto:democraticservices@mansfield.gov.uk).

All decisions with exempt information should be sent to Mark Pemberton, Democratic Services Manager at [mpemberton@mansfield.gov.uk](mailto: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 14<sup>th</sup> 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

**Update on Mansfield and District Crematorium for the Joint Crematorium Committee**

10<sup>th</sup> May 2020

As previously reported the Team at Mansfield Crematorium continue to work hard to maintain service provision for customers, alongside providing key input into the County Excess Deaths Cell, which has oversight of strategic planning for a significant increase in deaths in the County, to be implemented if required. It looks like this may be reduced down, however it is felt that it is beneficial to the funeral industry to maintain those connections made and this will be followed through in the future to build on the existing Nottinghamshire Cemetery and Crematorium Managers group and include other factions of the death care industry.

**Current Situation**

- The Crematorium is currently providing normal funeral services and is able to provide up to 20 per day under usual working hours
- From 8<sup>th</sup> April 2020 the operational team have been working different shift patterns to spread the work more evenly between operatives and to try and keep the working time for each shift within the standard 37 hours per week, (usually work 8.00am-4.30pm and 9.30pm-6.00pm or finish, but currently working a 3 rota pattern to cover 6am start up to finish (which is currently anywhere between 8pm and midnight). This will be reviewed dependent upon numbers of funerals being booked in and government guidelines on social distancing within the workplace.
- No requests have been received for Saturday funerals as the funeral directors are concentrating on services during the week to ideally allow staff a little downtime as the weeks have been busy.
- We continue to ensure that between each service each chapel and associated facilities are thoroughly cleaned by a member of staff redeployed from another service area, to reduce the risk of infection for mourners and staff.
- There are restrictions on the number of mourners, which are restricted to a maximum of 15 people to be close family only as stipulated by Government, however we have had a few problems with mourners arriving with over 15 mourners which seems to be a problem with most crematoria/cemeteries. Reminders have gone out to funeral directors that only 15 mourners are allowed and the services cannot be relayed outside as they will impact on services taking place in the adjacent chapel. Mourners are being encouraged to show their respects in other ways.
- Both chapels have been changed around to ensure only 15 seats are available and funeral directors are aware that if family are from the same household they may move the seats together.

- The crematorium building remains closed to the public, other than those attending services as per the Government directive but there is pedestrian access to the grounds.
- Cremated remains are collected by funeral directors from the office if that is the families wish otherwise if families wish to witness the scattering of remains these are postponed until after the current pandemic situation is over when the office will contact families to arrange suitable appointments.
- In the event that families have instructed the crematorium to scatter remains unwitnessed then this is taking place as normal.
- The Book of Remembrance is available online at <https://mansfield.bookofremembrance.uk/>
- Crematorium chapel staff are maintaining social distancing during services and wearing gloves throughout. Further distancing measures have also been put in place by allowing the funeral director to move the coffin into the chapel and their staff retreat before mourners are then allowed in.
- Home working has been implemented to reduce the number of Admin staff in the office to two, to reduce the potential exposure to infection. The Director & Registrar is currently working from home but is available for contact by e-mail and has daily contact with staff.
- Additional PPE over and above what is normally issued to staff carrying out cremations and working in the chapels has been put in place.
- Grounds maintenance has been on hold, (other than moving funeral flowers and tributes left within the grounds on a weekly basis), however a basic mowing regime was reinstated from 14<sup>th</sup> April 2020, (away from the main building to avoid disruption to services)
- The staff are being supported by a former member of staff who has been employed on a casual contract who is fully qualified as a technician
- Additional time slots as agreed up to 5.15pm are being offered if needed during the week.

### Future Proposals

- Further government guidelines around funeral provision and attendance will be implemented as it emerges.

### Current Statistics:-

Week commencing	No. of cremations undertaken
30.3.2020	57

6.4.2020 (4 day week)	56
14.4.2020 (4 day week)	76
20.4.2020	86
27.4.2020	76
4.5.2020 (4 day week)	42
11.5.2020 booked so far to 15.5.2020	73

To put this into some sort of perspective for the period 30.3.2019 – 15.5.2019 we undertook 294 cremations.

**Update on Mansfield and District Crematorium for the Joint Crematorium Committee**

30 June 2020

As previously reported the Team at Mansfield Crematorium continue to work hard to maintain service provision for customers, alongside providing key input into the County Excess Deaths Cell, which has oversight of strategic planning for a significant increase in deaths in the County, to be implemented if required. It looks like this may be reduced down, however it is felt that it is beneficial to the funeral industry to maintain those connections made and this will be followed through in the future to build on the existing Nottinghamshire Cemetery and Crematorium Managers group and include other factions of the bereavement industry.

**Current Situation**

**Cremator Breakdown**

- One of the cremators has required extensive repair work following a small fire, but was back up and running as of 24<sup>th</sup> June. This work is contained within existing budgets but an insurance claim has also been submitted.
- The Crematorium had been providing 12 funeral services per day, (with two cremators) which met current demand, but is now back to being able to provide up to 18 per day without amending work pattern from the end of this week

**Staff Impact from Covid-19**

- Throughout June 2020 the operational team have been working in independent bubbles on opposite shift patterns to reduce the level of contact between technicians in case of any confirmed Covid-19 diagnosis requiring all contacts to self-isolate for 14 days. In this scenario only one bubble would be required to self-isolate and the other bubble could continue to deliver services. This is being continuously reviewed dependent upon booking numbers and government guidelines on social distancing within the workplace.
- We continue to ensure that between each service each chapel and associated facilities are thoroughly cleaned by a member of staff redeployed from another service area, to reduce the risk of infection for mourners and staff.
- Crematorium chapel staff are maintaining social distancing during services and wearing gloves throughout. Further distancing measures have also been put in place by allowing the funeral director to move the coffin into the chapel and their staff retreat before mourners are then allowed in.
- Home working has been implemented to reduce the number of Admin staff in the office, to reduce the potential exposure to infection. The day to day

operation of the Crematorium is with the on-site team and Head of Neighbourhoods, while Sally is working reduced hours at home.

- Additional PPE over and above what is normally issued to staff carrying out cremations and working in the chapels has been put in place
- The operational team are being supported to cover sickness by a former member of staff who has been employed on a casual contract who is fully qualified as a technician and is currently undertaking additional duties to support service provision on site
- All staff vacancies at the crematorium have been advertised and interviewing will take place in July (1 x Operational Supervisor, 1 x Admin Supervisor, 1.6 x Admin Assistants and 0.16 Cleaner)
- Basic mowing and grounds maintenance work is being carried out, along with maintenance work where required

### **Customer Impact Covid-19**

- There continue to be restrictions on the number of mourners, however the recent government advice has allowed us to increase the numbers attending services in Thoresby Chapel and for burials in cemeteries to 30, while we remain at 15 attendees in Newstead Chapel. There have been some instances of the limited numbers being ignored, along with similar experiences at other facilities in the county, reminders have gone out to funeral directors around the number of attendees and advising that services cannot be relayed outside as they will impact on services taking place in the adjacent chapel. Families have been encouraged to find alternative ways of showing their respects where possible, e.g. lining the streets on the route of the cortege to show respect.
- There has been an increase in take-up of the web-casting facility to allow family and friends to watch the service live from their own device
- Only one request has been received for a Saturday funerals during this period with funeral directors concentrating on services during the week to ideally allow staff a little downtime as the weeks have been busy
- Additional time slots up to 5.15pm are available if needed during the week
- Furniture in both chapels has been rearranged to maximise social distancing, although funeral directors are aware that if attendees are from the same household they may move the seats together.
- The crematorium building remains closed to the public, other than those attending services, as per the Government directive, but there is pedestrian access to the grounds.
- The Book of Remembrance is available online at <https://mansfield.bookofremembrance.uk/>

## Cremated Remains Covid-19

- Cremated remains are collected by funeral directors from the office if requested
- Where families wish to witness the scattering of remains these have been postponed throughout the pandemic to date, however plans to provide an appointment only service to re-start with all forms completed in advance are underway
- In the event that families have instructed the Crematorium team to scatter remains unwitnessed then this is taking place as normal
- The interment of cremated remains within the cemeteries is able to go ahead following the same social distancing guidelines for full burials

## Future

- Further government guidelines around social distancing, funeral provision and attendance will be implemented as it emerges
- Consideration is underway to reinstating the standard fees for Saturday services and timing for direct cremations, which were amended at the beginning of lockdown
- In order to reduce the pull on admin and operational resources we are considering an upgrade to the music software to allow Funeral Directors to select and load their own music, which is how almost all other facilities operate. There is an additional fee for this service of £200 per month, however this is likely to save a minimum of 40 hours of staff time per month.

## Current Statistics

<b>Week Commencing:</b>	<b>No. of Cremations Undertaken</b>
30.3.2020	57
6.4.2020 (4 day week)	56
14.4.2020 (4 day week)	76
20.4.2020	86
27.4.2020	76
4.5.2020 (4 day week)	42
11.5.2020	73
18.5.2020	69
25.5.2020 (4 day week)	44
1.6.2020	41
8.6.2020	49
15.6.2020	42
<b>Total (12 weeks)</b>	<b>711</b>



To put this into perspective for the period 30.3.2019 21.6.2019 we undertook 505 cremations.

**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**  
**7 SEPTEMBER 2020**

**COMMITTEE WORK PROGRAMME**

**1. SUMMARY**

1.1 The purpose of this report is to consider the Joint Committee's Work Programme.

**2. RECOMMENDATIONS**

**To be resolved:**

2.1 That the Work Programme is included as a standing item in the Joint Committee's meeting agenda going forward, replacing 'Matters Arising' and 'Any Other Business'

2.2 That the Joint Committee considers whether any amendments are required to the Work Programme, and

2.3 That the Work Programme is approved.

**3.0 Background Information**

3.1 Work programmes can assist committees in the management of agendas, the scheduling of business and forward planning.

**4.0 Proposals**

4.1 The attached Work Programme (see **Appendix**) has been drafted in consultation with the Chairman and Vice Chairman, and includes items which can be anticipated at the present time. Other items will be added to the Programme as they are identified.

4.2 The Joint Committee is requested to identify activities on which it would like to receive reports for inclusion in the work programme.

4.3 It is proposed that the Work Programme will be included as a standing item going forward, replacing 'Matters Arising' and 'Any Other Business'. This will avoid any items being considered at Joint Committee without the requisite advance notice being given.

**Background Papers**

None

For further information please contact Sue Bearman Clerk to the Committee, [sue.bearman@nsdc.info](mailto:sue.bearman@nsdc.info), 01636 655935.

## Appendix

Report Title	Brief Summary of the Agenda Item	Lead Officer	Report Author
<b>7 September 2020</b>			
Operations Update Report	An update on staffing restructure and current operational issues	Sarah Troman, Head of Neighbourhoods Mansfield DC	Julie Snowdon, Mansfield DC
Financial Management Review Report	The forecasted year end position for the current financial year	Dawn Edwards, Head of Finance, Mansfield DC	Wendy Gregson, Mansfield DC
Provision of New Mercury Abatement Equipment	An update on the provision of new equipment	Rob Purser, Development Manager Mansfield DC	Rob Purser, Development Manager Mansfield DC
Planned Preventative Works Programme	An update on the programme	Rob Purser, Development Manager Mansfield DC	Rob Purser, Development Manager Mansfield DC
Urgency Decisions and Crematorium Updates	Urgency Decisions made and information updates circulated to Members since last meeting of the Joint Committee	Sue Bearman, Clerk to the Committee	Sue Bearman, Clerk to the Committee
Work Programme	Review of Work Programme going forward	Sue Bearman, Clerk to the Committee	Karen Langford, Democratic Services Officer NSDC
<b>7 December 2020</b>			
Financial Management Review Report			
Annual Review of Fees and Charges			
Revenue and Capital Budget			
Work Programme	Review of Work Programme going forward	Sue Bearman, Clerk to the Committee	Karen Langford, Democratic Services Officer NSDC
<b>22 February 2021</b>			
Financial Management Review Report			
Business Plan for a Commercial Review of the Crematorium Service	A progress report on the commissioning of business and	Head of Finance, Mansfield District Council	

	marketing expertise to undertake a commercial review of the crematorium service		
Work Programme	Review of Work Programme going forward	Sue Bearman, Clerk to the Committee	Karen Langford, Democratic Services Officer NSDC
<b>Xx May 2021</b>			
Annual Statement of Accounts			
Work Programme	Review of Work Programme going forward	Sue Bearman, Clerk to the Committee	Karen Langford, Democratic Services Officer NSDC
<b>Xx September 2021</b>			
Financial Management Review Report			
Work Programme	Review of Work Programme going forward	Sue Bearman, Clerk to the Committee	Karen Langford, Democratic Services Officer NSDC