



NOTICE OF MEETING

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MONDAY, 15 JUNE 2015 AT 2.00 PM

COMMITTEE ROOM 1, TOWN HALL, GOSPORT

Telephone enquiries to John Haskell, Clerk to the Joint Committee 023 9283 4913

Membership of the Joint Committee - 2015/16:

Gosport Borough Council

Councillor Alan Scard
Councillor Dennis Wright

Havant Borough Council

Councillor Tony Briggs
Councillor David Guest

Fareham Borough Council

Councillor Keith Evans
Councillor Susan Bell

Portsmouth City Council

To be notified

(NB This Agenda should be retained for future reference with the minutes of this meeting.)

Please note that the agenda, minutes and non-exempt reports are available to view online at www.portchestercrematorium.org

AGENDA

Welcome and Introductions

1 Apologies for Absence

2 Appointment of Chairman

It is the policy of the Joint Committee to adopt a rotating basis for the appointment of chairman and vice chairman. The Chairman for the 2015/16 municipal year should therefore be appointed from one of Havant's representatives.

3 Appointment of Vice-Chairman

The Vice-Chairman should be appointed from one of Gosport's representatives as it will be Gosport's turn to act as Chairman for the 2016/17 municipal year.

4 Declarations of Members' Interests

5 Minutes of the Meeting held on 16 March 2015 (Pages 1 - 4)

... Attached.

6 Matters Arising from the Minutes not specifically referred to on the Agenda

7 Clerk's Items

The Clerk to the Joint Committee will report on any matters requiring attention.

8 Portchester Crematorium Joint Committee - Annual Report - 2014/15 (Pages 5 - 10)

... The purpose of the attached report by the Clerk is to place on record and inform members of the principal work of the Joint Committee during the 2014/15 financial year.

RECOMMENDED that the annual report for the 2014/15 financial year be noted and received and it be sent for information to each constituent authority.

9 Comprehensive Income and Expenditure Statement 2014/15 (Pages 11 - 18)

... The purpose of the attached report from the Treasurer is to review the Joint Committee's revenue income and expenditure for the year ending 31 March 2015.

RECOMMENDED that the contents of the report be noted.

10 Annual Return for the Financial Year Ended 31 March 2015 (Pages 19 - 32)

... The purpose of the attached report from the Treasurer is to advise that the Joint Committee's accounts have been prepared in compliance with the format prescribed by the Accounts and Audit (England) Regulations 2011.

Section 2 of the document includes the Annual Governance Statement. A background paper is attached to the statement as an appendix giving a short explanation of the key components upon which the Joint Committee can rely in agreeing the Annual Governance Statement.

RECOMMENDED that the Annual Return for the financial year ending 31 March 2015 be approved and signed as appropriate, as follows -

(a) Section 1 - Accounting Statements for Portchester Crematorium Joint Committee be approved and signed;

(b) Section 2 - Annual Governance Statement be approved and signed;

(c) Section 4 - Annual Internal Audit Report be noted.

11 Financial Regulation 12 - Income and Banking (Pages 33 - 42)

... The attached report from the Treasurer makes recommendations for the adoption of a revised Regulation 12 to the Joint Committee's Financial Regulations.

RECOMMENDED that the revised Regulation 12 be approved.

12 Building Works Programme (Pages 43 - 46)

... Report from the Engineer and Surveyor attached.

RECOMMENDED that the Joint Committee notes the contents of the report.

13 Crematorium South Chapel Refurbishment (Pages 47 - 48)

... The purpose of the attached report by the Engineer and Surveyor is to advise on progress with the project for the refurbishment of the South Chapel.

RECOMMENDED that the report be received and noted.

14 Manager and Registrar's Report (Pages 49 - 50)

... ***(a) General Report attached***

(b) Any other items of topical interest

15 Horticultural Consultant's Report (Pages 51 - 52)

... A report from the Horticultural Consultant on grounds maintenance generally is attached.

RECOMMENDED that the report be received and noted.

16 Grievance and Disciplinary Appeals Committee - Appointment of Representatives

To appoint 3 members and 3 standing deputies to serve on the Appeal Committee, as agreed on 14 June 2010 under minute 360.

17 Dates of Future Meetings

RECOMMENDED that the Joint Committee meets at 2pm on a rotating basis on the following dates in 2015/16, at the venues indicated –

**Monday 14 September 2015 (Havant)
Monday 14 December 2015 (Portsmouth)
Monday 14 March 2016 (Fareham)
Monday 13 June 2016 (Gosport)**

JH/me
4 June 2015
1060615a

Agenda Item 5

PORTCHESTER CREMATORIUM JOINT COMMITTEE

MINUTES OF THE MEETING of the Joint Committee held in the Civic Offices, Fareham on Monday 16 March 2015 at 2.00 pm.

Present

Fareham Borough Council

Councillor Leslie Keeble (Chairman)
Councillor Keith Evans

Gosport Borough Council

Councillor Dennis Wright

Havant Borough Council

Councillor Tony Briggs
Councillor David Guest

Portsmouth City Council

Councillor Ken Ellcome
Councillor Robert New

Apologies for Absence (AI 1)

Councillor Alan Scard (Gosport BC)

622 Declarations of Members' Interests (AI 2) – None

623 Minutes of the Meeting held on 15 December 2014 (AI 3)

RESOLVED that the minutes of the meeting held on the 15 December 2014 be signed as a correct record.

624 Matters Arising from the Minutes not specifically referred to on the Agenda (AI 4) - None

625 Clerk's Items (AI 5) - None

626 Risk Management Strategy (AI 6)

(TAKE IN REPORT OF THE TREASURER)

RESOLVED (1) That the Risk Management Strategic Framework and Policy as set out in Appendices A and B of the Treasurer's report be approved.

(2) That the revised Strategic and Operational Risk Registers set out in Appendices C and D be approved.

627 Development Plan 2015 – 2020 (AI 7)

(TAKE IN REPORT OF THE CLERK)

The Clerk explained the purpose of the report and sought the Joint Committee's approval to the Development Plan for the period 2015 - 2020. The Plan reviewed and revisited the previous Development Plan approved in March 2013.

The Clerk also advised members that updated population and death projection information was now available. Appendices 4 & 5 and Section 14 of the Plan would be revised accordingly. The new statistics would not have a material effect upon the text within the main body of the report.

Arising from consideration, the following main points were mentioned –

- The opening sentence of section 1.1 required a textual amendment to recognise that Portchester Crematorium was not the only crematorium in south east Hampshire.
- The statistical information within section 14 would be updated.
- Portchester Crematorium took part in the metals recycling scheme operated by the Institute of Cemetery and Cremation Management.

RESOLVED (1) that the Portchester Crematorium Joint Committee Development Plan 2015 – 2020, as updated, be approved and adopted;

(2) that the Development Plan be next reviewed in 2 year's time.

**628 Engineer and Surveyor's Report –
Planned Maintenance and Building Works Progress Report (AI 8)**

(TAKE IN REPORT OF THE ENGINEER AND SURVEYOR)

In submitting his report the Engineer and Surveyor drew specific attention to the work being undertaken to install the three noise attenuation grilles. These were received from the manufacturer in early February. The technical aspects associated with fixing the grilles to the building were currently being examined, and a site meeting was due to take place on the 24 March.

In response to a question regarding use of surplus heat, the Engineer and Surveyor explained that heat exchangers had been installed at the time the mercury abatement project was undertaken. The intention was that these would be available to provide heating at an appropriate time in the future.

RESOLVED that the contents of the report be noted.

629 Crematorium South Chapel Refurbishment (AI 9)

(TAKE IN REPORT OF THE ENGINEER AND SURVEYOR)

In submitting his report the Engineer and Surveyor mentioned the specialist lighting consultant's proposals, which were a key feature of the refurbishment scheme, making use of energy saving lighting. The Engineer and Surveyor also mentioned the additional budgetary provision that would be required, as explained in the report.

The Engineer and Surveyor also updated members on the programme for the project, with work on site being undertaken during the summer months outside normal working hours.

RESOLVED that the progress with this project be noted and that approval be given for an additional £20,000 provision to the scheme budget from existing resources.

630 Horticultural Consultant's Report (AI 10)

(TAKE IN REPORT OF THE HORTICULTURAL CONSULTANT)

Arising from the report, the Horticultural Consultant mentioned that shrubs had been ordered which were due for delivery this week. Grass cutting had recommenced in the week commencing 9 March 2015.

RESOLVED that the report be received and approved.

631 Manager and Registrar's Report (AI 11)

(a) General Report

(TAKE IN REPORT OF THE MANAGER AND REGISTRAR)

In response to questions arising from his report, the Manager and Registrar reported that, as anticipated, during the current financial year there had been a reduction of approximately 15% in the number of cremations at Portchester.

RESOLVED that the report be received and noted.

(b) Any other items of topical interest

(i) Video Screens and Streaming of Services Through the Internet

The Manager and Registrar updated members on the uptake of the Internet service (for which a fee was charged), and the level of interest in making use of the video screens in both chapels for personal tributes during services.

(ii) Book of Remembrance On-Line

The Book of Remembrance was now available for viewing 'On-Line'.

RESOLVED that the report be received and noted.

632 Date of Next Meeting (AI 12)

RESOLVED that it be noted that the next meeting of the Joint Committee will be at 2pm on Monday 15 June 2015 in the Town Hall, Gosport.

The meeting concluded at 2.31 pm.

Chairman

JH/me
17 March 2015
106160315m.doc

Agenda Item 8

**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE –
15 JUNE 2015**

REPORT BY: CLERK TO THE JOINT COMMITTEE

PORTCHESTER CREMATORIUM JOINT COMMITTEE – ANNUAL REPORT – 2014/15

1. Purpose

1.1 The purpose of this report is to place on record and inform members of the principal work of the Joint Committee during the 2014/15 financial year.

2. Recommended that this Annual Report for the 2014/15 financial year be noted and received and that it be sent for information to each constituent authority.

3. Background

3.1 The Joint Committee operates under a Memorandum of Agreement between Fareham Borough Council, Portsmouth City Council, Gosport Borough Council and Havant Borough Council. Two members from each of the constituent authorities make up the 8 person Joint Committee. The constituent councils have delegated to the Joint Committee all the powers of the constituent authorities with respect to the provision and maintenance of the crematorium.

3.2 The agreement sets out the constitution of the Joint Committee; the objectives of the crematorium and relationships between the constituent authorities. The agreement also sets out the minimum number of meetings (three) to be held annually for the general business of the Joint Committee, although in practice to meet various statutory reporting deadlines four meetings are held.

3.3 The membership of the Committee in the 2014/15 financial year was –

| | |
|--|---------------|
| Councillor Leslie Keeble (Fareham BC) | Chairman |
| Councillor Keith Evans (Fareham BC) | |
| Councillor Tony Briggs (Havant BC) | Vice-Chairman |
| Councillor David Guest (Havant BC) | |
| Councillor Alan Scard (Gosport BC) | |
| Councillor Dennis Wright (Gosport BC) | |
| Councillor Ken Ellcome (Portsmouth CC) | |
| Councillor Robert New (Portsmouth CC) | |

The chair and vice-chairmanship rotates between authorities annually.

3.4 The Joint Committee met on 4 occasions during the 2014/15 financial year:

| | | |
|---------------|-------------------|------------------|
| 16 June 2014 | 15 September 2014 | 15 December 2014 |
| 16 March 2015 | | |

Minutes of each of these meetings and the reports considered are available for viewing on the Portchester Crematorium Web Site, which has a direct link to the Portsmouth City Council website where the documents are stored.

3.5 The meetings of the Joint Committee have been supported by the Clerk (John Haskell), Treasurer (Andy Wannell), Engineer and Surveyor (Terry Garvey), and their respective deputies, together with the Horticultural Consultant (Ashley Humphrey) and the Manager and Registrar (James Clark). They report to the committee on financial and procedural matters including the operation of the crematorium and the quality of the service provided, which includes the grounds and buildings and plant to ensure the highest standards continue to be maintained.

3.6 Meetings are held on a rotational basis at each of the authorities principal offices, with full public notice of and access to these meetings.

4. The Joint Committee's Role and Responsibilities

4.1 The Joint Committee decides the overall policies to be adopted including approving a capital and maintenance works programme, consideration of and approval of accounts, and setting the scale of fees and charges. These could effectively be described as the Joint Committee's core functions.

5. Crematorium Development Plan 2015 - 2020

5.1 The purpose of the Development Plan is to look at medium term developments in the period to 2020, and in the longer term beyond 2020, and to set out the Joint Committee's intended course of action. The plan seeks to cover the principal strategic and operational issues relating to the crematorium's functions. The Development Plan is reviewed biennially; the current plan being approved in March 2015.

6. Activities in respect of the Joint Committee's Core functions

6.1 Action taken in respect of each of the core functions can be briefly summarised as follows:

(a) Financial Policies including Fees and Charges

The Joint Committee, at its meeting on the 15 December 2014, approved a comprehensive Finance Strategy for 2015/16, providing a clear overview of the Joint Committee's financial framework. It also aimed at providing added assurance to the Committee and to the constituent authorities that sound and effective arrangements are in place to manage the Crematorium's finances. This strategy built on similar strategies approved annually by the Joint Committee since 2008. The current strategy also recognises that during the 2013/14 financial year the operating environment of Portchester Crematorium significantly changed with the opening of a private crematorium on the East Hampshire/Havant border. (See also (i) below – monitoring the levels of service).

The Joint Committee at its December 2014 meeting also approved the revenue budget for 2015/16 together with a revised capital works programme, and the repairs and renewals programme for 2014/15 & 2015/16. In approving the budget, the Joint Committee also set the levels of fees and charges operable from the 1 April 2015.

The Committee's actual income and revenue expenditure (for the financial year ending 31 March 2014) was reviewed and noted by the Joint Committee at its meeting on the 16 June 2014.

(b) Annual Financial Return for 2013/14

In June 2014 the Joint Committee approved and published its annual financial return 2013/14, which was then submitted to its external auditors.

The Annual Return also includes an annual governance statement (AGS). In summary the purpose of the AGS is to set out the Joint Committee's responsibilities and explain the system of governance that exists for the effective exercise of the committee's functions, including internal control, preparation of accounting statements, management of risk and the arrangements for review.

(c) External Audited Annual Return for the Year Ending 31 March 2014

At the December 2014 meeting the Joint Committee was advised and noted that the external audit had been completed. This included an 'Issues Arising' report together with a report from the Treasurer detailing the action taken or future action required.

(d) Risk Management

The Joint Committee introduced comprehensive risk management arrangements in a formalised way in 2006. This included the publication of a set of strategic and operational risk registers and adoption of an action plan to mitigate the higher risks. The registers and the action plan are periodically reviewed by the officers. In March 2015 the Joint Committee received a comprehensive report providing the opportunity for members to review the risk management framework that was in place. A Risk Management Strategic Framework and Policy, together with revised Strategic and Operational Risk Registers has been approved.

(e) Developing and Enhancing the Crematorium's Services

At the meeting in September 2013 the Joint Committee approved a report setting out a range of initiatives aimed at developing further and enhancing the established quality of the services provided by the Crematorium. During the year the Joint Committee continued to receive reports on progress in respect of these initiatives, as follows –

- Provision of video screens in each chapel – *introduced Spring 2014, to enable family tributes to be shown.*

- Video streaming of services through the internet – *Full sound and vision service available from Autumn 2014.*
- Extending the length of two morning and two afternoon services – *introduced during early Summer 2014, and now ensured that, so far as possible, services kept to advertised times.*
- Books of Remembrance available on line – *available from 2014.*
- Refreshing the Crematorium's Web-site – *work in progress.*
- South Chapel – Upgrade and Refurbishment – *Design work progressing – see item (f) below.*

(f) South Chapel Refurbishment

Following the decision in September 2013 to seek the services of a design consultant to advise on chapel design and décor, the Joint Committee in June 2014, after a presentation, appointed Robert Benn Associates (RBA) to progress a design scheme for the refurbishment of the South Chapel. The key points of the scheme are that –

- The design features aim to respect the 1950's style of building;
- Light coloured wood panelling is proposed to be affixed to parts of the walls and this will be demountable and durable so that when necessary access can be obtained to services;
- Specialist lighting will be a key feature;
- New carpeting would be provided;
- Air conditioning to be installed.

The aim is for the work to be completed during 2015/16, with work being undertaken outside normal service hours.

(g) Mercury Abatement Project

In September 2008 the Joint Committee approved a comprehensive report on the project for the installation of mercury abatement equipment on all cremators at the Crematorium. The decision to proceed was taken in the knowledge of a government requirement that the overall level of mercury emitted from crematoria, taken as a whole countrywide, should be reduced by 50% by the end of December 2012.

Following competitive tenders, specialist consultants and contractors were appointed to carry out the abatement and building works to accommodate the new equipment.

By December 2012 all works were substantially complete, apart from a few outstanding matters. All 6 cremators had been operating since late summer 2012 with 100% mercury abatement, well ahead of programme.

The Crematoria Abatement of Mercury Emissions Organisation (CAMEO) has been established to operate a 'burden sharing' scheme whereby those crematoria that have carried out abatement would receive payments, financed by those crematoria that had decided not to abatement. The burden sharing

scheme started 'trading' in 2014, and Portchester received payment of some £48,000 from the scheme.

As part of their licence to operate all crematoria are required to have in place 'burden sharing', either through CAMEO (of which Portchester is a member) or by private arrangement between individual crematoria.

(h) Repairs and Renewals Programme

Various minor items of work were undertaken during the year. A range of other work is proposed to be undertaken during 2015/16, and this includes -

- Mercury Abatement project – sound attenuation
- Waiting Room toilet facilities refurbishment
- Works to Mess Room
- Internal redecoration – rolling programme
- Steam Cleaning paving – rolling programme
- Works to Crematory and committal areas

(i) Monitoring the Levels of Service

The Joint Committee continued to receive at each meeting relevant reports from the officers on their specific areas of responsibility thus enabling members to monitor and discuss as appropriate with officers any particular aspects of the crematorium's operations. The reports included a monitoring statement from the Manager and Registrar on the levels of cremation and other statistical information for the preceding period, which showed at the end of the financial year a total of 3411 registered cremations (a reduction from the 3960 cremations undertaken in 2013/14).

(j) The Crematorium Grounds

The annual horticultural maintenance programme continued to be implemented and this included –

- Shrub and bulb planting including the replacement of dead or dying plants;
- Tree pruning, including felling where appropriate;
- Shrub pruning;
- Maintaining the magnificent floral displays and the lawns.

(k) Provision of Contracted Services

During the year the Joint Committee has considered reports in respect of various matters relating to contracted services, including those providing building consultancy support services.

(l) Crematorium Job Evaluation Review

At its meeting on 15 December 2014 the Joint Committee approved recommendations contained in a job evaluation review commissioned by the

Joint Committee into the pay and grading of employee posts at the Crematorium.

7. Conclusion

7.1 It will be seen from this report that the Joint Committee continues to function effectively through the members appointed to serve on it by their respective authorities. Much of the Joint Committee's work continues to be of a recurring but important nature.

.....
John Haskell
Clerk to the Joint Committee

Background List of Documents –
Section 100D of the Local Government Act 1972: *None*

JH/me
1 June 2015

Agenda Item 9

FAREHAM BOROUGH COUNCIL

| |
|---|
| <p style="text-align: center;">Report to Portchester Crematorium Joint Committee</p> |
|---|

Date: 15 June 2015

Report of: Treasurer to the Joint Committee

Subject: **COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT 2014/15**

SUMMARY

This report reviews the Joint Committee's revenue income and expenditure for the year ending 31 March 2015.

RECOMMENDATION

The contents of this report be noted.

INTRODUCTION

1. This report sets out the actual revenue expenditure of Portchester Crematorium Joint Committee for 2014/15. Included within this report are details of the following:
 - Actual revenue income and expenditure
 - Repairs and Renewals Fund expenditure
 - Capital Works Fund expenditure
 - Garden Improvement Fund expenditure
2. Included elsewhere on today's agenda is the draft Annual Return for 2014/15 which includes the following sections:
 - Accounting Statement - recording financial transactions during the year for both revenue and capital schemes
 - Annual Governance Statement
 - Annual Internal Audit Report

In support of the Annual Return explanatory notes are set out to summarise the financial position at the end of the financial year 2014/15 which include a Balance Sheet to provide detail on the accounts and operational assets.

3. The final income and expenditure accounts for the Joint Committee show a breakeven outturn in line with the revised budget.
4. The number of cremations carried out during the year totalled 3,411. This represents a decrease of 549 (13.9%) compared with the previous financial year's total of 3,960, and a decrease of 691 (16.8%) compared with the total in 2012/13. Overall operational income of £1,926,894 exceeded the revised budget of £1,804,300 by £122,594. Expenditure of £1,317,408 was below the revised budget of £1,380,600 by £63,192.
5. A detailed analysis of actual expenditure and income for the year is detailed in Appendix A, including presentation in the format required for the Annual Return. Comparisons are made between actual expenditure for 2014/15 with that of 2013/14 and the revised estimate for 2014/15 with supporting explanations in the following paragraphs.

EXPENDITURE

6. **Employees.** Employee expenditure of £244,349 is above the revised estimate of £240,400 for 2014/15 by £3,949. Superannuation was £2,089 higher than anticipated and salaries were £1,251 higher than anticipated. Expenditure for a retirement gift and staff advertising costs have been also been incurred in this financial year.

PREMISES

7. **Repairs and Maintenance.** The total budget for premises repairs and maintenance, including grounds expenditure and energy costs, was £594,500. Actual expenditure of £481,427 was £113,073 below the revised budget level. Repairs and Maintenance is overspent by £45,859. This is largely as a result of Mercury Abatement Plant Service Maintenance Agreement invoices totalling £25,492 relating to 2013/14 not being received until June 2014. Expenditure against the repairs and renewals programme

has been lower than usual in this financial year as new working arrangements have been established and the main project for the year, the South Chapel refurbishment, has been delayed into 2015/16. Quotations have been received for the refurbishment of the waiting rooms and toilets and these works will also be completed in 2015/16. The nature of the expenditure in 2014/15 has meant that there has been no need to complete a drawdown from the Repairs and Renewals Reserve. The expenditure incurred, including £11,311 for acoustic louvres has been included in the premises account headings.

8. **Energy Costs.** Reduced energy consumption meant that actual expenditure of £117,259 was £7,241 lower than the revised budget provision of £124,500 for this area of expenditure and £10,219 lower than in the previous financial year.

SUPPLIES AND SERVICES

9. Expenditure of £261,976 in this area exceeded the revised budget of £235,700 by £26,276. Consultants Fees were £13,548 above budget. The completion of works for the main repairs and renewals project for the year, the South Chapel refurbishment, has been delayed into 2015/16 and there has been no need to complete a drawdown from the Repairs and Renewals Reserve. Fees incurred with the design consultant have therefore been included in this account heading.
10. Other areas that have contributed to the overall overspend against supplies and services include enabling web casting of services in 2014/15. The Book of Remembrance is now available to view on line, and an additional Book of Remembrance digitisation has been completed during the year. Medical Referees Fees were higher than anticipated, in line with the number of cremations during the year being higher than allowed for within the budget.

INCOME

11. **Cremation Fees.** The number of cremations carried out during 2014/15 has totalled 3,411 of which 22 were carried out at no charge. The numbers of cremations for 2014/15 and the four previous financial years are set out in the table below. Income from cremation fees has fallen in line with the reduced numbers set out below, but has exceeded the level set for budgeting purposes.

| | Cremations | | | | |
|-------------------------------------|------------|---------|---------|---------|---------|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| Cremations at nil charge (under 16) | 22 | 26 | 22 | 27 | 22 |
| | 3,872 | 3,952 | 4,080 | 3,933 | 3,389 |
| Total cremations | 3,894 | 3,978 | 4,102 | 3,960 | 3,411 |

12. **Other Income.** Income from charges and sales of £1,926,894 was £242,173 lower than the previous year, but was above budget levels by £122,594. This is due to cremation numbers not having reduced as far as was anticipated, and income of £46,680 having been received from the CAMEO scheme.

REPAIRS AND RENEWALS/CAPITAL WORKS FUND

13. As set out earlier in this report no expenditure has been set against the Repairs and Renewals fund in 2014/15. The balance of the fund was £120,000 at the end of the last financial year and a contribution of £80,000 has been made in 2014/15.
14. The expenditure from the capital works fund during 2014/15 is set out in Appendix B. The contribution from revenue to the Capital Works Fund was originally set at nil for 2014/15 and revised to £180,000 in December 2014. However it has been possible to recognise a contribution of £259,335 for 2014/15, with the balance of the fund being carried forward at the end of 2014/15 at £991,424.
15. Details of contributions towards the Garden Improvement Fund can also be found in Appendix C. It is proposed that the balance accumulated in 2014/15 is carried forward to purchase plants for the new planting area under the beech tree on the north side of the gardens in 2015/16.

CONCLUSION

16. Achieving a breakeven position over the course of this financial year has enabled a higher contribution to the Repairs and Renewals and Capital Works fund, placing the Joint Committee in a stronger financial position to meet future capital works requirements.

Background Papers

Report to the Portchester Crematorium Joint Committee 'Revenue Budget 2015/16' December 2014.

Report to the Portchester Crematorium Joint Committee 'Annual Return 2013/14' June 2014.

Andy Wannell CPFA
Treasurer to the Joint Committee
Civic Offices
Fareham

For further information on this report please contact Kate Busby on 01329 824685.

Appendices

Appendix A – Actual revenue expenditure for the year 2014/15.

Appendix B – Capital Works Fund and Garden Improvement Fund 2014/15.

PORTCHESTER CREMATORIUM JOINT COMMITTEE

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

| | Actual 2012/13 | Actual 2013/14 | Revised Estimate 2014/15 | Actual 2014/15 | Variation |
|--|-------------------|-------------------|--------------------------------|-------------------|-----------------|
| | £ | £ | £ | £ | £ |
| <u>EMPLOYEES</u> | | | | | |
| Salaries-Full Time Officers | 219,520 | 221,078 | 231,400 | 234,544 | 3,144 |
| Salaries-Part Time Officers | 9,174 | 9,318 | 9,000 | 9,805 | 805 |
| TOTAL EMPLOYEES | 228,694 | 230,396 | 240,400 | 244,349 | 3,949 |
| <u>PREMISES</u> | | | | | |
| Repairs and Maintenance | 62,447 | 105,734 | 95,000 | 140,859 | 45,859 |
| RR/CWF repairs financed from revenue | 77,142 | 74,404 | 146,100 | 0 | -146,100 |
| Grounds - Maintenance | 68,350 | 72,763 | 70,000 | 65,521 | -4,479 |
| Garden Improvement Scheme | 1,497 | 1,576 | 1,500 | 0 | -1,500 |
| Energy costs | 136,752 | 127,478 | 124,500 | 117,259 | -7,241 |
| Water services | 4,888 | 121 | 2,000 | 1,731 | -269 |
| Rent & Rates | 128,695 | 139,268 | 143,500 | 143,140 | -360 |
| Removal of Wreaths/Cleaning materials | 11,651 | 10,927 | 11,900 | 12,917 | 1,017 |
| TOTAL PREMISES | 491,422 | 532,271 | 594,500 | 481,427 | -113,073 |
| <u>SUPPLIES AND SERVICES</u> | | | | | |
| Equipment,Furniture and Materials | 12,311 | 16,186 | 6,100 | 13,131 | 7,031 |
| Protective Clothing,Uniforms & Laundry | 1,051 | 1,296 | 1,900 | 843 | -1,057 |
| Printing,Stationery & General Expenses | 6,238 | 7,779 | 7,000 | 7,152 | 152 |
| Inscriptions - Book of Remembrance | 18,777 | 19,627 | 20,000 | 27,312 | 7,312 |
| - Memorial Cards | 5,926 | 4,566 | 5,000 | 5,347 | 347 |
| Legal/Consultants fees | 25,673 | 1,390 | 3,100 | 16,665 | 13,565 |
| Consultants fees - Gosport | 8,307 | 26,655 | 0 | 0 | 0 |
| Administrative Expenses - Fareham | 9,604 | 12,526 | 20,000 | 18,657 | -1,343 |
| - Portsmouth | 9,450 | 9,540 | 9,500 | 9,578 | 78 |
| Medical Referees Fees | 73,836 | 71,280 | 57,400 | 61,398 | 3,998 |
| Organists Fees | 23,130 | 18,755 | 17,000 | 17,996 | 996 |
| Audit Commission Fees | -1,000 | 2,430 | 2,400 | 2,400 | 0 |
| Pest Control | 0 | 419 | 0 | 440 | 440 |
| Bank Charges | 1,120 | 1,175 | 1,200 | 1,200 | 0 |
| Postages,Telephones and Advertising | 7,051 | 6,361 | 6,400 | 5,620 | -780 |
| Conferences,Subsistence & Travelling | 676 | 1,038 | 1,200 | 1,006 | -194 |
| Subscriptions | 2,524 | 3,256 | 3,500 | 3,134 | -366 |
| Miscellaneous Insurances | 20,741 | 24,384 | 24,000 | 25,262 | 1,262 |
| Non reclaimable VAT | 43,757 | 62,391 | 50,000 | 44,835 | -5,165 |
| TOTAL SUPPLIES AND SERVICES | 269,172 | 291,054 | 235,700 | 261,976 | 26,276 |
| <u>CAPITAL CHARGES</u> | | | | | |
| Depreciation | 247,000 | 313,915 | 310,000 | 329,656 | 19,656 |
| TOTAL CAPITAL CHARGES | 247,000 | 313,915 | 310,000 | 329,656 | 19,656 |
| GROSS EXPENDITURE | 1,236,288 | 1,367,636 | 1,380,600 | 1,317,408 | -63,192 |

| | Actual 2012/13 £ | Actual 2013/14 £ | Revised Estimate 2014/15 £ | Actual 2014/15 £ | Variation £ |
|---|------------------------|------------------------|-------------------------------------|------------------------|-----------------|
| INCOME | | | | | |
| Garden Improvement fund contributions | -1,497 | -1,576 | -1,500 | 0 | 1,500 |
| Memorial Cards | -9,346 | -6,590 | -8,000 | -7,016 | 984 |
| Cremation Fees | -2,040,000 | -2,045,160 | -1,697,800 | -1,762,280 | -64,480 |
| Book of Remembrance | -57,053 | -60,744 | -50,000 | -56,462 | -6,462 |
| Organ Music | -60,711 | -50,341 | -42,000 | -45,471 | -3,471 |
| Web Broadcasting Services | | | 0 | -75 | -75 |
| CAMEO TMAC | | | 0 | -48,680 | -48,680 |
| Other | -7,335 | -4,656 | -5,000 | -6,910 | -1,910 |
| GROSS INCOME | -2,175,942 | -2,169,067 | -1,804,300 | -1,926,894 | -122,594 |
| NET COST OF SERVICE | -939,654 | -801,431 | -423,700 | -609,486 | -185,786 |
| (Gain) or Loss on disposal of assets | 0 | 0 | 0 | 0 | 0 |
| Interest Receivable | -87 | -182 | -200 | -193 | 7 |
| Pensions Interest costs | 90,000 | 92,000 | 110,000 | 78,000 | -32,000 |
| Expected return on pensions assets | -70,000 | -51,000 | -50,000 | -50,000 | 0 |
| GENERAL FUND BALANCE | | | | | |
| NET OPERATING INCOME | -919,741 | -760,613 | -363,900 | -581,679 | -217,779 |
| MOVEMENT ON THE GENERAL FUND BALANCE | | | | | |
| (Surplus)/Deficit on the Income & Expenditure Account | -919,741 | -760,613 | -363,900 | -581,679 | -217,779 |
| Net Gain or Loss on disposal of assets | 0 | 0 | 0 | 0 | 0 |
| Contributions to Constituent Authorities | 600,000 | 600,000 | 600,000 | 600,000 | 0 |
| Depreciation of Fixed Assets | -247,000 | -313,915 | -310,000 | -329,656 | -19,656 |
| Contributions to Capital Works Fund | 575,000 | 470,908 | 180,000 | 259,335 | 79,335 |
| Contributions to Repairs & Renewals Fund | 80,000 | 111,029 | 100,000 | 80,000 | -20,000 |
| Contribution to / from pensions reserve | -20,000 | -41,000 | -134,600 | -28,000 | 106,600 |
| Contribution from reserves to finance repairs and renewals/capital works programmes | -77,142 | -74,404 | -71,500 | 0 | 71,500 |
| (SURPLUS)/DEFICIT FOR THE YEAR | -8,883 | -7,995 | 0 | 0 | 0 |
| Number of Cremations | 4,080 | 3,933 | | 3,389 | |

| FOR INCLUSION IN ANNUAL RETURN | Actual 2012/13 | Actual 2013/14 | Actual 2014/15 |
|--|-------------------|-------------------|-------------------|
| | £ | £ | £ |
| Balances Bought Forward | 1,432,884 | 793,418 | 1,091,402 |
| Receipts | 2,175,942 | 2,169,067 | 1,926,894 |
| Interest receivable | 87 | 182 | 193 |
| Total receipts | 2,176,029 | 2,169,249 | 1,927,087 |
| Employees | -228,694 | -230,396 | -244,349 |
| Total other payments | | | |
| Premises | -491,422 | -532,271 | -481,427 |
| Supplies and services | -269,172 | -291,054 | -261,976 |
| Contributions to constituent authorities | -600,000 | -600,000 | -600,000 |
| Actual Capital Expenditure in Asset A/C | -1,226,207 | -217,545 | -97,910 |
| Rounding adjustment | | 1 | |
| Total other costs | -2,586,801 | -1,871,265 | -1,332,827 |
| Balance carried forward | 793,418 | 1,091,402 | 1,135,656 |

CAPITAL WORKS FUND 2014/15

| | Revised Estimate 2014/15 | Actual To Date 2014/15 |
|---|--------------------------------|------------------------------|
| | £ | £ |
| Balance of Fund as at 1.4.2014 | 830,000 | 830,000 |
| ADVANCES 2014/15 | 0 | 259,334 |
| | <u>830,000</u> | <u>1,089,334</u> |
| Less Applications 2014/15 | | |
| Cremator Furnace Relining | 78,408 | 78,408 |
| Hearth Replacement | 19,502 | 19,502 |
| | <u>97,910</u> | <u>97,910</u> |
| Balance of Fund as at 31.03.2015 | <u>732,090</u> | <u>991,424</u> |

GARDEN IMPROVEMENT FUND 2014/15

| | Actual 2014/15 |
|---|-------------------|
| | £ |
| Balance of Fund as at 1.4.2014 | 0 |
| Contributions to Fund 2014/15 | 907 |
| | <u>907</u> |
| Less | |
| Works 2014/15 | <u>0</u> |
| Balance of Fund as at 31.03.2015 | <u>907</u> |

Agenda Item 10

FAREHAM BOROUGH COUNCIL

Report to Portchester Crematorium Joint Committee

Date: 15 June 2015

Report of: Treasurer to the Joint Committee

Subject: ANNUAL RETURN FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

SUMMARY

This report sets out the Annual Return for the financial year ended 31 March 2015.

RECOMMENDATIONS

- (a) That Section 1 - Accounting Statements for Portchester Crematorium Joint Committee be approved.
- (b) That Section 2 - Annual Governance Statement for Portchester Crematorium Joint Committee be approved.
- (c) That Section 4 - Annual Internal Audit Report for Portchester Crematorium Joint Committee be noted.

INTRODUCTION

1. The accounts for Portchester Crematorium Joint Committee have been prepared in compliance with the format prescribed by the Accounts and Audit (England) Regulations 2011. The Joint Committee falls within the Audit Commission's limited assurance audit approach as gross annual income and expenditure are less than £6.5 million, and so the external audit opinion will be provided on the Annual Return which includes a summary of the Comprehensive Income and Expenditure Statement and Balance Sheet. The audit opinion will be provided and advertised in due course.
2. The Annual Return for 2014/15 comprises the following sections for approval and information:
 - Section 1 - Accounting Statement - recording financial transactions during the year for both revenue and capital schemes.
 - Section 2 - Annual Governance Statement
 - Section 4 - Annual Internal Audit Report

In support of the Annual Return explanatory notes are set out to summarise the financial position at the end of the financial year 2014/15 which include a Balance Sheet to provide detail on the accounts and operational assets.

3. **Section 1 - Accounting Statement**
The Accounting Statement is presented for approval by the Joint Committee and is supported by details of the variances between the financial year 2014/15 and the previous financial year 2013/14. Supporting explanations are required to be provided and these are drawn from the Comprehensive Income and Expenditure Statement report included as a separate item on today's agenda.
4. **Section 2 - Annual Governance Statement**
The Annual Governance Statement is presented for approval by the Joint Committee and is supported by details of the key components upon which the Joint Committee has relied in agreeing each aspect of the Annual Governance Statement.
5. **Section 4 - Annual Internal Audit Report**
The Annual internal Audit Report is presented for the financial year 2014/15, subject to confirmation by the Head of Audit and Assurance at Fareham Borough Council.
6. In order to preserve consistency of information on the accounts and operational assets that is reported to the Joint Committee this report then provides, for information, a Balance Sheet report, explanatory notes and details of the reserves held by the Joint Committee to complete the summary of the financial position at year end.

Section 1 - Accounting Statement for: Portchester Crematorium Joint Committee

| | Year ending | | Notes and guidance |
|---|-----------------------|-----------------------|--|
| | 31 March 2014 £ | 31 March 2015 £ | |
| 1. Balances brought forward | 793,418 | 1,091,402 | Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or nil balances. All figures must agree to underlying financial records. Total balances and reserves at the beginning of the year as recorded in the body's financial records. Value must agree to Box 7 of the previous year. |
| 2. (+) Income from local taxation and/or levy | 0 | 0 | Total amount of local tax and/or levy received or receivable in the year, including funding from a sponsoring body. |
| 3. (+) Total other receipts | 2,169,249 | 1,927,087 | Total income or receipts as recorded in the cashbook less income from taxation and/or levy (line 2). Include any grants received here. |
| 4. (-) Staff costs | (230,396) | (244,349) | Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and employment expenses. |
| 5. (-) Loan interest/capital repayments | 0 | 0 | Total expenditure or payments of capital and interest made during the year on the body's borrowings (if any). |
| 6. (-) All other payments | (1,640,869) | (1,441,313) | Total expenditure or payments as recorded in the cashbook less staff costs (line 4) and loan interest/capital repayments (line 5). |
| 7. (=) Balances carried forward | 1,091,402 | 1,332,827 | Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6). |
| 8. Total cash and short term investments | 1,135,656 | 1,397,220 | The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – to agree with bank reconciliation. |
| 9. Total fixed assets plus other long term investments and assets | 7,906,707 | 8,004,620 | The original Asset and Investment Register value of all fixed assets, plus other long term assets owned by the body as at 31 March. |
| 10. Total borrowings | 0 | 0 | The outstanding capital balance as at 31 March of all loans from third parties (including PWLB). |

| | |
|--|---|
| <p>I certify that for the year ended 31 March 2015 the accounting statements in this annual return present fairly the financial position of the body and its income and expenditure, or properly present receipts and payments, as the case may be.</p> <p>Signed by Responsible Financial Officer</p> <p>_____</p> <p>Date: _____</p> | <p>I confirm that these accounting statements were approved by the body on:</p> <p>_____</p> <p>And recorded as minute reference:</p> <p>_____</p> <p>Signed by Chair of meeting approving these accounting statements.</p> <p>_____</p> <p>Date: _____</p> |
|--|---|

7. EXPLANATIONS OF VARIANCES BETWEEN ACCOUNTING YEARS

7.1 Annual Return - Other Receipts (line 3)

7.1.1 Income from charges and sales of £2,169,249 was £242,162 lower than the previous year. The number of cremations carried out during 2014/15 has totalled 3,411 of which 22 were carried out at no charge. The numbers of cremations for 2014/15 and the four previous financial years are set out in the table below. Income from cremation fees has fallen in line with the reduced numbers set out below, but has exceeded the level set for budgeting purposes. Income from other areas, such as memorial cards and organ music, has fallen reflecting a continuation in the trend of a small decline in demand for these services. £46,680 has been received from the CAMEO TMAC scheme.

| | Cremations | | | | |
|-------------------------------------|------------|---------|---------|---------|---------|
| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| Cremations at nil charge (under 16) | 22 | 26 | 22 | 27 | 22 |
| | 3,872 | 3,952 | 4,080 | 3,933 | 3,389 |
| Total cremations | 3,894 | 3,978 | 4,102 | 3,960 | 3,411 |

| Variation between accounting years | 2013/14 | 2013/14 |
|---------------------------------------|------------------|------------------|
| INCOME | £ | £ |
| Garden Improvement fund contributions | 1,576 | 0 |
| Memorial Cards | 6,590 | 7,016 |
| Cremation Fees | 2,045,160 | 1,762,280 |
| Book of Remembrance | 60,744 | 56,462 |
| Organ Music | 50,341 | 45,471 |
| CAMEO TMAC | 0 | 48,680 |
| Other | 4,838 | 7,178 |
| TOTAL INCOME | 2,169,249 | 1,927,087 |
| Variation | | -242,162 |
| Expressed as a percentage | | -11.2% |

7.2 Annual Return - Other Payments (line 6)

7.2.1 Expenditure of £1,441,313 was £199,556 lower in 2014/15 than the previous year. Expenditure against the premises repairs and renewals and capital works programme has been lower than usual in this financial year as new working arrangements have been established and the main project for the year, the South Chapel refurbishment, has been delayed into 2015/16. Quotations have been received for the refurbishment of the waiting rooms and toilets and these works will also be completed in 2015/16.

| Variation between accounting years | 2013/14 | 2014/15 |
|---|------------------|------------------|
| <u>EXPENDITURE</u> | £ | £ |
| Premises expenditure | 532,270 | 481,427 |
| Contribution to Constituent Authorities | 600,000 | 600,000 |
| Capital Expenditure | 217,545 | 97,910 |
| Supplies and Services | 291,054 | 261,976 |
| TOTAL EXPENDITURE | 1,640,869 | 1,441,313 |
| Variation | | -199,556 |
| Expressed as a percentage | | -12.2% |

- 7.3 Annual Return - Cash and Short Term Investments have increased in 2014/15 in line with reduced premises repairs and renewals and capital works expenditure, enabling a replenishment of balances held to support future capital expenditure. This figure is different to the line 7 balances carried forward figure as the accounts are prepared on an income and expenditure basis.

| Variation between accounting years (line 8) | 2013/14 | 2014/15 |
|---|------------------|------------------|
| <u>CASH AND SHORT-TERM INVESTMENTS</u> | £ | £ |
| Short Term Investment | 940,000 | 1,091,400 |
| Cash at Bank and In Hand | 195,656 | 305,820 |
| | 1,135,656 | 1,397,220 |
| Variation | | 261,564 |
| Expressed as a percentage | | 23% |

7.4 Annual Return - Fixed and Long Term Assets (line 9)

Historically, asset values have been included in the Annual Return at net current value. However, in line with proper practices as noted in Governance and Accountability for Local Councils each asset should be recorded on the asset register as its original purchase cost or where this is not known, a proxy value should be included. These values remain unchanged on the Annual Return until disposal, with only subsequent additions being added to the figure. Therefore the 2013/14 value of £7,906,707 has increased in 2014/15 with additions of £97,910 as shown in the breakdown below.

| | 2013/14 | 2014/15 |
|---|------------------|------------------|
| | £ | £ |
| <u>BUILDINGS</u> | | |
| CREMATORIUM | 2,401,353 | 2,401,353 |
| New Paved Areas to Gardens | 38,859 | 38,859 |
| Improvements to Public Waiting Facilities | 831,884 | 831,884 |
| Replace Glazed Conservatory Roof | 15,541 | 15,541 |
| Renew Conservatory Glazed Screen | 25,394 | 25,394 |
| Overflow car park enlargement | 105,901 | 105,901 |
| EPA - Phase 2 Mercury Abatement scheme | 151,844 | 151,844 |
| CREMATORIUM | 718,098 | 718,098 |
| Staff Facilities | 30,024 | 30,024 |
| TOTAL BUILDINGS | 4,318,898 | 4,318,898 |
| <u>PLANT & EQUIPMENT</u> | | |
| New Cremators - EPA 1990 | 1,250,073 | 1,250,073 |
| Refuse Compactor | 14,341 | 14,341 |
| New cremulator | 21,952 | 21,952 |
| Replace cremator venturi ducts/nozzles | 34,004 | 34,004 |
| Cremator furnace relining | 75,468 | 75,468 |
| EPA - Phase 2 Mercury Abatement scheme | 1,794,011 | 1,794,011 |
| Cremator furnace relining | 39,540 | 39,540 |
| Cremators Hearth Replacement | 19,858 | 19,858 |
| Analyser Renewal | 121,017 | 121,017 |
| Mercury Abatement Scheme Retention | | |
| Release | 128,052 | 128,052 |
| Cremator furnace relining | 89,493 | 89,493 |
| ADDITIONS : Cremator furnace relining | | 78,408 |
| ADDITIONS : Hearth Replacement | | 19,502 |
| TOTAL PLANT & EQUIPMENT | 3,587,809 | 3,685,719 |
| <u>TOTAL FIXED ASSETS</u> | 7,906,707 | 8,004,617 |

Section 2 – Annual Governance

Statement

We acknowledge as the members of **Portchester Crematorium Joint Committee** our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2015, that:

| | Agreed - | | 'Yes' |
|---|----------|----|---|
| | Yes | No | Means that the body : |
| 1. We approved the accounting statements prepared in accordance with the requirements of the Accounts and Audit Regulations and proper practices. | YES | | prepared its accounting statements in the way prescribed by law. |
| 2. We maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness. | YES | | made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge. |
| 3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and proper practices that could have a significant financial effect on the ability of the body to conduct its business or on its finances. | YES | | has only done what it has the legal power to do and has complied with proper practices in doing so. |
| 4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations. | YES | | during the year has given all persons interested the opportunity to inspect and ask questions about the body's accounts. |
| 5. We carried out an assessment of the risks facing the body and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required. | YES | | considered the financial and other risks it faces and has dealt with them properly. |
| 6. We maintained throughout the year an adequate and effective system of internal audit of the body's accounting records and control systems. | YES | | arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of the body. |
| 7. We took appropriate action on all matters raised in reports from internal and external audit. | YES | | responded to matters brought to its attention by internal and external audit. |
| 8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on the body and where appropriate have included them in the accounting statements. | YES | | disclosed everything it should have about its business activity during the year including events taking place after the yearend if relevant. |

| | |
|--|--|
| This annual governance statement is approved by the body and recorded as minute reference : _____ Dated: _____ | Signed by: Chair _____ Dated _____ Signed by: Clerk _____ Dated _____ |
|--|--|

*Note: Please provide explanations to the external auditor on a separate sheet for each 'No' response. Describe how the body will address the weaknesses identified.

8. SUPPORTING THE ANNUAL GOVERNANCE STATEMENT FOR 2014/15

8.1 The table below sets out a short explanation of the key components upon which the Joint Committee has relied in agreeing each aspect of the Annual Governance Statement.

| | |
|---|---|
| 1 | <ul style="list-style-type: none"> The accounting statements, prepared in the way prescribed by law, were approved by the Joint Committee on 15 June 2015 under minute [] |
| 2 | <ul style="list-style-type: none"> The appointment of a professionally qualified and experienced Treasurer and Deputy Treasurer. A system of internal audit undertaken separately by Fareham BC. The Joint Committee's standing orders and Financial Regulations. The adoption of policies in respect of anti-fraud and corruption, and whistle blowing. External Audit and Internal Audit issues arising and subsequent actions reported to the Joint Committee. |
| 3 | <ul style="list-style-type: none"> The Joint Committee is a single purpose body whose officers are well qualified and experienced to undertake their respective roles. The roles and responsibilities of the Joint Committee and the officer functions with clear delegations of their responsibilities are defined in the Memorandum of Agreement between the four constituent authorities and the scheme of delegation to officers. There is a financial strategy and capital programme approved annually. Decisions by the Joint Committee are taken on the basis of written reports from the officers. The Joint Committee is a member of the Federation of Burial and Cremation Authorities (FBCA) and complies with its code of practice and the law on cremation. |
| 4 | <ul style="list-style-type: none"> The accounts are open for public inspection, of which public notice is given annually in accordance with the regulations. The agendas, minutes and reports of each Joint Committee meeting are published on the Portchester Crematorium web site and are open for public inspection. An annual report is published and sent to each of the four constituent authorities. |
| 5 | <ul style="list-style-type: none"> The Joint Committee has in place a risk management policy and risk registers which are reviewed periodically. Specific risk registers are prepared when needed – for example in respect of the mercury abatement project. There is a business continuity plan. There is a biennial health and safety audit. The FBCA undertook an inspection in November 2009. Zurich Mutual is the Joint Committee's insurer. |
| 6 | <ul style="list-style-type: none"> Fareham BC's internal audit service carries out an annual review and every two years it carries out a planned programme of work based on a comprehensive risk assessment. The effectiveness of the internal audit function is undertaken by Fareham BC's Audit Committee, and reviewed annually. External Audit and Internal Audit issues arising and subsequent actions reported to the Joint Committee. |
| 7 | <ul style="list-style-type: none"> External Audit and Internal Audit Reports, issues arising and subsequent actions reported to the Joint Committee. |
| 8 | <ul style="list-style-type: none"> Any relevant matters have been included within the accounting statements. |

Section 4 - Annual Internal Audit Report to Portchester Crematorium Joint Committee

The body's internal audit, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ended 31 March 2015.

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

| Internal control objective | Agreed? Please choose from one of the following Yes/No*/Not covered** |
|--|---|
| A. Appropriate accounting records have been kept properly throughout the year. | Not Covered Last covered in 2011/12 and found to be satisfactory. Next planned for 2016/17 certificate |
| B. The body's financial regulations have been met, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for. | Yes |
| C. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. | Not Covered Last covered in 2012/13 and found to be satisfactory. Next planned for 2017/18 certificate |
| D. The annual taxation or levy or funding requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate. | Yes |
| E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for. | Yes |
| F. Petty cash payments were properly supported by receipts, all expenditure was approved and VAT appropriately accounted for. | Not Covered Last covered in 2010/11 and found to be satisfactory. Next planned for 2015/16 certificate |
| G. Salaries to employees and allowances to members were paid in accordance with body approvals, and PAYE and NI requirements were properly applied. | Not Covered Last covered in 2012/13 and found to be satisfactory. Next planned for 2015/16 certificate |
| H. Asset and investments registers were complete and accurate and properly maintained. | Not Covered Last covered in 2011/12 and found to be satisfactory Next planned for 2016/17 certificate |
| I. Periodic and year-end bank account reconciliations were properly carried out. | Not Covered Last covered in 2011/12 and found to be satisfactory. Next planned for 2016/17 certificate |
| J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, were supported by an adequate audit trail from underlying records, and, where appropriate, debtors and creditors were properly recorded. | Not Covered Last covered in 2011/12 and found to be satisfactory. Next planned for 2016/17 certificate |

For any other risk areas identified by the body (list any other risk areas below or on separate sheets if needed) adequate controls existed:

No additional operational controls tested for 2014/15.

Print name of person who carried out the internal audit :

ELAINE HAMMELL

Signature of person who carried out the internal audit:

Date: June 2015

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

****Note:** If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, internal audit must explain why not (add separate sheets if needed).

BALANCE SHEET AS AT 31 MARCH 2015

| <u>2013/14</u> £ | <u>Property, Plant & Equipment</u> | <u>2013/14</u> £ |
|---------------------|--|---------------------|
| 5,093,276 | Land and buildings | 4,960,146 |
| 2,304,871 | Plant and equipment | 2,206,255 |
| <u>7,398,147</u> | Long Term Assets | <u>7,166,401</u> |
| 940,000 | Short Term Investments | 1,091,400 |
| 28,258 | Short term debtors & Prepayments | 13,308 |
| 195,656 | Cash - at Bank and in hand | 305,820 |
| <u>1,163,913</u> | Current Assets | <u>1,410,528</u> |
| -72,511 | Short Term Creditors | -76,795 |
| 0 | Receipts in advance | -907 |
| <u>-72,511</u> | Current Liabilities | <u>-77,701</u> |
| -648,000 | Pension scheme liability | -775,000 |
| <u>-648,000</u> | Long Term Liabilities | <u>-775,000</u> |
| <u>7,841,549</u> | Net Assets | <u>7,724,228</u> |
| | Reserves | |
| -1,091,402 | Usable Reserves | -1,332,827 |
| -6,750,147 | Unusable Reserves | -6,391,401 |
| <u>-7,841,549</u> | Total Reserves | <u>-7,724,228</u> |

9. BALANCE SHEET AS AT 31 MARCH 2015

9.1. The Balance Sheet shows the final financial position of the Joint Committee as at 31 March 2015. This includes items that are not separately disclosed as part of the Annual Return, namely revaluation and depreciation of non-current assets, short-term debtors and creditors and Pension Scheme Liability and Reserves that are held by the Joint Committee. These are set out in greater detail in the notes below.

| | Land & Buildings | Plant & Equipment | Total | |
|--|---------------------------------|----------------------------------|------------------------------------|--------------|
| | £ | £ | £ | |
| Net Book Value | | | | |
| At 1 April 2013 | 3,550,263 | 2,268,111 | 5,818,374 | |
| Movements in 2013/14 | | | | |
| Cost or Valuation | | | | |
| At 1 April 2013 | 4,318,899 | 3,370,266 | 7,689,163 | |
| Additions | | 217,545 | 217,545 | |
| Donations | | | 0 | |
| As at 31 March 2014 | 4,318,899 | 3,587,811 | 7,906,710 | |
| Accumulated Depreciation and Impairment | | | | |
| At 1 April 2013 | -768,636 | -1,102,155 | -1,870,791 | |
| Depreciation charge | 435,348 | -180,785 | 254,563 | |
| As at 31 March 2014 | -333,288 | -1,282,940 | -1,616,228 | |
| Net Book Value | | | | |
| At 31 March 2014 | 3,985,611 | 2,304,871 | 7,398,147 | |
| Revaluation Restatement | 1,107,665 | | | |
| | | | | |
| | Land & Buildings | Plant & Equipment | Revaluation Restatement | Total |
| | £ | £ | £ | £ |
| Net Book Value | | | | |
| At 1 April 2014 | 4,318,899 | 3,587,811 | | 7,906,710 |
| Additions | 0 | 97,910 | | 97,910 |
| Donations | | | | 0 |
| As at 31 March 2015 | 4,318,899 | 3,685,721 | | 8,004,620 |
| Crematorium Building Revaluation in 2013/14 | | | 1,107,665 | 1,107,665 |
| Accumulated Depreciation and Impairment | | | | |
| At 1 April 2014 | -333,288 | -1,282,940 | | -1,616,228 |
| Depreciation charge | -133,130 | -196,526 | | -329,656 |
| Impairment Losses | | | | 0 |
| As at 31 March 2015 | -466,418 | -1,479,466 | 0 | -1,945,884 |
| Net Book Value | | | | |
| At 31 March 2015 | 3,852,481 | 2,206,255 | 1,107,665 | 7,166,401 |

9.1 Short-Term Debtors and Short-Term Creditors

The variation between Short Term Debtors and Short Term Creditors is set out in the table below :-

| | 2013/14 | 2014/15 |
|---------------------------|---------|---------|
| | £ | £ |
| <u>Debtors</u> | | |
| Short Term Debtors – Fees | 28,258 | 13,308 |

The year end Debtors have reduced overall as at 31 March 2015.

| | 2013/14 | 2014/15 |
|--------------------------|---------|---------|
| | £ | £ |
| <u>Creditors</u> | | |
| Short Term Creditors | 72,511 | 75,878 |
| Fareham Borough Council | 12,525 | 16,382 |
| Facultative Technologies | | 17,686 |
| Grounds Maintenance | 6,799 | 8,063 |
| Public Utilities | 11,337 | 9,859 |
| Consultants Fees | | |
| Medical Referees | 17,046 | 18,036 |
| Other Creditors | 24,804 | 5,852 |

The year end Creditors have increased overall as at 31 March 2015 as shown by the breakdown above.

9.2 Usable Reserves

This note sets out the amounts set aside from the General Fund balances in earmarked reserves to provide financing for future expenditure plans and the amounts posted back from earmarked reserves to meet General Fund expenditure during 2014/15.

| | Balance at 1 April 2014 £ | Transfers Out 2014/15 £ | Transfer In 2014/15 £ | Balance at 31 March 2015 £ |
|-------------------------|------------------------------------|----------------------------------|--------------------------------|-------------------------------------|
| General Fund | 141,402 | 0 | 0 | 141,402 |
| Capital Works Fund | 830,000 | -97,910 | 259,335 | 991,425 |
| Repairs & Renewals Fund | 120,000 | 0 | 80,000 | 200,000 |
| Total | 1,091,402 | -97,910 | 339,335 | 1,332,827 |

9.3 Unusable Reserves

| Unusable Reserves summary | 2013/14 | 2014/15 |
|----------------------------------|------------------|------------------|
| | £ | £ |
| Revaluation Reserve | 1,632,095 | 1,588,047 |
| Capital Adjustment Account | 5,766,052 | 5,578,354 |
| Pensions Reserve | -648,000 | -775,000 |
| | <u>6,750,147</u> | <u>6,391,401</u> |

Revaluation Reserve

The Revaluation Reserve contains revaluation gains recognised since 1 April 2007 only, the date of its formal implementation. An increase in valuation was recognised in 2013/14 following a revaluation of the crematorium buildings.

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. The Account is credited with the amounts set aside by the Joint Committee as finance for the costs of acquisition, construction and enhancement.

| Capital Adjustment Account | 2013/14 | 2014/15 |
|--|------------------|------------------|
| | £ | £ |
| Opening Balance as at 1 April | 5,818,374 | 5,766,052 |
| Capital financing from revenue in year | 217,545 | 97,910 |
| Less depreciation provision in year | -313,915 | -329,656 |
| Historical Cost Adjustment | 44,048 | 44,048 |
| Balance as at 31 March | <u>5,766,052</u> | <u>5,578,354</u> |

Pensions Reserve

The Local Government Pension Scheme (LGPS) is administered by Hampshire County Council. This is a funded defined benefit final salary scheme, meaning that the Joint Committee and employees pay contributions into a fund, calculated at a level intended to balance the pension's liabilities with investment assets. The Pensions 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 Joint Committee accounts for post employment benefits in the Income and Expenditure Accounts 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 as the Joint Committee makes employer's contributions to pension funds or eventually pay any pensions for which it is directly responsible. The debit balance on the Pensions Reserve therefore shows a shortfall in the benefits earned by past and current employees and the resources the Joint 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.

| Pension Reserve | 2013/14 | 2014/15 |
|------------------------------|-----------------|-----------------|
| | £ | £ |
| Opening Balance | -960,000 | -648,000 |
| Net service cost | -49,000 | -47,000 |
| Interest income on assets | 51,000 | 50,000 |
| Interest cost | -92,000 | -78,000 |
| Actuarial gain / loss | 395,000 | -206,000 |
| Contributions to liabilities | 7,000 | 154,000 |
| Closing Balance | <u>-648,000</u> | <u>-775,000</u> |

Background Papers

Report to the Portchester Crematorium Joint Committee 'Revenue Budget 2015/16 December 2014.

Report to the Portchester Crematorium Joint Committee 'Annual Return 2013/14' June 2014.

Report to the Portchester Crematorium Joint Committee 'Comprehensive Income and Expenditure Statement 2014/15' June 2015.

Andy Wannell CPFA
Treasurer to the Joint Committee
Civic Offices
Fareham

For further information on this report please contact Kate Busby on 01329 824685.

Agenda Item 11

FAREHAM BOROUGH COUNCIL

| |
|---|
| <p style="text-align: center;">Report to Portchester Crematorium Joint Committee</p> |
|---|

Date: 15 June 2015

Report of: Treasurer to the Joint Committee

Subject: FINANCIAL REGULATION 12 – INCOME AND BANKING

RECOMMENDATION

- (a) That the revised Financial Regulation 12 be approved.

REGULATION 12: INCOME COLLECTION AND BANKING

Income is collected by the Crematorium in relation to:

- Cremation Fees
- Ashes
- Use of Organ
- Book of Remembrance
- Memorial Card
- Donation to Garden Improvement Fund

All income collection processes must be handled with care to avoid loss or theft.

12.1 OVERVIEW

12.1.1 **Fees and Charges:** Officers must keep under review the level of fees and charges and any other levies made for services under their control.

Together with the Treasurer to the Joint Committee they shall report to the Joint Committee at least annually on the need to vary existing charges and introduce new charges.

12.1.2 **Credit Agreements:** Any agreement which allows the extension of credit payment facilities must be agreed in advance with the Treasurer to the Joint Committee.

12.1.3 **VAT on Income:** Officers must ensure that all employees collecting income establish the appropriate tax treatment on each transaction they deal with.

12.1.4 **Responsibility for Income Collection:** All arrangements for the collection of income are subject to the approval of the Treasurer to the Joint Committee. Officers are responsible for ensuring that all income due is brought into account.

12.1.5 **Timing of Collection:** Income due to the Crematorium shall be recovered by collection at the point of service or in advance, wherever possible.

12.1.6 **Collection Methods:** The income collection methods employed should ensure the efficient and prompt collection of income due.

12.1.7 **Controlled Stationery:** All receipting devices, debtor accounts, forms and other documents of a like nature shall be ordered and controlled by the Manager and Registrar.

12.2 INCOME COLLECTION

12.2.1 **Counterfeit Notes:** Any bank notes received in person should be checked to ensure they are genuine before they are accepted.

- 12.2.2 **Records of Income Collection:** Appropriate records must be maintained of all payments received through the post or in person; these should be updated at the time of collection. This will usually be by means of issuing till receipts or completing official receipts; however, in some cases the use of registers or logs may be more appropriate.
- 12.2.3 All payments received via electronic transfer, direct debit, BACS, cheque or some other non-cash method do not require a formal receipt unless requested by the payer.
- 12.2.4 **Personal Cheques:** Personal cheques or other such payments must not be cashed out of monies held on behalf of the Crematorium.
- 12.2.5 **Security:** Appropriate arrangements must be made for all income collected to safeguard against loss or theft.
- 12.2.6 **Direct to Bank Collections:** Income, which is collected directly to the Crematorium bank account, must be processed promptly into the Crematorium's financial accounting systems and in accordance with credit card procedures.

12.3 TRANSFER AND BANKING

- 12.3.1 **Timing of Banking:** Cash and cheque receipts by the Crematorium shall be passed to the Crematorium's bank within a maximum period of 5 working days.
- 12.3.2 **Total Income Banked:** No deduction shall be made from income collected, unless written approval has been given by the Treasurer to the Joint Committee.
- 12.3.3 **Banking of Cheques:** Every Officer of the Crematorium who pays money into the banking account of the Crematorium, shall ensure that the following particulars of each cheque paid in are recorded:
- a) the amount of the cheque;
 - b) a reference (such as the number of the receipt given or the name of the debtor), which will connect the cheque with the debt or debts in discharge or partial discharge of which it is received.

Exemption from this rule is allowed if it can be demonstrated that this information is held securely on a Crematorium system, which provides a clear audit trail to the cheque transactions, included in a banking transaction.

- 12.3.4 **Reconciliation of Ledger Transactions:** Cash and cheque transfers prepared for banking must be regularly reconciled to income posted to the Crematorium's accounting system. These reconciliations should be reviewed by the Manager and Registrar.

12.3.5 **Reconciliation of Bank Statements:** All income prepared for banking must be regularly reconciled weekly to the Crematorium's bank account statements.

12.4 RECOVERY AND WRITE-OFFS

12.4.1 **Recovery Procedures:** Officers must establish and initiate appropriate recovery procedures, including legal action where necessary, for debts that are not paid promptly.

12.4.2 **Write-Off Authorisation:** Debts due to the Crematorium may only be written off:-

- a) by the Treasurer to the Joint Committee where the amount for any one debtor is less than £5,000.
- b) in all other cases by the Joint Committee.

12.4.3 **Case Details:** Authorisation for write-off will only be given on receipt of debt particulars (debtor, amount and nature of debt) plus a summary of recovery action taken.

12.4.4 **Records:** A record must be kept of all write-offs authorised and actioned which is totalled at the end of each financial year.

12.5 CARD PAYMENTS

12.5.1 **Information Security Policy:** Portchester Crematorium handles sensitive cardholder information daily. Sensitive Information must have adequate safeguards in place to protect the cardholder data, cardholder privacy, and to ensure compliance with various regulations, along with guarding the future of the organisation.

12.5.2 Portchester Crematorium commits to respecting the privacy of all its customers and to protecting any customer data from outside parties. To this end Officers are committed to maintaining a secure environment in which to process cardholder information. Employees handling sensitive cardholder data should ensure:

- Handle Company and cardholder information in a manner that fits with their sensitivity and classification;
- Protect sensitive cardholder information;
- Keep passwords and accounts secure;
- Request approval from management prior to establishing any new software or hardware, third party connections, etc.;
- Do not install unauthorised software or hardware, including modems and wireless access unless you have explicit management approval;

- Always leave desks clear of sensitive cardholder data and lock computer screens when unattended;
- 12.5.3 Information security incidents must be reported, without delay, to the Manager and Registrar.
- 12.5.4 **Protect Stored Data** : All sensitive cardholder data stored and handled by Portchester Crematorium and its employees must be securely protected against unauthorised use at all times. Any sensitive card data that is no longer required by Portchester Crematorium for business reasons must be discarded in a secure and irrecoverable manner.
- 12.5.5 If there is no specific need to see the full PAN (Permanent Account Number), it has to be masked when displayed.
- 12.5.6 PAN'S which are not protected as stated above should not be sent to the outside network via end user messaging technologies like chats, ICQ messenger etc.
- 12.5.7 It is strictly prohibited to store:
- The contents of the payment card magnetic stripe (track data) on any media whatsoever.
 - The CVV/CVC (the 3 or 4 digit number on the signature panel on the reverse of the payment card) on any media whatsoever.
 - The PIN or the encrypted PIN Block under any circumstance.
- 12.5.8 **Information Classification:** Data and media containing data must always be labelled to indicate sensitivity level.
- Confidential data might include information assets for which there are legal requirements for preventing disclosure or financial penalties for disclosure, or data that would cause severe damage to Portchester Crematorium if disclosed or modified. Confidential data includes cardholder data.
 - Internal Use data might include information that the data owner feels should be protected to prevent unauthorised disclosure.
 - Public data is information that may be freely disseminated.
- 12.5.9 **Access to the Sensitive Cardholder Data** : All Access to sensitive cardholder should be controlled and authorised. Any job functions that require access to cardholder data should be clearly defined.
- Any display of the card holder should be restricted at a minimum to the first 6 and the last 4 digits of the cardholder data.
 - Access to sensitive cardholder information such as PAN's, personal information and business data is restricted to employees that have a legitimate need to view such information.

- No other employees should have access to this confidential data unless they have a genuine business need.

12.5.10 Physical Security : Access to sensitive information in both hard and soft media format must be physically restricted to prevent unauthorised individuals from obtaining sensitive data.

- Media is defined as any printed or handwritten paper, received faxes, floppy disks, back-up tapes, computer hard drive, etc.
- Media containing sensitive cardholder information must be handled and distributed in a secure manner by trusted individuals.
- Visitors must always be escorted by a trusted employee when in areas that hold sensitive cardholder information.
- Procedures must be in place to help all personnel easily distinguish between employees and visitors, especially in areas where cardholder data is accessible. "Employee" refers to full-time and part-time employees, temporary employees and personnel, and consultants who are "resident" on site. A "visitor" is defined as a vendor, guest of an employee, service personnel, or anyone who needs to physically enter the premises for a short duration, usually not more than one day.
- A list of devices that accept payment card data should be maintained.
-

| Asset/Device Name (Make / Model) | Description incl Serial Number / Identifier | Owner / Approved User(s) | Location |
|----------------------------------|---|--------------------------|----------|
| | | | |
| | | | |
| | | | |

- The list should include make, model and location of the device.
- The list should have the serial number or a unique identifier of the device
- The list should be updated when devices are added, removed or relocated
- POS devices surfaces are periodically inspected to detect tampering or substitution.
- Personnel using the devices should be trained and aware of handling the POS devices.
- Personnel using the devices should verify the identity of any third party personnel claiming to repair or run maintenance tasks on the devices, install new devices or replace devices.
- Personnel using the devices should be trained to report suspicious behaviour and indications of tampering of the devices to the appropriate personnel. Strict control is maintained over the external or internal distribution of any media containing card holder data and has to be approved by management.

- Strict control is maintained over the storage and accessibility of media.
- All computer that store sensitive cardholder data must have a password protected screensaver enabled to prevent unauthorised use.

12.5.11 Protect Data In Transit: All sensitive cardholder data must be protected securely if it is to be transported physically or electronically.

- Card holder data (PAN, track data, etc.) must never be sent over the internet via email, instant chat or any other end user technologies.
- If there is a business justification to send cardholder data via email or by any other mode then it should be done after authorization and by using a strong encryption mechanism (i.e. – AES encryption, PGP encryption, SSL, TLS, IPSEC, etc.).
- The transportation of media containing sensitive cardholder data to Fareham Borough Council Civic Offices must be undertaken by the Manager and Registrar or Deputy Manager and Registrar, with the media delivered to the Treasurer to the Crematorium or Deputy Treasurer to the Crematorium.

12.5.12 Disposal Of Stored Data : All data must be securely disposed of when no longer required by Portchester Crematorium, regardless of the media or application type on which it is stored.

- An automatic process must exist to permanently delete on-line data, when no longer required.
- All hard copies of cardholder data must be manually destroyed when no longer required for valid and justified business reasons. A quarterly process must be in place to confirm that all non-electronic cardholder data has been crosscut shredded in a timely manner.
- All cardholder data on electronic media must be rendered unrecoverable when deleted e.g. through degaussing or electronically wiped using military grade secure deletion processes or the physical destruction of the media. If secure wipe programs are used, the process must define the industry accepted standards followed for secure deletion.

12.5.13 Incident Response notifications to various card schemes

1. In the event of a suspected security breach, alert the Manager and Registrar or Deputy Manager and Registrar immediately.
2. The Manager and Registrar or Deputy Manager and Registrar will carry out an initial investigation of the suspected security breach.
3. Upon confirmation that a security breach has occurred, the Manager and Registrar or Deputy Manager and Registrar will begin informing all relevant parties that may be affected by the compromise.

VISA Steps

If the data security compromise involves credit card account numbers, implement the following procedure:

- Shut down any systems or processes involved in the breach to limit the extent, and prevent further exposure.
- Alert all affected parties and authorities such as the Merchant Bank (your Bank), Visa Fraud Control, and the law enforcement.
- Provide details of all compromised or potentially compromised card numbers to Visa Fraud Control within 24 hrs.
- Complete Visa Incident Report Template
- For more Information visit:
http://usa.visa.com/business/accepting_visa/ops_risk_management/cis_p_if_compromised.html

MasterCard Steps:

- I. Within 24 hours of an account compromise event, notify the MasterCard Compromised Account Team via phone at 1-636-722-4100.
- II. Provide a detailed written statement of fact about the account compromise (including the contributing circumstances) via secured e-mail to compromised_account_team@mastercard.com.
- III. Provide the MasterCard Merchant Fraud Control Department with a complete list of all known compromised account numbers.
- IV. Within 72 hours of knowledge of a suspected account compromise, engage the services of a data security firm acceptable to MasterCard to assess the vulnerability of the compromised data and related systems (such as a detailed forensics evaluation).
- V. Provide weekly written status reports to MasterCard, addressing open questions and issues until the audit is complete to the satisfaction of MasterCard.
- VI. Promptly furnish updated lists of potential or known compromised account numbers, additional documentation, and other information that MasterCard may request.
- VII. Provide finding of all audits and investigations to the MasterCard Merchant Fraud Control department within the required time frame and continue to address any outstanding exposure or recommendation until resolved to the satisfaction of MasterCard.

Once MasterCard obtains the details of the account data compromise and the list of compromised account numbers, MasterCard will:

1. Identify the issuers of the accounts that were suspected to have

been compromised and group all known accounts under the respective parent member IDs.

2. Distribute the account number data to its respective issuers.

Employees of the company will be expected to report to the security officer for any security related issues. The role of the security officer is to effectively communicate all security policies and procedures to employees within the company and contractors. In addition to this, the security officer will oversee the scheduling of security training sessions, monitor and enforce the security policies outlined in both this document and at the training sessions and finally, oversee the implantation of the incident response plan in the event of a sensitive data compromise.

Discover Card Steps

- I. Within 24 hours of an account compromise event, notify Discover Fraud Prevention at (800) 347-3102
- II. Prepare a detailed written statement of fact about the account compromise including the contributing circumstances
- III. Prepare a list of all known compromised account numbers
- IV. Obtain additional specific requirements from Discover Card

American Express Steps

- I. Within 24 hours of an account compromise event, notify American Express Merchant Services at (800) 528-5200 in the U.S.
- II. Prepare a detailed written statement of fact about the account compromise including the contributing circumstances
- III. Prepare a list of all known compromised account numbers
- IV. Obtain additional specific requirements from American Express

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REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE

ON: 15 JUNE 2015

REPORT OF: THE ENGINEER AND SURVEYOR

SUBJECT: BUILDING WORKS REPORT

| Ref | Item Description | Status | Budget £ | Anticipated Cost £ | Variation £ | Commentary |
|------------|---|------------------------|---------------------|-------------------------------|------------------------|--|
| 1502/3 | South Chapel – refurbishment | Tender stage | 205,000 | 205,000 | Nil | See separate report to this meeting |
| 1504 | Internal redecoration – rolling programme | Assessing requirements | 20,000 | 20,000 | Nil | Works deferred until 2015/16 programme to enable economies of scale. Works are planned to the waiting rooms and the North Chapel foyer. Quotations to be obtained. |
| 1505 | Steam cleaning paving – rolling programme | Assessing requirements | 6,000 | 6,000 | Nil | Works deferred until 2015/16 programme to enable economies of scale |
| 1507 | Waiting room toilet facilities | Works in progress | 8,800 | 8,800 | Nil | Tenders obtained and accepted for works to North Cloister and Waiting Room toilets. |

| Ref | Item Description | Status | Budget £ | Anticipated Cost £ | Variation £ | Commentary |
|------|--|------------------------|-------------|-----------------------|----------------|--|
| 1508 | Water feature | Assessing requirements | 3,000 | 3,000 | Nil | There is a need to re-evaluate the working of the water feature and this will be the subject of a future report of the Joint Committee. Interim measures introduced to facilitate the features operation |
| 1509 | Works to Mess Room | Works being specified | 2,600 | 2,600 | Nil | Works to incorporate safety railing deferred until 2015/16 programme and these will be undertaken in the first quarter of the 2015/16 financial year. Quotations being sought. |
| 1510 | Crematory/Committal areas | Assessing requirements | 9,000 | 9,000 | Nil | Works deferred until 2015/16 programme to enable economies of scale |
| 1511 | Mercury abatement project – sound attenuation | Implementation | 9,500 | 9,500 | Nil | Acoustic grills due for installation early June |
| 1601 | Redecoration of North Chapel and Foyer | | 10,000 | | | See item1504. Budget now included in item 1504 |
| 1602 | External Redecoration – rolling programme | Assessing requirements | 5,000 | 5,000 | | Works identified to the external North Cloister including remediation of leak |
| 1603 | Steam Cleaning Paving – rolling programme | | 3,000 | 3,000 | | See item1505. Budget now included in item 1505 |
| 1604 | Consultants Fees for Tendering Building Consultancy Role | Document production | 10,000 | 10,000 | | Consultants Gardiner and Theobald engaged and are producing contract documentation |

| Ref | Item Description | Status | Budget £ | Anticipated Cost £ | Variation £ | Commentary |
|------|--|------------------------|-------------|-----------------------|----------------|---|
| 1605 | Buildings and External Paving – Asset Management Plan | | 3,000 | | | Requirement to produce an Asset Management Plan will be incorporated in relevant contract documentation (see item 1605) |
| 1606 | Renewal of White Lining | Assessing requirements | 2,000 | 2000 | | |
| 1607 | Internal Redecoration – rolling programme | | 5,000 | | | See item1504. Budget now included in item 1504 |
| 1608 | External Paving and Walls | Assessing requirements | 0 | 1500 | 1500 | Area of defective paving and wall identified for remedial work. Quotation to be obtained |

Note

Items previous reported as completed are not shown

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Agenda Item 13

**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE -
15 JUNE 2015**

REPORT OF: THE ENGINEER AND SURVEYOR

SUBJECT: SOUTH CHAPEL REFURBISHMENT

1.0 Purpose of this Report

1.1 To advise on the progress of the South Chapel Refurbishment project.

2.0 Design Issues

2.1 Following the last meeting our architect advised that the supplier of the wood cladding for the walls expressed reservations about the uniformity of the wood's colour. The Committee had previously approved the use of American Yellow Poplar but the architect had reservations as to its suitability due to possible colour variation particularly in a relatively small enclosed space. The wood supplier suggested using an alternative variety: African Ayous. This wood does not have a great range of colour variation and is similar in colour to the sample previously agreed. I consulted with the Chairman of the Committee who concurred with my view that it was appropriate to change the cladding to African Ayous. Samples of the woods will be available for inspection at the meeting.

3.0 Project Progress

3.1 Our architects have been supported by Portsmouth City Council's Procurement Section and the tendering process has used the In-Tend computerised system. The prequalification process has been completed and out of twelve expressions of interest received five contractors have been invited to tender. Tenders are currently due to be returned on 19th June. The proposed contract start date is 27 July with a provisional date for completion of 4th September.

4.0 Recommendation

4.1 That the report is noted

Terry Garvey
Engineer and Surveyor

*Background List of Documents –
Section 100D of the Local Government Act 1972 - None*

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Agenda Item 14

**REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE –
15th JUNE 2015**

REPORT BY: MANAGER AND REGISTRAR

STATISTICS

1. MONTHLY COMPARISON

| | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|-------|-------------|-------------|-------------|-------------|
| MAR | 403 | 376 | 299 | 323 |
| APRIL | 318 | 409 | 284 | 289 |
| MAY | 355 | 376 | 289 | 291 |

2. TOTAL CREMATIONS

| | <u>YEAR</u> | <u>TO END MAY</u> |
|------|-------------|-------------------|
| 2012 | 3975 | 1781 |
| 2013 | 4248 | 2020 |
| 2014 | 3356 | 1520 |
| 2015 | - | 1582 |

3. DISPOSAL OF REMAINS

| | |
|---|------------------|
| Ashes received from other Crematoria..... | 32 |
| i) Total disposals within grounds..... | 329 |
| ii) Remains removed from crematorium..... | 541 |
| iii) Retained..... | 33 |
| | TOTAL 903 |

Scattered 38% Removed 62%

4. GAS CONSUMPTION

Total gas consumption (cu.m.).....72524

Total cremations.....903

Average gas consumption(cu.m).....80

**JAMES CLARK
MANAGER & REGISTRAR
1ST JUNE 2015**

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Agenda Item 15

REPORT TO: PORTCHESTER CREMATORIUM JOINT COMMITTEE
Monday 15 June 2015

REPORT BY: THE HORTICULTURAL CONSULTANT

CREMATORIUM GROUNDS – GENERAL UPDATE

We have recently planted shrubs to replace lost trees in the grounds along with planting Wisteria in the garden of contemplation. The water feature is now working and is vastly improved.

The Spring bedding has been replaced with Summer bedding which should provide a colourful display right through to October.

The grass has been scarified to remove dead material from it and the weekly grass cutting regime has resumed.

The roses are putting on strong growth following the application of manure earlier in the year.

The cedar at the rear of the Book of Remembrance Room has been crown lifted. This has balanced the crown and improved access for mowing and pedestrians. Three poor quality Scots Pines have been removed to allow the replacement planting an opportunity to establish and form healthy crowns.

The contractor Brighstones continue to perform well and I am pleased with their work.

Ashley Humphrey
Horticultural Consultant

Background List of Documents –
Section 100D of the Local Government Act 1972 - None

AH/jh
1 June 2015

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