

Merton Council

Merton and Sutton Joint Cemetery Board Agenda

Membership

Councillors:

Agatha Mary Akyigyina OBE
Nick Draper
Geraldine Stanford
David Williams
Jill West
Nick Emmerson
Trish Fivey
Richard Marston
Graham Whitham

Substitute Members:

Councillor Adrian Davey

Date: Tuesday 14 November 2017

Time: 2.00 pm

Venue: Committee rooms D & E - Merton Civic Centre, London Road,
Morden SM4 5DX

This is a public meeting and attendance by the public is encouraged and welcomed.
For more information about the agenda please contact
democratic.services@merton.gov.uk or telephone [020 8545 3616](tel:02085453616).

All Press contacts: press@merton.gov.uk, 020 8545 3181

Merton and Sutton Joint Cemetery Board Agenda

14 November 2017

- | | | |
|---|---|---------|
| 1 | Apologies for Absence | |
| 2 | Declarations of Pecuniary Interest | |
| 3 | Minutes of the Previous Meeting | 1 - 4 |
| 4 | Budget Monitoring 2017/18 | 5 - 12 |
| 5 | Exclusion of the Public
To RESOLVE that the public are excluded from the meeting during consideration of the following reports on the grounds that they are exempt from disclosure for the reasons stated in the reports | |
| 6 | Exempt Minutes of Previous Meeting | 13 - 14 |
| 7 | Review of Management and Operation of Merton and Sutton Cemetery | 15 - 28 |
| 8 | Verbal Update on MSJCB Cemetery Lodge | |

Note on declarations of interest

Members are advised to declare any Disclosable Pecuniary Interest in any matter to be considered at the meeting. If a pecuniary interest is declared they should withdraw from the meeting room during the whole of the consideration of that matter and must not participate in any vote on that matter. If members consider they should not participate because of a non-pecuniary interest which may give rise to a perception of bias, they should declare this, withdraw and not participate in consideration of the item. For further advice please speak with the Assistant Director of Corporate Governance.

Agenda Item 3

All minutes are draft until agreed at the next meeting of the committee/panel. To find out the date of the next meeting please check the calendar of events at your local library or online at www.merton.gov.uk/committee.

MERTON AND SUTTON JOINT CEMETERY BOARD

12 JUNE 2017

(2.45 pm - 3.45 pm)

PRESENT Councillor Agatha Mary Akyigyina (in the Chair),
Councillor Nick Emmerson, Councillor Richard Marston,
Councillor Graham Whitham, Councillor Jill West and
Councillor David Williams

ALSO PRESENT Doug Napier – Client-Side Manager
Zoe Church – Treasurer to the Board
Howard Joy – Surveyor to the Board
Mark Robinson – Registrar to the Board
Lisa Jewell – Clerk to the Board
Idverde Representative – Dennis Rice

1 ELECTION OF CHAIR AND VICE-CHAIR FOR 2017- 18 (Agenda Item 1)

RESOLVED

Councillor Agatha Akyigyina was elected Chair for 2017/18

And

Councillor Nick Emmerson was elected Vice Chair for 2017/18

2 APOLOGIES FOR ABSENCE (Agenda Item 2)

Apologies for absence were received from Councillor Trish Fivey, Councillor Geraldine Stanford and Councillor Nick Draper

3 DECLARATIONS OF PECUNIARY INTEREST (Agenda Item 3)

No declarations of Pecuniary Interest were received.

In the interests of openness and transparency Councillor Nick Emmerson declared that he is a Board Member of Sutton Housing Board, and that his wife used to keep a horse at Green Lane Stables.

4 MINUTES OF THE PREVIOUS MEETING (Agenda Item 4)

RESOLVED: That the minutes of the meeting held on 22 February are agreed as an accurate record.

5 ABSTRACT OF ACCOUNTS 2016-17 (Agenda Item 5)

The Treasurer presented her report on the Annual Abstract of Accounts 2016/17.

She asked the Board to note a correction to Appendix H – MSJCB Risk Register. For the Risk No. MSJCB7a – Contracting out of Merton and Sutton Services, the section titled 'Comment Regarding Review' was changed to now read:

‘Meeting to be scheduled for Autumn 2017 to review Operational Management, Income Position and Toilet Block’

In presenting her report, The Treasurer covered points including:

- There is a low risk from a pandemic at the current time
- A Further meeting required in Autumn 2017 to review how the idverde contract is working after the summer and to review and the mid-year financial position
- Precepts going back to 1974 are shown but full history back to 1949 can be shown if the Board wish.

Members asked a question about the equipment, vehicles and plant furniture that is currently listed as a long term asset on the balance sheet. The treasurer replied that the board would retain ownership of these current assets, but any new equipment, vehicles or plant furniture would be funded by idverde, and they would retain at the end of the contract. These current assets, and their depreciation, would be reviewed over the summer.

This meeting will review Operational Management, Income Position and the ongoing issues of the Toilet Block.
Cemetery Office

Members asked about some of the running expenses items in the revenue account, and noted:

- Legal expenses were incurred whilst setting up the new contract
- That the salary figure was split between the four Board Officers
- Officers to clarify what the charge for Rubbish Disposal covered
- Officers to clarify what the charge for Telephones and IT covered
- Information on the last two points to be circulated to Board Members.

The Board noted that burials and therefore income was reduced for 2016/2017, and that shared graves reduced income further. They commented that the number of burials can't be forecast, and noted that there is competition between cemeteries – MSJC is cheaper than Morden cemetery

Members asked about the contract with idverde and noted that at the moment accounts are based on a prudent estimates based on 2014/15 overrun and RPI. Interim accounts will be considered at the proposed Autumn meeting

RESOLVED

- A. To receive and approve the Draft Abstract of Accounts for 2016-17
- B. To approve the Annual Audit Return for 2016-17

- C. To review, amend and approve the Risk Register attached as Appendix H, noting the change detailed in these minutes
- D. To approve the revised revenue estimates for 2017/18 at Appendix I
- E. To arrange an autumn 2017 meeting to review the operation of the contract and review the budgetary position

6 ANNUAL GOVERNANCE STATEMENT 2016-17 (Agenda Item 6)

The Treasurer presented her report on MSJCB Annual Governance Statement 2016/17. The Board noted that as a small organisation, the Board utilizes the systems and procedures of the London Borough of Merton and as such utilises the work done by this organisation to demonstrate good governance.

The Board noted the two improvement actions have been identified by review:

1. A further review of the Financial situation in September 2017
2. A review of the roles and responsibilities. This will be driven by the Client Side Officer and will include a review of proposals relating to the Toilet block

An Autumn meeting of the Board is proposed to consider these two items.

Board members asked about the current Office/toilet block and what replacement was required. The Client Side Officer explained that he would be considering this question in his review and that he would be talking to idverde about new arrangements.

RESOLVED

That the annual governance statement be noted and agreed

An Autumn meeting is agreed for Tuesday 14 November at 2pm in Merton Civic Centre.

7 EXCLUSION OF THE PUBLIC (Agenda Item 7)

The Chair asked members of the Public to leave the meeting, and this included idverde employees. Before leaving the Chair asked the idverde representative for a quick update on the progress of the new contract and heard that it was working well.

RESOLVED: That the public are excluded from the meeting during consideration of the following report(s) on the grounds that it is (they are) exempt from disclosure for the reasons stated in the report(s).

8 EXEMPT MINUTES OF PREVIOUS MEETING (Agenda Item 8)

RESOLVED: That the exempt minutes of the meeting held on 22 February 2017 are agreed as an accurate record.

9 UPDATE ON GREEN LANE STABLES (Agenda Item 9)

The Surveyor to the Board presented his update report on Green Lane Stables. The Board noted the details in the report regarding the leaseholder's request to re-assign their leases, and the details of the new leaseholder.

Members asked if there had been any attempt to market the site given the current very low rent collected from the site, but heard that the current leases would have to be ended to do this. It is the current tenant who is in control of the land; they would have to surrender the leases before any new leases could begin.

The Surveyor explained that any leases of this land would have to allow for future extension of the cemetery into the land, which is estimated to be required in approximately 25 years.

The Board noted the point in the report regarding drainage works.

Members asked the Surveyor to check if the new leaseholders were living on site.

Councillor Marston asked the Surveyor to investigate the effluent discharge onto the cycle path

RESOLVED

1. That the report be noted.
2. That the decision to authorise a licence to assign the leases of sites B and C on the terms contained within the body of this report be approved.

10 VERBAL UPDATE ON (I) MSJB CEMETERY LODGE AND (II) ISSUES ARISING FOR THE BOARD FOLLOWING THE TRANSFER TO IDVERDE (Agenda Item 10)

The minutes for this item are not for Publication

By Virtue of paragraph 1 and 3 of Part 1 of Schedule 12A

Of the Local Government Act 1972

MERTON AND SUTTON JOINT CEMETERY BOARD

Date: 14 November 2017

Wards; Borough Wide Merton and Sutton

Subject: Budget Monitoring 2017/18

Lead Officer: Zoe Church

0208 545 3451

email: zoe.church@merton.gov.uk

Recommendations:

1. That the current budgetary position for 2016/17 based on the second quarters monitoring be noted.
 2. That the Board review and approve the Risk Register attached as Appendix D
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1. Purpose of the Report and Executive Summary

- 1.1 This report presents the projected outturn for 2017/18 based on the budgetary monitoring to 30 September 2017 and reviews the risk register of the Board.

2. Details

2.1 Monitoring

- 2.1.1 Attached as Appendix A is the monitoring position as at the end of September 2017 with projected outturn to 31 March 2018.
- 2.1.2 Attached as Appendix B are the calculations underpinning the interment income estimates with interment numbers attached as Appendix B1.
- 2.1.3 Attached as Appendix C is the information underpinning the rental estimates for the Board.
- 2.1.4 Currently income projections are higher than those in the original estimates. In addition, expenditure is not as high as originally envisaged when setting the estimates.

3. Common Fund Balances

- 3.1 The balance on the Common Fund at year end is estimated to increase to just over £700k based on current income and expenditure levels.

4. Consultation undertaken or proposed

- 4.1 None for the purposes of this report.

5. Timetable

5.1 None for the purposes of this report.

6. Financial, resource and property implications

6.1 As contained in the body of the report

7. Legal and statutory implications

7.1 None for the purposes of this report.

8. Human rights, equalities and community cohesion implications

8.1 None for the purposes of this report.

9. Risk management and health and safety implications

9.1 Attached as Appendix D is the updated Risk Register for review and approval by the Board.

<u>Appendices</u>	A – Budgetary Monitoring 2017/18 B – Idverde Income Estimates C – Rental Estimates D – Risk Management Strategy and Risk Register as at November 2017
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Background Papers – the following documents have been relied on in drawing up this report but do not form part of the report

Merton & Sutton Joint Cemetery Board Financial Monitoring 2017

	ORIGINAL BUDGET 2017/18	SPEND TO SEPTEMBER 2017	ADDITIONAL SPEND TO YEAR END	PROJECTED OUTTURN	VARIANCE	NARRATIVE
EMPLOYEES						
Salaries	6,960	2,540	6,420	8,960	2,000	
Agency	0	2,858	2,500	5,358	5,358	
Pensions	37,000	(18,000)	55,000	37,000	0	
	43,960	(12,602)	63,920	51,318	7,358	
RUNNING COSTS						
Idverde Contract Charges	117,000	(19,500)	136,500	117,000	0	
Client Side Costs	60,000	0	70,000	70,000	10,000	
General Maintenance - Buildings	13,000	1,222	4,069	5,291	(7,709)	Committed Works
General Maintenance -Mechanical	13,500	202	10,000	10,202	(3,298)	Some work to be undertaken on the toilets
General Maintenance - Electrical	1,000	20	200	220	(780)	Committed works
General Maintenance - Grounds & Paths	6,000	0	6,000	6,000	0	Some works to be undertaken
Gas	2,050	(277)	2,327	2,050	(0)	Expected spend to budget
Electricity	2,710	369	2,088	2,457	(253)	Committed budget
Water	3,550	1,545	2,133	3,678	128	Committed budget
Equipment	1,730	0	0	0	(1,730)	No spend expected
LBM Legal Services	5,440	0	5,440	5,440	0	Estimated costs
General Office Expenses	1,700	4,200	1,000	5,200	3,500	Majority of forecast already spent
Rubbish Disposal	5,000	0	1,500	1,500	(3,500)	Committed budget
Telephones	0	516	1,000	1,516	1,516	Projected charges to year end
Affiliation fees	2,200	0	1,000	1,000	(1,200)	
Rates	7,560	0	7,560	7,560	0	Assumed Spend to Budget
Insurance	4,000	0	4,000	4,000	0	Assumed Spend to Budget
Management and Administration Expenses	39,290	0	21,280	21,280	(18,010)	Revised Recharges
Audit Fee	1,400	0	1,400	1,400	0	Assumed Spend to Budget
Depreciation	23,220	0	23,220	23,220	0	Assumed Spend to Budget
Interest and MRP - Loan	121,930	0	121,930	121,930	0	Assumed Spend to Budget
	432,280	(11,703)	422,647	410,944	(21,336)	
SPECIAL PROJECTS	70,000	0	60,000	60,000	(10,000)	£20k restructuring and Toilets and £40k Bearer Beams
TOTAL EXPENDITURE	546,240	(24,305)	546,567	522,262	(23,978)	

Merton & Sutton Joint Cemetery Board Financial Monitoring 2017

	ORIGINAL BUDGET 2017/18	SPEND TO SEPTEMBER 2017	ADDITIONAL SPEND TO YEAR END	PROJECTED OUTTURN	VARIANCE	NARRATIVE
INCOME						
Ideverde Income	(590,650)	90,833	(763,761)	(672,928)	(82,278)	See Appendix B
Residual Income	0	(11,658)	0	(11,658)	(11,658)	Pre Contract Income
Rents	(13,910)	(1,632)	(34,282)	(35,914)	(22,004)	See Appendix C
Interest	(2,530)	0	(3,068)	(3,068)	(538)	
	(607,090)	77,543	(801,111)	(723,568)	(116,478)	
NET EXPENDITURE	(60,850)	53,238	(254,545)	(201,307)	(140,457)	

Interest Calculations

Opening Balance	(513,297)
Estimated Closing Balance	(714,065)
Interest 2017/18 at 0.5%	(3,068)

PROJECTED INCOME MERTON AND SUTTON CEMETERY

01/02/17 to 30/09/2017	February	March	Total 2016-17	April	May	June	July	August	September	Total 2017-18
Purchase & Interments	25,015	43,968	68,983	26,635	73,700	47,501	39,459	67,538	34,347	289,180
Memorials permits	504	252	756	2,328	2,344	1,028	1,860	2,627	4,089	14,276
Transfer of ownership	100	600	700	100	600	1,500	900	700	460	4,260
Planting and Upkeep	250	250	500	4,650	19,600	2,438	925	88	88	27,788
Total Income	25,869	45,070	70,939	33,713	96,244	52,467	43,144	70,953	38,984	335,504
London & Gap Road	19,708	36,296	56,004	29,581	25,650	79,653	16,972	40,129	17,454	209,439
Total Contract Income	45,577	81,366	126,943	63,294	121,894	132,120	60,116	111,082	56,438	544,943

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	<u>MSJCB</u>	<u>Ldn/Gap Rd</u>	<u>Total</u>
Income to 31-3-17	70,939	56,004	126,943
Income to 30-9-17	335,504	209,439	544,943
Projection to 31-01-18	288,470	180,078	468,549
Total for Contract Year	694,913	445,521	1,140,434
Guaranteed IncomeWeighted	527,237	338,022	865,259
Income Above Threshold	117,373	75,250	192,623
Total Anticipated Income	644,610	413,271	1,057,882
Income Fed & March 2018	119,151	74,380	193,531

Less Reversal of Debtor	(90,833)
Total Estimated Income	672,928

Appendix
B1

Interment Information 2013-2018

	2017/2018	2016/2017	2015/2016	2014/2015	2013/2014
April	14	18	25	19	24
May	27	21	20	17	22
June	23	26	20	11	27
July	19	12	35	16	25
August	18	15	23	10	15
September	24	15	7	17	9
October	13	26	27	19	19
November		19	19	21	10
December		24	19	19	11
January		23	22	25	16
February		16	25	21	20
March		22	20	22	18
TOTAL (for full year)	138	237	262	217	216

Rental Income

Area	Annual Rental 2017/18	Annual Rental 2017/18	Acres	Commentary
A	(4,000)	(4,000)	2.64	
B&B1	(100)	(100)	21.35	Increases to £2,000 from 31/7/18
C&C1	(100)	(100)	4.73	Increases to £4,000 from 31/7/18
CC	(6,750)	(6,750)	0.025	
Cemetery Use	N/A	N/A	26.35	
Lodge	(2,964)	(2,964)	N/A	
Yard, Messroom etc.	0	(22,000)	N/A	Leased to Idverde from 2-2-17
Total	(13,914)	(35,914)	55.095	

MSJCB risk register - November 2017

Risk No	Short Name	Risk	Issue	Cause	Consequences	Likelihood	Impact	Risk Score	RAG	Direction	Impact	Risk Owner	Portfolio Holder	Action Plan (Y/N) /	Comment regarding review
MSJCB2	Pandemic	✓		Reduction in Burials as population has reduced	Reduction in Burial Income	1	4	4	G	→	R	MSJCB	Cllr Draper (M) Cllr Whitehead (S)	Corporate Pandemic (swine flu) plan	LBM will update plans as and when any new pandemic arises
MSJCB3	Rental Income		✓	Unable to maximise income through rents	The bulk of MSJC Land rented out at a peppercorn rent	4	1	4	G	↓	FI	MSJCB	Cllr Draper (M) Cllr Whitehead (S)	Rents reviewed regularly	Ideverde have just leased the yard, messroom etc. at an annual rent of £22k
MSJCB7a	Contracting out of Merton and Sutton Services		✓	The contracting out of Merton and Sutton office administration, grounds maintenance and grave digging services	Impact on the operation and management of the cemetery	4	1	4	G	↓	S/R	MSJCB	Cllr Draper (M) Cllr Whitehead (S)	N/A	Review of management and operation of the service has been completed and is being considered at this meeting
MSJCB7	Contracting out of Merton and Sutton Services		✓	The contracting out of Merton and Sutton office administration, grounds maintenance and grave digging services	Short, Medium and Long Term Pension Implications	6	1	6	A	→	FI	MSJCB	Cllr Draper (M) Cllr Whitehead (S)	N/A	Information on membership of the pension fund outstanding
Emerging risks															

By virtue of paragraph(s) 1, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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