



**CYNGOR BWRDEISTREF SIROL
RHONDDA CYNON TAF
COUNTY BOROUGH COUNCIL**

COMMITTEE SUMMONS

C Hanagan
Service Director of Democratic Services & Communication
Rhondda Cynon Taf County Borough Council
The Pavilions
Cambrian Park
Clydach Vale CF40 2XX

Meeting Contact: John Crockett (07392193888)

YOU ARE SUMMONED to a Virtual meeting of **Llwydcoed Crematorium** to be held on **TUESDAY, 19TH JULY, 2022** at **2.00 PM**.

AGENDA

**Page
No's**

1. DECLARATION OF INTEREST

To receive disclosures of personal interest from Members in accordance with the Code of Conduct

Note:

1. Members are requested to identify the item number and subject matter that their interest relates to and signify the nature of the personal interest: and
2. Where Members withdraw from a meeting as a consequence of the disclosure of a prejudicial interest they must notify the Chairman when they leave.

2. TO ELECT A CHAIRMAN

To elect a Chairman for the Llwydcoed Crematorium Joint Committee for the Municipal Year 2022 – 2023.

3. TO APPOINT A VICE-CHAIRMAN

To appoint a Vice-Chairman for the Llwydcoed Crematorium Joint Committee for the Municipal Year 2022 – 2023.

4. MINUTES

To receive the minutes of the previous meeting of the Llwydcoed Crematorium Joint Committee which was held on 15th March 2022

3 - 6

5. PROPOSED CALENDAR OF MEETINGS 2022 - 2023

To consider the report of the Service Director, Democratic Services & Communications.

7 - 8

6. REPORT OF THE BEREAVEMENT SERVICES MANAGER

To consider the report of the Bereavement Services Manager.

9 - 10

7. DRAFT ANNUAL RETURN FOR THE YEAR ENDED 31ST MARCH 2022 (SUBJECT TO AUDIT), INTERNAL AUDIT REPORT FOR 2021/22 AND PERIOD 3 BUDGET MONITORING UPDATE 2022/23

To consider the report of the Treasurer.

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8. URGENT BUSINESS

To consider any items, which the Chairman, by reason of special circumstances, is of the opinion should be considered at the meeting as a matter of urgency

Service Director of Democratic Services & Communication

Circulation:-

Representing Merthyr Tydfil County Borough Council:
County Borough Councillors: Councillor M Colbran, Councillor D Isaac and Councillor J Thomas

Representing Rhondda Cynon Taf County Borough Council:
County Borough Councillors: Councillor A Crimmings, Councillor J Elliott, Councillor A Fox, Councillor G Jones and Councillor K Morgan



**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MERTHYR TYDFIL COUNTY BOROUGH COUNCIL**

Llwydcoed Crematorium

Minutes of the virtual meeting of the Llwydcoed Crematorium meeting held on Tuesday, 15 March 2022 at 2.00 pm.

County Borough Councillors - Llwydcoed Crematorium Members in attendance:-

Councillor D Isaac (Chair)

Merthyr Tydfil County Borough Councillors

Councillor D Chaplin Councillor M Colbran
Councillor J Thomas

Rhondda Cynon Taf County Borough Councillors

Councillor H Boggis Councillor A Crimmings
Councillor A Fox

Officers in attendance

Ms J Beer, Assistant Cemeteries Manager
Mr S Preddy, Group Accountant
Ms L Coughlan, Solicitor

20 APOLOGIES FOR ABSENCE

Apologies for absences were received from County Borough Councillors G. Jones and K. Morgan.

21 DECLARATION OF INTEREST

There were no declarations of interests in matters pertaining to the agenda.

22 MINUTES

RESOLVED to approve as an accurate record, the minutes of the meeting of the Llwydcoed Crematorium Joint Committee held on 14th December 2021.

23 REPORT OF THE BEREAVEMENT SERVICE MANAGER

1) Llwydcoed Crematorium Services Fees & Charges 2022/23.

The Assistant Cemeteries Manager presented the report of the Bereavement Services Manager in respect of the cremation and supplementary fees and charges for 2022/23 effective from 1st April 2022.

The Assistant Cemeteries Manager reported that the proposed charges for crematorium and all supplementary fees for 2022/23 had been formally approved at Full Council on the 9th March 2022 of the proposed uplift on 2.5% to said fees.

Members learned that the proposed charges for crematorium and all supplementary fees for 2022/23 was at the lower end in comparison to other local Authorities.

2) Statistics and Performance

The Assistant Cemeteries Manager provided Members with Statistics and Performance figures relating to the operation of the Crematorium since the last meeting.

Following consideration of the report, it was **RESOLVED** –

- 1 To approve the levels for cremation and all supplementary fees and charges for 2022/23; and
- 2 To note the Statistics and Performance figures contained within the report relating to the operation of the Crematorium since the last meeting.

24 BUDGET MONITORING REPORT FOR 2021 - 22 AND DRAFT REVENUE ESTIMATES FOR 2022 - 23

The Group Accountant, Community Services presented the report, which provided Members with an update on the 2021/22 Budget Monitoring position and the Draft Revenue Estimates for 2022/23.

The Group Accountant provided details of the approved budget, actual expenditure to 28th February 2022 and projected outturn figures for 2021/22 outlining the main expenditure variances.

Members learned that the operating environment during 2021/22 has been unprecedented as wider society and the Service continue to recover from the Covid-19 pandemic. Furthermore, this has impacted on income levels during the period, with robust monitoring arrangements in place to assess on-going impact.

Following consideration of the Draft Revenue Estimates for 2022/23, it was **RESOLVED** –

1 To note the 2021-22 Budget Monitoring position.

(2) To approve the draft Revenue Estimates for 2022-23.

2 ANY OTHER BUSINESS

In response to a query raised in relation to the two available permanent administrative posts at the Crematorium, the Assistant Cemeteries Manager reported that the 37-hour post is out for advert and that the agency staff member who is currently filling the 30-hour post will be made permanent. Furthermore, it is anticipated that the interviews will take place before end of March.

In response to a query raised in relation to the planned refurbishment at the Crematorium, the Assistant Cemeteries Manager reported that there is some prior work that needs to be undertaken but anticipate that the proposed works would commence in the near future.

The Vice Chairman informed the Committee that this would be her last meeting and thanked the Officers for their hard work over the years and wished the Committee every success in the future.

On behalf of the Committee, the Chairman thanked the Vice Chairman for all the support and assistance she has provided to the Committee over the many years she has served and wished her well for the future.

This meeting closed at 2.19 pm

**H. Boggis
Chairman.**

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**RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MERTHYR TYDFIL COUNTY BOROUGH COUNCIL**

MUNICIPAL YEAR 2022 – 2023

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19TH JULY 2022

PROPOSED CALENDAR OF MEETINGS FOR THE 2022-23 MUNICIPAL YEAR

1. PURPOSE

To consider the proposed calendar of meetings for the Joint Committee for the 2022-23 Municipal Year.

2. RECOMMENDATION

To agree the calendar of meetings for the 2022-23 Municipal year as set out within section 3 of the report.

3. BACKGROUND

3.1 The following schedule of quarterly meetings is proposed for the 2022-23 Municipal year with the Chairman having the power to call special meetings as and when necessary to consider any matters requiring urgent consideration:

- Tuesday 20th September 2022 at 2.00 pm
- Tuesday 13th December 2022 at 2.00 pm
- Tuesday 14th March 2023 at 2.00 pm

3.2 The above meetings can be held virtually or at the Civic Offices of Merthyr Tydfil County Borough Council in line with the provisions set within the Local Government & Elections (Wales) Act 2021 in respect of virtual and hybrid meetings.

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL
MERTHYR TYDFIL COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19TH JULY 2022

PROPOSED CALENDAR OF MEETINGS FOR THE 2022-23 MUNICIPAL YEAR

Free Standing Matter

RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL

REPORT OF THE BEREAVEMENT SERVICES MANAGER

19TH JULY 2022

1. PURPOSE OF THE REPORT

1.1. To update members with regard to the agreed improvement works at Llwydcoed Crematorium:

- External decoration of buildings, upper external walls, including stack and scaffolding – work is due to commence to the exterior of the building imminently – total cost of £46,800.
- Internal decoration of the chapels – this is scheduled to commence as soon as all exterior refurbishments are complete, but prior to the replacement of the soft furnishings. – total cost of £20,400.
- Replacement of all soft furnishings (furniture/curtains) – September 2022 (work to be undertaken over weekend periods)- £51,193
- Replacement carpets – chapels – awaiting confirmation of timescale/costs.
- Underground fibre link to main building – £17,000 – awaiting schedule from Corporate Estates.

Other works requiring approval from members:

- Site CCTV – to install CCTV to improve security measures on site - £20,000
- Introduction of biodiversity areas at the Crematorium with accompanying explanatory information boards installed.

RECOMMENDATION:

- 1.1. That the update be noted and approval be obtained for the other works detailed above.

Llwydcoed Crematorium Joint Committee
 Report of Bereavement Services Manager
 Statistics and Performance

Cremations	
1970-2015	50038
2016	1258
2017	1480
2018	1527
2019	1458
2020	1819
2021	1409
Jan – March 2022	354
April 2022	115
May 2022	129
June 2022	87
Total to date	59674
Year to 31 March 2023	
Adults	327
Children	4
Stillbirths	0
NVF's	30
Body organs	1
Scattered	4
Interred	32
Released	295
Applications for memorials	
Book of Remembrance	1
Memorial Cards	0
Plaques on Plots	45
Plaques in Garden	0
Rose Bushes	2
Memorial Leaves	2

RECOMMENDATION:
 To note the report

LLWYDCOED CREMATORIUM JOINT COMMITTEE
19th July 2022

REPORT OF THE TREASURER

MATTERS REPORTED FOR DECISION

**DRAFT ANNUAL RETURN FOR THE YEAR ENDED 31st MARCH 2022
(SUBJECT TO AUDIT), INTERNAL AUDIT REPORT FOR 2021/22 AND PERIOD 3
BUDGET MONITORING UPDATE 2022/23**

1. PURPOSE OF REPORT

1.1 This report provides Members with the unaudited Annual Return for the Year Ended 31st March 2022, the Internal Audit Final Report 'Llwydcoed Crematorium' issued 23rd May 2022 and the Period 3 Budget Monitoring Update 2022/23.

2. RECOMMENDATIONS

2.1 It is recommended that:

- Members note the report.
- Members note the unaudited Annual Return for the year ended 31st March 2022 as presented. (Appendix 1).
- Members note and approve the Internal Audit Final Report (Appendix 2).
- Members note and approve the Period 3 Budget Monitoring Update 2022/23 (Appendix 3).
- The Chair of the Joint Committee signs the Approval and Certification section of the Annual Return.

3. BACKGROUND

3.1 The Accounts and Audit (Wales) Regulations 2014 require all local councils and joint committees to prepare their annual accounting statements in accordance with proper practices.

3.2 The Accounts and Audit (Wales) Regulations 2014 define a joint committee with income and expenditure of less than £2.5 million per annum as a 'smaller relevant body'.

3.3 In this case, the 'Governance and Accountability for Local Councils in Wales – a Practitioners Guide' has been identified as being proper practice for the preparation of accounts.

3.4 The Practitioners Guide allows bodies with income and expenditure of less than £2.5 million to prepare an annual return, which includes an income and expenditure account and a statement of balances, rather than a full statement of accounts.

- 3.5 Regulation 15(2) of the Accounts and Audit (Wales) Regulations 2014 (as amended) requires that the Llwydcoed Crematorium Joint Committee must, no later than 31st May immediately following year end, consider and approve the annual return by the members meeting as a whole.
- 3.6 Members will note that the Joint Committee has not considered the annual return for the year ended 31st March 2022 by 31st May 2022. Welsh Government has set out its expectation regarding an extended timescale for the preparation and certification of statutory financial accounts for the 2021/22 financial year, in line with Accounts and Audit (Wales) Regulations 2014, due to the on-going impact of the pandemic i.e. preparation and certification of draft accounts by 31 August 2022 and publication of final audited accounts by 30 November 2022 and, if working to this later timetable, bodies will need to ensure they publish the required notices as set out in the Regulations. In line with this, the Council has revised its timetable accordingly, ensuring the annual return is completed as timely as possible, and has also published the required notice on its website.
- 3.7 Moving onto the external audit process for the Annual Return, unless the Annual Return needs to be amended, the auditor will certify the return and send it back to the Joint Committee for publication with no further approval required by the Joint Committee. If however amendments are required, the auditor will send the return to the Joint Committee for amendment and re-approval before the auditor can certify the return. As referred to in paragraph 3.6, where the required timescales as set out in the Accounts and Audit (Wales) Regulations 2014 are not complied with, the Council will publish a notice in line with the Regulations.

4. FINANCIAL PERFORMANCE AND MOVEMENT OF USABLE RESERVES

- 4.1 The first part of the table below shows the controllable income and expenditure for 2021-22 compared to budget. It then shows the impact of interest earned on reserves and the balance of reserves available to the Joint Committee.

2021/22	Budget £	Actual £	Variance £	Annual Return Ref
Controllable Expenditure				
Employees	248,070	234,186	-13,884	Line 4
Premises	197,320	206,456	9,136	Line 6
Transport	1,000	5,252	4,252	Line 6
Supplies & Services	82,920	77,048	-5,872	Line 6
Support Services	98,690	99,519	829	Line 6
	628,000	622,461	-5,539	
Controllable Income				
Receipts/Fees	-1,147,890	-982,092	165,798	Line 3
Controllable Surplus	-519,890	-359,631	160,259	
Add interest earned		-1,176		Line 3
Revenue contribution to balances		-360,807		

2021/22	Budget £	Actual £	Variance £	Annual Return Ref
Distribution from General Reserve		350,000		Line 6
Net increase in Reserves		-10,807		
General Reserves B/F 01.04.21		-1,477,782		Line 1
General Reserves C/F 31.03.22		-1,488,589		Line 7

4.2 The General Reserve is a distributable revenue reserve, which consists of the accumulated surpluses of the Crematorium's operations.

4.3 This can be apportioned between Cynon Valley (now part of Rhondda Cynon Taf CBC) and Merthyr Tydfil CBC in the ratio of respective populations (2011 Census Data) as follows:

	Merthyr Tydfil	Cynon Valley	Total
Relevant Population	58,802	63,238	122,040
Balance at 1st April 2021	-712,033	-765,749	-1,477,782
(Surplus)/Loss for the Year	-5,207	-5,600	-10,807
Balance at 31st March 2022	-717,240	-771,349	-1,488,589

4.4 The main reasons for the variances between budgeted and actual controllable expenditure were:

- Employee costs were lower than budgeted due to a temporary staff vacancy.
- Premises costs were higher than budgeted mainly due to additional maintenance and improvement works plus higher utility costs.
- Transport costs were higher than budgeted due to the purchase of towable salt spreader.

4.5 The main reason for the variance between budgeted and actual controllable income was:

- Income received was lower than budgeted due to lower than forecasted number of cremations undertaken.

5. BALANCE SHEET FOR THE YEAR ENDED 31st MARCH 2022

5.1 In addition to the Annual Return, a supplementary Balance Sheet is provided in the table below. This supplementary information provides a further breakdown of the figures reported in the Annual Return, is purely for information only, and is not subject to audit at year end.

31-Mar-21 £		31-Mar-22 £	Annual Return Ref
	LONG TERM ASSETS		
1,774,201	Land & Property	1,667,839	
0	Plant & Equipment	0	
1,774,201	TOTAL LONG-TERM ASSETS	1,667,839	Line 12
	CURRENT ASSETS		
12,335	Inventories	13,998	Line 8
120,405	Debtors	88,595	Line 8
1,518,625	Cash and Bank (Personal Account)	1,394,669	Line 9
1,651,365	TOTAL CURRENT ASSETS	1,497,262	
	CURRENT LIABILITIES		
(173,583)	Creditors	(8,673)	Line 10
1,477,782	NET CURRENT ASSETS	1,488,589	Line 11
3,251,983	TOTAL ASSETS LESS CURRENT LIABILITIES	3,156,428	
	LONG TERM LIABILITIES		
(280,000)	Defined Pension Scheme Liability	(147,000)	
2,971,983	NET ASSETS	3,009,428	
	REPRESENTED BY :-		
	USABLE RESERVES		
(1,477,782)	General Fund Balances	(1,488,589)	Line 11
	UNUSABLE RESERVES		
280,000	Pensions Reserve	147,000	
(58,509)	Revaluation Reserve	(55,723)	
(1,715,692)	Capital Adjustment Account	(1,612,116)	
(2,971,983)		(3,009,428)	

5.2 Further information to explain the balances are provided below:

- Long Term Assets include Land, Buildings and Equipment. The value of all land, buildings and equipment is based on a written down value after taking account of the assets remaining life and estimated cost of replacement.
- Inventories are stock included in the Balance Sheet at the lower of cost and net realisable value, and relates mainly to caskets, memorial bases and flower containers.
- Debtors represent monies owed to Llwydcoed Crematorium by trade debtors such as Funeral Directors.
- Cash and Bank (Personal Account) is the amount held on behalf of Llwydcoed Crematorium by Rhondda Cynon Taf County Borough Council. No separate bank account exists for the Joint Committee.
- Creditors are amounts owed by Llwydcoed Crematorium to suppliers for which goods and services were provided prior to the end of the financial year but at that time not invoiced.
- Defined Pension Scheme Liability – As part of the terms and conditions of employment, the employees of Llwydcoed Crematorium are offered retirement benefits by the Joint Committee. Although these benefits will not

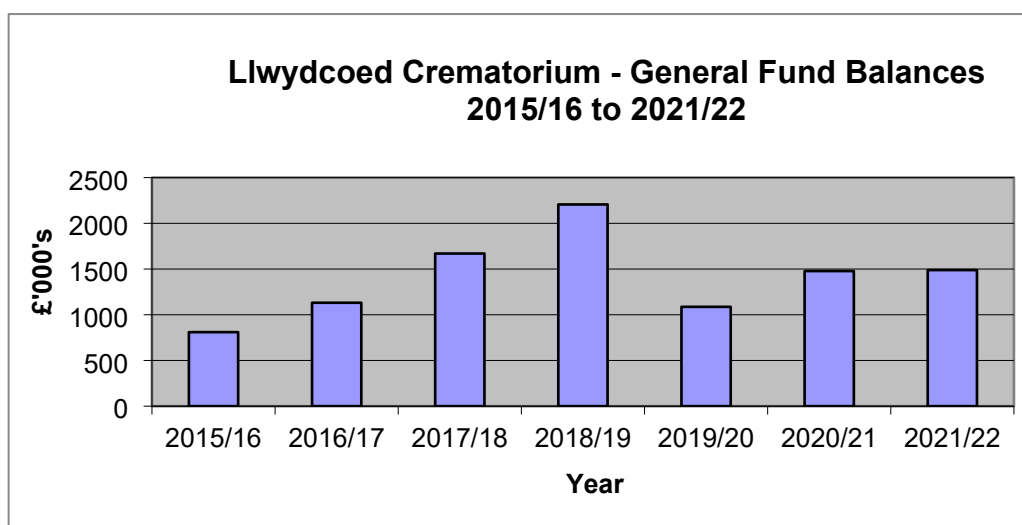
be payable until retirement, the Joint Committee has a commitment to make these payments. The liability for these payments need to be accounted for at the time the future entitlement is earned.

- Reserves are reported in two categories. Usable reserves can be used by the Committee to provide services subject to the need to provide a prudent level of reserves. Unusable reserves are not available to provide services.
- The General Fund Balance is a distributable revenue reserve, which consists of the accumulated surpluses of the Crematorium's operations.
- The Pensions Reserve covers the Defined Pension Scheme Liability.
- The Revaluation Reserve contains the gains made by the Joint Committee arising from increases in the value of its Land, Buildings and Equipment.
- The Capital Adjustment Account represents the difference between the cost of fixed assets used by the Joint Committee and the capital financing set aside to pay for them.

6. GENERAL FUND BALANCES - 2015/16 TO 2021/22

6.1 The table below shows Llwydcoed Crematorium's level of General Fund Balances for the last seven years. The level of the Crematorium's reserves had previously grown before a reduction in 2015/16 due to the costs of the replacement of the cremators. Further expenditure on the replacement of the cremators took place during 2016/17 due to the final stage payments of the contracted works although increased income levels offset the expenditure. The reserves grew steadily in 2017/18 and 2018/19.

6.2 In 2019/20 a decision was taken by the Joint Committee at the meeting of 10th December 2019 to distribute £1,500,000 of the General Reserve to each Authority in line with the relevant populations as detailed in 4.3 above. For 2020/21 the reserve balance increased and has been maintained at generally the same level for 2021/22.



7. INTERNAL AUDIT FINAL REPORT

- 7.1 The Internal Audit Final Report 'Llwydcoed Crematorium 2021/22' was issued on the 23rd May 2022 (and is attached as Appendix 2).
- 7.2 The audit opinion is that the overall control environment at Llwydcoed Crematorium provides reasonable assurance with some areas for improvement. The management team has considered this report and an action plan has been prepared to address areas requiring improvement.

8. PERIOD 3 BUDGET MONITORING UPDATE 2022/23

- 8.1 Appendix 3 sets out details of the budget, actual expenditure to 30th June 2022 and projected outturn figures for 2022/23.

8.2 **Operating Expenditure for 2022/23 is projected to be £672,126 against a budget of £676,910 – a projected underspend of £4,784.**

- 8.3 The main projected expenditure variances are as follows: -

- Employees - £12,648 projected overspend due to the retention of an agency staff member
- Premises - £20,468 projected underspend due to lower than anticipated costs on general repairs & maintenance partly offset by increased utility costs

8.4 **Operating income for 2022/23 is projected to be £1,040,903 against a budget of £1,176,020 showing a projected deficit of income of £135,117.**

- 8.5 Projections for cremation fees have been made based on actuals to date and an estimated number of cremations for the remainder of the financial year and will be monitored closely throughout the financial year.

8.6 **Investment costs identified to date are projected to be £136,193 across the following areas**

- £51,993 - Furniture/curtains for both chapels
- £20,400 - Redecoration of interior of all chapels
- £46,800 - Redecoration of all upper external walls
- £17,000 - Underground fibre link to main building

- 8.7 Summary position for 2022-23

	£
General reserves brought forward 1st April 2022	1,488,589
Projected Net Revenue contribution to reserves in 2022/23	372,277
Investment Costs	-136,193
Redistribution to Joint Authorities	-350,000
Projected General Reserves 31st March 2023	<u>1,374,673</u>

9. SUMMARY

- 9.1 The General Reserves are required to fund further capital expenditure as part of the ongoing delivery of the service and is considered to be at a prudent level as at 31st March 2022.
- 9.2 The level of General Reserve will be monitored closely as part of the ongoing Budget Monitoring process and reported to the Joint Committee at appropriate intervals.

LOCAL GOVERNMENT ACT 1972

As amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LLWYDCOED CREMATORIUM JOINT COMMITTEE

19^h July 2022

Report of the Treasurer to Llwydcoed Crematorium

LIST OF BACKGROUND PAPERS

Ref:	Contact Officer
Appendix 1 Draft Annual Return for the Year Ended 31st March 2022	Steve Preddy (01443 680644)
Appendix 2 Internal Audit Final Report	Steve Preddy (01443 680644)
Appendix 3 Period 3 Budget Monitoring Update 2022/23	Steve Preddy (01443 680644)

Accounting statements 2021-22 for:

Name of body: Llwyrcoed Crematorium Joint Committee

	Year ending		Notes and guidance for compilers
	31 March 2021 (£)	31 March 2022 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	1,086,552	1,477,782	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	0	0	Total amount of income received/receivable in the year from local taxation (precept) or levy/contribution from principal bodies.
3. (+) Total other receipts	1,460,440	983,268	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	-234,339	-234,186	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, PAYE and NI (employees and employers), pension contributions and related expenses eg termination costs.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	-834,871	-738,275	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	1,477,782	1,488,589	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	132,740	102,593	Income and expenditure accounts only: Enter the value of debts owed to the body.
9. (+) Total cash and investments	1,518,625	1,394,669	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	-173,583	-8,673	Income and expenditure accounts only: Enter the value of monies owed by the body (except borrowing) at the year-end.
11. (=) Balances carried forward	1,477,782	1,488,589	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	1,774,201	1,667,839	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

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

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

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

Additional disclosure notes*

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

1.

2.

3.

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

Committee approval and certification

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

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

Annual internal audit report to:

Name of body: Llwydcoed Crematorium Joint Committee

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

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

	Agreed?				Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to body)
	Yes	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Detailed internal audit report presented to body
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Detailed internal audit report presented to body
3. The body assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Detailed internal audit report presented to body. The crematorium has a track record of identifying and managing risk appropriately.
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	Central function and regular Treasurer's reports presented to Joint Committee
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Detailed internal audit report presented to body
6. Petty cash payments were properly supported by receipts, expenditure was approved and VAT appropriately accounted for.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	Llwydcoed Crematorium does not operate a petty cash account
7. Salaries to employees and allowances to members were paid in accordance with minuted approvals, and PAYE and NI requirements were properly applied.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	Central function administered by Council's payroll service
8. Asset and investment registers were complete, accurate, and properly maintained.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	Central Function

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

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

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

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

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

My detailed findings and recommendations which I draw to the attention of the Committee are included in my detailed report to the Committee dated 23rd May 2022.

Internal audit confirmation

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

Name of Auditor : Joanna Huxtable

Name of person who carried out the internal audit:

C. Mark Thomas MAAT CPFA - Head of Regional Internal Audit Service

Signature of person who carried out the internal audit:



Date: 27th May 2022

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Professional, Approachable, Independent

Internal Audit Final Report




LLWYDCOED CREMATORIUM RCT 2021/22

Report Issue Date	23rd May 2022
Report Authors	Lisa Cumpston – Audit Manager Joanna Huxtable - Auditor
Report Distribution	Ceri Pritchard - Crematorium Manager Janet Lewis - Bereavement Services Manager
	See Full Distribution List – Section 4



**REGIONAL INTERNAL AUDIT SERVICE /
GWASANAETH ARCHWILIO MEWNOL RHANBARTHOL**



AUDIT OPINION	RECOMMENDATION SUMMARY	
	High Priority	0
	Medium Priority	8
	Low Priority	0
	Total	8

REASONABLE ASSURANCE

There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.

STRENGTHS & AREAS FOR IMPROVEMENT

During the audit a number of key strengths and areas of good practice were identified as follows:

- The Burial and Cremation Administration System (BACAS) is used to administer the day to day functions of the Service.
- Access to the system is password protected and passwords are not shared.
- Income in respect of services provided by the Crematorium is received, formally recorded, and correctly appears in the Council’s accounts.
- A back up of the BACAS system is undertaken daily and remotely.
- Cremations are supported with the correct statutory documentation.
- Exhumations are supported with the correct statutory documentation.
- Plot ownership is recorded on the BACAS system.
- The maximum number of internments for each plot has not been exceeded.

The following key issues were identified during the audit which need to be addressed:

- The Council’s website has not been updated with the new charges for Bereavement Services for 2022/23.
- The website has not been updated to reflect the recent lifting of Covid restrictions.
- The Financial Procedures document is out of date and needs enhancing to reflect current practices at the Crematorium.
- No independent check of income received to deposits made with the bank could be evidenced.
- Invoices raised on the BACAS system do not include the Council’s VAT registration number nor the bank account details for BACS payments.
- The Purchase Card Transaction Log is updated on receipt of the Bank Statements.
- The Purchase Card and associated documentation for Llwydcoed is retained at Glyntaff Crematorium.
- No formal reconciliation of the Purchase Card system is being undertaken.
- The supporting documents for exhumations are not always held at the same location.

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1. INTRODUCTION & BACKGROUND

An audit of Llwydcoed Crematorium was undertaken in accordance with the Internal Audit Plan for 2021/22.

This report sets out the findings of the audit and provides an opinion on the adequacy and effectiveness of internal control, governance and risk management arrangements in place. Where controls are not present or operating satisfactorily, recommendations have been made to allow Management to improve internal control, governance and risk management to ensure the achievement of objectives.

Llwydcoed Crematorium is run by Rhondda Cynon Taf County Borough Council under a joint agreement with Merthyr Tydfil County Borough Council.

There is a joint committee that oversees the operation of the Crematorium, the Llwydcoed Crematorium Joint Committee. The Committee is made up of Local Authority Councillor representative members from Rhondda Cynon Taf and Merthyr Tydfil County Borough Councils, who are responsible for overseeing the financial and operational management of the Crematorium.

Rhondda Cynon Taf is the host Authority for the Joint Committee, and responsibility for this function lies with the Group Director of Community and Children's Services. The Service is delivered operationally by Bereavement Services, managed locally by the Director, Public Health, Protection & Community Services.

2. OBJECTIVES & SCOPE OF THE AUDIT

The purpose of the audit is to provide assurance on the adequacy and effectiveness of the internal control, governance and risk management arrangements in respect of Llwydcoed Crematorium.

Audit testing was undertaken in respect of financial year(s) 2021/22.

The internal control, governance and risk management arrangements have been evaluated against the following audit objectives:

- To ensure that accurate and up to date records are maintained of all burials, graves and purchased plots in line with statutory obligations.
- To ensure that all confidential data is retained securely, electronic records / systems are backed up regularly with access restricted to authorised users only.
- Charges for Bereavement Services are consistent between Rhondda Cynon Taf and Merthyr Tydfil County Borough Councils, and that all income due to the Crematorium is received, formally recorded, and banked in accordance with Council guidelines.
- The Purchase Card is being used in accordance with the guidance and procedures issued by the Procurement Service.

3. AUDIT APPROACH

Fieldwork took place following agreement of the audit objectives.

A draft report was prepared and provided to Management for review and comment with an opportunity given for discussion or clarification.

This final report incorporates Management comments together with a Management Action Plan for the implementation of recommendations.

Governance and Audit Committee will be advised of the outcome of the audit and may receive a copy of the Final Report.

Management will be contacted and asked to provide feedback on the status of each agreed recommendation, once the target date for implementation has been reached.

Any audits concluded with a no assurance or limited assurance opinion will be subject to a follow up audit.

4. DISTRIBUTION LIST

This Final report has also been provided electronically to the following Officers:

- Chief Executive
- Group Director, Community and Children's Services
- Director, Public Health, Protection & Community Services
- Head of Leisure, Sport and Parks
- Director of Financial and Digital Services
- Service Director – Finance and Improvement Services

5. ACKNOWLEDGMENTS

A number of staff gave their time and co-operation during the course of this review. We would like to record our thanks to all of the individuals concerned.

The work undertaken in performing this audit has been conducted in conformance with the Public Sector Internal Audit Standards.

The findings and opinion contained within this report are based on sample testing undertaken. Absolute assurance regarding the internal control, governance and risk management arrangements cannot be provided given the limited time to undertake the audit. Responsibility for internal control, governance, risk management and the prevention and detection of fraud lies with Management and the organisation.

Any enquires regarding the disclosure or re-issue of this document to third parties should be sent to the Head of the Regional Internal Audit Service via cmthomas@valeofglamorgan.gov.uk.

6. FINDINGS & RECOMMENDATIONS

INCOME	
Control Objective: Charges for Bereavement Services are consistent between Rhondda Cynon Taf and Merthyr Tydfil County Borough Councils, and that all income due to the Crematorium is received, formally recorded, and banked in accordance with Council guidelines.	
	<p>Strengths: Since the previous audit report in 2020/21, Covid-19 restrictions have lifted, and the site office has re-opened to the public for general enquiries and the purchase of memorials.</p> <p>There is a consistent charging schedule across the two Council's that are served by the Crematorium.</p> <p>The Webpaystaff system is used to record all income received directly on site. The system allows payments to be taken in person, as well as credit / debit card payments over the telephone. The system generates receipts which are issued directly to customers, with copies also retained on site.</p> <p>As a back up to the system, an income ledger is also in place, which is updated as and when income is received (in black ink) or when a service is provided, to which a Debtors Invoice is issued (in red ink) from the Burial and Cremation Administration System (BACAS) which is used to administer the day to day functions of the Service.</p> <p>The Crematorium uses Loomis, the secure collection service to assist with banking on a fortnightly basis. Whilst awaiting banking, all income is held in a secure safe, with access strictly limited to key personnel only. A review of the income records for the sample period January 2022 to March 2022 identified all income recorded as received at Llwydcoed, had been banked, and appeared within the Council's accounts.</p>

Ref. & Priority	Finding / Weakness	Risk	Recommendation
<p>1.1 Medium</p>	<p>A review of the Council website during the audit fieldwork identified that the charges detailed for Bereavement Services relate to 2020/21.</p> <p>It was also noted that the Council website has not been updated to reflect the current Funeral arrangements following all Covid restrictions being lifted.</p>	<p>The Council website is not an accurate reflection of the Council's current charges for Bereavement Services and current funeral arrangements.</p>	<p>In order to avoid adverse publicity, the Council website should be updated to include the new charges for Bereavement Services for 2022/23.</p> <p>Arrangements should also be made to update the website to reflect the current Funeral arrangements now that all Covid restrictions have been lifted.</p>
<p>1.2 Medium</p>	<p>The Financial Procedures Document for the Crematorium was formulated in 2015.</p> <p>Although the document includes some areas of administration, it does not define system processes and the individual staff responsibilities across all areas of the Crematorium's administration. Furthermore, it also contains duties which have now been transferred to the larger administrative team based at Glyntaff Crematorium.</p>	<p>Staff may be unclear of their roles and responsibilities, and this could impede day to day administration.</p> <p>Difficulty may also be experienced during periods of staff absences, as no formal record exists of the procedures to be followed. This is particularly relevant in view of the operational difficulties that could be experienced running a demand driven, statutory service with staff who may be unfamiliar with processes.</p>	<p>The current Financial Procedures document should be reviewed and enhanced to define system processes and individual staff responsibilities across all areas of the Crematorium's administration.</p> <p>Once completed, the procedures should be issued to all appropriate members of staff.</p> <p>NB: Any revision to the Policy should also take into account recommendations raised elsewhere in this report.</p>

Ref. & Priority	Finding / Weakness	Risk	Recommendation
<p>1.3 Medium</p>	<p>Sundry Debtor Invoices are issued monthly to Funeral Directors, directly from the BACAS system.</p> <p>Although the invoices are generated in numerical order, and contain full details of the services provided, it was noted (from examination of the copy invoices) that the Council's VAT number and bank account details for payment are not stated.</p>	<p>VAT may not be correctly identified / accounted for.</p> <p>There may be confusion when making payment in the absence of account details.</p>	<p>Management should ensure that the Council's VAT number is added to all invoices issued from the BACAS system to ensure that VAT can be correctly accounted for within the Council's accounts and in the Funeral Director's accounts.</p> <p>Management should also ensure that payment options are also added to the invoices, to ensure that no difficulty / confusion is experienced when payment is being made.</p>
<p>1.4 Medium</p>	<p>Examination of the Income Ledger and Bank Paying in Book identified no evidence of a retrospective, periodic review of the income records.</p> <p>Furthermore, it was also noted that eradicating fluid is occasionally used on the Income Ledger.</p>	<p>Errors / mistakes may not be identified in the absence of regular review.</p> <p>The use of eradicating fluid completely hides the original entry thereby removing any audit trail.</p>	<p>A Senior Member of staff should undertake a periodic, sample-based review of the income records to ensure that there are no anomalies / errors or misappropriation of income.</p> <p>It should also be ensured that eradicating fluid is not used. If a mistake needs to be amended, it should be crossed through in ink and a new entry made.</p>

PURCHASE CARD			
Control Objective: The Purchase Card is being used in accordance with the guidance and procedures issued by the Procurement Service.			
Ref. & Priority	Finding / Weakness	Risk	Recommendation
2.1 Medium	<p>Although there is a safe located at Llwydcoed Crematorium, discussions during the audit fieldwork established that the Purchase Card is held within the safe at Glyntaff Crematorium.</p> <p>There was uncertainty by the Card Holder regarding staff access to the safe at Glyntaff.</p>	<p>The card may be used in error by unauthorised personnel.</p>	<p>Consideration should be given to retaining the Purchase Card, and supporting documentation within the safe at Llwydcoed.</p> <p>This will limit access to the card, and ensure that it is used for Llwydcoed Crematorium purchases only.</p>
2.2 Medium	<p>Section 6 of the Cardholder Manual issued by the Procurement Service states that <i>'Each Purchasing Card transaction should be recorded on the transaction log as soon as the transaction is complete to ensure that no information is omitted'</i>.</p> <p>Discussions during the audit fieldwork established that the Purchase Card Transaction Log is completed once a month, on receipt of the Bank Statement, rather than as and when purchases are made.</p>	<p>Non-compliance with Cardholder Manual.</p> <p>Errors on the bank statements may not be identified.</p>	<p>The Cardholder should ensure that the Transaction Log is updated (as soon as possible) when a Purchase Card Purchase is made.</p> <p>This will ensure that the transaction log is used as part of the reconciliation of the account with the bank statements.</p> <p>Care should also be taken to ensure that the log shows evidence of a reconciliation (i.e. that this is signed and dated as correct).</p>

Ref. & Priority	Finding / Weakness	Risk	Recommendation
<p>2.3 Medium</p>	<p>A review of the Purchase Card expenditure identified 3 payments which had been "forced through" the Barclaycard system by the Council's Purchase Card Administrator.</p> <p>A review of the Transaction Log established no record of the 3 purchases having been made (refer to report reference 2.2) and no supporting documentation could be found to support the expenditure (which amounted to £1185.68).</p> <p>Furthermore, there was also an assumption by the Card Holder that the Purchase Card records were subject to a periodic independent reconciliation by the Bereavement Services Manager, despite this not being evident.</p> <p>NB. It is acknowledged that on bringing this to the attention of the Card Holder, the supporting documents were located the following day, although there was uncertainty as to who had made the 3 purchases (also refer to report ref. 2.1).</p>	<p>Non-compliance with the Card Holder Manual.</p> <p>There was an incomplete / insufficient paper trail for 3 purchases.</p> <p>In the absence of a reconciliation, errors / fraudulent payments may not be identified.</p>	<p>The Purchase Card records should be subject to improved control and regular, independent reconciliation.</p> <p>In the event errors / anomalies are identified, an investigation should be undertaken in order to rectify the error.</p> <p>In respect of the 3 "forced payments", and recovered supporting documentation, although the purchases were made from regular suppliers, the Crematorium Manager should establish who made the purchases, and establish if the purchases were for the intended purpose of Llwydcoed Crematorium and not Glyntaff Crematorium.</p> <p>If it is found that the expenditure has been incorrectly mixed, then arrangements should be made to adjust both budgets accordingly.</p> <p>Management should also be reminded that in the even the Purchase Card is shared with other members of staff, the Purchase Card Sharing Log is completed each time the card is borrowed and returned.</p>

STATUTORY OBLIGATIONS

Control Objective: To ensure that accurate and up to date records are maintained of all burials, graves and purchased graves.

Strengths:
 All cremation applications are supported by a full suite of statutory documentation such as Confirmatory Notice of Cremation, Application for Cremation, Medical Certificate and where necessary Coroners Reports.
 For exhumations, Ministry of Justice Application Forms had been completed and Licences for the removal of human remains had been obtained.
 The purchase of plots is recorded on the 'Register of Graves & Grants of Exclusive Rights of Burial' ledgers and on the BACAS system. The owner of the plot is provided with a deed which is printed from the BACAS system.
 The Register of Graves & Grants Exclusive Rights of Burial ledgers are used to record each interment of each plot. The maximum number of interments for all plots is 4 and these are all recorded on the BACAS system.

Ref. & Priority	Finding / Weakness	Risk	Recommendation
<p>3.1 Medium</p>	<p>During 2021, responsibility for the administration of exhumation of cremated remains at Llwydcoed Crematorium, transferred to Glyntaf Crematorium.</p> <p>Since this date, there have been 2 exhumations at Llwydcoed (plot number 1986 & 6777).</p> <p>Although testing identified that on both occasions, the correct Ministry of Justice Application Forms had been completed and a licence for the removal of human remains had been obtained; the documentation for one exhumation was found to be held at Glyntaff, while the other was found to be held at Llwydcoed.</p> <p>Furthermore, although reference had been made on the BACAS system in respect of both exhumations, inconsistencies were noted between the 2 records. It was not wholly clear that the remains have been exhumed in respect of plot number 6777.</p> <p>Additionally, no record of the exhumation taking place had been made in respect of plot number 6777 in the manual Register of Graves and Grants of Exclusive Rights of Burial record.</p>	<p>There are inconsistent working practices regarding exhumations.</p> <p>Documentation held in 2 places may get lost / misplaced.</p>	<p>Management should consider the current practice for exhumations at Llwydcoed and a decision should be made regarding ownership of the associated administrative duties.</p> <p>Either all supporting documentation and registers should be held at Llwydcoed or all should be held at Glyntaff.</p> <p>This will ensure consistent working practices and no confusion existing between the 2 sites.</p>

DATA SECURITY

Control Objective: To ensure that there are robust controls of all confidential data, that is retained securely, and electronic records / systems are backed up regularly with access restricted to authorised users only.

Strengths:

The Burial and Cremation Administration System (BACAS) is used to administer the day to day functions of the Service, such as recording details of all cremations, burials, plot purchases, memorial purchases, and entries made in the book of remembrance.

Access to the system is via password, all staff have their unique userids and passwords, passwords are not shared.

A back up of the system is undertaken daily and remotely.

The site has a fireproof safe in which statutory ledgers for the service may be held securely, however, since the previous review, responsibility and storage requirements for the Crematorium and the Cynon Valley cemeteries death registers and plot records has been transferred to Glyntaf Crematorium.

7. MANAGEMENT ACTION PLAN

Report Ref & Priority	Recommendation	Agreed (Y/N)	Management Comments	Job Title of Officer Responsible	Date to be Implemented
1.1 Medium	<p>In order to avoid adverse publicity, the Council website should be updated to include the new charges for Bereavement Services for 2022/23.</p> <p>Arrangements should also be made to update the website to reflect the current Funeral arrangements now that all Covid restrictions have been lifted.</p>	Yes	<p>Amendments for the Council website were sent to IT on the 22nd April 2022.</p> <p>However, due to their work commitments these updates have been delayed.</p> <p>The website updates are now partly completed and it is anticipated that will be finalised this week, to reflect the Council's current position.</p>	Bereavement Services Manager	31 st May 2022
1.2 Medium	<p>The current Financial Procedures document should be reviewed and enhanced to define system processes and individual staff responsibilities across all areas of the Crematorium's administration.</p> <p>Once completed, the procedures should be issued to all appropriate members of staff.</p> <p>NB: Any revision to the Policy should also take into account recommendations raised elsewhere in this report.</p>	Yes	<p>This document will be reviewed and updated to reflect all current system processes and financial procedures.</p> <p>As soon as the exercise is complete, the revised document will be issued to all staff.</p>	Bereavement Services Manager	31 st July 2022

Report Ref & Priority	Recommendation	Agreed (Y/N)	Management Comments	Job Title of Officer Responsible	Date to be Implemented
<p>1.3 Medium</p>	<p>Management should ensure that the Council's VAT number is added to all invoices issued from the BACAS system to ensure that VAT can be correctly accounted for within the Council's accounts and in the Funeral Director's accounts.</p> <p>Management should also ensure that payment options are also added to the invoices, to ensure that no difficulty / confusion is experienced when payment is being made.</p>	<p>Yes</p>	<p>The Crematorium invoices have now been updated to include the Council's VAT number and payment options.</p> <p>The change will be implemented from the next invoice run on 31st May 2022.</p>	<p>Bereavement Services Manager</p>	<p>Implemented</p>
<p>1.4 Medium</p>	<p>A Senior Member of staff should undertake a periodic, sample-based review of the income records to ensure that there are no anomalies / errors or misappropriation of income.</p> <p>It should also be ensured that eradicating fluid is not used. If a mistake needs to be amended, it should be crossed through in ink and a new entry made.</p>	<p>Yes</p>	<p>This was a process that was suspended, due to the restrictions of staff movement during the pandemic as staff were unable to leave their permanent location "bubbles" as it was deemed too great a risk.</p> <p>Now that restrictions have lifted, this procedure will be reintroduced with immediate effect.</p> <p>Staff have also been reminded that eradicating fluid must not be used, and that all amendments should be crossed through in ink and a new entry made.</p>	<p>Bereavement Services Officer</p>	<p>31st May 2022</p>

Report Ref & Priority	Recommendation	Agreed (Y/N)	Management Comments	Job Title of Officer Responsible	Date to be Implemented
<p>2.1 Medium</p>	<p>Consideration should be given to retaining the Purchase Card and supporting documentation within the safe at Llwydcoed.</p> <p>This will limit access to the card and ensure that it is used for Llwydcoed Crematorium purchases only.</p>	<p>Yes</p>	<p>A Management of Change document is currently being discussed with a change of roles and responsibilities forming a major role.</p> <p>Once this document has been ratified and changes implemented, storage, and user responsibilities of the purchasing card will be devised and introduced.</p>	<p>Bereavement Services Officer</p>	<p>31st August 2022</p>
<p>2.2 Medium</p>	<p>The Cardholder should ensure that the Transaction Log is updated (as soon as possible) when a Purchase Card Purchase is made.</p> <p>This will ensure that the transaction log is used as part of the reconciliation of the account with the bank statements.</p> <p>Care should also be taken to ensure that the log shows evidence of a reconciliation (i.e. that this is signed and dated as correct).</p>	<p>Yes</p>	<p>Noted with immediate effect.</p>	<p>Bereavement Services Manager</p>	<p>Implemented</p>

Report Ref & Priority	Recommendation	Agreed (Y/N)	Management Comments	Job Title of Officer Responsible	Date to be Implemented
<p>2.3 Medium</p>	<p>The Purchase Card records should be subject to improved control and regular, independent reconciliation.</p> <p>In the event errors / anomalies are identified, an investigation should be undertaken in order to rectify the error.</p> <p>In respect of the 3 "forced payments", and recovered supporting documentation, although the purchases were made from regular suppliers, the Crematorium Manager should establish who made the purchases, and establish if the purchases were for the intended purpose of Llwydcoed Crematorium and not Glyntaff Crematorium.</p> <p>If it is found that the expenditure has been incorrectly mixed, then arrangements should be made to adjust both budgets accordingly.</p> <p>Management should also be reminded that in the even the Purchase Card is shared with other members of staff, the Purchase Card Sharing Log is completed each time the card is borrowed and returned.</p>	<p>Yes</p>	<p>Agreed. The recommendations contained within this report will be introduced as soon as possible.</p>	<p>Bereavement Services Manager</p>	<p>31st May 2022</p>

Report Ref & Priority	Recommendation	Agreed (Y/N)	Management Comments	Job Title of Officer Responsible	Date to be Implemented
<p>3.1 Medium</p>	<p>Management should consider the current practice for exhumations at Llwydcoed and a decision should be made regarding ownership of the associated administrative duties.</p> <p>Either all supporting documentation and registers should be held at Llwydcoed or all should be held at Glyntaff.</p> <p>This will ensure consistent working practices and no confusion existing between the 2 sites.</p>	<p>Yes</p>	<p>All exhumations are dealt with at Glyntaff to enable the process to be dealt with completely from start to finish.</p> <p>The records held at Glyntaff for Llwydcoed will be updated to reflect the exhumations noted in this finding.</p>	<p>Bereavement Services Officer</p>	<p>Implemented</p>

8. DEFINITIONS

AUDIT ASSURANCE CATEGORY CODE	
Substantial Assurance	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
Reasonable Assurance	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
Limited Assurance	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
No Assurance	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

RECOMMENDATION CATEGORISATION	
Risk may be viewed as the chance, or probability, one or more of the systems of governance, risk management or internal control being ineffective. It refers both to unwanted outcomes which might arise, and to the potential failure to realise desired results. The criticality of each recommendation is as follows:	
High Priority	Action that is considered imperative to ensure that the organisation is not exposed to high risks.
Medium Priority	Action that is considered necessary to avoid exposure to significant risks.
Low Priority	Action that is considered desirable and should result in enhanced control.

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Appendix 3

2022-23					Comments
Budget £	Actual pr 1 to 3 £	Projected outturn £	Projected variance £		
OPERATING EXPENDITURE					
Employees					
Admin salaries	87,310	10,063	83,973	-3,337	
Technicians wages	91,810	21,083	95,291	3,481	
Crematorium Operative	74,980	18,292	73,487	-1,493	
Agency staff	5,460	3,084	19,457	13,997	
	259,560	52,522	272,208	12,648	
Premises					
Repair and Maintenance	46,010	348	16,557	-29,453	
Gas	33,600	3,659	41,608	8,008	
Electricity	22,650	3,270	23,930	1,280	
Specialist Contractor (FT)	51,500	13,528	54,112	2,612	
NNDR	38,850	37,985	37,985	-865	
Council Tax	0	0	0	0	
Water Charges	550	255	500	-50	
Fixtures and Fittings	2,000	0	0	-2,000	
Contractor Payments (skip charges)	4,500	0	4,500	0	
Cleaning Materials	650	0	650	0	
General Insurance	5,800	0	5,800	0	
	206,110	59,045	185,642	-20,468	
Transport					
Plant and Vehicles	1,000	0	1,000	0	
	1,000	0	1,000	0	
Supplies and Services					
Plaques and Memorials	16,200	1,811	15,500	-700	
Caskets and Urns	5,000	-190	3,500	-1,500	
Books of Remembrance	2,000	43	2,000	0	
Hire Of Equipment	0	0	0	0	
Computer Costs	1,000	0	0	-1,000	
Protective Clothing	2,000	0	2,000	0	
Office expenses	9,160	7,830	2,500	-6,660	
Subscriptions	1,050	0	1,045	-5	
Analyst's Fees	1,150	1,723	1,723	573	
Medical Expenses	29,000	6,788	21,000	-8,000	
Other Hired Services	11,000	930	27,500	16,500	increased costs due to live streaming
Audit Fees	2,050	-2,043	2,050	0	
Training	1,750	0	1,000	-750	
Other Miscellaneous Expenses	400	0	0	-400	
Credit/Debit Card Transaction Charges	100	0	0	-100	
Employers liability insurance	1,690	0	1,690	0	
	83,550	16,892	81,508	-2,042	
Support costs					
Central Support costs	126,690	0	131,767	5,077	
	126,690	0	131,767	5,077	
Total Operating Expenditure	676,910	128,459	672,126	-4,784	
OPERATING INCOME					
Caskets and Urns	-8,460	-617	-3,440	5,020	
Plaques and Memorials	-22,280	-6,703	-23,130	-850	
Cremation Fees	-1,073,450	-162,435	-911,033	162,417	
Books of Remembrance	-2,400	-1,078	-3,290	-890	
Burial Fees	-47,040	-6,058	-66,005	-18,965	
Exhumation Fees	-1,050	-603	-250	800	
Chapel Use	-11,380	-1,764	-6,770	4,610	
Memorial permits	-9,960	-2,230	-11,000	-1,040	
Mercury Abatement Income	0	0	-4,490	-4,490	
Energy Savings	0	0	-495	-495	
Vending Sales	0	0	0	0	
Media Service Fees	0	-1,879	-11,000	-11,000	
	-1,176,020	-183,368	-1,040,903	135,117	
Operating Surplus (-) / Loss (+)	-499,110	-54,909	-368,777	130,333	
Interest on Investments/ Balances	-3,500	0	-3,500	0	
Investment Costs	0	0	136,193	136,193	
Payments to Joint Authorities	350,000	0	350,000	0	
Net contribution to/from Reserves	-152,610	-54,909	113,916	266,526	
General reserves B/F	1,488,589		1,488,589	0	
Contributions to (-) / from Revenue (+)	152,610	0	-113,916	-266,526	
General reserves C/F	1,641,199	0	1,374,673	-266,526	

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