

REPORT FOR: **CABINET**

Date of Meeting:	17 June 2015
Subject:	Mortuary Service - Expansion of Partnership
Key Decision:	Yes
Responsible Officer:	Caroline Bruce, Corporate Director of Environment and Enterprise
Portfolio Holder:	Councillor Graham Henson, Portfolio Holder for Environment, Crime and Community Safety
Exempt:	No
Decision subject to Call-in:	Yes
Wards affected:	All
Enclosures:	None

Section 1 – Summary and Recommendations

This report seeks Cabinet approval to vary the partnership arrangement with Brent Council for the delivery of the Mortuary Service to include Barnet Council.

Recommendations:

Cabinet is requested to grant authority to the Corporate Director of Environment and Enterprise, following consultation with the Portfolio Holder for Environment, Crime and Community Safety, to vary the partnership arrangement with Brent Council to include Barnet Council.

Reason: (For recommendations)

To ensure the Council fulfils its statutory responsibilities for the provision of a mortuary service.

Section 2 – Report

Introductory paragraph

Brent and Harrow Councils entered into an agreement in 2006 for the management of the public mortuary at Northwick Park Hospital. Under this agreement Brent provides the mortuary services for both boroughs.

It is now proposed that the shared mortuary service is expanded so that Brent also provides mortuary services to Barnet Council, creating a tri-borough mortuary service.

Background and Current situation

Harrow's mortuary services is currently delivered by Brent. The strategic direction of the service is jointly agreed between Brent and Harrow, while the operational activities are performed by Brent Council under service level arrangements. Brent Council operates a public mortuary located within the grounds of Northwick Park Hospital while Barnet Council operates a public mortuary in Finchley. Both are within the jurisdiction of the North London Coroner. This report proposes extending the shared service arrangement at Northwick Park to include Barnet allowing the rationalisation of arrangements and the closure of Finchley Mortuary.

Brent and Harrow Councils jointly hold the Northwick Park site under a 99 year lease from the Secretary of State which expires on 25 December 2080. A formal agreement, between both boroughs sets out the joint arrangements for management, finance, governance and termination. Each authority pays a proportion of the running cost on a per capita basis.

Barnet has been reviewing its mortuary service in light of their outsourcing of services as well as the considerable investment that would be needed in their ageing Finchley site. In March 2014 Barnet begin discussions with Brent around the use of any surplus facilities at Northwick Park.

HM coroner for north London has given support for the tri-borough arrangement at Northwick Park.

Why a change is needed

A change is needed to the existing partnership arrangement to accommodate the inclusion of Barnet in the shared service. This requires the creation of new governance, management and finance arrangements.

Options Considered

There was the option of not including Barnet in the arrangement. This option would have meant the loss of opportunity for costs reduction due to a further sharing of cost.

Recommendation

That the shared service arrangement between Brent and Harrow is updated and extended to include Barnet Council.

Implications of the recommendations

To accommodate Barnet in the shared service will require not just changes to the governance arrangements but also changes to the infrastructure at Northwick Park. There is the need for additional storage in order to accommodate a borough such as Barnet with a population that is larger than Brent and Harrow.

In addition to the cost of additional storage, there are some additional investments which will soon be necessary to upgrade aspects of the infrastructure that are largely unchanged since construction 33 years ago.

Barnet has therefore agreed to make a contribution of £172,000 to these capital costs. This agreement allows Barnet to receive a substantial capital receipt from the sale of their Finchley site. It also allows Brent and Harrow to dramatically reduce the capital cost of infrastructure renovations that they would have shortly faced otherwise. It has also been agreed that each borough will contribute a modest proportion of the revenue savings each year to a refurbishment reserve fund that is intended to provide sufficient funds for future capital refurbishment costs. There is no further capital expenditure in the period that requires any investment from Harrow.

The shared service will be governed by an Inter Authority Agreement (IAA) for a minimum of 10 years with an option to extend the service by mutual agreement for a further five years. Any party can exercise an early termination option by giving not less than 12 months notice of termination.

Brent will calculate the net estimated expenditure and will apportion that across all three boroughs in proportion to the population figure in each borough. Brent will prepare audited accounts no later than June each year. This will identify whether additional contributions are required or whether there is a refund due to Harrow and Barnet.

Brent will be responsible for complying with all legislations and codes of practice and deliver the shared service in accordance with the Service Specification and the operational matters set out in the IAA.

The parties will establish a Strategic Monitoring Board (SMB) comprising a senior officer from each authority, the Head of Service (Brent) and the contract managers. The overall purpose of this board will be the monitoring, directing, advising and ensuring the effective performance of the IAA and the delivery of the shared mortuary service. The SMB will meet quarterly or more frequently if required. The escalation from the SMB is to respective Strategic/Corporate Directors.

The arrangement will start as soon as the legal agreements are finalised. Barnet will keep its Finchley site open until the renovation of the facilities at Northwick Park is completed.

Legal Implications

Brent has the power to provide mortuary services to Harrow and Barnet by virtue of s1 of the Local Authorities (Goods and Services) Act 1970. Brent will be required to comply with legislation including the Public Health Act 1938 and the Human Tissue Act 2004 in relation to the delivery of the services.

On completion of the IAA there will be a relevant transfer to Brent for the purposes of TUPE for the staff employed by Barnet.

Financial Implications

The cost of the existing Brent and Harrow mortuary in 2014/15 was £82k for Brent and £63k for Harrow with the cost sharing being on the basis of the two boroughs' respective populations. The addition of another local authority to existing agreement with Harrow is expected to reduce the revenue costs of providing the statutory public mortuary service for all three boroughs. In the case of Harrow the revenue saving will be in the order of £15k per annum. This is based on the initial running cost of £48k compared to the current £63k cost. This running cost is based on a revenue cost share set out below and estimated expenditure of £188k (after reduced running cost due to capital investment).

The expenditure Brent incurs for the provision of the shared mortuary service will be shared between Harrow, Barnet and Brent in proportion to the population figure for their respective areas according to the most recent population estimates issued by the Registrar General's estimate. The current proportion of population and therefore the initial revenue costs share apportioned between the boroughs is set out below:

Borough	Revenue costs share (%)
Barnet	40
Brent	34
Harrow	26

Performance Issues

The IAA requires the collation and reporting of service data as part of the monitoring of the service and the achievement of pre-set objectives and targets. These will be reported to the SMB. The performance indicators to be used are as follows:

- Meet minimum Human Tissue Act (HTA) Standards and Licence requirements and ensure that any inspection of the shared service by the Human Tissue Authority does not identify any shortfalls in compliance with the HTA standards
- Satisfaction of the HM Coroner

- Maintaining a disaster recovery/emergency plan
- Business Continuity

Customer Service- No complaints against the shared service and satisfactory results from service user satisfaction surveys.

Environmental Impact

N/A

Risk Management Implications

A risk register will be created for the operational management of the service

Equalities implications

None

Council Priorities

The Council Priorities are as follows:

- Making a difference for the vulnerable
- Making a difference for communities
- Making a difference for local businesses
- Making a difference for families.

The recommendation supports these priorities by:

- The provision of a mortuary service in renovated facilities within the borough

Section 3 - Statutory Officer Clearance

<p>Name: Jessie Man</p> <p>Date: 11 May 2015</p>	<p><input checked="" type="checkbox"/> on behalf of the Chief Financial Officer</p>
<p>Name: Robert Prater</p> <p>Date: 15 May 2015</p>	<p><input checked="" type="checkbox"/> on behalf of the Monitoring Officer</p>

Ward Councillors notified:	NO
EqIA carried out:	NO
EqIA cleared by:	An EQIA is not required as there is no change to the service that will be provided.

Section 6 - Contact Details and Background Papers

Contact: Venetia Reid-Baptiste, Divisional Director of Commissioning Services
Tel: 020 8424 1492

Background Papers: None.

Call-In Waived by the Chairman of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in applies]</i>
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