

Central Durham Crematorium Joint Committee



30 January 2019

Fees and Charges 2019/20



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources & Treasurer to the Joint Committee

Purpose of the Report

1. This report sets out details of the proposed fees and charges for the Central Durham Crematorium for 2019/20.

Background Information

2. In reviewing existing charges or setting new charges, inflationary pressures; the potential impact of competition in terms of price and quality; trends in demand; results of customer surveys; budget targets; cost structure implications; impact on other service areas; alternative more effective charging structures and proposals for targeted promotions etc need to be fully taken into consideration.
3. Members of the Joint Committee will recall that following Local Government Review in 2009 the fees and charges at the Central Durham Crematorium were harmonised with the charges at Mountsett Crematorium. The cremation fees and charges were increased in 2018/19 by £30 (4.6%).

Fees and Charges 2019/20

4. The inflationary and cost pressures facing the crematorium, along with the views of the Bereavement Services Manager with regards to the local market, customer impact from any proposed increase and benchmarking data on the charges levied in other neighbouring facilities, plus the fact that the crematorium has recently undertaken major redevelopments are key factors in considering any increases for 2019/20.
5. The current Medical Referee fee of £20 has not been reviewed since Local Government Reorganisation in 2009 and the medical practitioners have asked for a review due to difficulties covering their rota. £16.50 of the fee is paid to the medical practitioners and £3.50 is retained for administration at the Crematorium. It is proposed to increase the Medical Referee fee to £30 from 2019/20 with £26.50 being paid to the medical practitioners and £3.50 retained for administration costs.
6. Taking the above into consideration, particularly the increase in Medical Referee costs and the above inflation increase, it is proposed that there is a £20 (2.9%) increase to the current cremation fees and charges for 2019/20.

Cremation Charges

7. The projected number of cremations in 2018/19 is 2,462 which will be 138 more than the 2,324 cremations delivered in 2017/18 and 262 more than the budgeted position of 2,200. For 2019/20 budget setting purposes it has been assumed there will be 2,200 cremations next year. This is a prudent forecast.
8. The current 2018/19 fees and charges for crematoria across the region, including the average charges levied is attached at Appendix 3, which indicates an average cremation fee of £779 (inclusive of medical referees fees and environmental surcharge where appropriate). Increasing the current charges by £20 will mean that the total cremation fees levied for the Central Durham Crematorium in 2019/20 (inclusive of medical referee fees) will increase to £700 - £79 below the average charges levied across the region. Modest increases in the last few years have resulted in the Central Durham and Mountsett Crematoria charges now being the lowest in comparison with all other neighbouring facilities in the region. Members will recall that a number of years ago the charges were set to bring the fees in line with the regional average.
9. The table below indicates the extra income that could be received / budgeted with varying levels of assumptions on cremation numbers and fee increases. The £20 increase for 2,200 cremations is budgeted to generate an additional £44,000 income, which is partially offset by £22,000 additional Medical Referee fees to pay to the medical practitioners.

No of Cremations	Increase in Fees £				
	£10	£20	£30	£40	£50
2,200	22,000	44,000	66,000	88,000	110,000
2,250	22,500	45,000	67,500	90,000	112,500
2,300	23,000	46,000	69,000	92,000	115,000
2,350	23,500	47,000	70,500	94,000	117,500
2,400	24,000	48,000	72,000	96,000	120,000
2,450	24,500	49,000	73,500	98,000	122,500
2,500	25,000	50,000	75,000	100,000	125,000

10. In terms of the charging policy for child cremations, it is proposed to retain the NIL fee. Members will see from Appendix 3 that neighbouring crematoria charges range from £0 to £300.

It is proposed to introduce new charges from 2019/20 for the following:

- Direct Cremation – Attended (No service) £590
- Direct Cremation – Unattended (No service) £450
- Service exceeding allocated time by 10 minutes or more £50
- Service cancellation (less than 48 hours notice) £250

11. All other fees and charges at the Crematorium are proposed to remain at the same levels as 2018/19.

12. A full schedule of the proposed fees and charges for the Central Durham Crematorium is shown in Appendix 2, with benchmarking comparison data shown in Appendix 3 for Members' information.

Recommendations and Reasons

13. It is recommended that:-

- Members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2019, which seeks to increase cremation charges by £20 (2.9%) per cremation from £680 to £700.
- The proposed fees and charges are incorporated into the 2019/20 budget.

Background Papers

2018/19 Budget and Financial Monitoring Reports

2019/20 Budget Strategy Report – CDCJC Report – September 2017

2019/20 Budget Working Papers

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Appendix 1: Implications

Finance

A detailed schedule of the proposed fees and charges for the Central Durham Crematorium is included at Appendix 2. These proposals have been factored into budget proposals for 2019/20.

Staffing

There are no staffing implications associated with this report.

Risk

The sensitive pricing of services is essential to maintain the competitiveness and reputation of the Central Durham Crematorium in the current economic climate. The proposed fees and charges next year will ensure that the charges remain competitive in comparison with neighbouring facilities and this, together with a prudent assumption in terms of the number of cremations undertaken next year, plus the strong reputation of the CDCJC and the enhancements that the Phase 3 works have brought in terms of the service offer, should ensure risk is minimised with regards to the achievement of the income budgets. Charging information will be publicised in advance and communication carefully handled.

Equality and Diversity/Public Sector Equality Duty

The proposals set out in this report are based on a harmonised fees and charges policy with the Mountsett Crematorium and provide equity of treatment / access across County Durham. An equality Impact assessment screening has been undertaken which has revealed no issues.

Accommodation

There are no Accommodation implications associated with this report.

Crime and Disorder

There are no Crime and Disorder implications associated with this report.

Human Rights

None.

Consultation

None. However, officers of Spennymoor Town Council were provided with a copy of the report and given opportunity to comment/raise any detailed questions on the content of the report in advance of circulation to members of the Central Durham Crematorium Joint Committee.

Procurement

None.

Disability Discrimination Act

None.

Legal Implications

None.