

28 January 2020

Fees and Charges 2020/21



Joint Report of

Geoff Paul, Interim Corporate Director of Regeneration and Local Services

John Hewitt, Corporate Director of Resources and Treasurer to the Joint Committee

Electoral division(s) affected:

Countywide

Purpose of the Report

1 This report sets out details of the proposed fees and charges for the Mountsett Crematorium for 2020/21.

Executive summary

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 Mountsett Crematorium were harmonised with the charges at Central Durham Crematorium..

4 Background papers available

2019/20 Budget and Financial Monitoring Reports

2020/21 Budget Working Papers

Recommendation(s)

- 5 It is recommended that members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2020, which seeks to increase cremation charges by £20 (2.9%) per cremation from £700 to £720.
- 6 It is recommended that the proposed fees and charges are incorporated into the 2020/21 budget.

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- 7 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 2020/21.
- 8 The projected number of cremations in 2019/20 is 1,403 which will be 73 more than the 1,330 cremations delivered in 2018/19 and 103 more than the budgeted position of 1,300. For 2020/21 budget setting purposes it has been assumed there will be 1,300 cremations next year. This is a prudent forecast.
- 9 The current 2019/20 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 £806 (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 Mountsett Crematorium in 2020/21 (inclusive of medical referee fees) will increase to £720, which is £86 below the average charges currently levied across the region. Modest increases in the last few years have resulted in Mountsett and the Central Durham Crematoria charges remaining the lowest in comparison with all other neighbouring facilities in the region.
- 10 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 1,300 cremations is budgeted to generate an additional £26,000 income.

No of Cremations	Increase in Fees £				
	£10	£20	£30	£40	£50
1,300	£13,000	£26,000	£39,000	£52,000	£65,000
1,325	£30,750	£44,000	£57,250	£70,500	£83,750
1,350	£48,500	£62,000	£75,500	£89,000	£102,500
1,375	£66,250	£80,000	£93,750	£107,500	£121,250
1,400	£84,000	£98,000	£112,000	£126,000	£140,000

- 11 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 £47.
- 12 The proposed increases for 2020/21 are detailed below:

- Cremation Services – Off peak and Direct (attended and unattended) increase by £20.
 - Cremation Services – Saturday increase by £35.
 - Visual Tributes via Wesley Music System. The current fees only cover the price Wesley Music System charge. The fee does not include any admin work or equipment the Crematorium need to provide the service, therefore it is proposed to increase the fees.
 1. Webcast, DVD or CD increase by £12 to £48.
 2. Extra DVD increase by £12 to £34.
 3. Extra CD increase by £12 to £28.
 4. Visual tribute admin fee increase by £3 to £15.
 5. Visual tribute per photo or per minute of video increase by £2.
 - Urn boxes increase by £4 to £10. It is also proposed that urns are sold with every cremation, they are currently only available upon request.
- 13 All other fees and charges at the Crematorium are proposed to remain at the same levels as 2019/20.
- 14 A full schedule of the proposed fees and charges for Mountsett Crematorium is shown in Appendix 2, with benchmarking comparison data shown in Appendix 3 for Members' information.

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Appendix 1: Implications

Legal Implications

None.

Finance

A detailed schedule of the proposed fees and charges for Mountsett Crematorium is included at Appendix 2. These proposals have been factored into budget proposals for 2020/21.

Consultation

None. However, Officers of Gateshead Council were provided with a copy of the report and given opportunity to comments / raise any detailed queries on the contents of this report in advance of circulation to members of the MCJC.

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.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The sensitive pricing of services is essential to maintain the competitiveness and reputation of Mountsett 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 MCJC 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.

Procurement

None.

Climate Change

None.