

**Mountsett Crematorium Joint
Committee**

2 July 2024

Fees and Charges 2024/25



Joint Report of

**Alan Patrickson, Corporate Director of Neighbourhoods and
Climate Change**

**Paul Darby, 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 a proposed mid-year increase in cremation fees for Mountsett Crematorium for 2024/25, as agreed at the January meeting of the Joint Committee.

Executive summary

- 2 Members of the Joint Committee will recall that cremation fees and charges were increased by £30 (3.77%) in 2024/25 to £825.
- 3 Benchmarking with other crematoria across the region shows that 2024/25 cremation fees at Mountsett are £162 lower than the average for the region and this gap has been widening over recent years.
- 4 Although fee increases are usually only implemented in April, a proposed mid-year fee increase of £80 will help prevent this gap from widening further, although Mountsett fees will still be £82 below the regional average.
- 5 Background papers available:

2023/24 Budget and Financial Monitoring Reports

2024/25 Budget Working Papers

Recommendation(s)

- 6 It is recommended that members of the Joint Committee note and approve the proposal below, effective from 1 October 2024, which seeks to increase cremation charges by £80 (9.70%) per cremation from £825 to £905 (inclusive of £30 medical referee fee).
- 7 It is recommended that members of the Joint Committee do not increase the prices for the off-peak slots (£715) and direct cremations (£660 attended and £520 unattended) at the same time. This supports choice and helps with the overall cost of funerals.
- 8 It is recommended that the proposed fee increase is reflected in the forecast outturn of Mountsett Crematorium which will be reported to the September meeting of the Joint Committee.
- 9 Plans for the use of the additional income be considered at the September 2024 meeting, alongside the Budget Strategy report which is supported by the SAMP (service asset management plan).

Fees and Charges 2024/25

- 10 At the September 2023 meeting, Members approved a £30 (3.77%) increase to the cremation fee for 2024/25 as part of the Budget Strategy for the Joint Committee.
- 11 The current 2024/25 cremation fees for crematoria across the region, are attached at Appendix 2, which indicates an average cremation fee of £987 (inclusive of medical referees' fees and environmental surcharge where appropriate). The appendix also shows the 2024/25 cremation charge for Mountsett, which is £162 lower than the regional average. This difference has increased from being £131 below the regional average in 2023/24.
- 12 The table below shows the increase in cremation fees at Mountsett over the period of 10 years prior to this, along with a comparison between the cremation fee at Mountsett and the regional average.

Year	Price Increase £	Price Increase %	Mountsett Cremation fee £	Regional neighbours average cremation fee £	Difference between Mountsett and regional neighbours £	Mountsett fee as %age of regional average %
2024/25	30	3.77	825	987	162	84
2023/24	30	3.92	795	926	131	86
2022/23	25	3.4	765	872	107	88
2021/22	20	2.9	740	835	95	89
2020/21	20	2.9	720	821	101	88
2019/20	20	2.9	700	806	106	87
2018/19	30	4.6	680	779	99	87
2017/18	0	0	650	755	105	86
2016/17	20	3.3	650	716	66	91
2015/16	0	0	630	681	51	93
2014/15	80	15	630	645	15	98

- 13 There were no fee increases at Mountsett Crematorium in either 2015/16 or 2017/18 as a decision was taken to freeze fees for a year due to works being carried out at Durham in 2015/16 and Mountsett in 2017/18. It should be noted that freezing fees or applying relatively low increases to fees in past years has exacerbated the situation where Mountsett fees are the lowest in the region and the gap continues to widen.
- 14 There are a range of considerations to account for when considering the fees to be set:

- (a) Cremation fees are one part of the costs of a funeral, with funerals costing on average £4,141 according to Sunlife.
- (b) The Joint Committee introduced direct cremations and discounted earlier slots to allow for choice and help families with cheaper options. These charges are proposed to remain the same for 2024/25 at £660 (direct cremations, attended), £520 (direct cremations, unattended) and £715 (early slots).
- (c) Where people travel from for cremations at Mountsett:
 - (i) 57% of services are for people from County Durham
 - (ii) 30% of services are for people from Gateshead
 - (iii) 12% of services are from outside of the Joint Committee area, but equidistant to Newcastle Crematoria
- (d) What the prices are for other local Crematoria:
 - (i) Appendix 2 details that the average price in the region is £987, the lowest is £888 at South Tyneside.
 - (ii) Gateshead, Newcastle and Sunderland Crematoria charge £905, £995 and £1,044 respectively.

15 The table below indicates the projected extra income, assuming a prudent estimate of 1,350 cremations, and the increased fee applying from 1st October 2024 to 31st March 2025, with varying levels of fee increases.

Fee Increase	£50	£60	£70	£80	£90	£100
Percentage increase	6.06%	7.27%	8.48%	9.70%	10.91%	12.12%
Revised fee amount	£875	£885	£895	£905	£915	£925
Additional income October 2024 – March 2025	£33,750	£40,500	£47,250	£54,000	£60,750	£67,500
Additional income – full year	£67,500	£81,000	£94,500	£108,000	£121,500	£135,000

- 16 It is proposed to increase the cremation fee by £80, and with a prudent estimate of 1,350 cremations for the year, this is budgeted to generate an additional £54,000 income in 2024/25.
- 17 Increasing the current charges by £80 will mean that the overall cremation fee levied for Mountsett Crematorium (inclusive of medical

referee fees) from October 2024 will increase to £905, which will still be £82 below the average charge currently levied across the region. A charge of £905 would be in line with Gateshead's 2024/25 cremation fee.

- 18 It is proposed that there will be no mid-year price increase for off-peak cremation service times (£715) and direct cremation (£660 attended and £520 unattended).
- 19 All other fees and charges at the Crematorium are proposed to remain at the same levels as previously agreed for 2024/25.
- 20 The additional income will contribute to the reserves and the September 2024 report will consider the future budget strategy, considering the likely changes including those included in the SAMP.

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Appendix 1: Implications

Legal Implications

None.

Finance

Increasing the current charges by £80 will mean that the overall cremation fee levied for Mountsett Crematorium (inclusive of medical referee fees) from October 2024 will increase to £905, which will still be £82 below the average charge currently levied across the region.

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.

Climate Change

None.

Human Rights

None.

Crime and Disorder

None.

Staffing

None.

Accommodation

None.

Risk

The sensitive pricing of services is essential to assess the competitiveness and reputation of Mountsett Crematorium in the current economic climate.

There has been a prudent assumption in terms of the number of cremations undertaken next year, and the strong reputation of the MCJC, 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.