

Mountsett Crematoria Joint Committee

29 July 2011

Report of the Superintendant and Registrar



Report of Ian Staplin, Superintendant and Registrar to the Mountsett Crematoria Joint Committee

Purpose of the Report

1. To provide members of the Mountsett Crematorium Joint Committee with a quarterly update relating to performance and other operational matters.
2. To outline proposals for the introduction of a pre payment bond cremation bond for service users.

Performance Update:

Number of Cremations

3. The table below provides details of the number of cremations for the period 1st April 2011 to 30th June 2011 inclusive, with comparative data in the same periods last year:

	2010/2011	2011/2012	Change
	QTR1 [Apr- June]	QTR1 [Apr- June]	
APRIL	91	89	-2
MAY	90	103	+13
JUNE	92	103	+11
TOTAL	273	295	+22

Gateshead	80
Durham	182
Outside Area	33
Total	295

3. In summary there has been 295 cremations undertaken this quarter, compared to 273 in the comparable period last year an increase of 22.

Operational Matters

Recycling of Orthopaedic Implants and Non-Ferrous Metals

4. In the report to the Joint Committee 4th February 2011 agreement was to participate in this scheme to provide a convenient way to recycle precious metals and to reduce the carbon footprint of the Crematorium. Recycling bins have been delivered and are in operation.

Closed Circuit Television

5. During a recent site visit from ADT, they have informed us that an update to the existing ADT Closed Circuit Television (CCTV) is required. The Current system has been installed since April 1999 and the system is still usable but quality of picture is poor. The cost for supplying, installing and commissioning this upgrade work is £1475.00 and not accounted for in the existing revenue budget but is offset currently by the additional income from cremations to date.

Green Flag award

6. The Green Flag Award scheme is the benchmark national standard for parks and green spaces in the UK. It was first launched in 1996 to recognise and reward the best green spaces in the country. The first awards were given in 1997 and, many years later; it continues to provide the benchmark against which our parks and green spaces are measured. It is also seen as a way of encouraging others to achieve high environmental standards, setting a benchmark of excellence in recreational green areas.
7. The latest assessment of Durham County Council parks and green spaces resulted in ten sites being awarded green flags in 2010. Ranging from railway paths and cemeteries to picnic sites and traditional parks, the awards reflect the high standards of maintenance needed to keep the sites looking good and also the involvement of local communities. The Central Durham Crematorium was entered for the 2011 award and results expected at the end of July.
8. Mountsett Crematorium is felt to be at an excellent standard where a Green Flag application could be made if a management plan is written for the site to be judged and if successful awarded a Green Flag in 2012.
9. The Management Plan would need to be written in the autumn and the application would be made in January 2012. There would be very little investment required apart from general repairs and maintenance, however there is a cost associated with the application and in 2011 the cost of the application was £175. If agreed the management plan will be developed and brought back to the MCJC this would also identify any future development needs.

Mountsett Crematorium Pre-Payment Cremation Bond

10. There are a large number of Pre – Payment Funeral Plans taken out by the Public, offered by one of the many Providers in this area, namely Golden Charter, Co-operative Funeral Care, Dignity and Age Concern. The challenge for a Funeral Director in this regard is that after several years the value of the plan may not be enough to pay for the whole costs of the Funeral. One of the most expensive dispersements is the cremation fee which is often a cause of concern to families who have thought that the full fees would have been covered by such a plan sold by the Funeral Directors.
11. The suggestion therefore is to introduce a new scheme which will help to secure future business in the form of a Pre- Payment Cremation Bond and would need to be sold at a premium to the standard cremation charges, as it relates to future prices of cremation. It is suggested that this be £100 above the current total cremation fee plus a £20 administration fee which equates to a circa 20% premium, with this being reviewed annually at the same time as the other Fees & Charges.
12. The Cremation Bond would be issued in the name of the person who wished to be cremated at Mountsett Crematorium in the future and the Terms & Conditions of use would be that it was not transferable. If a refund was requested at any time in the future, this would be in the sum originally paid less the administration fee. A Register would be kept and the Certificate issued to either the purchaser directly or to the Funeral Director holding the family's Pre- payment Funeral Plan.
13. At present, the County Council does sell Exclusive Rights of Burial in advance in the form of Reserved Grave Spaces which are available across the County Cemeteries where space is available. There is at the moment, no premium charged on the current fee of £546. (This fee does not however include the cost of interment). There is a facility whereby the Exclusive Right of Burial can be purchased in three instalments, the Deed of Right not being issued until the full fee has been paid.
14. In attempting to benchmark this suggestion we have been unable to find any local authorities who run a comparable scheme and this appears to be an innovation.
15. The potential "sales" numbers have been estimated based on informal discussions with Funeral Directors in the Durham area and with the MD of Golden Charter (one of the largest suppliers of Funeral plans that are marketed through independent Funeral Directors). Based on these discussions the expected range could be between 20 and 40 Pre- payment Cremation Bonds per month at a current (£480 + £100) £580 plus the admin fee of £20, providing an income of between £11,600 to £23,200 per month. All the Funeral Directors approached informally, would be very interested in purchasing a Bond for each of the pre-payment plans that they sell.
16. This money would be placed in receipt in advance and called upon during the year that the Bond was redeemed, before the "year end". The scheme would allow substantial cash prepaid Reserve to be built up, which would attract interest. This reserve would also protect from the redemption of Bonds in the future and the potential reduction of ongoing revenue.

17. The main benefit of offering this scheme to families is the opportunity for individuals/families to purchase their cremation in advance, reducing the financial burden on their family, which is particularly important at a time of general hardship for our communities.
18. The main benefit to Mountsett Crematorium is the securing of future cremations at a time when families are more cost conscious. A further advantage currently is the lower fees at Mountsett when compared to the immediate competition and this could also make the purchase of a Mountsett Crematorium Bond a very attractive proposition.
19. The risks are believed to be minor, given that the age profile of the majority of purchases of Pre-paid Funeral Plans are between their late 60's to early 70's. One risk is if the rate of inflation increased way above current predictions, leaving the Bond Fee looking very cheap. However, the fact that a 20% premium front loaded at the point of sale, plus interest earned, this risk is considered to be low. There will also be an annual review of fees and charges that would take inflation into account and maintain the £100 premium mark up.
20. This scheme has recently been accepted by the Central Durham Joint Committee on 29th June 2011 and if accepted by MCJC it would be proposed to start this service from 1st October 2011 and ties in with the current bereavement consultation and a review of a similar scheme for burials also.

Recommendations and Reasons

21. It is recommended that Member of the Mountsett Joint Committee:-

- Note the content of this report with regards to current performance of the crematorium.
- Note the progress with regards to the recycling of orthopaedic implants and non-ferrous metals.
- That Members agree to enter Mountsett into the Green Flag Award in 2012 and a management plan developed for a meeting prior to entry outlining any future development.
- To consider and agree the introduction of a Pre-Payment Bond which will be offered from 1st October 2011.

Background Papers:

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Appendix 1: Implications

Finance

As identified in the report.

Staffing

There are no staffing implications associated with this report.

Risk

None

Equality and Diversity Public Sector Equality Duty

None

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 Gateshead 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 Mountsett Crematorium.

Procurement

None

Disability Issues

None

Legal Implications

As outlined in the report