

Central Durham Crematorium Joint Committee

25 January 2017

Fees and Charges 2017/18



Joint Report of Ian Thompson – Corporate Director: Regeneration and Local Services; John Hewitt – Corporate Director: Resources and 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 2017/18.

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 will recall that the cremation fees and charges were increased by £20 (3.3%) in 2016/17.

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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 are key factors in considering any increases for 2017/18.
5. A major redevelopment at Mountsett Crematorium is scheduled to be undertaken in 2017, with the installation of 2 new cremators plus 2 sets of mercury abatement equipment in a purpose built extension. Taking into account the potential disruption that this may cause, Mountsett Crematorium are proposing to hold the fees and charges at their current levels for 2017/18. This decision will be welcomed by local funeral directors and customers.
6. Members may recall that Mountsett Crematorium Joint Committee did not increase their fees and charges in 2015/16 when the major redevelopment works were being carried out at Central Durham Crematorium. In lieu of the proposal by the Mountsett Crematorium, and taking into account the desire to maintain harmonised charges across County Durham, it is proposed to follow suit and hold charges at the Central Durham Crematorium.

7. **Cremation Charges** The projected number of cremations in 2016/17 is 2,341 which will be 94 higher than the 2,247 cremations delivered in 2015/16, and 141 more than the budgeted position of 2,200. For 2017/18 budget setting purposes it has been assumed there will be 2,200 cremations next year. This is a prudent forecast.
8. The current 2016/17 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 £716 (inclusive of medical referees fees and environmental surcharge where appropriate). Holding the current charges will mean that the total cremation fees levied for the Central Durham Crematorium in 2017/18 (inclusive of medical referee fees) remains at £650. 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.
9. The holding of charges in 2017/18 will provide an opportunity for an above average increase in 2018/19, where consideration will also be given to increasing the level of surplus redistribution for the partner authorities, in recognition of the significant investments made in recent years and strong financial position the Central Durham Crematorium.
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 £270.
11. It is proposed to increase the charge for use of the Crematorium chapel only from £100 to £600 between 10.00am and 2.30pm and from £100 to £200 prior to 10.00am or after 2.30pm for the reasons outlined earlier in the Bereavement Manager's report.
12. All other fees and charges at the Crematorium are proposed to remain at the same levels as 2016/17.
13. 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

14. It is recommended that:

- (i) Members of the Joint Committee note and approve the proposed fees and charges at Appendix 2 effective from 1 April 2017, which seeks to maintain the cremation charges at existing levels.
- (ii) The proposed fees and charges are incorporated into the 2017/18 budget.

Background Papers

2016/17 Budget and Financial Monitoring Reports
2017/18 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 2017/18.

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 standstill in 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.