

FOR PUBLICATION

REVIEW OF CEMETERIES FEES AND CHARGES - 2016/17

MEETINGS:	1. CABINET 2. CABINET MEMBER FOR HEALTH AND WELLBEING
DATES:	1. 8 MARCH 2016 2. 11 FEBRUARY 2016
REPORT BY:	INTERIM ENVIRONMENTAL SERVICES MANAGER
WARD:	ALL
COMMUNITY ASSEMBLY:	ALL
KEY DECISION REF:	558

FOR PUBLICATION

BACKGROUND PAPERS Environment Budget Working Papers.

1.0 PURPOSE OF REPORT

To set the Council's cemeteries fees and charges for the financial year commencing 1 April 2016.

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- a) The 2016 / 17 fees and charges as detailed in Appendix A, be approved.

3.0 BACKGROUND

- 3.1 Chesterfield Borough Council are responsible for the management of four Council cemeteries; Brimington, Staveley, Boythorpe and Spital. The cemeteries service is managed within the Bereavement Services Section who also manage the crematorium on behalf of the Chesterfield, North East Derbyshire and Bolsover Councils.
- 3.2 Cemeteries fees and charges are subject to annual review, with revised fees and charges implemented on 1st April each year.
- 3.3 In preparing this report, the Council's adopted general guidelines on charging for services have been taken into account, along with the Council's latest budget forecast for 2016-17.
- 3.4 In early 2014 Members agreed to increase fees for 2014 – 15 to better reflect the cost of providing the cemeteries service and to provide additional resources to enable management of the cemeteries to a higher standard. Amendments were made to the fee structure and a more strategic approach is being taken to the management of the cemeteries service.
- 3.5 The increase in fees in 2014 / 2015 had an effect on the numbers of burials. Whilst the numbers of burials was down nationally, the numbers of burials in Chesterfield was less than would have been expected if the national trend was applied locally. A smaller increase was implemented for 2015 / 2016 and burial numbers have increased this year..
- 3.6 In recommending fees and charges for 2016 / 2017, consideration has been given to the effect following larger increases implemented in 2014 / 2015 and the need to ensure charges are commensurate with both local and national averages.

4.0 ISSUES AND ANALYSIS

4.1 Introduction

There is currently no strategy on how fees and charges relate to the future sustainability of the Council's cemetery service. A clear decision is required on whether the service should continue to be subsidised or whether it should seek to move towards being operated on a 'break even' basis. In 2013 / 14 controllable costs recovered were only 50%, as a direct result in the changes to fees and cost savings over the past two

years, this is likely to improve for 2016 / 17 to a recovery of around 80%. In setting the annual fees and charges for cemeteries, proposals in this report have taken into account:

- (a) The higher than average increase in fees for 2014 / 2015 resulting in a reduction in burial.
- (b) The current condition of the Borough Council's cemeteries and the need for standards to be developed in accordance with a defined strategy to protect future revenue and provide an appropriate service to the bereaved.
- (c) The need for the Council to achieve a balanced budget. Current fees and charges now recover approximately 73%.
- (d) The level of fees and charges levied by other authorities in our family group and local cemeteries providers.
- (e) Broader value for money considerations.

4.2 Price Comparison

4.2.1 A price comparison has been carried out, reviewing fees and charges made by other authorities in our family group (table 1) as well as those made by surrounding authorities (table 2).

Table 1: Fees of "Family Group Comparator Authorities as at 1 April 2015

Authority	Interment Fee	Exclusive Right of Burial	Exclusive Right of burial (CR)	Interment of cremated remains
Mansfield	£530.00	£1224.00	£694.00	£164.00
Chesterfield Borough Council	£735	£917.00	£325.00	£244.00
Ipswich	£730	£1150.00	£1150.00	£160
Worcester	£825.00	£750.00	£380.00	£310.00
Gloucester	£945.00	£643.25	£254.25	£203.50
Carlisle	£675.00	£1075	£225.00	£205.00
Newcastle U Lyme	£784.00	£1056	£522.00	£343.00

Average Fee	£746.00	£973.00	£507.00	£233.00
-------------	---------	---------	---------	---------

Table 2: Fees of “Local” Comparator Authorities as at 1 April 2015

Authority	Interment Fee	Exclusive Right of Burial	Exclusive Right of Burial (CR)	Interment of Cremated Remains
Amber Valley Borough Council	£595.00	£525.00	£195.00	£111.00
Chesterfield Borough Council	£735.00	£917.00	£325.00	£244.00
Sheffield City Council	£775.00	£1,230.00	£750.00	£205.00
Derby City Council	£830.00	£1005.00	£190.00	£112.00
Derbyshire Dales District Council	£641.75	£571.65	£184.00	£135.20
Erewash Borough Council	£700.00	£570.00	£175.00	£160.00
High Peak Borough Council	£670.00	£598.00	£268.00	£170.00
North East Derbyshire District Council	£534.00	£420.00	£210.50	£101.50
South Derbyshire District Council	£409.00	£470.00	£226.50	£110.00
Mansfield	£530.00	£1224.00	£694.00	£164.00
Average Fee	£642.00	£753.00	£322.00	£151.00

**Note to Tables:*

“Interment fee” is the price for each burial in a grave and is payable in addition to the Exclusive Right of Burial Fee”

“Exclusive Right of Burial Fee” is the price to purchase the right of burial in a grave. The owner of this right must authorise each burial in the grave and has the automatic right to be buried in the grave at the time of his or her own death.

“CR” – cremated remains

4.2.2 Members will note that the Council’s fees, whilst being above the local average, are still below the family group average. Comparator authorities will almost certainly increase their fees again in 2016-17.

4.3 **Cost Recovery**

4.3.1 Many authorities are moving towards the introduction of economic charges covering the cost of burials and the maintenance and running costs of all cemetery services. For 2015/16 the controllable cost of cemeteries is forecast to be around £298,240 and the income is expected to be approximately £239,010, meaning that there is a net subsidy of £59,230, and that income now covers around 80% of the controllable cost of the service.

4.3.2 The Council's general guidelines for charging include an aim to recover the full cost of the service except where:

- There is an opportunity to maximise income; or
- Members determine that a reduction or subsidy should be made for specific reasons

4.3.3 The proposed fees and charges for 2016-17 therefore aim to ensure that:

- the service continues to move towards cost recovery
- our fees remain competitive and affordable, helping to ensure we provide an affordable service and that burials continue to be an affordable option for the bereaved.

4.3.4 Pending the development of the cemeteries strategy, the following were implemented:

- A policy of excavating graves to maximum depth and removal of differential charging based on depth of graves.
- Exclusive Right of Burial and interment fees in respect of cremated remains remain unchanged but the subsidy for residents was removed. This means that fees and charges applicable for interment of cremated remains is now the same for residents and non-residents.
- Period for which Exclusive Right of Burial is purchased was restricted to 50 years but the charge in place during 2013 - 14 for purchase of Exclusive Right of Burial for 75 years was implemented.
- A fee was set for exhumation of cremated remains
- An additional charge for burials taking place after 3.15pm was implemented.

- A general fees increase to residents of 10% at the time of burial / purchasing Rights of Burial was implemented with the intention of allowing us to recover more of our controllable costs of providing the cemetery service.

5.0 **EQUALITIES IMPACT ASSESSMENT (EIA)**

- 5.1 A full equality impact assessment was undertaken and no disproportionate impacts were identified for protected characteristics. However it is recognised that people on low incomes could struggle with the fees and charges.
- 5.2 Funeral payments are normally the first costs to come out of the deceased's estate. Where there is a shortfall a DWP Funeral Payment, an element of the Social Fund, provides help to people receiving specified income-related benefits and tax credits. This can provide a contribution towards the costs of a simple, respectful, low cost funeral. The payment covers the full cost of specified expenses (i.e. cemetery fees and charges) plus up to £700 for Funeral Director expenses.
- 5.3 It is recognised that the future of the Social Fund is uncertain, it is therefore recommended that the impact of any changes to the Social Fund is considered when setting fees and charges in future years.

6.0 **RISK MANAGEMENT**

- 6.1 Details of the risks associated with fees and charges are given below.

Description	Impact	Probability	Controls to be Implemented
Below expected take up of services generally	Reduced income	Medium	Income from cemeteries is largely subject to fluctuations in the death rate rather than price sensitivities. Proposed fees will be comparable with neighboring authorities.
Users choosing to use facilities elsewhere	Reduced income	Low	Funeral directors prefer using Chesterfield's cemeteries and will influence the decisions of the bereaved. Families also have connection to local cemeteries and proposed increases still represent good value for money.
Adverse	Criticism of	Medium	Prepare good reasoning for the

publicity	authority		increase in fees and charges and that they remain below comparable authorities. Improve standards in cemeteries.
-----------	-----------	--	--

7.0 **FINANCIAL CONSIDERATIONS**

- 7.1 This report proposes an appropriate and balanced approach to the provision of cemetery services and the potential impact on the local community.
- 7.2 The proposals contained in this report would increase the Council's income from the burial service by around £7,000
- 7.3 It should be noted that the average cost of a funeral in the UK is estimated to be around £3,600. Most of this cost will be the costs of the funeral director, coffin, hearses, headstone, etc. The cost of the actual interment is therefore only a modest element of this overall cost.

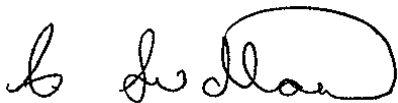
8.0 **ALTERNATIVE OPTIONS**

- 8.1 Generally, it is recommended that the cemetery fees and charges for 2016/17 be increased by 3% to take account of issues raised in this report. Members could resolve to apply a lower or higher increase than that recommended by officers.

9.0 **REASON FOR RECOMMENDATIONS**

- 9.1 To set the cemeteries fees and charges for 2016/17 and encourage increased use of the cemetery service.

Officer recommendation supported.



Signed:

Cabinet Member

Date: 11 February, 2016

Further information on this report can be obtained from Angela Dunn
(Bereavement Services Manager Ext 345881).