

## For Publication

### Crematorium Fees and Charges 2023/24

<b>Meeting:</b>	Chesterfield and District Joint Crematorium Committee
<b>Date:</b>	20 November 2023
<b>For publication</b>	

#### 1.0 Purpose of the Report

- 1.1 To seek approval for implementation of fees and charges for the crematorium from 1<sup>st</sup> January 2024.
- 1.2 To seek approval for delegated authority to be given to the Manager to introduce an **"Energy Cost Surcharge"** according to any increases in Gas and Electricity Prices over and above what has been budgeted for over the next Financial Year.

At the December 2022 meeting, Member's approved this same delegated authority for 2023. Energy Prices did not rise above what had been budgeted for during 2023, and the surcharge was not made. However, the energy market may remain unstable during 2024 and it would seem vigilant and sensible to retain this option in 2024 if needed.

#### 2.0 Recommendations

- 2.1 To approve Fees and Charges for 2024 according to Appendix 1.
- 2.2 Delegated Authority be given for the Manager to introduce an **"Energy Cost Surcharge"** during 2024 but with suitable notice given to Funeral Director's before any surcharge is made. Any decision will be taken in consultation with the Treasurer, Chair of the Committee and Lead Authority Service Director.
- 2.3 To adopt the National Recommendation of £59.00 Environmental Surcharge per cremation.
- 2.4 To increase Medical Referee Fee from £20.85 to £22.00.

#### 3.0 Reason for Recommendations

- 3.1 To ensure sufficient funds to maintain high levels of standards for the bereaved, reach a balanced budget and to maintain sufficient reserve levels to meet any future pressures.

## 4.0 Report Details

### 4.1 Background

Members will be aware that fees and charges are normally reviewed on an annual basis and adjusted accordingly from 1<sup>st</sup> January.

The proposed changes to fees have been based on a robust estimate of the impact of cost increases and demand within the services. This includes assessing the affordability of any of these increases to our residents and customers. Cost pressures and changes in demand include:

- Increases in energy costs
- Inflationary increases (September 2023 6.7%) resulting in increases in supplier costs and materials, including Service Improvement Projects
- Increase in Cremator Service and Maintenance Contract Costs
- NJC Pay Claim for 23/24 which will likely result in a higher than budgeted for pay increase for staff
- A possible reduction in cremation numbers after excess deaths during the Covid 19 Pandemic

### 4.2 Service Analysis and Comparison

An annual table of standard cremation fees is published each year by The Cremation Society of Great Britain (see Appendix 2).

The table shows that as of 1<sup>st</sup> January 2023, Chesterfield and District was ranked in the middle of the table at 159<sup>th</sup> of 322 Crematoria in the United Kingdom (*1<sup>st</sup> being most expensive at £1400 and 322<sup>nd</sup> being cheapest at £408.00.*).

The current standard cremation fee of £905.00 is slightly higher than the national average. In the United Kingdom, the average standard cremation charge as of 1<sup>st</sup> January 2023 was £895.07. (*Source, The Cremation Society of Great Britain; Cremation Statistics*). Although it should be noted that in April 2023, many crematoria will have increased their fees and it is now likely that the average fee has increased.

Locally, the current standard cremation fee of £905.00 is below the local average of £968.63. The table attached at Appendix 3 details local Cremation Fees for comparison. It is expected that other local and national crematoria will review and increase their fees from 1<sup>st</sup> April 2024.

Although the Cremation Fee is around or below the national and local averages, there is evidence to suggest a higher than average standard of service is provided.

That evidence includes;

- Positive results in the 2023 Stakeholder Satisfaction Survey.
- Retaining the Green Flag Award for 2023 which recognises well managed parks and green spaces.
- Charter for the Bereaved Gold Award
- FBCA Inspection Results

The proposed Standard Cremation Fee of £965.00 will still be slightly lower than the average fees locally and members are reminded that those crematoria are expected to increase their costs in April 2024.

#### 4.3 Mercury Abatement Surcharge

This environmental surcharge, which relates to the installation, upkeep and eventual replacement of abatement equipment has been reviewed by CAMEO.

CAMEO (Crematoria Abatement of Mercury Emissions Organisation Ltd) periodically review and set the national recommended surcharge taking into account costs to service equipment, supply energy and provide reagent for the filtration.

As a result of the review, the Surcharge, included within all Cremation Fees will be £59.00 (an increase from £56.00).

Currently, that fee is transferred to the Mercury Abatement Reserve and will fund the replacement of cremation equipment in future.

#### 4.4 Medical Referee Fee

The Medical Referee visits the Crematorium to inspect all official medical certified documentation regarding the deceased and, if in order, gives written consent that a cremation can take place. Without this consent, the cremation cannot take place.

The Medical Referee's Fee is included within the Cremation Fee. The Medical Referee is administered and paid by the Crematorium. There has only been one increase in the fee charged and paid to the Medical Referee within the last 10 years.

It is therefore recommended that the fee payable to the Medical Referee increases from £19.00 to £20.00 and the Fee Collected by the Crematorium rises from £20.85 to £22.00. The difference between the fee charged and paid to the Medical Referee goes towards administration, insurances, HR, Payroll, Office Equipment and Mileage for the Medical Referee.

#### 4.5 Memorialisation Fees

Fees for memorialisation had not seen an increase for 5 years before the 2021 fees were set. The freeze was made in an attempt to offset the increasing number of cremated remains that leave the crematoria and the loss from the aesthetic value that memorials add.

However, suppliers have continued to increase their costs (e.g., to supply marble, inscriptions, roses and trees) and increases were made in 2021 and 2022.

The Manager has conducted a review of the costs of providing memorials for the bereaved and whilst we know that all costs have increased, some more dramatically than others. For example, the cost of timber/benches, marble and granite has continued to increase more than the costs of producing a Book of Remembrance Entry. Therefore, a blanket approach has not been taken on Memorial Increases, rather according to the cost of providing individual memorials.

## **5.0 Implications for consideration – Financial and value for money**

The fees have been based on a robust estimate of the impact of cost increases and demand within the services and the Committees overall financial position. This includes assessing the affordability of any of these increases to our residents and customers. A fee increase also takes into account a possible reduction in cremation numbers after excess deaths during the Covid 19 Pandemic.

It is estimated that, should the recommended Fees and Charges be approved, an additional £109k income will be raised in the 2024/25 Financial Year. The Standard Cremation Fees would raise by around 6.7%-7% if approved.

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<b>Background documents</b>

These are unpublished works which have been relied on to a material extent when the report was prepared.

**Appendices to the report**

Appendix 1	Fees and Charges Table
Appendix 2	Comparison Table