



B O S T O N

B O R O U G H C O U N C I L

AGENDA ITEM NO: 1

REPORT TO:	ENVIRONMENT AND PERFORMANCE COMMITTEE
DATE:	28 th January 2015
SUBJECT:	BEREAVEMENT SERVICES
PORTFOLIO HOLDER:	COUNCILLOR GUNTER
REPORT AUTHOR:	HEAD OF ENVIRONMENTAL OPERATIONS
EXEMPT REPORT?	No

SUMMARY

Members of the Environment & Performance Committee have expressed concerns about the declining numbers of funeral services at Boston Crematorium, and following a site visit have requested a report outlining the possible reasons for this and what measures, if any, can be taken to mitigate this decline

This report sets out the position of the service in the light of competition from two newly built crematoria, and puts forward proposals for future improvement works to halt the decline and maintain income levels.

RECOMMENDATIONS

1. That Members note the contents of the report and support the programme of continuous improvement through the Repairs & Maintenance programme and Capital investment.
2. That the entrance to the Cemetery at Horncastle Road be re-opened to vehicles for a trial period of 6 months, after which it will be reviewed.

REASONS FOR RECOMMENDATIONS

Bereavement Services, particularly the Crematorium, has suffered a significant downturn in income since the establishment of two newly built crematoria within close proximity. It is essential that the facilities at Boston keep pace with their more modern neighbours and continuous investment is required to achieve this, and to protect the income stream that remains.

ALTERNATIVES CONSIDERED

- Propose a programme of significant major works entailing great expenditure. Due to lower income levels coupled with the Council's overall financial challenges, this is not recommended at this time.
- During 2011/2012 the service was exposed to tender from the private sector. This was prompted by the impending financial liability of upgrading the cremators to comply with new emissions legislation. Council decided to retain the service in-house. (Cabinet Nov.2011) therefore this has not been re-considered during the compilation of this report.

REPORT

1 History

- 1.1 Boston Cemetery was opened in 1855 and the same site is still used for burials today. Boston Crematorium was built in 1966 on land adjacent to the Cemetery, and has always been owned and operated by the Council.
- 1.2 The number of burials has declined gradually since the crematorium opened, but has declined nationally over the long term due to the popularity of cremation. Boston Cemetery carried out only 37 coffined burials in 2012/13, and has remaining capacity for approximately 9 years.
- 1.3 Numbers of cremations grew gradually as a result of increasing population and the growing preference for cremation, reaching a peak of 2,016 funerals in the calendar year 2000. Numbers have decreased sharply since the opening of Alford Crematorium (Nov.2007) and South Lincolnshire Crematorium (Nov. 2013). It is predicted that the service will carry out about 900 cremations in 2013/2014 depending on the death rate in the final quarter.
(see Appendix A)

2. Staff structure

- 2.1 The service is operated with four full time posts:

- Principal Officer,
- Operations Supervisor,
- Bereavement Services Assistant
- Cremator Operator.

The two senior posts also manage the Public Toilets and the Cleaning and Caretaking Service for Municipal Buildings and Guildhall.

- 2.2 The Staff complement has reduced from 6.5 posts over the last 3 - 4 years due to the downturn in income and is now considered to be at a minimum requirement, there being only 3 members of staff for 50% of the year.
- 2.3 Grounds maintenance is provided by the Street Scene team supported by labour from H.M.Prison Service and is recharged internally.

3 Income and expenditure

3.1 Bereavement Services derives income principally from:

- Cremation fees
- Burial fees
- Sale of burial rights
- Sale of after-cremation memorials

The largest areas of expenditure are:

- Employee costs
- Grounds maintenance and other internal recharges
- Business rates
- Cremator maintenance
- Gas
- Property repairs and maintenance

3.2 The service previously realised a healthy surplus of over £200k per annum which contributed significantly to the overall financial health of the Council, and although the surplus has diminished since the opening of the two neighbouring sites it still achieves a surplus of over £100K per annum.

3.3 Significant investment of £450K was made in 2012 when the cremators were fully refurbished and new filtration plant installed. The cost of this was funded from the capital reserve and is being paid back at a rate of £50K per annum from surplus generated by the service.

3.4 The chief source of income for the service is the cremation fee which brings in over £0.5 million annually despite the downturn in numbers using the service. It is very important to protect this income stream which has become more sensitive in recent years with two 'competitors' opening facilities within Boston's traditional catchment area. The number of cremations also has a knock-on effect in the number of memorials purchased. The current and proposed cremation fee of neighbouring crematoria is shown in the table below:

	Current fee	Proposed 2015
Boston	£600	£650 (from 1.4.2015)
Alford	£520	£550 (from 1.1.2015)
South Lincs (Surfleet)	£650	£650 (Incr. 1.9.2014)
Lincoln	£600	c.£620 (inflationary rise)
Grantham	£784	£784 (Incr. Oct.2014)

These crematoria are those which share catchment boundaries with addresses that may choose Boston Crematorium. Boston no longer 'competes' with Kings Lynn, Peterborough or Grimsby due to the location of Alford and Surfleet.

3.5 The draft report on Fees and Charges for 2015/16 recommends a rise of £50 to the cremation fee from 1st April 2015. This will generate approximately £45K additional revenue, and is the average fee of the 5 crematoria listed above. This rise is realistic in view of the level of expenditure required and the Council's challenging financial position. Feedback from the Funeral Director surveys suggests that location is the biggest influencing factor, not price. However, significantly dearer sites may be at a disadvantage in certain circumstances.

- 3.6 The range of memorials on offer has been increased over the last 5 to 10 years and whilst take-up was slow at first, sales of memorials has increased with some of the newer types now having the leases renewed for the first time. The budget target in this area for the current financial year has been achieved before the end of the 3rd quarter. This is despite a downturn in the number of cremations.

4. Proposed Improvements and funding

- 4.1 Repairs and maintenance is ongoing at all Council properties utilising the central Repairs and Maintenance budget. Since 1st April 2012 the following works have been carried out (excluding minor items):

- Exterior redecoration of the buildings
- Interior decoration of the chapel
- New lighting over the catafalque
- Replacement of exterior gas housing with UPVC
- Upgrading of 23 –year old software system (ongoing)
- Some repairs to roadways
- New lighting in the crematory

These improvements will continue through the Repairs and Maintenance programme and Appendix C details future proposals along with outline costs. The improvements are what is considered necessary rather than aspirational due to the Council's challenging financial position going forward, but also take account of the feedback from funeral directors. Larger cost items will be subject to bids for funds under the Capital Programme.

- 4.2 The crematorium now offers one-hour service slots to allow a better experience for bereaved families, and the upgrading of the software system (in progress) will enable funeral directors to make a service booking 24 hours a day, 7 days per week via secure internet connection. The cemetery registers dating from 1855 to present are being uploaded onto the new software system and this will eventually enable internet searches for family history researchers etc, with the potential to realise a small income for the Council.
- 4.3 A survey has been conducted amongst the funeral directors within the crematorium catchment area to gain a better understanding of their perceptions of our service and, what might be improved in order for us to compete with more modern facilities. The results are at [Appendix B](#).
The funeral director is the first point of contact for a bereaved family, and on most occasions Bereavement Services has no contact from a family at the arrangements stage. Contact with the bereaved is usually afterwards when they are seeking advice about memorials or options for the disposal of the ashes.
- 4.4 Feedback suggests that it is mainly the location of a crematorium that influences choice, and therefore it is not surprising that numbers visiting Boston have declined. The location of Boston Crematorium is also not ideal in terms of access when there is heavy traffic.

- 4.5 Officers have visited other more modern crematoria to compare their facilities and bring back ideas. Whilst the more modern facilities have built in some desirable features, improvements at Boston are constrained by the design of the current building and by the challenging budget position that the Council is facing overall.
- 4.6 The potential for Income growth is very limited within Bereavement Services due to the sensitivity of the cremation fee, the nature of the service offered, and the potential that steep rises may have an adverse effect on important income streams.
- 4.7 Operating costs have been reduced mainly through reduction in staff numbers, reducing the number of cremator furnaces from 3 to 2 resulting in small energy efficiencies and reduced maintenance overheads, elimination of weekend overtime, increasing the range of memorials, and introducing other charging lines such as a pallbearing service. A percentage of staff costs is also now allocated to the Cleaning & Caretaking Services.
Officers will continue to drive costs down where possible by looking at further energy efficiencies, greater promotion of memorials etc.
- 4.8 The service received a boost to income from emissions trading for the first time this year. The receipt of £15k will reduce in future years to about £9.5K based on numbers of cremations remaining between 800 and 900 per annum, but will help towards maintaining the budget surplus.
- 4.9 The Ministry of Justice is introducing a new Medical Examiner system (target date of 2016), which will abolish the post of Medical Referee. Currently it is incumbent upon each Cremation Authority to pay their Medical Referee, and the rate paid at Boston is £18.50 per cremation. The new Medical Examiner post will not be required to be paid by Cremation Authorities, therefore based on a conservative estimate of 850 funerals; this will release a saving of £15,725 per annum.

5. Access

- 5.1 The original entrance to the cemetery was at Horncastle Road, passing through the archway of the lodge house. This was constructed in 1854 and is now a listed building. As the cemetery expanded a second lodge and gates were added at Marian Road in the 1930s, and when the crematorium was built in 1966 it was this entrance that became the natural route in to that side of the site.
- 5.2 In 1996 a traffic survey was conducted which revealed that 47% of vehicles entering the cemetery at one gate exited at the other gate without stopping, thus using it as a short cut and part of the highway. A decision was taken by Cabinet (4th July 1996) to close the Horncastle Road entrance to vehicles and it became pedestrian only. This older part of the cemetery has developed over those years as designated Local Wildlife Site. The gate is opened for vehicles upon request for funeral corteges or when roadworks occur in the Norfolk Street / Robin Hood's Walk area.

- 5.3 It has become apparent that the location of the crematorium is not now ideal in terms of access and does not compare well with modern newly built facilities. These are usually built on the outskirts of, or between urban centres. Feedback from Funeral directors suggests that re-opening of the Horncastle Road entrance would help to ease access, especially for those travelling from the East Lindsey side, and at times of heavy congestion within the town. The location of the Haven High Academy and Park schools also causes problems in Marian Road at certain times of the day.
- 5.4 It is recommended that the Horncastle Road entrance be re-opened to vehicles for a trial period of 6 months. This would be reviewed after the trial period to see what effect it has on business, wildlife and traffic volumes using the site as a cut through. The Highways department has expressed no objection to this proposal. Residents of the Cemetery Lodge have asked that signage is erected asking vehicles to slow down, as their entrance door is located under the archway through which vehicles pass.

6. Operating hours

- 6.1 Boston Crematorium offers 7 service slots each day beginning at 9.30am, and hourly all through the day with the last slot at 3.30pm, thereby accommodating a maximum of 35 services each week. The average number of services per week during 2014 has been 17, so there is ample room for expansion during busy periods.
- 6.2 South Lincolnshire Crematorium offers 5 service slots each day at 10am, 11am, 12noon, 2pm and 3pm, Monday to Friday, thereby offering a maximum of 25 services per week.
Alford Crematorium offers 6 service slots each day at 10am, 11am, 12noon, 1pm, 2pm and 3pm, Monday to Friday, thereby offering a maximum of 30 services per week.
- 6.3 The Remembrance room is open at weekends for visitors to the Book of Remembrance and memorial grounds, but not staffed. (CCTV in operation)
- 6.4 Consideration has been given to offering funeral services on a Saturday or later into the evening. Funeral Directors were surveyed on this point (Appendix B) and the majority do not favour this proposal. The only neighbouring facility that offers this is Grantham and they average just one Saturday funeral each year.
- 6.4 If Saturday funerals were offered the estimated additional cost of providing this service would be: overtime (2 staff x 5 hours) £150.00, gas & electricity £35. Therefore a premium of 50% upon the cremation fee would seem appropriate to cover costs and achieve a small margin.
- 6.5 It is considered that if Boston offered a Saturday service, this might prompt Alford and South Lincs to do the same. The result would be that all three facilities operated over 6 days instead of 5, but with the same share of 'business'. Therefore any benefit to Boston would effectively be cancelled. It is for this reason and the lack of support from Funeral directors that no recommendation is put forward within this report.

7. Cemetery Capacity

- 7.1 Boston Cemetery has remaining capacity for approximately 9 years at the current rate of burial and assuming that pre-purchasing (reserving) of grave spaces remains the same.
- 7.2 Although there is no statutory duty for the local authority to provide a cemetery, officers will prepare a separate report for consideration by members during 2015, examining the feasibility and costs of future burial provision.

CONCLUSION

The Council's Bereavement Services has undergone significant change in recent years due to external influences beyond its control. This has resulted in a downturn in income, and a perception that the facilities lag behind the more modern neighbouring facilities. However, the service has adapted within the constraints that exist, and continues to return a surplus on its budget. It is essential that investment continues in order to maintain the fabric of the facilities and compete effectively in a diminishing 'market'.

FINANCIAL IMPLICATIONS

As detailed in Appendix C and referred to in paragraphs 3.5, 4.1, 4.8, 4.9

LEGAL IMPLICATIONS

None

ANY OTHER IMPLICATIONS

Environmental impact referred to in paragraphs 5.2 & 5.4

CONSULTATION

Consultation with Funeral Directors – Appendix B

APPENDICES

(If none then insert the word 'None' and delete the below text/boxes).

Appendices are listed below and attached to the back of the report: -

APPENDIX A	Number of cremations & Burials
APPENDIX B	Survey questions and results
APPENDIX C	Proposed Improvement works

BACKGROUND PAPERS

(If none then insert the working 'No background papers as defined in Section 100D of the Local Government Act 1972 were used in the production of this report.' Also delete the below text/boxes.)

Background papers used in the production of this report are listed below: -

Document title	Where the document can be viewed
Cabinet report and minutes 1.11.2011	Committee section
Funeral Directors surveys	Bereavement services Office
Cabinet Report 4.7.1996	Bereavement Services Office

CHRONOLOGICAL HISTORY OF THIS REPORT

None.

FINANCE PROFORMA

BOSTON BOROUGH COUNCIL

PROFORMA FOR EXECUTIVE APPROVAL OF THE RELEASE OF RESOURCES (CAPITAL AND REVENUE BUDGETS)

FROM: Sarah Hardy

THIS PROFORMA PROVIDES THE FINANCIAL IMPLICATIONS
IN RESPECT OF THE ATTACHED

REPORT: BEREAVEMENT SERVICES
REPORT DATE: 28 January 2015

OPTION 1	£ Year 1 2014/15	£ Year 2 2015/16	£ Year 3 2016/17	£ Year 4 2017/18	£ Year 5 2018/19
Revenue	See comments below				

Total Cost	Revenue

Funding required:	Considered by:	Date:
Total capital cost	£ See comments below	Environment and Performance 28 Jan 2015
Revenue cost	£ See comments below	

Financial Services Comments

The report has been prepared for Environment and Performance Committee to consider a range of options which may result in revenue and/or capital expenditure. A follow up report will be prepared for Cabinet to consider the cost implications of the recommendations made by Environment and Performance Committee and a detailed finance proforma will accompany this, showing the costs, benefits and funding sources for any expenditure which results from implementing the recommendations.

Risk

Not considered until report to Cabinet

Procurement

Not considered until report to Cabinet

Value for Money Efficiency

Not considered until report to Cabinet

This FP is valid for 3 months from FP date	If this FP is no longer required please advise Finance	If there are changes to the original report it may invalidate this document, it must be reviewed by Finance.
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