

7th October 2016

RUGBY AND DAVENTRY CREMATORIUM JOINT COMMITTEE – 18TH OCTOBER 2016

A meeting of the Rugby and Daventry Crematorium Joint Committee will be held at 1.30pm on Tuesday 18th October 2016 in Committee Room 2 at the Town Hall, Rugby.

Adam Norburn
Executive Director

A G E N D A

PART 1 – PUBLIC BUSINESS

1. Minutes – to approve the minutes of the meeting held on 12th July 2016.
2. Apologies – to receive apologies for absence from the meeting.
3. Declarations of Interest.

To receive declarations of –

(a) non-pecuniary interests as defined by the Council's Code of Conduct for Councillors;

(b) pecuniary interests as defined by the Council's Code of Conduct for Councillors; and

(c) notice under Section 106 Local Government Finance Act 1992 – non-payment of Community Charge or Council Tax.

Note: Members are reminded that they should declare the existence and nature of their non-pecuniary interests at the commencement of the meeting (or as soon as the interest becomes apparent). If that interest is a pecuniary interest, the Member must withdraw from the room unless one of the exceptions applies.

Membership of a County Council or any Parish Council is classed as a non-pecuniary interest under the Code of Conduct. A Member does not need to declare this interest unless the Member chooses to speak on a matter relating to their membership. If the Member does not wish to speak on the matter, the Member may still vote on the matter without making a declaration.

4. Construction update.
5. Operational and Performance update.
6. Awards, events and achievements.
7. Monitoring Report Period 6 (September) 2016/17.
8. Date of next meeting – please bring diaries to the meeting.
9. Motion to Exclude the Public under Section 100(A)(4) of the Local Government Act 1972

To consider passing the following resolution:

“under Section 100(A)(4) of the Local Government Act 1972 the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of information defined in paragraph 3 of Schedule 12A of the Act.”

PART 2 – EXEMPT INFORMATION

1. Rainsbrook Crematorium - 2017/18 Proposed budget.
2. Proposed fees and charges 2017/18.

Any additional papers for this meeting can be accessed via the website.

The Reports of Officers (Ref. JCC 2016/17 – 2) are attached.

Membership of the Committee:

Councillors Mrs Parker (Chairman) and Ms Robbins (Rugby Borough Council)
Councillors Mrs Lomax and Robertson (Daventry District Council)

Officers:

Sean Lawson, Lisa Handy, Chris Blundell, Christine Fraser and Rob Kindon (Rugby Borough Council)
Simon Bowers, Julie Lewis, Rob Saunders (Daventry District Council)

If you have any general queries with regard to this agenda please contact Claire Waleczek, Senior Democratic Services Officer (01788 533524) or e-mail claire.waleczek@rugby.gov.uk. Any specific queries concerning reports should be directed to the listed contact officer.

If you wish to attend the meeting and have any special requirements for access please contact the Democratic Services Officer named above.

Rugby and Daventry Joint Crematorium Committee – 18th October 2016

Construction Update

Figure 1. Shows outstanding construction matters as they are relating to the Crematorium alone. It confirms the expectation we have concerning resolution of all those outstanding matters.

Defect/Reference No.	Status	Expected completion date	Notes
Solar Glare Avon Ceremony room (Defect 69)	Accepted awaiting commencement	Dec 16 (previously Aug 16)	Following further discussion on this matter, the Crematorium Operational board has agreed to progress resolution with the fitting of solar glare blinds. Suppliers being sought.
Mechanical and Electrical Defect Report by TEP (Defect 80)	Nearing conclusion through constructive dialogue and technical responses.	Dec 16 (previously Aug 16)	Work has been completed by WDCL. A review of this is to take place by RBC and our technical advisers. There are some outstanding issues, but agreement on the way ahead.

Fig. 1 Rainsbrook Crematorium – Construction Matters outstanding

Conclusion

Since the last Committee meeting, progress has taken place in Resolving the outstanding construction issues relating to the Crematorium. We would envisage all crematorium matters being concluded before the end of 2016.

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Operational and Performance Update

Purpose of the report

The purpose of this report is to advise the joint crematorium committee of the proposals to increase the awareness and use of the facilities at Rainsbrook Crematorium.

Planned Publicity and Promotional Activities

In order to raise the awareness of Rainsbrook and its facilities officers have produced a number of brochures and/or information sheets aimed at particular sections of our communities. Please see copies for information.

These include information for families affected by the loss of fetuses, stillborn and babies. Officers have also developed a specific cremation package of services for the Asian communities, this is being sent to all temples and specialist funeral directors within an approximately 30 mile radius.

A half page advertorial has also been commissioned, featured in the Daventry Express, Harborough Mail and Rugby Advertiser on the 21st July. This was to celebrate the crematorium's Gold Charter for the Bereaved Standard and to promote its open day held on the 30th July.

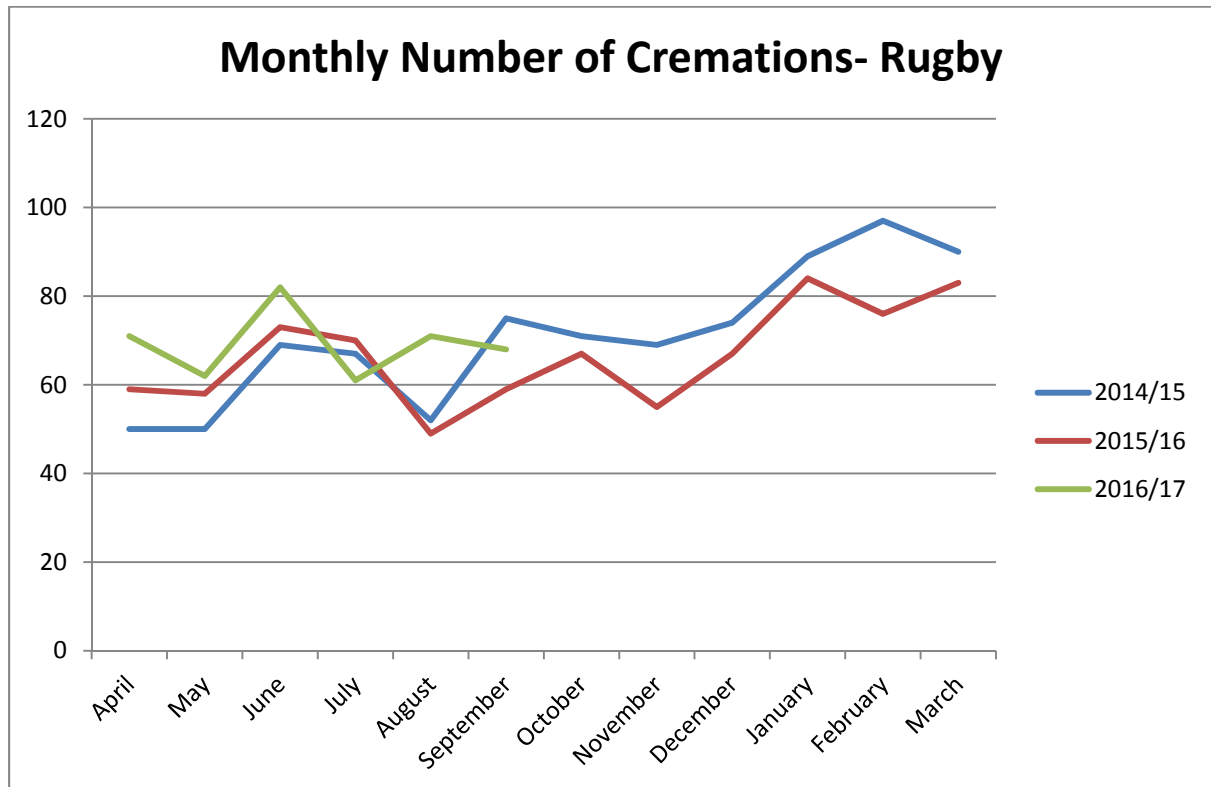
Officers continue to make contact with each family following cremation with a covering letter and explanation regarding the range of memorials that are available. It is planned that an increasing percentage of income will over time be achieved through memorialisation rather than from cremation service and the variety of styles of memorials will also increase over time.

Number of cremations

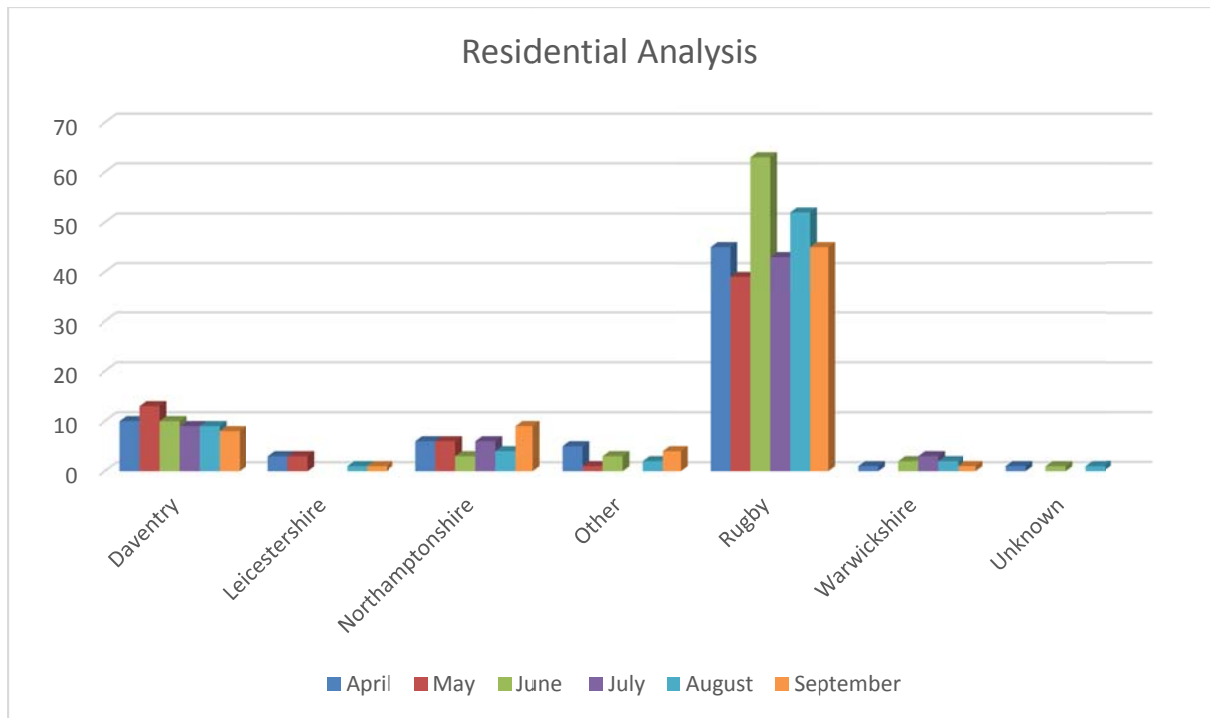
Members will be aware from the previous financial outturn report that the crematorium had to reduce the number of expected cremations and therefore income projections. There are some obvious limitations on the ability to generate "trade" through Rainsbrook Crematorium and there can be significant seasonal variations in mortality rates. However the crematorium does need to try to increase the efforts it makes to influence choices by families to make Rainsbrook the site of first choice in the area.

The total number of Cremations for 2014/15 was 853. It was anticipated that this number would increase as the Crematorium became better established and therefore it had budgeted to reach 960 cremations in 2015/16. As has been seen, however, cremations were lower than the year before with a total of only 801. The first two quarters of 2016/17 have seen an increase on previous years, but it is still not certain that the annual total will be any higher.

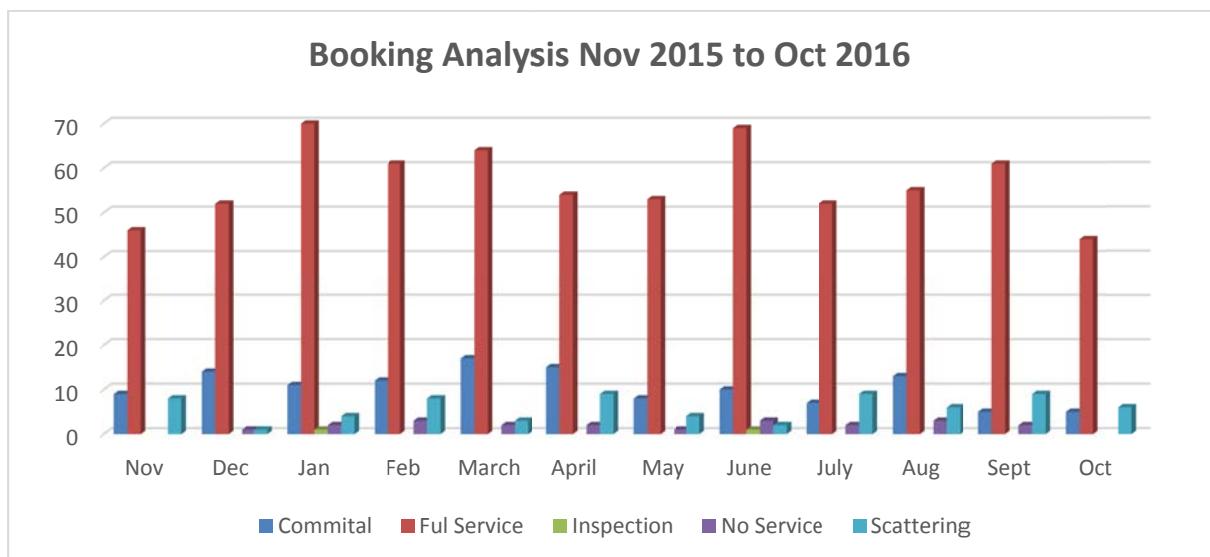
The graph below shows cremations carried out month by month since opening:



The table below shows the catchment areas currently using Rainsbrook:



The graph below shows the different services carried out month by month at Rainsbrook which includes full, committal and no service types:



Market Analysis

There is no recent ONS data to report following the last joint cremation committee.

Since the facility opened in 2014 we have seen a growth in cremation numbers. The unpredictable seasonal variation of death rates has made the accuracy of anticipated annual totals challenging, especially with a brand new site where the landscape setting still requires time to mature.

We always considered that our main competitors were Canley in Coventry, Oakley Wood in Leamington Spa, Heart of England in Nuneaton, Counties in Northampton, Kettering and now the recently opened facilities in Countesthorpe and Wellingborough.

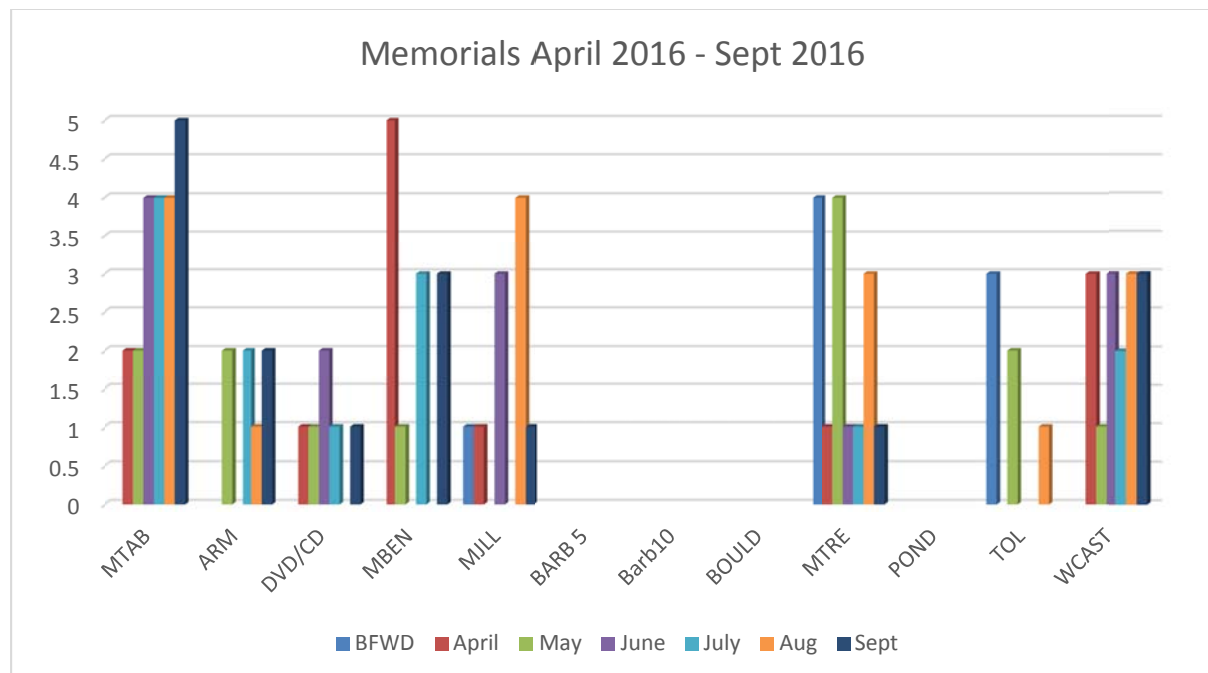
Aside from cremation income our other main area for revenue generation is through our various memorialisation schemes. These have the potential to continue to grow year on year from new and repeat business.

The Association for Public Service Excellence (APSE) published some data recently on the amount of memorialisation income per cremation for the past 3 years (see table below)

APSE Year	Income per Cremation
Year 14	£33.43
Year 15	£35.65
Year 16	£27.29

In comparison our average memorial income per cremation from 1 April 2016 to 30 September 2016 is £137.40 per cremation. This suggests that we are currently out-performing the average memorial income per cremation by around 400%, despite the fact that we considered that our memorial income could be below target at year end.

The table below seeks to illustrate the number of memorials sold to date including webcasts, DVD's and slideshows, costs and revenue benefits for each form of memorial.



Recommendation

The report be noted.

Rugby and Daventry Crematorium Joint Committee – 18th October 2016

Awards, Events and Achievements

Purpose of the report

The purpose of this report is to advise the joint crematorium committee about a number of awards, events and achievements.

Heart of England - Britain in Bloom

Following the annual Heart of England judging in Rugby, The Cemetery and Crematorium secured a special discretionary award for outstanding achievement on Thursday 15th September, 2016 at a ceremony which took place at Walsall's Aldridge Parish Church Hall.

The Landscape Award recognised the grounds and memorial gardens at the cemetery and crematorium, with the judges impressed by its 'contemplative landscaping.' The judges also praised the recent introduction of bee hives in Rainsbrook grounds, and enjoyed sampling one of the first jars of Rainsbrook Valley Honey.

Recycling of metals

Following a cremation the cremated remains contain metals which include items used in the construction of the coffin, orthopaedic implants such as hip and knee joints. In the past this metal was removed from the cremated remains and buried within the grounds of the crematorium. The Institute of Cemetery and Crematorium Management (ICCM) has for a number of years been promoting a metal recycling scheme which provides an alternative to the burying of metals. Working in conjunction with an approved contractor, all metal materials produced from the cremation process will be recycled. The income derived from this is then redistributed to appropriate bereavement related charities determined by the individual crematoria.

It is proposed that for this year the local charity chosen is Guy's Gift based in Leamington Spa.

Guy's Gift is a registered charity providing support for bereaved children, young people and their families in Warwickshire and Northamptonshire following the death of a parent, sibling or other significant person in their life. The charity guides and supports bereaved children and young people, to help them manage their grief

A cheque of £4,337 has been received by Rainsbrook in order for our respective Mayor and Chairman to present the cheque to the chosen charity.

Open day

A full page advertorial featured in both Rugby and Daventry local papers to showcase our facility and invited families to attend our open day which was held on 30 July 2016. The open day was organised to give visitors the chance to have a

guided tour of the crematorium and its grounds and which included a 'behind the scenes' tour.

The open day is an opportunity for us to give visitors a guided tour of our facilities and dispel many of the myths which surround cremation.

The event proved very popular with around 200 people attending. During the day, visitors also had the chance to watch memorial hand-carving demonstrations by our stone mason and see a variety of hearses, including a motorcycle hearse, a vintage Rolls Royce hearse, a VW camper hearse and horse drawn hearse.

Recommendation

The donation to Guys Gift, as detailed in the report, be approved.

Rugby and Daventry Crematorium Joint Committee - 18th October 2016

Monitoring Report Period 6 (September) 2016/17

At present, the crematorium is forecast to over-achieve its budgeted surplus mainly due to fortuitous savings on utility costs and a renegotiated maintenance contract for the Cremators.

The following areas expand on where the over and underspends are:

Expenditure

Repair and Maintenance External Contractor - The Crematorium Manager has been able to negotiate a reduced charge for the Cremator maintenance which will be applied retrospectively for last year and continue for the next two years. There is, therefore, an anticipated underspend of approximately £12,000 for 2016/17 budgets.

Gas and Electricity – Corporate Property have advised that unit costs have reduced across the board and, based on the charges received to date, a saving of approximately £12,500 is expected in this financial year.

New Equipment – Orders have been raised for new purchases, including an infant cremation tray and bariatric coffin racking. Assuming no additional equipment is purchased this year, this budget will overspend by £4,400.

Telephone Expenses – Charges for Broadband have been coded direct to the Crematorium this year, but this has highlighted how high the charges actually are. This account is expected to be overspent by approximately £4k. IT are working to negotiate lower charges for future years, and this will be rolled out at the start of 2017/18 over a 3 to 4 year basis, but a timetable of which remote services will be updated first is not yet available.

Medical Referee Fees – Only 4 months invoices have been received to date, resulting in a reported underspend to date. A prudent projection to year end is showing this budget as fully spent at this time as the value of the invoices is dependent on the number of adult cremations.

Income

Cremations -To the end of period 6 (September) £315,390 had been received from Cremations which was only £7,810 less than the profiled budget of £323,300. The national death rates have fallen in the last month or so, although Rainsbrook Crematorium has been able to maintain a good share of the market. The projection forecast to year end is to be underachieved by approximately £6,000.

Granite Memorial Packages – To the end of September the sale of Granite Memorial Packages had overachieved against profiled budget by just over £17,000. It is anticipated that this will offset the underachievement of income from Cremations, and a prudent projection of an overachievement of income of £6,000 at year end will be made, as the expectation is that the memorial package sales may subside.

Summary

Overall, the above income and expenditure changes mean that the projected profit share for Rugby Borough Council and Daventry District Council could increase to £133,920 each, representing an increase of £9,000 each.

** Column 5 indicates whether there is a problem so far in the year
 ** Column 8 indicates whether a problem is anticipated by year end.
NB + = over spend - = under spend
Key:
RED Over £10,000
AMBER Up to £10,000
GREEN Up to £5,000

If an account code is overspent this will appear as zero as no available budget is remaining

Crematorium for 201606 to 30/09/2016 00:00:00

Description	Total Budget 2016/17 £	Profile Budget to period 6 £	Expenditure plus Commitments £	Variance to Profile to Period 6 £	Traffic Light to Period 6	Budget Remaining to Date £	Projection to Outturn 2016/17 £	Variance to Total Budget based on Projection £	Traffic Light to Outturn	Notes
Salaries & Wages	165,920	82,960	81,485	-1,475	GREEN	84,435	164,750	-1,170	GREEN	
IAS 19 Pension Adjustment	4,170	2,085	2,085	0	GREEN	2,085	4,170	0	GREEN	
Training fees	1,000	500	0	-500	GREEN	1,000	1,000	0	GREEN	
Professional Subscriptions	240	240	180	-60	GREEN	60	240	0	GREEN	
Employee Related Insurance Premiums	620	0	0	0	GREEN	620	620	0	GREEN	
Employee wellbeing/Other employee expenses	0	0	40	40	GREEN	0	40	40	GREEN	
Direct Employment Costs	171,950	85,785	83,790	-1,995	GREEN	88,200	170,820	-1,130	GREEN	
R&M External Contractors	59,900	30,680	23,317	-7,363	AMBER	36,583	47,900	-12,000	RED	Reduced Cremator maintenance contract negotiated
Electricity	14,000	5,000	3,878	-1,122	GREEN	10,122	11,500	-2,500	GREEN	
Gas	30,000	10,000	4,365	-5,635	AMBER	25,635	20,000	-10,000	AMBER	unit costs have reduced for utilities and these reductions reflect expected savings
Rates	14,330	14,330	14,165	-166	GREEN	166	14,170	-160	GREEN	
Water Services	2,000	1,000	-482	-1,482	GREEN	2,482	2,000	0	GREEN	
Contract Cleaning	12,000	7,000	6,122	-878	GREEN	5,878	12,000	0	GREEN	
Cleaning Materials	500	250	289	38	GREEN	211	500	0	GREEN	
Premises Related Insurance Premiums	2,120	0	0	0	GREEN	2,120	2,120	0	GREEN	
Property Expenses	134,850	68,260	51,654	-16,606	RED	83,196	110,190	-24,660	RED	
Car Allowance Costs	430	215	481	266	GREEN	0	960	530	GREEN	
Transportation Expenses	430	215	481	266	GREEN	0	960	530	GREEN	infant cremation tray and discharge trolley system plus bariatric coffin racking to be met from the Cameo funding
New Equipment	1,500	750	2,427	1,677	GREEN	0	5,940	4,440	GREEN	
Maintenance of Equipment	500	250	0	-250	GREEN	500	500	0	GREEN	
Materials	1,000	500	708	208	GREEN	292	1,420	420	GREEN	
Purchases for Resale	27,000	13,500	12,649	-851	GREEN	14,351	25,300	-1,700	GREEN	
Personal Protective Equipment	500	250	493	243	GREEN	7	750	250	GREEN	
Hospitality	600	300	303	3	GREEN	297	600	0	GREEN	
Uniforms	500	250	493	243	GREEN	7	750	250	GREEN	
Stationery Supplies	1,000	500	263	-237	GREEN	737	950	-50	GREEN	charges for Broadband connections higher than expected. IT is working on negotiating lower charges for future years
Postage & Distribution	600	300	113	-187	GREEN	487	420	-180	GREEN	
Telephone Expenses	7,370	3,685	6,761	3,076	GREEN	609	11,500	4,130	GREEN	
Software Maintenance	1,500	1,500	1,819	319	GREEN	0	1,820	320	GREEN	
Publicity & Marketing	2,000	1,000	1,316	316	GREEN	684	2,320	320	GREEN	
Medical Referees Fees	18,500	7,050	5,106	-1,944	GREEN	13,394	18,500	0	GREEN	Medical referees invoices still expected for August and September. An indicative adjustment to the profile budget has been included to adjust for this but invoice totals dependant on the number of adult cremations conducted
Organist Fees	19,000	9,500	8,895	-605	GREEN	10,105	18,400	-600	GREEN	
Other Insurance Premiums	520	0	0	0	GREEN	520	520	0	GREEN	
Other Miscellaneous Expenses	1,500	1,500	0	-1,500	GREEN	1,500	1,500	0	GREEN	
Special Events/Activities	1,500	750	397	-353	GREEN	1,103	1,150	-350	GREEN	
Asset Management Expenses	100	50	0	-50	GREEN	100	100	0	GREEN	
General Running Expenses	85,190	41,635	41,743	108	GREEN	44,694	92,440	7,250	AMBER	
External Contractor & Operator	2,900	1,450	955	-495	GREEN	1,945	2,900	0	GREEN	
Internal Contractor	36,440	18,620	17,243	-1,377	GREEN	19,197	36,440	0	GREEN	
Other Running Expenses	39,340	20,070	18,198	-1,872	GREEN	21,142	39,340	0	GREEN	
Internal Recharges	85,480	42,740	42,740	0	GREEN	42,740	85,480	0	GREEN	
Recharges From Services	85,480	42,740	42,740	0	GREEN	42,740	85,480	0	GREEN	
Total Expenditure	517,240	258,705	238,605	-20,100	RED		499,230	-18,010	RED	
Contribution to/from Reserves	15,400	0	0	0	GREEN	0	15,400	0	GREEN	
Government Grants	15,400	0	0	0	GREEN	0	15,400	0	GREEN	
Contributions & Donations	-5,400	0	0	0	GREEN	-5,400	-5,400	0	GREEN	
Sales - Standard Rated	-1,000	-500	-79	421	GREEN	-921	-1,000	0	GREEN	
Fees & Charges - Standard Rated	-33,580	-16,790	-17,366	-576	GREEN	-16,214	-33,580	0	GREEN	
Fees & Charges - Exempt- Cremations	-697,500	-323,200	-315,390	7,810	AMBER	-382,110	-691,500	6,000	AMBER	
Fees & Charges - Exempt- MTAB	-45,000	-22,500	-39,650	-17,150	RED	-5,350	-51,000	-6,000	AMBER	
Other Income	-782,480	-362,990	-372,485	-9,495	AMBER	-409,995	-782,480	0	GREEN	
Total Income	-767,080	-362,990	-372,485	-9,495	AMBER		-767,080	0	GREEN	
Net Expenditure for Crematorium (before Accounting Adjustments)	-249,840	-104,285	-133,880	-29,595	RED	0	-267,850	-18,010	RED	
Depreciation Charged to Services	23,750	11,875	11,875	0	GREEN	0	23,750	0	GREEN	
Accounting Adjustments	23,750	11,875	11,875	0	GREEN	0	23,750	0	GREEN	
NET EXPENDITURE (Ex Salary Savings)	-226,090	-92,410	-122,005	-29,595	RED		-244,100	-18,010	RED	
Payments to DDC	-124,920	0	0	0	GREEN	-124,920	-133,920	-9,000	AMBER	
Payments to RBC	-124,920	0	0	0	GREEN	-124,920	-133,920	-9,000	AMBER	