

Crematorium Future Options Report

Purpose of Report

1. To provide Mansfield crematorium joint committee with options on the future position with regard to the Crematorium.

Summary

2. Alongside the replacement of the cremators and associated equipment, the existing chapels do need refurbishment to provide/meet modern day requirements. Therefore a number of options to meet today's requirements are considered in this report for member's consideration.
 - (a) Option 1 – New Build Crematorium
 - (b) Option 2 - To replace existing cremators alongside improvements to all other areas of the building over the next 18 months.
 - (c) Option 3 – To Progress a refurbishment programme on the building in line with the existing PPW.
 - (d) Option 4 – Suspend Abatement Works and Retender Contract as Joint contract (cremators and abatement)
 - (e) Option 5 – Outsource management and investment of the crematorium to external provider
 - (f) Option 6 – Cease provision

Recommendations

3. It is recommended that officers are tasked with exploring Options 1 (new build crematorium) and 2 (18 month refurbishment programme) as set out in the report in more detail including firm costings for each option therefore allowing members to make an informed choice of the future provision of the service.

Option 1 - New Build Crematorium

4. When considering a new build crematorium there are many requirements to take in to consideration, including accessibility, location, highways, wildlife, utilities and size, however the main limitation being location as determined by the cremation Act 1902 as per the extract below

“No crematorium shall be constructed nearer to any dwelling house than 200 yards except with consent in writing of the owner, lessee and occupier of such house, not within 50 yards of any public highway nor in consecrated part of a burial ground.”

5. This criteria rules out many areas in Mansfield as new housing and retail developments are taking place. One site is to be considered which is the area already in the grounds of the crematorium recently acquired of the 6/7 acre woodland situated South/West of the main building.
6. The estimated cost of a new build crematorium would be in the region of £4m - £5m. Other costs included in this option would be the de-commissioning and demolition of the existing crematorium.
7. Increasing or maintaining throughput will be managed as it currently is now as no decrease in services will be required throughout.
8. The advantages of a new build crematorium

Minimal disruption to existing services

Contractor control

Continuation of Revenue

Protection against loss of business

9. The disadvantages of a new build

Large expenditure to create new build and demolition of existing site

Loss of existing woodland habitat

10. Land can be sourced from other parts of the district in Mansfield or either in Ashfield or Newark and Sherwood. Further investigatory works can be undertaken to do this should this option be considered, bearing in mind that land is already available in Mansfield on the current site which is in the ownership of Mansfield however will require planning permission.

11. In planning terms the land is within a designated area for the 'Protection of Community Open Spaces and Outdoor Sports Provision' – Policy IN3 in the Local Plan.
12. This states that developments that involve the loss of such open space are required to provide an assessment of need, identifying proposed enhancements and / or replacement facilities as relevant.
13. It also states that all such areas are safeguarded unless it can be demonstrated that it is ancillary to some existing recreational use; the open space is surplus to requirements, alternative provision is made or improvements made nearby. Therefore by demolishing the existing site and providing a green space in its place would satisfy this condition.

Option 2 - To replace existing cremators or refurbish the existing cremators alongside improvements to all other areas of the building over the next 18 months.

14. The focus of any redevelopment is mainly limited to the redesign of inner spaces to provide an improved operational environment for staff and visitors and increase service capacity where possible.
15. With any refurbishment project of an existing building, compromise on what is achievable or possible will always form part of the design process. With a site such as Mansfield Crematorium there are restrictions on the building which will need a thorough design process to ensure a solution for the local communities and future requirements.
16. The following are proposals but would require further work to ensure that they are deliverable prior to proceeding.
17. Each section of refurbishment would be split into different areas therefore allowing a phased approach to the refurbishment of the site. These areas would be (see appendix 1 for further details)

Thoresby Chapel and associated areas

Newstead Chapel and associated areas

Office and associated areas

Crematory and associated areas

Phased Approach

18. Option 2 could be delivered over a phased approach to also minimise the impact on service delivery therefore allowing services to continue throughout however at a reduced rate at times during the work programme. By phasing elements of work such as noisy elements at weekends and evenings away from service times and at reduced capacity it is estimated that the project would take up to an estimated 18 months. Throughout this period there would be an estimated loss of income calculated at a % reduction in capacity.

19. The advantages of carrying out a phased approach would be

The continuation of services to the public

Continuation of revenue

Protection of business against competitors and future losses.

20. The disadvantages would be

Disruption to the public in terms of service reduction

Noise/Visual impact on building

Reduction in operational cremators

Logistically more difficult to manage but not impossible

Longer delivery period

Potentially reputational damage to service for distress caused during sensitive time

Full Closure

21. Whilst all the existing challenges remain to refurbish the existing building, a full closure would reduce timescales for the work to be carried out down to approximately 9 months. However the income lost would be potentially greater than a phased approach as this would incur 100% loss of income due to a full closure.

22. The advantages of a full closure would be

- Contractor control for quicker delivery of works
- Less restrictions
- Multiple areas of the building can be worked on at once
- Easier to manage
- No potential for disruption

23. The Disadvantages of a full closure

- Revenue loss for an estimated 9 months
- Potential future business losses to competitors such as Gedling, Wilford Hill, and the new facility at Shirebrook if this comes online.
- Disruption to the public having no local cremation service
- Disruption to visitors of the crematorium.

24. It is expected that the income would return to pre works levels and potentially increase further with having a new facility uplift as clients will be interested in a new look facility

Option 3 - To Progress a refurbishment programme on the building in line with the existing PPW.

25. Mansfield Crematorium could continue with the current PPW programme in place to replace elements of the crematorium and refurbish areas over a 20 year programme as funding becomes available.

26. The Crematorium and joint Authorities however run the risk of failure of existing equipment and furnishings throughout the PPW programme in turn creating further expenditure as the programme would be required to start again for fundamental elements to be replaced during the initial 20 year programme, such as carpets, chairs and other furnishings. It is highly likely that the cremators will fail before their scheduled replacement timeframe in the PPW. Cremators 2 and 3 will likely fail at the same time given they are of similar age and had similar work throughput throughout their working time, Cremator 4 the bariatric cremator is likely to last a little longer however errors on this machine are becoming more frequent as time goes on.

27. The advantages of this programme

Allows the authority to budget for works throughout

Allows control of contracts on site

28. The disadvantages associated with this programme are

The cremators will fail and be irreparable

Loss of income

Reputational damage

Furnishings will fail and further expenditure required to replace during programme sooner than scheduled

Dissatisfaction of the public using the service

Impact on revenue as the bereaved look elsewhere for cremation services.

29. While it is recognised that a PPW programme would be required on site to ensure service provision and longevity of the equipment and furnishings there is a considerable amount of risk with this programme.

Option 4 – Suspend Abatement Works and Retender Contract as Joint contract (cremators and abatement)

30. This option can be considered, and has been discussed at officer level previously. This would involve the suspension of the current contract until an independent survey could be undertaken to determine the suitability of a combined works package would be more beneficial to the committee to ensure a more cost effective long term project.
31. The implication of this option however have to be considered as a current contract stands, if a suspension or even a cancelation of this contract was to take place this would involve financial penalties to the crematorium.
32. A contract is in place for the agreement amount to the supplier for abatement works. It is the understanding of officers that long lead items have been ordered and design works is underway therefore if this contract was to be suspended the items already ordered and work undertaken would require payment. After discussion with Mansfield/Ashfield shared legal service it was advised by the legal team that termination/suspension of the current contract wasn't an option that the Authorities wished to explore due to the risk being too great both reputational and financially. It was the opinion of the legal team that the supplier could demand payment for the full current contract value.

1. Option 5 – Outsource management and investment of the crematorium to external provider.

33. Management have been asked to include this option in this report for members to also discuss. The option to enter in to a management arrangement with a third party to manage the crematorium can be explored with a private investor.
34. This would include upfront investment from a third party for refurbishment plans of building and equipment on the basis a third party will want a management fee and a share of income made from the investment made.
35. In turn this would lower the annual payments to each Authority in the short term until any investment is fully returned. However short term would be estimated at 15-20 years over the life of the investment ie equipment.
36. If members would like officers to explore this option further this is something that can be added to the work programme moving forward

1. Option 6 – Cease Provision

37. To cease provision of the crematorium completely has also been asked to be included in this report so that members have a full range of options for consideration.
38. To cease the operation of the crematorium completely would cease any further income to each Authority completely as well as remove a service provision that currently serves 3 authorities and their residents. With investment required urgently at the crematorium members must decide whether it would be financially viable to cease provision of the crematorium, also taking in to account any reputational damage that may arise from this option.
39. If the crematorium is to cease provision, there would still be ongoing maintenance costs, and the future use of the buildings to discuss as to what each Authority would want to see the area used for.
40. Estimated costs would be for the ongoing use of the grounds, demolition of the building and maintenance costs. Maintenance could be provided through the current parks division of the Authority and costs for this can be investigated if this option is to be considered.

Conclusion and Officer Recommendation

41. The six options have been explored which are outlined above in this report for members to consider which approach is best suited for the service and their Authority.
42. The most desirable option would be to build a brand new crematorium and demolish the existing site however the expenditure of this venture may not be financially viable given the amount of expenditure already committed at the crematorium in terms of existing works and the potential increased costs compared with refurbishment works of the existing site.
43. Taking in to account the information provided in this report the proposed Option 2 would be most beneficial to the crematorium. In order to minimise impact on services and timescales option 2 would require further discussions as to whether this is completed as a phased approach or full closure approach.
44. Therefore it is a recommendation from the Crematorium Manager that officers are tasked with exploring Options 1 and 2 in more detail including firm costings for each option therefore allowing members to make an informed choice of the future provision of the service.