

**Report of Treasurer of Joint Crematorium Committee  
To  
Mansfield and District Joint Crematorium Committee  
On  
10 December 2018**

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**ANNUAL REVIEW OF FEES AND CHARGES FOR 2019/2020**

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**1. SUMMARY**

- 1.1 This report shows the proposed fees and charges to be introduced from 1 April 2019 to 31 March 2020.

**2. RECOMMENDATIONS**

**To be resolved:**

- i). That the proposed cremation fee as shown in table 2 be introduced from 1 April 2019 to 31 March 2020 be approved. The fee proposed for 2019/2020 is £738.50, which is an increase of £34 (5%) on the 2018/2019 cremation fee.
- ii). That the proposed cremation fees as shown in table 2 for 2020/2021 and 2021/2022 be approved in principle. The fees proposed are: 2020/2021 £774.50 and for 2021/2022 £812.50.

**3. BACKGROUND**

- 3.1 The fees and charges as set out in Appendix 1 show the proposed fees and charges for 1 April 2019 to 31 March 2020. Appendix 1 includes the changes detailed in the Director and Registrar's report "Changes to Working Hours and Services".
- 3.2 In 2018/2019 the main cremation fee was increased by 8%. The 8% increase comprised of a 5% increase in income that was retained within the revenue accounts and an additional 3% increase in income being transferred into the capital fund to finance future works to the crematorium building and major assets. This additional 3% increase in fees was approved by the committee for 2018/2019 only.
- 3.3 The options for adjusting fees and charges comprise:
- Increase to cover a general inflationary increase
  - Increase to cover a specific inflationary increase
  - Increase or decrease to achieve the Committee's priorities
  - Change to reflect market conditions
  - Change to reflect actual cost of service

- Change to generate additional real income

Where there has been a change in the level of fees and charges, the basis (as per the above list) has been identified in Appendix 1.

- 3.4 Charges are generally rounded to the nearest 50 pence or £1. This is particularly relevant where customers pay in cash.
- 3.5 The fees and charges put forward have been used in calculating the proposed budgets for 2019/2020 and changes to this would result also in changes to those budgets.
- 3.6 Inflation levels (as measured by The Consumer Price Index (CPI)) reduced from 2.9% at August 2017 to 2.4% at September 2018. However, the Bank of England's target remains at 2% for 2018/2019.
- 3.7 The Office of Budget Responsibility (OBR) has seen growth slowing from 1.9% in 2016 to 1.7% in 2017. They expect growth to slow further forecasting 1.5% in 2018 and 1.3% in 2019 and 2020 before slightly increasing to 1.4% and 1.5% in 2021 and 2022 respectively. The impact of Brexit when the UK leaves the EU in March 2019 might result in changes being made to these forecasts.
- 3.8 Table 1 below compares the 2018/2019 adult cremation fees including the medical fee for the crematoria in our region and the number of cremations undertaken in the 2016 and 2017 calendar years:

**Table 1**

<b>Crematorium</b>	<b>Adult Cremation Fee including Medical Fee for 2018/2019</b>	<b>Number of Cremations 2016</b>	<b>Number of Cremations 2017</b>
Bramcote	<b>£678.00</b>	2,973	2,762
Gedling (opened Jan 17)	<b>£695.00</b>	0	998
<b>Mansfield</b>	<b>£704.50</b>	<b>2,588</b>	<b>2,501</b>
Wilford Hill - Nottingham	<b>£709.00</b>	2,181	1,839
Chesterfield	<b>£730.00</b>	2,178	2,339
Amber Valley - Swanwick	<b>£799.00</b>	1,190	1,346
Babworth - Retford (opened Aug 18)	<b>£803.00</b>	0	0
Grantham	<b>£975.00</b>	1,094	1,154
Sherwood Forest - Ollerton	<b>£990.00</b>	1,177	1,131
<b>TOTAL Number of Cremations</b>		<b>13,381</b>	<b>14,070</b>

Within the local area the Mansfield and District Crematoria is the third lowest in price for an adult cremation fee including medical fee for 2018/2019. The graph in Appendix 2 compares the cremation fees including medical fees for 2018/2019 for local crematoria.

3.9 Data obtained from the Cremation Society as at 1 January 2018 states that of the 291 Crematoria in the UK, Mansfield is the forty sixth lowest in price for a basic cremation (forty fifth lowest at 1 January 2017).

3.10 Table 2 below shows the recommended increase for basic cremation fees by 5% from 2019/2020 to 2021/2022, as detailed in the Revenue and Capital Budget 2019/2020 to 2021/2022 report.

**Table 2**

	Approved		Proposed 5% increase		Estimate assuming 5% increase	
	2018/2019	2019/2020	2020/2021	2021/2022		
	£	£	£	£		
Cremation fee	686.00	720.00	756.00	794.00		
Medical referees fee	18.50	18.50	18.50	18.50		
<b>TOTAL FEE</b>	<b>704.50</b>	<b>738.50</b>	<b>774.50</b>	<b>812.50</b>		

3.11 The basic cremation and medical referee's fee for an adult cremation proposed for 2019/2020 is £738.50, which is an increase of £34 (5%) on the 2018/2019 approved fee.

3.12 Table 3 below shows alternative percentage increases to the basic adult cremation fee for 2019/2020 and the additional forecasted income that the higher percentage increases would generate.

**Table 3**

	Percentage increases to the 2018/2019 Cremation Fee					
	5%	6%	7%	8%	9%	10%
Basic Adult Cremation Fee	£720.00	£727.00	£734.00	£741.00	£747.50	£754.50
Medical Fee	£18.50	£18.50	£18.50	£18.50	£18.50	£18.50
<b>TOTAL Cremation Fee</b>	<b>£738.50</b>	<b>£745.50</b>	<b>£752.50</b>	<b>£759.50</b>	<b>£766.00</b>	<b>£773.00</b>
Forecasted Number of Cremations	2400	2400	2400	2400	2400	2400
Forecasted Cremation Fee Income	£1,772,400	£1,789,200	£1,806,000	£1,822,800	£1,838,400	£1,855,200
<b>Forecasted Additional Income if % Rise Increased</b>	-	<b>£16,800</b>	<b>£33,600</b>	<b>£50,400</b>	<b>£66,000</b>	<b>£82,800</b>

3.13 The income received from the basic cremation and medical referee's fees for the financial years 2015/2016 to 2018/2019 (forecast) is shown in table 4 below:

**Table 4**

Year	Basic Adult Cremation and Medical Fees	Number of Cremations April to March per annum	Income Received	Annual Increase	Annual Increase
2015/2016	£583.50	2,492	£1,449,861	-£86,189	-5.6%
2016/2017	£623.50	2,623	£1,628,338	£178,477	12.3%
2017/2018	£653.50	2,501	£1,635,260	£6,923	0.4%
2018/2019 forecast	£704.50	2,400	£1,690,800	£55,540	3.4%

Please note that the income received figures and number of cremations data in table 4 are for all the different cremation fees available and not just the basic adult cremation fees.

- 3.14 Table 5 below shows the basic cremation fee plus medical fee proposed for 2019/2020 to 2021/2022 and the forecast income. The number of cremations forecast from 2019/2020 onwards has been reduced from 2,450 to 2,400 per annum to reflect current throughput data.

**Table 5**

Year	Basic Adult Cremation Fee including Medical Fee Proposed	Increase in Cremation Fee	Number of Cremations	Annual Income Forecast
2019/2020	£738.50	£34	2,400	£1,772,400
2020/2021	£774.50	£36	2,400	£1,858,800
2021/2022	£812.50	£38	2,400	£1,950,000

- 3.15 During January to December 2017 Mansfield & District Crematorium carried out 2,501 cremations, ranking it the thirtieth highest of the 291 Crematoria operating throughout the UK (Twenty fourth highest in 2016).

#### 4. OPTIONS AVAILABLE

Amendments to the proposed fees and charges can be suggested. However, the impact on the proposed revenue and capital budgets for 2019/2020 – 2021/2022 and the reserves of the JCC needs to be considered.

## 5. RISK ASSESSMENT OF RECOMMENDATIONS AND OPTIONS

Risk	Risk Assessment	Risk Level	Risk Management
Financial -That the figures contained within the proposed fees and charges are inaccurate	That the calculations have been made incorrectly. There is a great deal of work involved in bringing the information together and errors may occur	Medium	A quality check is undertaken throughout the process and errors identified.
Reputational – That the proposed fees damage the reputation of the Joint Crematorium Committee	Work is undertaken to review all UK crematoria fees and annual increases and as well as those Crematoria operating within our region.	Low	The proposals are in line with the Joint Crematorium Committees corporate priorities

## 6. ALIGNMENT TO COMMITTEES PRIORITIES

This report is directly aligned to ensuring effective management of the Crematorium.

## 7. IMPLICATIONS RELATING TO RELEVANT LEGISLATION

- (a) Relevant Legislation: No direct impact
- (b) Human Rights: It is not considered that individual human rights will be infringed.
- (c) Equality and Diversity: No direct impact.
- (d) Climate change and environmental sustainability: The Environmental Permitting (England and Wales) Regulations 2017 – the Environmental Protection (England) (Crematoria Mercury Emissions Burden Sharing Certifications) Direction 2010.
- (e) Crime and Disorder: No direct impact.
- (f) Budget / Resources: The income anticipated from the proposed fees and charges will be included in the 2019/2020 revenue budgets and the Capital Fund Reserve. The impact of any amendments will be assessed.

## 8. CONSULTATION

The proposals have been provided by the Director and Registrar of the Mansfield & District Crematorium.

## 9. BACKGROUND PAPERS

Comparison fees and charges and number of cremations carried out have been obtained from the Cremation Society.

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# Cremation Fees including Medical Fees - April 2018 to March 2019

Appendix 2

