

**MANSFIELD AND DISTRICT JOINT CREMATORIUM COMMITTEE**  
**7 SEPTEMBER 2020**

**PROVISION OF NEW MERCURY ABATAMENT EQUIPMENT**

**1. SUMMARY**

- 1.1 This report provides an update to the Committee on the provision of the new Mercury Abatement Equipment (MAE).

**2. RECOMMENDATIONS**

**To be resolved:**

- 2.1 That the current 2020/2021 capital budget of £627,000 for the provision of Mercury Abatement Equipment is increased by £191,460 to £818,460 to take into account the additional costs over and above the design and installation of the Equipment.
- 2.2 That if necessary funds are transferred from General Reserves to the Capital Fund to make up the shortfall of £1,613.

**3.0 Background Information**

- 3.1 A budget quotation was received from Matthews Environmental Solutions (Matthews) in respect of the provision and installation of MAE and the removal of one cremator.
- 3.2 Specifically, the quotation includes for:
- a) The design, manufacture, delivery, installation and commissioning works for the removal of one of the existing standard sized cremator to include all necessary alterations, adaptation to control, monitoring equipment, flues etc.
  - b) The design, manufacture, delivery, installation and commissioning of mercury abatement plant to service three cremators and meet current emission levels, legislation etc. to include all necessary control, monitoring equipment, flues and the like.
  - c) A maintenance regime for new and existing equipment will form a separate contract from the expiry of the Defects Liability Period. Any maintenance within the DLP period is to be contained within the quotation.
- 3.3 Matthews returned a quotation based on two options. The first option at £720,000 was for three single line systems. The second option instead of having three single line systems, allowed for one single line abatement system servicing one cremator (the newest cremator) with the other two cremators being serviced by a 2-into-1 system. This was costed at £627,000.
- 3.4 A decision was taken to proceed with the second option as it was cheaper but also improved the system design and the resultant ease of use and maintenance. A subsequent Purchase Order was raised for £627,000 and issued to Matthews.

- 3.5 It is understood that the budget was set at £750,000 based on Matthews' first option however this did not include builder's accommodation works, an allowance for contingencies (which is standard practice) and Mansfield District Council's Design Services fees. It is further understood that the 2019/2020 capital budget of £750,000 was requested to be carried forward into the 2020/2021 financial year but the recommendation was reduced to £627,000 to meet the value of the purchase order raised to Matthews. This now needs to be increased to include the costs shown below.
- 3.6 The contract with Matthews for the value of £627,000 was entered into on 25 August 2020. We are now awaiting a timetable from them.

#### 4.0 **Proposals**

- 4.1 The total estimated cost of the works is shown below:

Budget quote	£627,000
10% contingencies	£61,200
Builder's accommodation works 15%	£92,000
Design Services fees 5%	£38,260
<b>Total budget cost</b>	<b>£818,460</b>

- 4.2 The final extent of accommodation works will be determined once the design work has been completed by Matthews however it will potentially include such items of work as:

- Resin floor to transfer room. Required due to removal of cremator.
- Making good to walls, ceilings etc. where No 1 cremator removed. Finishes and design to be approved possible public viewing
- Sound insulation to transfer room.
- Adaptation/new screen to roof mounted MAE plant.
- Possible alterations to roof and recovering to mess room and mezzanine. Requires recovering prior to new equipment being fitted. Note that the recovering of the Crematory roof is an independent project subject to an insurance claim following copper theft. This work will be carried out in conjunction with MAE due to restrictions relating to a European Protected Species Licence (relating to bats) which gives restricted timescales when work can be carried out.
- Possible structural steelwork alterations subject to final MAE design. (Equipment support)
- Chimney flue alteration/additional flue, cladding etc. to external flue dependant on final design. Work to the chimney will also be subject to the European Protected Species licence restrictions.
- Upgrade of incoming gas safety valve including connection to the fire alarm system.
- New steel deck mezzanine over yard and mess room
- New screen to control room.
- New access gate to service yard.
- Electrics

4.3 The budget will therefore need to be increased accordingly in order for the works to proceed. The current usable reserves balances held for the Joint Crematorium Committee at 26 August 2020 are £427,210 as shown in the table below.

**Usable Reserves of the Joint Crematorium Committee as at 26 August 2020, including Capital Fund and General Reserves.**

Please note the table below does not include any forecasted income for August 2020 to March 2021 for the 3% increase on standard cremation fees or any forecasts for year-end excess surplus contributions to usable reserves.

<b>Capital Fund Balance Brought Forward 1 April 2020</b>	<b>£799,863</b>
<b>Less Approved Capital Budgets 2020/2021</b>	-
Carried Forward Replacement Abatement Equipment	£627,000
New Tractor	-£16,500
Car Park Lighting	-£8,000
	-
	£651,500
<b>Plus Capital Budgets Not Required 2020/2021</b>	
New Tractor	£16,500
Car Park Lighting	£8,000
	£24,500
<b>Plus 3% increase in Standard Cremation Fee 2020/2021</b>	
Actuals April-July 2020 transferred to Capital fund	£16,984
<b>Capital Fund Available Balance as at 26 August 2020</b>	<b>£189,847</b>

<b>General Reserve Balance Brought Forward 1 April 2020</b>	<b>£237,363</b>
<b>General Reserve Available Balance as at 26 August 2020</b>	<b>£237,363</b>

<b>Total Usable Reserves Available as at 26 August 2020</b>	<b>£427,210</b>
---	-----------------

Background Papers

Matthews Budget Quotation MQ27575rev1

For further information please contact Rob Purser, Development Manager, Mansfield District Council, [rpurser@mansfield.gov.uk](mailto:rpurser@mansfield.gov.uk), 01623 463123.