

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

EXECUTIVE MANAGEMENT TEAM'S REPORT TO CABINET

Cabinet
09 December 2020

Report Title: Proposed Residents Funeral Service

Submitted by: Head of Operations

Portfolio: Environment and Recycling

Ward(s) affected: All wards

Purpose of the Report

To seek approval for the Council to offer a Residents Funeral Service and to invite tenders from suitable delivery partners and award the contract to the lowest suitable tender.

Recommendation

That

1. The scheme to provide a residents funeral service, including a direct cremation option, is approved.
2. That authority is granted to invite tenders for the service and to accept the lowest suitable tender received.

Reasons

To provide residents of the borough with an increased choice of funeral options, including more affordable options, in light of the national concern over funeral costs and the potential hardship this can cause some bereaved families.

1. Background

- 1.1 The Borough Council is a Burial Authority with a statutory duty to ensure safe and proper disposal of the deceased. The Council currently fulfils this duty through the direct provision of cremation and burial services at Newcastle Crematorium and 8 cemeteries.

Concern has been raised in recent times about the rising cost of funerals and the associated hardship this can cause bereaved families at a very difficult time. The Competition and Markets Authority (CMA) have also instigated an investigation into the rising cost of funerals and cremations, with a view to determining whether current fees and charges across both local authority and private sector providers are fair and what options could be explored to address increasing costs. The outcome of this investigation is expected in March 2021. The Council publishes its Scale of Fees and Charges annually, and the fees for burial and cremation services are included to ensure transparency. In terms of the full cost of a funeral for a bereaved family, the Council's charges relate to only a part of the overall cost (purchase of graves, interment, cremation etc) whilst the majority of costs relate to the services provided by the private sector via Funeral Directors (collection and care of the deceased, provision of coffin, transport to the service etc).

- 1.2 Following a request from Cabinet members, the bereavement services team has been exploring the potential of delivering a residents funeral service, including a direct cremation option, with a view to increasing residents choice in relation to funerals and providing more affordable options to address the rising costs of funerals.
- 1.3 Several other local authorities throughout the country have started to provide a residents funeral as a service to their residents. In essence, this involves the council partnering with a local funeral director to provide a simple, dignified "end to end" funeral service at a fixed cost. Families can opt to add in extra services for pre-set additional costs should they so wish. The direct cremation option, also at a fixed cost, involves the deceased being brought directly to the crematorium and being cremated without a traditional funeral service or the family being present. The ashes are then returned to the family or interred in the crematorium grounds for a small additional charge. The direct cremation service is starting to be offered by other crematoria in the local area.
- 1.4 Research has been undertaken regarding existing lower cost funeral options in the borough, and whilst it is acknowledged that several funeral directors do provide lower cost options, they currently don't include any costs associated with the actual cremation or burial. From looking at examples of other local authorities who are currently providing a residents funeral service it is anticipated that an affordable service can be provided which includes both the funeral director's costs and the council's cremation / burial costs.

2. Issues

- 2.1 The key to the delivery of the proposed residents funeral service is the ability to be able to collect, store and then enable viewings of the deceased, as well as the formal transportation to the crematorium or cemetery and the staff needed to support this process. The council does not currently have the capacity nor the specialist capability to deliver these elements of the service in-house and it would be costly and time consuming to set this up, both in up front costs and ongoing annual running costs, which may not be fully recovered through any additional income generated. It is proposed therefore to deliver this service by partnering with a funeral director, who will already have access to the required facilities and staff. The requirements for this will be included in the tender documentation.
- 2.2 The direct cremation option is not currently provided at the Crematorium. As part of this project it is proposed to look to provide this option for families as an affordable alternative to a traditional cremation service and to include the option in the residents funeral service package. Direct cremations do not require the use of the chapel or music facilities for a service, and therefore would require a lower fee to that currently charged for a traditional cremation. This fee will be agreed and set as part of this project.

3. Proposal

- 3.1 The aim of the proposed residents funeral service is to provide a simple yet dignified funeral service, which would include all of the basics needed for a dignified funeral service at a fixed cost. The service would be able to be purchased at the point of need or as an advanced purchase plan.
- 3.2 The residents funeral service will be promoted through both the council and the successful tenderers websites, as well as through social media channels and on site at the crematorium and cemetery offices. It is proposed that the service at the point of delivery will not appear noticeably different to any other existing funeral service option.
- 3.3 The proposed service would be available for both cremation and burial options, although the burial option would require the additional cost of the purchase of the grave (unless one was already purchased). The package would include the collection and storage of the deceased,

a coffin, a hearse and one limousine to transport family to the crematorium or selected cemetery. The use of the crematorium chapel or a graveside service would also be included.

- 3.4 There will be a small number of items not included in the fixed price, including the provision of a celebrant and any medical fees that may be required. There are also a small number of ancillary items which can be added to the basic package at an agreed additional cost.
- 3.5 The proposed package would only be made available to residents of the borough and this would be managed in line with the current rules on residents / non-residents eligibility for discounted fees.
- 3.6 The direct cremation option would be delivered in a similar manner to the resident funeral and would include the collection and storage of the deceased the provision of a coffin and transport to the crematorium. This option would also be open to non-residents of the Borough.
- 3.7 The proposed tender would be open to all funeral directors, but there will be a specific requirement that ensures that a chapel of rest is available within the borough to ensure that families can view loved ones without the requirement to travel outside of the borough.
- 3.8 A summary of the proposed Resident Funeral Service package is attached to this report at Appendix 1.

4. Reasons for Proposed Solution

- 4.1 To provide residents of the borough with an increased choice of funeral options, including more affordable options, in light of the national concern over funeral costs and the potential hardship this can cause some bereaved families.

5. Options Considered

- 5.1 To provide a residents funeral service and direct cremation option by partnering with a suitable funeral director – preferred option for reasons set out above.
- 5.2 To provide a residents funeral service and direct cremation option in-house – not feasible for reasons set out above
- 5.3 To continue with the current range of options available to bereaved families – this would not respond to Cabinet members aspirations nor the anticipated demand from bereaved families

6. Legal and Statutory Implications

- 6.1 The Council is a Burial Authority with a statutory duty to ensure the safe and proper disposal of the deceased. It has the power to enter into contractual arrangements to deliver services in relation to this duty.

7. Equality Impact Assessment

- 7.1 There is a positive equality impact resulting from these proposals, in that the proposed service would offer additional, affordable choice to bereaved families.

8. Financial and Resource Implications

- 8.1 The proposed residents funeral service is not anticipated to have any significant financial implications for the council. It is not expected to generate significant additional income as it is only available to residents, and the likelihood is that those residents who opt for the new

service, would have used one of the current options available. However, the residents funeral service should still generate the current level of fee income as the council's elements of the cost remain as per the Scale of Fees and Charges. The purpose of this service is to provide an affordable funeral offer to residents and mitigate against the likelihood of financial hardship for families at a difficult time.

- 8.2 The direct cremation option may generate a very modest additional income if it proves to be a popular choice, as it is open to non-residents of the Borough and would therefore potentially attract custom which would not have otherwise chosen Borough facilities.

9. **Major Risks**

- 9.1 Poor take up of the service resulting in concerns remaining over the cost of funerals – this will be mitigated by promotion of the service via appropriate channels and marketing by the successful partner provider
- 9.2 Limited interest from potential partner providers – this has been mitigated by soft market testing to establish that there are interested potential partner providers in the locality
- 9.3 Unattractive pricing structure – this has been mitigated by market comparisons and target cost setting in the tender document package

10. **Sustainability and Climate Change Implications**

- 10.1 None

11. **Key Decision Information**

- 11.1 This decision will affect all wards of the Borough but is not anticipated to have any significant impact on income or expenditure.

12. **Earlier Cabinet/Committee Resolutions**

- 12.1 None

13. **List of Appendices**

- 13.1 Appendix 1 – Proposed Resident Funeral Package

14. **Background Papers**

- 14.1 None