



## Notice of Non-key Executive Decision

<b>Subject Heading:</b>	New Fees – Bereavement & Registration Service
<b>Cabinet Member:</b>	Councillor Viddy Persaud, Cabinet Member Public Protection & Safety
<b>SLT Lead:</b>	Sue Harper interim Director of Neighbourhoods
<b>Report Author and contact details:</b>	<i>Louise Roast</i> <u><a href="mailto:Louise.roast@havering.gov.uk">Louise.roast@havering.gov.uk</a></u> 01708 433498
<b>Policy context:</b>	This decision confirms the adoption of new fees for additional products offered by Havering Bereavement Services (Cemeteries & Crematorium)
<b>Financial summary:</b>	The changes to the fees support income generation within the Registration & Bereavement Service
<b>Relevant OSC:</b>	Towns and Communities
<b>Is this decision exempt from being called-in?</b>	No

Non-key Executive Decision

**The subject matter of this report deals with the following Council Objectives**

- Communities making Havering
- Places making Havering
- Opportunities making Havering
- Connections making Havering

- 
- X
- 
- 

***Place an X in the [] as appropriate***

## Part A – Report seeking decision

### DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

This report seeks permission to introduce new fees within Bereavement Services (Cemeteries & Crematorium) with effect from 01<sup>st</sup> October 2019 to support the needs of the Service on a cost recovery basis.

### AUTHORITY UNDER WHICH DECISION IS MADE

Constitution -2.5 The following Functions may be delegated to individual Cabinet members by the Leader

- . (x) To approve all in year changes to both fees & charges

### STATEMENT OF THE REASONS FOR THE DECISION

Bereavement Services is seeking three decisions:

#### **Motifs on Perspex plaques**

Following notice that the supplier of our baseline memorial product, (a Perspex memorial plaque), would cease to trade, the service has reviewed all options to safeguard service income and resident choice. The service has been using the existing supplier, Bruce and Tyler, for many years and the family run business has kept prices well below its competitors. The Service has found a new supplier, Treasured Memories, offering plaques of comparable quality, however they are more expensive and a decision is sought to introduce a new fee for an optional motif to not only subsidise the baseline offering but to also increase options for customers.

#### **Introduction of motifs on Bronze plaques, supplied by Falon Nameplates.**

The Service proposes to introduce motifs on Bronze plaques to help ensure demand does not switch from Bronze to Perspex memorials which have a smaller profit margin.

#### **Introduction of a wooden wall plaque**

Development of the Memorial Chapel in Romford Cemetery as an historical resource is expected to lead to increased footfall and the opportunity to create demand for a new memorial product in a premium location. The service has sought a new, wooden wall memorial plaque, in keeping with the oak cabinet and display units and known as an Arboria Memorial plaque.

The recommendation is that these fees take effect from 01.09.2019.

The proposed new fees are:

1. A motif on a Perspex/Bronze kerb plaque  
Proposed fee for 1 motif      £29 inc.vat

## Non-key Executive Decision

Proposed fee for 2 motifs £54 inc. vat

### 2. Arboria Memorial plaque

Proposed fee inc. vat – Text only £185

Text with motif engraved £215

Text with motif engraved and hand painted £245

Text with ceramic photo plaque £295

## OTHER OPTIONS CONSIDERED AND REJECTED

### Perspex plaques

The Service has considered a wide range of alternatives to our Perspex plaque including:

- anodised aluminium
- corian
- 'like for like'
- acrylic laminate
- laser brushed stainless steel
- granite style.

If the Service continues to charge the existing fee for the baseline product, the alternatives would lead to a reduction in gross profit varying from 5.8% to 58.6%. Several options afforded a lower decrease in gross profit than the Treasured Memories plaque but the quality was poorer and not likely to stand up to the rigours of a ten year lease in the gardens.

### Arboria Memorial plaques

The service considered a range of indoor plaques:

- Floris plaques – Grey composite plaques available in selected summerhouses in the Gardens of Remembrance, South Essex Crematorium
- leather wall plaques
- Arboria Memorial plaques

Over a number of years demand for Floris plaques has been demonstrably low. Both Floris and leather wall plaques were aesthetically less well suited to the Memorial Chapel.

Arboria Memorial plaques will complement the white oak cabinet holding the Book of Remembrance and the lecterns running the length of the room on each side. Motifs on the plaques would be sold in the same way as those in the Book of Remembrance. The customer describes an item or provides a picture to be copied so that existing customers visiting the Book are presented with an option they are familiar with.

## PRE-DECISION CONSULTATION

None

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Non-key Executive Decision

Name: Louise Roast

Designation: Bereavement & Registration Manager

Signature:

Date:

## Part B - Assessment of implications and risks

### LEGAL IMPLICATIONS AND RISKS

The recommendation is to introduce new fees for an optional motif within the Bereavement Services (Cemeteries & Crematorium) with effect from 01<sup>st</sup> September 2019. A best value authority under section 93 (1) (a) Local Government Act 2003 has the power to charge for discretionary services, discretionary services are those services authorised by statute that a council is not required to provide but may do so voluntarily (93(1)(a)). Certain fees and charges are set at the amount prescribed in statute and in those cases there is no discretion as to the level of charge. In respect of other fees and charges that are specifically allowed by statute but do not prescribe the actual amount of fee, then the Council can set its own charges.

The Council is given a specific power to levy fees and charges for Cemetery and Crematorium services provided it falls within Article 15(1) of the Local Authorities Cemeteries Order 1977 and s9 of the Cremation Act 1902. The cap is that the charge must not exceed the cost of providing the services. The report states in Part A above that the new charges will be on a cost recovery basis.

Legal have been informed that the appointment of Treasured Memories was made after seeking 3 quotes from service providers, this complies with 9.8 of Contract Procurement Rules.

### FINANCIAL IMPLICATIONS AND RISKS

#### Motifs

The Treasured Memories black Perspex plaque would give us:

- only a 13.3% reduction in gross profit
- quality consistent with the existing plaque
- a more modern, pleasing product
- one or two motifs as optional extras
- more choice for customers
- the optional extra of a motif offers the opportunity to make up for the lost gross profit

Our local competitors do not offer kerb plaque memorials. We have sought to ensure that the proposed price is in line with our current, wide range of memorial fees. To simplify administration, we propose a single price for both Perspex and Bronze motifs with a gross profit % of between 65% and 79%. The additional staff time required in sales administration is expected to significantly reduce the net profit%.

At current sales levels, we could maintain our gross profit by selling a single motif for £29 inc. vat on 36% Perspex plaques and two motifs (£54 inc.vat) on 14% of all Perspex plaques. The Service would otherwise need to sell the new Treasured Memories black Perspex plaque (no motif) for c. £140 inc.vat, (an increase of £16) to maintain the level of gross profit.

To continue to be able to offer the best value to residents we believe that the Treasured Memories plaque without motif should be offered at the same price as the existing similar product. We propose monitoring sales to see whether the new product leads to:

- increased sales overall
- increased Perspex plaque sales and reduction in Bronze plaque sales

## Non-key Executive Decision

To help ensure that the motifs do not stop people buying bronze plaques, which have a larger profit margin, we propose introducing the option of motifs on bronze plaques.

### **Arboria Wall Plaques**

Our closest competitors do not offer Arboria plaques. The proposed price is in line with our current memorial prices and reflects the fact that we will offer a limited number of plaques initially, in an exhibition hall within a London in Bloom, award winning Silver Gilt Cemetery. The set up cost for the 22 plaque panel is £285 plus delivery and vat. If all 22 leases are sold the potential yield will be in the range of £5,730 - £6,537. The product offer represents a low risk to the Service. At the end of the lease period owners are offered an option to renew the lease for a further 10 years or the space is released for further sale. This ensures there is potential future income.

*(NB It should be noted that income from all memorials comprises the price of the memorial plus a ten year lease).*

### **HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

There are no human resources implications or risks

### **EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS**

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the Council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;
- (iii) foster good relations between those who have protected characteristics and those who do not.

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

The Council is committed to all of the above in the provision, procurement and commissioning of its services, and the employment of its workforce. In addition, the Council is also committed to improving the quality of life and wellbeing for all Havering residents in respect of socio-economics and health determinants.

The new products proposed will be open and available to all and will ensure the service continues to offer a good selection of pricing options for customers.

### **BACKGROUND PAPERS**

None

**Part C – Record of decision**

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

**Decision**

Proposal agreed

*Delete as applicable*

Proposal NOT agreed because

**Details of decision maker**

x Signed V. Persaud

x Name: VIDDY PERSAUD

Cabinet Portfolio held:  
CMT Member title:  
Head of Service title  
Other manager title:

Date:

**Lodging this notice**

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Committee Officer in Democratic Services, in the Town Hall.

**For use by Committee Administration**

This notice was lodged with me on 5/9/19

Signed A-H.M