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<b>Report To:</b>	<b>Environment and Regeneration Committee</b>	<b>Date:</b>	<b>31 August 2017</b>
<b>Report By:</b>	<b>Acting Head of Environmental and Commercial Services</b>	<b>Report No:</b>	<b>ERC/ENV/WR/17.311</b>
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<b>Subject:</b>	<b>Cremator Replacement Update</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to update the Committee on the replacement of cremators within Greenock Crematorium.

## 2.0 SUMMARY

- 2.1 Cremation is not a statutory obligation on local authorities. However, Inverclyde Council carries out its functions as a Cremation Authority in terms of the statutory powers and duties available to it. If the cremation option were not available in Inverclyde, then many more bereaved families would opt to use the burial service instead, which would be a far more expensive option both for the Council and families.
- 2.2 Greenock Crematorium has two cremators and one cremulator, and carries out approximately 1,000 cremations per year. Circa 20%-25% of cremations are for residents from outside Inverclyde, which is a positive statistic in that it aids the viability of the crematorium.
- 2.3 Greenock Crematorium dates from 1959. Cremators were last replaced in 1995/96 and it was anticipated they would last 20-25 years. The units are therefore 21/22 years old and are in need of replacement.
- 2.4 The January 2017 Committee approved funding of £15k for a feasibility study into the options for the replacement of two cremators at Greenock Crematorium. The scope of the study to include an assessment of one off and recurring costs associated with the project, and any potential alternative options for future delivery of cremation provision. The study is due to be completed 18 September, thereafter it will be considered by officers and a further report brought to Committee.

## 3.0 RECOMMENDATION

- 3.1 The Committee note that on completion and consideration of the feasibility study a detailed report outlining the costs, revenue implications and funding routes will be prepared for consideration.

**Willie Rennie**  
**Acting Head of Environmental & Commercial Services**

## **4.0 BACKGROUND**

- 4.1 Cremation is not a statutory obligation on local authorities. However, Inverclyde Council carries out its functions as a cremation authority in terms of the statutory powers and duties available to it. If the cremation option were not available in Inverclyde, then many more bereaved families would opt to use the burial service instead.
- 4.2 Inverclyde Council operates one crematorium, Greenock Crematorium, which carries out around 1,000 cremations per annum utilising two cremators within Greenock Crematorium. Greenock Crematorium dates from 1959 and although cremation is not a statutory function - not all local authorities provide the service - the cost of providing burial grounds and maintaining them in perpetuity means that the cremation option is both a service to local residents and an appropriate and efficient alternative to providing a much larger and much more expensive burial service.
- 4.3 Cremators were last replaced in 1995/96 and it was anticipated they would last 20-25 years. The units are now less efficient, and in the last few years have needed much more repair and maintenance than had been anticipated. This is a situation that will get worse as the units get older.
- 4.4 In addition to the wear and tear, new equipment has had to be installed and cremators modified to meet more stringent emissions standards as they have been introduced. Cremators that are contemporary are designed to meet these standards without the need for modification.
- 4.5 It should also be noted that 20%-25% of the 1,000 cremations carried out at Greenock Crematorium relate to residents from outwith Inverclyde, which is a positive statistic in that it aids the viability of the crematorium.

## **5.0 PROPOSALS**

- 5.1 The cremators have to be replaced within the next 3 years, but preferably within the next 1-2 years. The planning and procurement process required to install replacements and manage the process with minimal disruption to the service will be time consuming hence the preference to progress the project as soon as it is approved and funding agreed.
- 5.2 It is proposed to replace both existing cremators with modern equivalents, and also to replace an ancillary item of equipment, a cremulator, at the same time. Due to the dimensions of the apparatus and the age of the crematory building a significant amount of building work will be necessary. Greenock Crematorium is a listed building, so close liaison with Historic Environment Scotland will be involved. Until such time as a detailed feasibility study is concluded, the exact nature of the building work that will be needed cannot be established.
- 5.3 Mercury emissions from crematoria require to be controlled. Crematoria must either abate mercury emissions from 50% of cremations or burden share with other establishments that abate more than the required 50%. Mercury abatement is achieved by installing specialist apparatus to cremators to remove mercury from vapour produced during cremation. Crematoria that have mercury abatement apparatus installed usually abate at the rate of 100%; crematoria that do not have mercury abatement apparatus fitted may therefore pay a levy that goes towards the cost of installing and maintaining mercury abatement apparatus in crematoria that have it installed. In this way, the overall current government target of abating mercury emissions by 50% is achieved. Inverclyde Council meets the requisite government target by means of burden sharing. The prices set for cremation in Inverclyde include a levy to meet the responsibilities of mercury abatement. This arrangement has worked well since introduction in 2012, however the option whether to abate or not will be appraised as part of an initial feasibility study into the range of options and detailed processes involved in the overall project. Government targets for emissions from crematoria are likely to become more stringent over the lifecycle of the proposed new cremators.

## 6.0 FEASIBILITY STUDY

6.1 The replacement project as a whole will be project managed by a company that specialises in this particular field. The initial stage is to appoint a specialist company to produce a feasibility study as to the most appropriate options for apparatus replacement and associated building works at Greenock Crematorium. The study is due to be completed 18 September, thereafter it will be considered by officers and a further report brought to Committee.

6.2 The contractor will provide a feasibility study covering, but not limited to, the range of items outlined here. Discussion with the client will be required on an ongoing basis throughout the term of the contract, during which the scope of the study may be developed further and expanded beyond the outline topics as undernoted.

- a) A general overview of the crematorium industry in the UK
- b) Breakdown of local demographics/population using mapping technology
- c) Mercury abatement and CAMEO implications
- d) Overview of current UK environmental and construction legislation, including future implications for consideration
- e) Detailed review and analysis of existing crematorium situation including building, structure, operations and equipment
- f) Current crematorium financial analysis
- g) Analysis of competitors in the area
- h) Overview of equipment manufacturers and an up to date detailed analysis of each manufacturer's market penetration in the UK
- i) Procurement options, including maintenance agreements
- j) Projected development actions, timescales and reporting structures
- k) Cremation equipment costs and options for provision of typical maintenance costs based upon existing proven experience in the UK Bereavement Services market place
- l) Consideration of energy efficiency and savings through design and technological advances
- m) Overview of required crematorium features and benefit, supported by research
- n) Options for refurbishment – based on market experience, including specific areas of consideration at Greenock Crematorium
- o) Provision of outline projected construction costs for each option based upon industry experience
- p) Overall projected costs/revenue for refurbishment/new build
- q) Clear recommendation of the best solution and next steps to be taken

## 7.0 IMPLICATIONS

### Finance

#### 7.1 Financial Implications

Modern cremators are more efficient than the current units, so it is anticipated that there will be revenue cost savings in respect of gas usage, and possibly maintenance and repairs costs. Until such time as more information on the characteristics and performance of the replacement units is known, this varies by supplier and model; it is not yet possible to estimate revenue costs.

It is not intended to allocate capital funding to cover the cost of replacement cremators, instead it is anticipated that said costs would be funded by prudential borrowing and paid for by means of increasing the cost of cremations. Once the feasibility study has been assessed, the extent of the likely increase to cremations charges will be advised to the Committee.

#### One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed Spend £'000	Comments
Capital	Feasibility Studies	2016/17	15	For noting only as this cost has already been approved by committee 12 January 2017.

#### Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
					Subject to pending feasibility study.

### Legal

7.2 There are no legal implications arising from this report.

### Human Resources

7.3 There are no Human Resources implications arising from this report.

### Equalities

7.4 There are no equality issues arising from this report.

### Repopulation

7.5 There are no repopulation issues arising from this report.

## 8.0 LIST OF BACKGROUND PAPERS

8.1 Reference to The Burial and Cremation (Scotland) Act 2016 was made in the drafting of the report.