
Report To:	Environment and Regeneration Committee	Date: 30 August 2012
Report By:	Head of Environmental & Commercial Services	Report No: SSC/ENV/IM/12.134
Contact Officer:	Willie Rennie	Contact No: 01475 714761
Subject:	Crematoria Mercury Abatement Charges	

1.0 PURPOSE

1.1 The purpose of this report is to advise of the need to introduce an additional cremation charge due to the implementation of the Control of Mercury Emissions from Crematoria Regulations, and to seek approval to apply the additional charges in order that Inverclyde Council comply with the Regulations.

2.0 SUMMARY

2.1 Inverclyde Council notified the Scottish Environment Protection Agency (SEPA) in October 2005 as to how the Council would comply with the Control of Mercury Emissions from Crematoria Regulations i.e. that Inverclyde Council would join and pay into an approved burden sharing scheme.

2.2 Inverclyde Council therefore became a registered member of the Crematoria Abatement of Mercury Organisation (CAMEO) – an approved burden sharing scheme.

2.3 On the 1st January 2013 crematoria throughout the country are required to meet the target of abatement of emissions for 50% of its cremations.

2.4 There were two options open to Inverclyde Council in order to comply with the Regulations:

- i) Fit abatement equipment to one of the two cremators in Greenock Crematorium, and join the CAMEO scheme in the hope of gaining some income from any abated cremations that are carried out over and above the 50% national requirement. This option would incur significant capital costs, £300-£500k, and some ongoing revenue costs. The potential income from the CAMEO scheme would not come close to mitigating the capital costs of fitting abatement equipment.
- ii) Do not fit abatement and join the CAMEO burden sharing scheme. This option would incur no capital costs and no direct revenue costs to the Council as the cost of abatement per cremation (the CAMEO environmental surcharge) would be added to the cremation charge made to the customer.

2.5 In 2013 when the process of burden sharing commences the CAMEO environmental surcharge will become the value of a tradable mercury abated cremation, or TMac. Members who chose to burden share will be required to purchase a number of Tmacs equivalent to 50% of the cremations carried out in the baseline year of 2003. The income derived will be shared amongst the members who have fitted abatement equipment, thereby enabling the burden of removing mercury to be shared across the sector.

3.0 RECOMMENDATION

- 3.1 That the Committee approve all necessary future increases in cremation fees to cover the cost of mercury abatement through the CAMEO burden sharing scheme, the initial increase to be applied in January 2013.

Ian Moffat
Head of Environmental & Commercial Services

4.0 BACKGROUND

- 4.1 A report was submitted to the Community Committee in October 2005 to advise of the implications of the Control of Mercury Emissions from Crematoria Regulations, and to seek approval to notify the Scottish Environment Protection Agency (SEPA) as to how Inverclyde Council will comply with the Regulations. The decision was made that Inverclyde Council would join the CAMEO burden sharing scheme and SEPA were duly notified of the decision.
- 4.2 Crematoria have been regulated under Part I of the Environmental Protection Act 1990 since 1991. Substantial improvements have been made through the requirement to use Best Available Techniques Not Entailing Excessive Cost (BATNEEC) and the statutory government guidance, known as process guidance note PG5/2. The controls had not, however, addressed emissions of mercury. It was estimated that in the absence of intervention, emissions of mercury from crematoria would rise by two-thirds from 2000 to 2020. In response to this, the relevant government agency (SEPA in Scotland and DEFRA for the rest of the UK) consulted with the crematoria sector on the introduction of gas cleaning to remove mercury emissions in the latest revision of the statutory guidance.
- 4.3 The capital cost of gas cleaning equipment is such that it could represent an unacceptable increase in costs for smaller crematoria and those restricted by various site-specific constraints.
- 4.4 The UK is, however, a signatory to the OSPAR Convention for the Protection of the Marine Environment of the North-east Atlantic, and recommendation 2003/4 under this Convention calls for the application of Best Available Techniques (BAT) to prevent the dispersal into the environment of mercury from human remains. The OSPAR recommendation recognises that cultural and social impacts can be taken into account in controlling emissions of mercury from crematoria.
- 4.5 All the above was taken into account when Process Guidance Note 5/2 (04) was first introduced, followed quickly by the AQ1 (05) note on the "Control of Mercury Emissions from Crematoria".
- 4.6 The AQ1 note establishes the compromise approach whereby the industry would meet a target of abatement of emissions from 50% of cremations. The Federation of British Cremation Authorities (FBCA), representing 94% of UK Cremation Authorities, proposed a burden sharing arrangement to minimise the impact of compliance with the emission reduction targets. The scheme, named CAMEO (Crematoria Abatement of Mercury Emissions Organisation), was accepted and reference is made to it in the AQ1 note.

5.0 IMPLICATIONS

5.1 Finance

Financial Implications – One off Costs

Cost Centre	Budget Heading	Budget Year	Proposed spend This Report	Virement From	Other Comments

Financial Implications – Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact	Virement From	Other Comments
00557	Crematorium Income	01/01/13	(£26,130)	N/A	Surcharge per cremation estimated at £26. Annual net impact based on 2011/12 number of cremations (1,005). Additional income levied will be paid to CAMEO, net impact to the Council being nil.
00557	Crematorium PTOB	01/01/13	£26,130	N/A	

The CAMEO environmental surcharge per cremation is expected to be £26.00 in January 2013. The sum may vary between now and the implementation date if more crematoria join the scheme, but any variance is likely to be minimal. The additional charge levied by Inverclyde Council per cremation will mirror the CAMEO environmental surcharge. In the circumstances there will be no direct financial impact to the Council's budget.

All crematoria in the UK require to comply with the Regulations and all indications are that crematoria will pass on the costs through their cremation charges, so the comparative cost of cremation in Inverclyde as compared to other crematoria will not change significantly.

5.2 Legal, Equalities and Human Resources: None.