

Item No.	Classification Open	Date: 19 February 2015	Decision Maker: Cabinet Member for Environment, Recycling, Community Safety and Volunteering
Report title:		Cemeteries & Crematorium Fees and Charges 2015/16	
Ward(s) or groups affected:		All	
From:		Head of Public Realm	

RECOMMENDATION

1. That the Cabinet Member agrees the proposed non-statutory fees for cemeteries & crematoriums as shown in appendices attached with this report for 2015/16, with an implementation date of 1 April 2015.

BACKGROUND INFORMATION

2. This report sets out proposals for the cemeteries & crematorium Fees and Charges 2015/16.
3. The Medium Term Resources Strategy (MTRS) 2014/15 – 2016/17 and the corporate income policy require that:
 - Fees and Charge are increased to a level, at a minimum, that is equal to the most appropriate London average (e.g. inner London, family, groupings etc.) except where this conflicts with council policy, would lead to adverse revenue implications or would impact adversely on vulnerable clients
 - Income generation is maximised by seeking income streams in line with council policies and priorities.
 - All fees and charges capped by statute are increased to the maximum level the cap allows.
4. Only where it can be demonstrated that adverse financial implications might arise or where increases are not considered realistic due to demand and local circumstances, can fees or charges increases be set at a lower level than that set by the MTRS.
5. The Council's constitution requires that all fees and charges increases are agreed by the relevant Cabinet Member through an Individual Decision Maker (IDM) report. An IDM report is also required where no increase or a reduction in fees and charges is proposed.

KEY ISSUES FOR CONSIDERATION

6. Fees and charges are those charges where there is a schedule of rates for services provided. There are various types, namely mandatory and discretionary i.e. where the Authority must charge or where there is a choice of charging or not. Whether mandatory or discretionary, the charges will be either:
 - Fixed – where the level of charges is set by statute and the Authority has no discretion.
 - Capped – where a maximum level is set, generally by statute and so charges cannot be set above this level, or where fees have to be set at a level only relating to the costs incurred by the Council in delivering the relevant service, or
 - Flexible – where there is full discretion on the level of charges to be set
7. Where the Authority has a choice about charging, any decision not to charge must be agreed by the relevant Cabinet Member. This is to be reviewed annually and considered within the context of the overall budget position.
8. This report only seeks approval for fees and charges for which there is discretion or where fees are capped, although, all fees and charges are included in the Appendices for information.
9. In arriving at the proposed fees and charge levels, consideration has been given to a number of factors, including; volume assumptions, benchmarking data, market forces and sensitivity i.e. the impact that increases will have on its customers' ability to pay and the take-up of services. Another factor taken into account is that, whilst Southwark may have discretion over the level of fees set, in many cases, this is on a cost recovery basis or must have due regard to the cost of service and be reasonable. The cost of service provision has therefore, also been a consideration in arriving at the proposed fees.
10. Table 1 below details the total income expected to be generated from non-statutory fees and charges. A full list of non-statutory fees and charges to be approved are shown in Appendix 1.

Cemeteries and Crematoria

11. Benchmarking of cemetery fees this year indicates that most of the Cemeteries and Crematorium fees are in line with the inner London average and these will be frozen at 2014/15 levels except the following five items.

Interment and Grave Purchase

12. It is proposed that the Interment fee and Grave Purchase fee be increased in line with the inner London average, which results in fee increases ranging from 4 to 12%.

Exclusive Rights of Burial

13. It is proposed that the renewal or extension of The Exclusive Rights of Burial fee be increased by 24% resulting in this fee remaining lower than the inner London Average.

Third party cremations

14. Spare capacity of the cremation is being made available to the private burial providers and the fee proposed is £300 per cremation.

Large casket fees

15. Following feedback from funeral directors it is also proposed that extra digging supplements previously charged for larger caskets be removed allowing for one standard interment charge for all sizes.

Fees for out of borough resident's

16. Southwark's cemetery fees charged to residents of other Boroughs are charged under a long standing precedent at three times the rate of borough residents due to the pressure on burial space. This places the fees charged to such clients significantly above the inner London average

Resource implications

17. Table 1 shows the budgets for 2014/2015 and the anticipated income levels for 2015/2016 arising from the proposed fees. Budget assumptions are covered in the comments accompanying the financial table and the above paragraphs.

Table 1 – Public Realm Services Discretionary Fees and Charges

Division/ Income Stream	2014/15 Income Budget	Expected Increase in income arising from increased fees	2015/16 Estimated Income Budget
	£	£	£
Cemetery services	1,511,771	100,000	1,611,771

Budget assumptions and implications

18. Any benefits or repercussions for demand for services arising from the proposed increases in fees and charges will be reflected in revenue monitoring reports and future budget proposals. Any variances will be contained within existing budget for 2015/16 financial year.

Staffing implications

19. There are no staffing issues associated with this report.

Community impact statement

20. Given the current economic climate and general cost of living increases experienced by Southwark residents and businesses, where possible, fees have been frozen..

Consultation / Notification of fee increases

21. Consultation is not required on the above fees and charges. However, once approved, notification of fee increases will be published through the appropriate channels and key stakeholders.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services(SB/041214)

22. The Cabinet Member for Environment, Recycling, Community Safety and Volunteering is requested to approve the 2015/16 non-statutory fees and charges as outlined in this report. The recommendations will take effect on 1 April 2015 if approved.
23. The approval of the fees and charges sought in this report is a matter reserved to the Cabinet Member for individual decision making in accordance with Part 3D paragraph 3 of the Council's constitution.
24. The proposed increases are intended to be consistent with corporate policy, in particular the Medium Term Resources Strategy and will apply to the existing non-statutory fees and charges.
25. Section 93(1) of The Local Government Act 2003 enables the Council to charge for providing discretionary services. The power in the Act is subject to the requirement that the Council is not prevented from charging for the services by virtue of any other legislation. The Director of Legal Services is not aware of any specific legislative provision which would prevent the Council from relying on these powers to charge.
26. The power to charge for a service under the Act is also subject to the duty to make sure that, taking one financial year with another, the income from charges made from a service does not exceed the cost of the provision of the service.
27. The Council is, therefore allowed to set the level of the charge for each discretionary service that it thinks fit and considers reasonable, subject to those charges not exceeding the costs of the provision.
28. The report confirms that there are no prescribed legal requirements for consultation on the proposed fees and charges although any proposed increases will need to be publicised and notified. Officers should ensure that all forms of notification explain how and to whom any complaints or queries should be made.

Strategic Director of Finance and Corporate Services(F&CS14/019)

29. This report recommends that the Cabinet Member for Environment, Recycling, Community Safety and Volunteering agrees the proposed non-statutory fees and charges for 2015/16, with an implementation date of 1 April 2015.
30. The strategic director of finance and corporate services notes the resource implications contained within the report and the comparison of proposed council fees with the appropriate inner London average fees.

31. Savings that have been factored into future budgets and alternative savings would need to be identified should the recommendations not be accepted. Officer time to effect the recommendation will be contained within existing budgeted revenue resources.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
Public Realm Division Fees & Charges 2015/16 working papers and relevant emails	Public Realm, E &L offices, 160 Tooley Street, SE1	Jamshed Manzoor, Divisional Accountant 0207 525 2111

APPENDICES

No.	Title
Appendix 1	Cemetery & Cremation – non-statutory fees and charges

AUDIT TRAIL

Lead Officer	Deborah Collins, Strategic Director, Environment & Leisure	
Report Author	Des Waters, Head of Public Realm,	
Version	Final	
Dated	11 February 2015	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Member	No	No
Date final report sent to Constitutional Team	19 February 2015	