

Subject: Life Events Fees and Charges
Date of Meeting: 16th January 2014
Report of: Executive Director of Finance & Resources
Contact Officer: Name: Paul Holloway Tel: 292005
Email: Paul.holloway@brighton-hove.gcsx.gov.uk
Ward(s) affected: All

FOR GENERAL RELEASE

1. PURPOSE OF REPORT AND POLICY CONTEXT

- 1.1 Bereavement services and Registration services have reviewed their fees and charges for the services and products they provide. In line with the Corporate Fees & Charges Policy, the service regularly reviews fees and charges and compares all of them with neighbouring Local Authorities who provide the same or similar services. In addition, comparisons have been made against other local private sector service providers.
- 1.2 Analysis has been completed to ensure where possible, costs of the provision of the services are covered, and that they fit the organisations priorities and business objectives within the corporate financial management standards.
- 1.3 Projections based on the known previous demand for our services, and the increase in fees and charges suggest combined additional income of £100,000 is achievable for the 2014/15 for the Bereavement and Registration Services, enabling them to comply with income targets for the forthcoming financial year.
- 1.4 It is proposed that a mid year review is undertaken to reflect further on the findings of the detailed unit costs analysis currently being worked on.

2. RECOMMENDATIONS:

- 2.1 That the Policy & Resources Committee approve the fees and charges for Life Events in Appendix 1 (Bereavement Services) and Appendix 2 (Registration).

3. CONTEXT/ BACKGROUND INFORMATION

- 3.1 Brighton & Hove City Council adopted a Corporate Fees & Charges Policy in 2008. The main aims of the policy were to ensure that:
 - Fees and charges are reviewed at least annually including consideration of potential new sources of income;
 - Fees and charges are set after comparing with 'statistical nearest neighbours' (or other relevant comparator groups) and taking into account market, legal and other contextual information;

- Unless set by a statute, fees and charges are set to recover full costs, including central overheads and capital financing, or to a defined subsidy level agreed by the council;
- Subsidies and concessions are not applied unless approved by members;
- The impact on financial inclusion is considered when setting fee levels.

Fees and charges

- 3.2 For 2014/15, a comprehensive review of fees and charges has been completed, benchmarking our charges with neighbouring local authorities and service providers. The exercise has also reviewed non-statutory fees and charges to ensure cost recovery. It is not within our power to increase statutory fees.
- 3.3 The review of non-statutory fees and charges will continue during the financial year and a further report, if necessary, will be presented to the Policy & Resources Committee. Service pressures indicate we need to increase fees in most cases by higher than the standard inflationary amount. Benchmarking has established the services have scope for these increases.
- 3.4 These proposals will generate additional income of £85,000 for Bereavement Services and £15,000 for the Register Office. However, it must be appreciated that additional and new services for customers in both the Bereavement and Registration areas are high risk in terms of their scope for income generation, as they are untried and untested at a time when there are considerable financial uncertainties across the entire economy, so they will be kept under close review.

Bereavement Services

- 3.5 Until last year, fees and charges in Bereavement Services had only been increased by inflation. For 2014/15, a more comprehensive review has taken place. Increasing our fees and charges using just the standard inflationary amount has shown that, in some areas, the cost of our services remains incredibly competitive with near neighbours. Consequently, it is proposed that fees and charges are increased by 10% for all services, with the exception of statutory fees. There has also been provision made for low cost cremation options in the Bereavement Services area, as well as maintaining the current fees for anything relating to a child. Research has identified that our main competitors are increasing their fees and charges by between 20% and 30% for like for like services.
- 3.6 The lowest priced service for cremations for 2014/15 will be £202.00, an increase of just £4.00. For children's grave spaces in the city's cemeteries, costs for 2014/15 remain unchanged.
- 3.7 A burial cost in Brighton & Hove works out at £1,020 when right of burial and grave are purchased. For the same service, one of our nearest local authority neighbours charges £1,520 and £2,250 is charged by our nearest privately owned Crematorium and Burial grounds.
- 3.8 Appendix 1 (Bereavement Services) contain details of the main changes to our fees and charges, with the new proposed fees. Appendix 3 (Bereavement

Services) includes the benchmarking information, comparing the prices of our services to our neighbours, where services can be matched, like-for-like.

- 3.9 The increase in charges, as well as looking to cover costs, provides provision for business development and improvement, supporting cremator renewal and maintenance of facilities, both in terms of Bereavement Services buildings and cemeteries.

Registration Services

- 3.10 Until last year, fees and charges in Registration Services had only been increased by inflation. For 2014/15, a more comprehensive review has taken place. Increasing our fees and charges using just the standard inflationary amount has shown that, in some areas, the cost of our services remains incredibly competitive with near neighbours. Consequently, the proposal for 2014/15 is to increase non-statutory fees and charges by 10%. This approach and these increases ensure that our services remain competitive with our neighbouring service providers, assuming their increases to charges are at the standard inflationary amount or more.
- 3.11 Provision is still there for a low cost option for a Register Office ceremony, charged at £49.00 which is a statutory fee, set by government.
- 3.12 Appendix 2 (Registration) details our current fees and charges and the proposed new charges for 2014/15. Appendix 4 (Registration) includes the benchmarking information, comparing the prices of our services to our neighbours, where services can be matched, like-for-like.
- 3.13 A review has also identified new business development opportunities for Registration Services, as we look to modernise and provide new non-statutory services. Legislation also allows for other opportunities to be considered in conjunction with discussions with the General Register Office and the Registrar General.

4. ANALYSIS & CONSIDERATION OF ANY ALTERNATIVE OPTIONS

- 4.1 This benchmarking exercise has identified real potential for increasing our fees and charges across both the Bereavement and Registration Services. Both have excellent reputations for providing high quality customer focussed services and there is a need to maximise income generation. The exercise has demonstrated that increases in fees and charges can be achieved, whilst remaining extremely competitive with our neighbours and other service providers nearby.
- 4.2 The increase in fees and charges will allow Life Events services to realise income targets for 2014/15. A mid year review will provide information on the impact of these proposed increases.
- 4.3 Comprehensive analysis of service provisions has established that these increases will work towards cost recovery, as well as allow opportunities for business development and improvement.

- 4.4 Where possible, fees and charges still allow for customer choice and lower cost services are available, continuing to be charged at competitive prices.

5. COMMUNITY ENGAGEMENT & CONSULTATION

- 5.1 Comments and feedback are welcome as part of Brighton & Hove's budget consultation process. Consultation with the Institute of Cemeteries and Crematorium Management for Bereavement and the General Register Office for Registration, has previously established there is not a legal obligation to consult with members of the public about non-statutory fees.

6. CONCLUSION

- 6.1 It is important for Life Events services fees and charges to realistically reflect cost recovery and also have provision for business development and improvement, and support cremator renewal and maintenance of facilities. The proposed increases achieve this and a mid year review will enable further consideration to be given to detailed ongoing work on unit costs for providing services, as well as ensuring the services achieve increased income targets for 2014/15.

7. FINANCIAL & OTHER IMPLICATIONS:

Financial Implications:

- 7.1 The forecast income for 2013/14 for Bereavement Services is expected to be approximately £1.405m, and for Registrars Services £0.677m. Whilst this is an underachievement of income in the current financial year, mainly due to the capital works at the Crematorium, these works are due to be completed by the end of December 2013, and activity levels should be restored to normal from January 2014.

Following a review of fees and charges and benchmarking with other authorities, it is proposed to increase fees and charges by 10% for non-statutory fees, as set out in Appendices 1 and 3. Based on the service's estimated activity rates, this is expected to achieve the extra £0.100m income target included in the budget proposals for 2014/15, subject to agreement at budget council.

This package of proposals plus a potential further review of fees and charges during 2014/15 is intended to cover the costs of services provided, and also support further renewal and maintenance of facilities.

Finance Officer Consulted: Peter Francis

Date: 19/12/13

Legal Implications:

- 7.2 The setting of non-statutory fees and charges for the council's bereavement and registration services are a function of Policy & Resources Committee. The council has power to set charges for discretionary services at a level which secures that, taking one financial year with another, the income from these charges does not exceed the costs of provision

Lawyer Consulted: Oliver Dixon

Date: 12/12/13

Equalities Implications:

- 7.3 An Equalities Impact Assessment has been undertaken in respect of the proposed fees and charges increases.

Sustainability Implications:

- 7.4 Woodvale Crematorium has recently undergone an upgrade to facilities, including replacement of cremators in compliance with Mercury Abatement legislation. This will assist;
- Projected reductions in air and water pollution from mercury and other toxic emissions, to meet strict environmental standards.
 - Reduction in energy consumption and costs by up to £42k per year.
 - Carbon emissions will be reduced by as much as 314 Tonnes per year
 - The capture and recycling of waste heat, which in turn reduces our carbon footprint, will provide significant energy savings.
 - Provision of new energy-efficient lighting to the main driveway. Installation of brand-new efficient state-of-the-art cremation equipment.

The proposed increases in fees and charges for 2014/15 will support further cremator renewal and maintenance of facilities.

SUPPORTING DOCUMENTATION

Appendices:

Appendix 1: Bereavement Services fees and charges for 2014/15

Appendix 2: Bereavement Services benchmarking

Appendix 3: Registration Services fees and charges for 2014/15

Appendix 4: Registration Services benchmarking

Documents in Members' Rooms

N/A

Background Documents

N/A