
MAXIMISE OUR ASSETS: CREMATORIUM PROJECT

1 PURPOSE OF REPORT

- 1.1 This report outlines the proposed approach to one of the key projects within the Investment Board (IB) work streams.

2 INTRODUCTION

- 2.1 The report details the key activities that will be undertaken to ascertain the feasibility of establishing a crematorium within the District. The project will look at providing a local crematorium, a service that is currently unavailable within the District for its residents. The project will also aim to make better use of and enhance the existing cemetery service and assets, which, potentially, could provide a significant source of revenue for the Council of a long-term and sustainable nature.

3 PROPOSED APPROACH

- 3.1 The project will consider the feasibility of establishing a crematorium service through a range of delivery models with the provision that the above aims are satisfied.
- 3.2 The project will be scrutinised at four stage gates, with reports being submitted to the IB for scrutiny and decision on whether to proceed further at each stage.
- 3.3 The four stages are:
- Initial Scoping Exercise – determining the feasibility of the wider business case for a crematorium and the appropriate fit for the Rochford Council Business Plan;
 - Identifying Strategic Options - giving consideration to the market and business environment specific to Rochford District to determine suitable strategic options;
 - Developing a Business Case – undertaking financial modelling and exploring options for financing, with a view to presenting a final recommendation to Full Council;
 - Presentation to Full Council – taking forward a report with recommendation to Full Council, as previously approved by the IB.
- 3.4 Further detail of the proposed approach is outlined within the Project Initiation Document as the Appendix. A detailed project plan of the first stage will be finalised, subject to approval of this paper, by 21 March 2016.

- 3.5 The project will not consider other potential income streams associated with the existing cemetery and burial service, such as the price and size of plots; the price of current services; and the potential for new services, for example the cleaning of headstones. It is recommended that these aspects are presented to the Portfolio Holders for Environment and Enterprise for further consideration.

4 PROJECT SPONSOR

- 4.1 At the previous IB meeting Cllr J R F Mason was appointed as the Member Sponsor for the Crematorium Project.

5 RISK IMPLICATIONS

- 5.1 Failure to deliver the project, which will affect the longer strategic aim of generating revenue and have consequent implications for the Business Plan.

6 ENVIRONMENTAL IMPLICATIONS

- 6.1 None arising directly from the feasibility study. However, further development of the crematorium may have environmental implications; these will be considered in the development of the feasibility study.

7 RESOURCE IMPLICATIONS

- 7.1 There is currently no budget assigned to this project; however, at the appropriate time a further report will outline funds that may be required to be drawn down from the IB fund in order to further progress the project.

8 LEGAL IMPLICATIONS

- 8.1 None. The Feasibility Study will indicate issues that will require legal input to ensure compliance with the Cemetery & Burial Acts. It is anticipated that this can be managed in-house.

9 EQUALITY AND DIVERSITY IMPLICATIONS

- 9.1 None arising directly from this report; however, Equality Impact Assessments will be developed as required.

10 RECOMMENDATION

- 10.1 It is proposed that the Board **RESOLVES**
- (1) To note the approach identified to establish feasibility of the crematorium.
 - (2) That the Project Sponsor (with other invited Members the Project Sponsor identifies) meets with the officer project team for a detailed review of progress to date.



Marcus Hotten

Assistant Director – Environment

Background Papers:-

None.

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If you would like this report in large print, Braille or another language please contact 01702 318111.

Project Initiation Document Template – level 1

Project Title Crematorium

Document Ref:	Version no. 1.0	Date: 16/2/16
Project Manager (author): Marcus Hotten		Contact details: 01702 318117
Directorate: Environment		Service Group

Project Objectives

To undertake a feasibility study to identify commercial options available for delivery of a crematorium and associated auxiliary services within the District.

Business Case

The project represents a local crematorium service that is currently unavailable within the District for residents.

It provides an opportunity to make better use of and enhance the existing cemetery service and assets; and potential future proofing of any trends in burial income versus cremation income generation.

Potentially, it represents a significant source of revenue for the Council, of a long-term and sustainable nature, and the reduction of dependence upon central Government funding.

Scope

The project will consider the feasibility of establishing a crematorium service through a range of delivery models with the proviso that the above business case is satisfied.

The project will not consider other potential income streams associated with the existing cemetery and burial service, but recommends that this is undertaken as part of a separate cemetery service review.

Resources Plan

1. Key Personnel

Project Sponsor

Cllr J R F Mason

Project Manager

Marcus Hotten (Assistant Director – Environment)

Project Team

Amar Dave (Chief Executive), Cllr I H Ward; Cllr D J Sperring; Daniel Baines (Environmental Health) (TBC).

2. Financial information

No budget is required for the initial feasibility study. This will require review at Stage 3 of the project plan.

Stakeholder identification

Essex County Council - Highway information

Local Undertakers

Residents

Customers

Investment Board

The Executive – regular updates will be provided to the Executive.

Full Council

Communications

Management reporting

Regular alternate-weekly meeting with appropriate Project Team members to provide progress updates: a written summary report will be presented to the Project Sponsor.

Monthly face-to-face update meeting with project sponsor and written project update presented to the Investment Board.

Further Stakeholder communications

Regular updates using agreed reporting format for the Executive.

Impact on other projects

Limited staff resource will require co-ordination across programme of corporate projects; priority of projects has yet to be agreed.

Project Plan				
Basic template				
Task (* - Milestone)	Start date	Finish date	Actual finish date	Responsibility
Project team established				
STAGE 1 – Initial Scoping Exercise				
Assessing Feasibility	Feb	Mar		MH
Assessing Acceptability	Feb	April		MH
Assessing Vulnerability	Feb	Mar		MH
*Scoping Report to Investment Board	April	April		MH
STAGE 2 – Identifying Strategic Options				
Soft Marketing	May	May		
Competitor analysis	May	May		
Appraisal of external long-term business environment	May	May		
Assessment of internal capabilities	June	June		
*Brainstorming – identification of constraints and opportunities	June	July		
Identification of Strategic options for financial consideration	July	July		
* Report to Investment Board	July	July		
STAGE 3 – Developing Business Plan				
Principal economic drivers identified and cost of options established	Aug	Aug		
Financial models identified and recommendations to Council finalised	Sept	Oct		

Evaluation and selection of final options	Oct	Oct		
*Report to Investment Board	Oct	Oct		
STAGE 4 – Presentation to Full Council	Nov	Nov		

Risk Assessment

[Identifies risks in the project and assesses their significance or potential impact. This will then allow informed decisions to be made as to the management of these risks, help avoid loss of time, money and achieve best VFM. The Risk Log should be a 'living' document that is regularly reviewed and updated throughout the life of the project. A risk is a threat to the project that has not yet occurred] (see corporate risk policy for further details).

No	Description of risk	Impact	Risk Assessment		Risk rating (LxI)	Contingency
			Likelihood	Impact		
1.	Underestimate/ overestimate market	Poor decision making process results in optimum choices overlooked	H	H	H	Use of consultants to stress test business models developed. Sensitivity analysis and soft market testing to be undertaken.
2.	Failure to establish true costs of project proposals	Result in incorrect decision/ business model selected	L	H	M	Research undertaken of existing construction costs from recent crematorium for comparison. Use of QS at final decision making stage.
3	Staff resource inadequate for project research		M	M	M	Use of milestones and regular reporting structure to highlight.

Project monitoring (*Linked to Communication Management reporting above*)

[Description of methods used to monitor progress; Types and frequency of reports; Document control- e.g. file control – paper & electronic].

Project approval

Project Sponsor: *Signature*

Date:

PAB approval to proceed: *Signature*

Date:

More Detailed Plan							
More detailed template	How (Action)	By Who	When	Resources Required	Evidence <i>[incl. where recorded]</i>	Impact <i>[Can be positive or negative and have an intended or unintended impact.]</i>	Outcome <i>[Result or effect of the action taken on intended participants/ situation]</i>
Feasibility							
How difficult will it be							
What HR are needed							
What financial resource are needed							
What supporting technology are needed							
Acceptability							
What will the financial return be							

How will it enhance operating performance							
How will it enhance strategic capabilities							
Vulnerability							
What are the risks							
What adjustment cost will there be							
How will resource dependencies change							
How will our future flexibility be affected							