

## **Mansfield Crematorium : Development Options**

### **Joint Crematorium Committee (JCC)**

#### **Option 1: New Build Crematorium**

- Originally agreed by the JCC in December 2021 as the preferred option based on the desire to have a modern, new build facility designed to maximise efficiencies, comply with all legislation, include decarbonisation measures and customer experience.
- Subsequent feasibility studies have identified significant uplift in development costs due to need for land acquisition, construction costs, VAT implications on all three authorities.
- Return on investment projections show that each authority would be required to contribute towards crematorium operating costs annually until year 5 with surplus amounts not returning to current levels until year 13.
- **Reason for being discounted by JCC:**
  - The challenge in acquiring appropriate land
  - The high costs necessitating significant detrimental impact on Council's Medium Term Financial Strategies (MTFS).
  - Current surplus amounts not projected to be generated until year 13.

#### **Option 2: refurbishment of the existing crematorium facility**

- Agreed by the JCC to investigate this option due to spiralling projected costs of a new build replacement facility
- External consultants commissioned to undertake detailed feasibility studies into refurbishment options including impact on operations, closure of facility whilst being refurbished, installation of electric cremators within existing footprint, repurposing existing space to improve usage and addressing current issues with infrastructure and aesthetics.
- 3 refurbishment options were identified. All involve
  - Provision of electric cremators and abatement equipment
  - Decarbonisation measures-solar panels, heat recovery, rainwater harvesting
  - Internal redesign of flow, office space, entrance lobby, reception, toilets
  - New windows, doors, aesthetics.
- Refurbishment option c recommended by JCC to be implemented. Option c involves
  - 'gold standard' refurbishment
  - Most comprehensive redesign of space to support flow of mourners, separate staff from mourners, relocation of Chapel area.
  - Installation of cladding to significantly improve aesthetics.
- Refurbishment option involves provision of a temporary chapel/premises and temporary cremators to directly support expedient works implementation and completion. Estimated implementation timescales are 45 weeks.
- Following up front capital contribution to meet the costs of refurbishment, projected that current levels of annual surplus will be generated by year 2 with further uplift from year 3 onwards.

#### **Option 3: Ceasing the crematorium operation**

- Involves cessation of cremations taking place

- Displaced demand would be accommodated by other crematoria
- Would result in current annual surplus benefit to each authority ceasing to be replaced by an annual cost to each authority
- Require a capital costs contribution from the three authorities to demolish and making good the site.
- Ongoing annual revenue costs required from the three authorities to maintain the legacy site including memorial gardens.
- **Reason for being discounted by JCC:**
  - Significant detrimental impact on each authority's MTFS and annual budget setting process i.e. change from an annual surplus to an annual cost to each authority.
  - Would result in cessation of a valued and valuable bereavement service to residents of Ashfield, Mansfield, and Newark and Sherwood.

#### **Option 4: Do Nothing**

- Do not invest in the facility other than for essential, reactive repair and maintenance.
- Crematorium will fail to meet legislative requirement for 100% of cremations to be abated by 2027. This will mean that crematorium will be unable to obtain the required operating permits meaning the site will cease operating unless the existing cremators are replaced.
- Doesn't address the useability or aesthetics of the ageing building.
- **Reason for being discounted by JCC:**
  - Significant risk of operating failure due to breakdown of ageing cremators
  - Will result in closure of facility by 2027.
  - Resultant significant detrimental impact on MTFS and budget setting for each authority. Loss of annual financial surplus.

#### **Option 5: Sale and/or lease to Private Operator**

- Involves undertaking an open procurement exercise to sell the crematorium and operating model as a viable, going concern. JCC would require obtaining valuation of existing crematorium both in regard to land/building value but also as a viable, business, going concern.
- Private sector operator would look to invest in refurbishment of the facility to generate operating surplus ( similar to option now recommended by JCC)
- May involve a partnership arrangement with the JCC e.g. funding of initial refurbishment costs and/or surplus share.
- **Reason for being discounted by JCC:**
  - This option has not been discounted. JCC agreed that it is still a potential option that can be revisited at a future time whilst agreeing to recommend refurbishment of existing crematorium.
  - JCC acknowledged that following refurbishment of the existing crematorium that its value will significantly increase.
  - JCC acknowledged that a procurement exercise and subsequent completion of legal terms, sale etc will be lengthy involving 6 months plus and the need to proceed with refurbishment as matter of urgency.