



Hastings District Council

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OPEN

A G E N D A

HB CREMATORIUM COMMITTEE MEETING

Meeting Date: **Monday, 8 April 2019**

Time: **10.00am**

Venue: **Landmarks Room
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Council Members	Chair: Councillor Dixon (HDC) Councillor Watkins (HDC) Councillors McGrath and Taylor (NCC) Councillor Tennent (Deputy Chair) (Central HB District Council)
Officer Responsible	Group Manager: Community Facilities and Programmes – Mrs Alison Banks <i>Quorum 3 members</i>
Committee Secretary	Mrs Carolyn Hunt (Ext 5634)

Hawke's Bay Crematorium Committee – Terms of Reference

The Hawke's Bay Crematorium Committee established by Order in Council 9 June 1989 as part of The Local Government (Hawke's Bay Region) Reorganisation Order 1989.

- 1) The Hastings District Council shall establish and maintain a committee to be called the Hawke's Bay Crematorium Committee.
- 2) The membership of the Committee shall consist of:
 - (a) Two members to be appointed by the Napier City Council; and
 - (b) Two members to be appointed by the Hastings District Council; and
 - (c) One member to be appointed by the Central Hawke's Bay District Council.
- 3) The Hastings District Council shall delegate to the Hawke's Bay Crematorium Committee such functions, duties and powers in respect of the supervision and operation of the Hawke's Bay Crematorium as the Council considers appropriate.

Membership

Chairperson appointed by the Committee

5 members appointed in accordance with the Reorganisation Order

Quorum – 3 members

DELEGATED POWERS

Authority to develop policies and provide operational and financial oversight of the Hawke's Bay Crematorium.

HASTINGS DISTRICT COUNCIL
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A G E N D A

1. Apologies

An apology from Councillor Tennent has been received.

At the close of the agenda no requests for leave of absence had been received.

2. Conflict of Interest

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Democratic Support Manager (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

3. Confirmation of Minutes

Minutes of the HB Crematorium Committee Meeting held Wednesday 5 December 2018.
(Previously circulated)

4. Crematorium - Fees & Charges 2019

5

5. Additional Business Items

6. Extraordinary Business Items

REPORT TO: HB CREMATORIUM COMMITTEE

MEETING DATE: MONDAY 8 APRIL 2019

**FROM: CEMETERY MANAGER
ISAK BESTER**

SUBJECT: CREMATORIUM - FEES & CHARGES 2019

1.0 SUMMARY

1.1 The purpose of this report is to obtain a direction from the Hawke's Bay Crematorium Committee on Fees and Charges for crematorium services.

1.2 At the Hastings District Council Meeting on Thursday 21 February 2019 the Council resolved in respect of the report on Crematorium Fees and Charges;

"That being unhappy with the recommendation within the Cemeteries and Crematorium – Fees and Charges report, the matter be referred to the Hawke's Bay Crematorium Committee so it can consider and make a recommendation on the relevant Fees and Charges".

That in the interim Council makes no change to the current schedule of Cemeteries and Crematorium Fees and Charges.

1.3 This proposal arises from the increased costs to operate the Crematorium due to the following factors:

- Increase in utilities, maintenance and operating costs.
- Incurred costs in operating a larger chapel.
- Costs associated with yearly air discharge testing under the new Hawke's Bay Regional Council consent conditions.
- Increased cremation time for large coffins.

1.4 The Council is required to give effect to the purpose of local government as prescribed by Section 10 of the Local Government Act 2002. That purpose is to meet the current and future needs of communities for good quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses. Good quality means infrastructure, services and performance that are efficient and effective and appropriate to present and anticipated future circumstances.

1.5 The objective of this direction relevant to the purpose of Local Government is to provide quality local public services and facilities in relation to cemeteries and crematoria for the Hawke's Bay region that are accessible when needed, and with operational costs appropriately apportioned and recovered in accordance with Council policies.

- 1.6 This report concludes by recommending that the Crematorium Fees and Charges Schedule be amended to ensure recovery of crematorium costs in accordance with Council Policy.

2.0 BACKGROUND

- 2.1 Fees and charges for Hastings District Council Crematorium were last reviewed and adjusted in the 2011/12 financial year.
- 2.2 The proposed fees and charges have been compared to nine other local authorities across New Zealand. Bench marking of 4 other Councils is shown in 2.3 of this report.
- 2.3 In comparison to cemetery and crematoria fees of other local authorities, Hastings District Councils are between the lower and mid-range of the scale.

	Wanganui	New Plymouth	Dunedin	Palmerston North	Hastings District Council
Burial plots incl. Interment fee	\$2419	\$5462	\$4735	\$4773	\$2387 (Avg. across 4 cemeteries)
Ash plots	\$761	\$1620	\$921	\$841	\$830
Cremations	\$682	\$761	\$943	\$578	\$600

- 2.4 Council policy for the crematorium (**Attachment 2**) is that full cost recovery (100%) is made from the direct beneficiaries of the service through fees and charges. At present the crematorium is tracking at 97% and additional revenue needed to bring us in line with policy parameters is \$6,537.00.
- 2.5 Council Officers have calculated an 'Across the Board' increase in fees, taking into account Council Direction discussed in 3.5. This Amended Schedule of Fee's is attached as (**Attachment 1**)

3.0 CURRENT SITUATION

- 3.1 At the last meeting on 5 December 2018, the HB Crematorium Committee requested officers to investigate the implementation of a relevant charge for the cost of cremating oversize caskets. At present the HB Crematorium handles eight oversize casket cremations per year out of a total of 757.
- 3.2 A standard cremation takes on average 2 hours 30 minutes to complete. An oversize casket takes between 4 hours 30 minutes and 5 hours 30 minutes to complete. It takes two staff members to manage the process required for oversize caskets.
- 3.3 The current fee for the cremation of pre-term, stillborn and infants up to 3 years of age is \$80.00. The current fee for the cremation of children 3-11 years is \$175.00.

- 3.4 Over the last year 11 cremations took place for the group pre-term, stillborn and infants up to 3 years of age. One cremation took place for the group 3 – 11 years of age.
- 3.5 Hastings District Council in a workshop held on 21 February 2019 gave clear direction to officers that it did not want to charge for cremations based on the size of coffins. Given the sensitivities associated with cremation of infants and children up to 11 years of age, and the small number of cremations, Council gave further direction that it does not wish to charge for these cremations.
- 3.6 The Chief Executive also retains delegation to amend Cremation Charges in individual circumstances if s/he determines it appropriate.

4.0 OPTIONS FOR DISCUSSION

- 4.1 Amend the Crematorium Fees and Charges Schedule (**Attachment 1**) to ensure the recovery of crematorium costs in accordance with Council Policy and give effect to Council direction regards cremation of infants and children up to 11 years of age.
- 4.2 Retain the current Schedule of Fees and Charges.

5.0 SIGNIFICANCE AND ENGAGEMENT

- 5.1 In accordance with Council's Policy on Determining Significance this matter has been assessed as being of low significance.

6.0 ASSESSMENT OF OPTIONS (INCLUDING FINANCIAL IMPLICATIONS)

- 6.1 Retaining the fees and charges at their current level will not meet Council Policy direction on recovery of cremation costs and will not give effect to Council direction regards cremation of infants and children up to 11 years of age.
- 6.2 Amending the Crematorium Fees and Charges Schedule will meet Council Policy direction on recovery of cremation costs and will give effect to Council direction regards cremation of infants and children up to 11 years of age.
- 6.3 The preferred option is to amend the Crematorium Fees and Charges Schedule.

7.0 RECOMMENDATIONS AND REASONS

- A) That the report of the Cemetery Manager titled “Crematorium - Fees & Charges 2019” dated 8/04/2019 be received.**

- B) That the Hawke’s Bay Crematorium Committee approve the amended Crematorium Fees and Charges Schedule (CG-14-11-00007)) and make a recommendation to the Hastings District Council that the Hastings District Council adopt the amended Crematorium Fees and Charges Schedule (CG-14-11-00007)**

With the reasons for this decision being that the objective of the decision will contribute to meeting the current and future needs of communities for good quality local infrastructure and local public services in regards to cemeteries and crematoria.

Attachments:

- | | | |
|---|--------------------------------------|----------------|
| 1 | Crematorium Fee and Charges Schedule | CG-14-11-00007 |
| 2 | Crematorium Policy | CG-14-1-01160 |

Crematorium		Current Fee	Next Year Fee	\$ Increase	7.5%
All fees and charges are inclusive of GST.					
Crematorium					
Cremation					
<i>Fee includes medical referee and transport urn.</i>					
Adults		\$600.00	\$645	\$45	\$45
Organising your own cremation (direct with Council Staff). NOTE: This is an administration fee to cover the cost of HDC staff completing paperwork etc which would normally be undertaken by the Funeral Director		\$200.00	\$200	\$0	\$15
Child (3 to 11 years)		\$175.00	\$0	\$0	\$0
Infant (1 month up to 3 years old)		\$80.00	\$0	\$0	\$0
Infant (0 up to 1 month old)		\$80.00	\$0	\$0	\$0
Pre-term and Stillborn		\$80.00	\$0	\$0	\$0
Chapel					
<i>The chapel can accommodate 130 people comfortably. Facilities for music and visual playback are available. These fees are in addition to burial or cremation fees.</i>					
Full service (1 hour)		\$200.00	\$200	\$0	\$0
Committal (30 minutes)		\$100.00	\$100	\$0	\$0
Extension of service time per 30 minutes, or part thereof		\$100.00	\$100	\$0	\$0
Cremation Overtime					
<i>These fees are in addition to the above fees.</i>					
Cremation taking place 4pm to 5pm Monday to Friday and 8am to 12 noon Saturday		\$100.00	\$108	\$8	\$8
Cremation taking place from Saturday 12 noon to 5pm Saturday		\$200.00	\$215	\$15	\$15
Cremation taking place on Sundays or public holidays 10am to 2pm		\$350.00	\$376	\$26	\$26
Sundry					
Removal of liner from presentation coffin per cremation		\$15.00	\$16	\$1	\$1
Cremation Certificate		\$25.00	\$27	\$2	\$2
Registered scattering of ashes		\$40.00	\$43	\$3	\$3
Genealogical research - first two names are free of charge		\$40.00	\$43	\$3	\$3
Book of remembrance: two line entry (if available)		\$50.00	\$54	\$4	\$4

	Current Fee	Next Year Fee	\$ Increase	7.5%
All fees and charges are inclusive of GST. Interment or placement of ashes	\$130.00	\$140	\$10	\$10
Disinterment				
<i>No refund on plot purchase. The plot will return to Hastings District Council. These fees do not include any further interment fees or Funeral Directors' costs.</i>				
Ashes	\$150.00	\$161	\$11	\$11

FUNDING POLICY REVIEW

CREMATORIUM

1. Activity Description

The provision of cremation and appropriate supporting services in a sensitive and professional manner.

The provision of a crematorium is a discretionary activity.

2. Community Outcomes

Our lifestyle and people:

People at the centre of planning & service.

Appropriate services and facilities for an ageing population.

3. Current Funding Policy

The current policy is Public 0% / Private 100%.

Funding is derived from:

- User charges.

4. Cost

	Last 3 Year Average	2013/2014 Actual	2014/2015 Annual Plan
Total Operating Revenue	311,264	316,737	317,408
Total Operating Expenditure (including internal charges)	299,353	320,491	317,708
Rating Requirement	11,911	(3,754)	300
Public / Private Ratio	0% / 100%	0% /100 %	0% /100 %
Any balance is transferred to/from the Crematorium Plant Replacement Fund.			

5. Users

Individuals and families. For the cremation of deceased relatives.

Business. Funeral directors use of the Crematorium Chapel.

The Crematorium is used by other local authorities in Hawke's Bay.

6. Beneficiaries

Public/Private	Beneficiaries/Benefit
Public	Community health. Cremation provides general benefits in terms of public health. Community well-being. Peace-of-mind that the Council is providing a service to ensure that deceased persons are being properly laid to rest. Community land. Cremation has no requirement for perpetual land use and maintenance.
Private	Families. Peace-of-mind that their deceased are being appropriately laid to rest. Funeral directors. Use of the Crematorium Chapel. Business. Funeral support services.

7. Modification Considerations

Matters to consider that may influence the Public and Private weightings.

Reserves.	Reserves are accumulated to pay for capital expenditure. Additional funding may be required for a new Cremator to be purchased requiring an increase in the cost of cremation.
Increase in number of cremations.	The trend is for an increasing percentage of deceased persons to be cremated. An ageing population will add to the increase.
Other Local Authorities	Other sampled LAs combine their cremation and cemeteries into one business unit. If Council's two services were combined we would be similar to most LAs at Public 21% / Private 79%. Council's cost of an ashes plot and first interment is at the higher end of the scale. Cremation charges are at the lower end of the scale.

8. Service Delivery Options

Option 1. The Council recognises some element of Public good and the Crematorium is funded by user charges and general rates. Charges will be reviewed annually as part of the Annual Plan process to maintain the approved ratio.
Option 2. The Crematorium is funded by user charges which are increased as appropriate to maintain full Private funding.

9. Rating Impact

A 5% decrease in the Private ratio would decrease user charges by approximately 5%. The financial impact would be approximately \$16,000 which is equal to a 0.03% impact on rates.

10. Public Funding (Funding Policy Proposed)

Recommendation: Option 2.
That the service continues to be self-funding.
To be consistent with other LAs and to provide greater flexibility a ratio range could be set rather than a fixed ratio.
A Funding Policy split of Public 0% / Private 100% is recommended.

11. Financial Implications of Funding Policy Proposed

A Public 0% and Private 100% ratio will have no implications for the Annual Plan.