

Tuesday, 5 March 2024

He hui e whakahaeretia nei e Te Kaunihera ā-Rohe o Heretaunga
Administered by Hastings District Council
HB Crematorium Committee Meeting

Kaupapataka

Agenda

Te Rā Hui:
Meeting date: **Tuesday, 5 March 2024**

Te Wā:
Time: **10.00am**

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

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Group Manager: Asset Management - Craig Thew**

Hawke's Bay Crematorium Committee – Terms of Reference

The Hawke's Bay Crematorium Committee was established by Order in Council on 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 (NCC); and
 - (b) Two members to be appointed by the Hastings District Council (HDC); and
 - (c) One member to be appointed by the Central Hawke's Bay District Council (CHBDC).
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 (5 Councillors)

- Chair appointed by the Committee
- Appointed in accordance with the Reorganisation Order:
 - 2 HDC Councillors.
 - 2 NCC Councillors.
 - 1 CHBDC Councillor.

Quorum – 3 members

DELEGATED POWERS

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

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Hastings District Council
HB Crematorium Committee Meeting

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Agenda

Koromatua

Chair: To be elected by the Committee

Deputy Chair: To be elected by the Committee

Ngā KaiKaunihera

Members:

Mematanga:

Membership:

Councillor Malcom Dixon (HDC)

Councillor Simon Nixon (HDC)

Councillor Nigel Simpson (NCC)

Councillor Juliet Greig (NCC)

Councillor Gerard Minehan (CHBDC)

Tokamatua:

Quorum:

3 members

Apiha Matua

Officer Responsible:

Group Manager: Asset Management – Craig Thew

*Te Rōpū Manapori me te
Kāwanatanga*

Democracy &

Governance Services:

Christine Hilton (Ext 5633)

Te Rārangi Take

Order of Business

Apologies – Ngā Whakapāhatanga

- 1.0** At the close of the agenda no apologies had been received.
At the close of the agenda no requests for leave of absence had been received.
-

2.0 *Conflict of Interest – He Ngākau Kōnatunatu*

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 Manager: Democracy and Governance (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.

Confirmation of Minutes – Te Whakamana i Ngā Miniti

- 3.0** This is the first meeting of the Committee in this triennium, so there are no previous minutes to be confirmed.
-

- 4.0** **Election of Chair and Deputy Chair** **7**
-

- 5.0** **Report to HB Crematorium Committee** **9**
-

- 6.0** *Minor Items – Ngā Take Iti*
-

- 7.0** *Urgent Items – Ngā Take Whakahihiri*
-

Tuesday, 5 March 2024

Item 4

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: HB Crematorium Committee Meeting

Te Rārangi Take

Report to HB Crematorium Committee

Nā:
From: **Christine Hilton, Democracy and Governance Advisor**

Te Take:
Subject: **Election of Chair and Deputy Chair**

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to draw members' attention to the need to elect a Chair and Deputy Chair for the HB Crematorium Committee for the 2022-2025 triennium.
- 1.2 The Group Manager: Asset Management or the Cemetery Manager will assume the Chair at the start of the meeting and call for nominations for the position of Chair of the HB Crematorium Committee.
- 1.3 The newly appointed Chair will then assume Chairmanship of the meeting and call for nominations for the position of Deputy Chair.

2.0 Recommendations - *Ngā Tūtohunga*

- A) That the HB Crematorium Committee Meeting receive the report titled Election of Chair and Deputy Chair dated 5 March 2024.
- B) That _____ be appointed as Chair of the HB Crematorium Committee for the 2022-2025 triennium.
- C) That _____ be appointed as Deputy Chair of the HB Crematorium Committee for the 2022-2025 triennium.

Attachments:

There are no attachments for this report.

Tuesday, 5 March 2024

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: HB Crematorium Committee Meeting

Te Rārangi Take

Report to HB Crematorium Committee

Nā:
From: **Sonia Sussmilch, Assistant Manager - Crematorium**

Te Take:
Subject: **Report to HB Crematorium Committee**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

//hdcfp1/data/Infocouncil/Templates/report_guidance.pdf The purpose of this report is to update the HB Crematorium Committee regarding operations at the HB Crematorium and Chapel for the previous financial year from 1st July 2022 to 31st June 2023, as well as the last six months of the new financial year from 1st July 2023 to 31st December 2023.

1.1 The 2022 – 2023 year in summary:

- Crematorium and Chapel usage is steadily increasing year on year due to the following factors:

An aging and growing population in Hawke’s Bay, as well as people choosing cremation over burial due to the cost of burials.

2.0 Recommendations - *Ngā Tūtohunga*

That the HB Crematorium Committee receive the report titled Report to HB Crematorium Committee dated 5 March 2024.

3.0 Background – Te Horopaki

3.1 The table below shows the number of cremations and a breakdown of service types for the 2022 – 2023 financial year and the past six months of the current financial year.

Cremations				Chapel Services						
2022 - 2023		2023 (6 Months Jul-Dec)		2022 - 2023			2023 (6 Months Jul - Dec)			
				Committal	Full		Committal	Full		
Jul-22	97	Jul-23	78	Jul-22	27	20	Jul-23	24	7	
Aug-22	88	Aug-23	80	Aug-22	20	10	Aug-23	31	9	
Sep-22	81	Sep-23	83	Sep-22	24	8	Sep-23	28	9	
Oct-22	76	Oct-23	76	Oct-22	22	7	Oct-23	16	5	
Nov-22	62	Nov-23	91	Nov-22	14	6	Nov-23	22	13	
Dec-22	69	Dec-23	69	Dec-22	18	14	Dec-23	18	11	
Jan-23	60			Jan-23	13	3				
Feb-23	69			Feb-23	20	4				
Mar-23	78			Mar-23	17	8				
Apr-23	65			Apr-23	17	4				
May-23	59			May-23	11	5				
Jun-23	64			Jun-23	17	9				
TOTAL:	868		477	TOTAL:	220	98		139	54	

3.2 These numbers show an increase as mentioned in the Executive Summary and if numbers for the rest of the year reflects the numbers for the last six months, cremations will end up around the 950 mark. The current consent only allows for 1000 cremations per year.

3.3 Cremator Maintenance:

- The Cremator floor (Hearth) was replaced by Pyrotek during the first week of May 2023 at a cost of \$54,000 NZD.
- The Preventative Maintenance Inspection of the Cremator was done by Neil Lunniss, contracted by Matthews International on the 1st of November 2023. This is done as one of the consent conditions.
- The roof of the Cremator is deteriorating fast and will need replacing this year. Pyrotek undertook an inspection on the 19th of February 2024 and are confident that it can continue to be used until July this year. Pyrotek will inspect it again around May this year and a date for the replacement of the roof will then be arranged.

3.4 Cremator Consent – AUTH – 121897-01: Air Discharge Permit

- Air Discharge Testing done during March 2023, was submitted to the Hawke’s Bay Regional Council (“HBRC”) in April 2023. Testing again showed that certain levels are very close to the compliance limits.
- Cremation data for the financial year 2022 – 2023, was submitted to the HBRC in July 2023 as per consent conditions. Prior to that, the yearly visit from the HBRC took place to go through procedures.
- The PMI results were submitted to the HBRC in December 2023, once it was received from Neil Lunniss.
- Currently the Council is awaiting the HBRC’s approval for the 2022 – 2023 year.

- Air Discharge Testing completed by Matthew Newby from Source Testing New Zealand on 30th and 31st January 2024, results will be available soon for submission to the HBRC.

3.5 Occupational Health Monitoring and Risks

- All staff are evaluated yearly by Hastings District Council's contracted Occupational Health Nurse, no concerns were raised in regard to the last round of testing.
- A contractor was engaged to look at upgrading the extractor fan in the Cremulator room, which will do away with the wearing of facemasks by staff dealing with the preparation of ashes. An inspection was undertaken and feedback is due to come from the contractor.

3.6 Financials: Summary for 2022/23 Financial Year

- Last year's revenue was close to budget whereas this year's revenue is **\$45,619** ahead of budget (**\$393,123 v \$347,504**), with fees and charges for use of the crematorium being the driver. This is due to a spike in cremation numbers during the last 3 months of 2023.
- Last year's expenditure was close to budget and this year's expenditure is slightly favourable (**\$231,234 spend vs \$247,257 budget**), with low use of contracted services being the main driver. Gas spend has significantly overspent budget due to gas price.
- A scissor lift purchased this year has incurred an unbudgeted rate funded spend, but this reflects a difference in the timing of replacements than the budget had planned.
- Crematorium ran an Operating surplus of **\$82,704** for the 2022-23 year, close to the **\$85,261** operating surplus budgeted.
- For the current year, 2024-25, the crematorium has run an Operating surplus of **\$108,339** being favourable against the **\$42,631** Operating surplus budgeted.
- The Crematorium Reserve balance as at 31 December 2023 is **\$84,450**.
- The table attached shows the Revenue Expenditure Report, the amounts in bold above are represented in the table.

4.0 Discussion – *Te Matapakitanga*

4.1 Fees and Charges – Crematorium & Chapel

- Fees and Charges – 2024 -2025 Financial Year:

The proposed fees and charges increase of 5%, as suggested by the finance team, keeps the crematorium revenue in line with expenditure for the next financial year.

4.2 Operating Hours - Crematorium and Chapel

- Most neighbouring local authorities do not deliver services on Sundays and Public Holidays, and if they do the fees reflect it. Any booking is also dependent on the availability of staff.

Hawke's Bay Crematorium allows bookings on any day except for Christmas Day and New Year's Day. Officers therefore request the input and guidance of the HB Crematorium Committee regarding current operating hours and an alignment with other Council's in this regard.

4.3 Chapel used for a service only

- Booking chapel without a burial or a cremation following the service, should there be a different charge?

4.4 Procedures regarding Cremation Delivery bookings

- More funeral directors/families are not following procedures during deliveries and recently a complaint was received. The crematorium wants to prevent this happening in future and hence need to discuss the procedure and any changes to be implemented.

4.5 Chapel services running over the booking slot

- More services are running over the allotted booking time and this is unfair to other users. Can consideration be given to implementing a penalty fee in this regard?

5.0 General Knowledge

- Terry Longley & Son, Tong & Peryer and Howard and Gannon Funeral Services have sold to Propel which is an Australasian owned company.
- Propel have a history of accruing their own cremator.
- If Propel have their own cremator, council expects a decrease in cremations of around 410 per year, based on the last two financial years.
- It is anticipated that this situation would take a few years to become operational.

Attachments:

- 1↓ Crematorium Financial Report - December 2023 CG-17-19-00001

Revenue Expenditure report
 December 2023

	2022-23 FULL YEAR ACTUALS	Half Year to Date Actuals	Half Year To Date Budget	Variance	FULL YEAR BUDGET	FORECAST	NEXT YEAR BUDGET
Crematorium Report							
1218 - Niche Fees	0	174	0	174	0	0	0
1219 - Other Fees & Charges	648,588	360,210	331,028	29,182	662,056	690,000	762,561
1326 - Building/Park Hireage	48,721	31,301	16,477	14,824	32,953	50,000	32,953
1511 - Bank Interest	1,102	1,439	0	1,439	0	3,000	0
Revenue	698,410	393,123	347,504	45,619	695,009	743,000	795,514
2111 - Salaries	-237,698	-91,516	-53,111	-38,406	-106,221	-214,000	-121,942
2112 - Wages	0	0	-36,161	36,161	-72,322	0	-77,758
2114 - Annual Leave Accrual	4,546	951	-447	1,398	-894	-894	-998
2116 - Statutory Leave Accrual	578	0	0	0	0	0	0
2131 - ACC Levy	-1,223	-429	-429	0	-857	-857	-959
2134 - Superannuation	-7,873	-3,293	-2,960	-333	-5,920	-5,920	-5,991
2141 - Training	0	0	-625	625	-1,250	-500	-1,250
2143 - Travel Costs	0	0	-200	200	-400	-400	-400
2144 - Accommodation	0	0	-75	75	-150	0	-150
2171 - Uniforms	0	0	-425	425	-850	-400	-850
2211 - Other Plant & Equipment (<\$1,000)	-476	0	-750	750	-1,500	-500	-1,500
2221 - Minor Equipment & Supplies	-11,673	-6,027	-5,800	-227	-11,600	-11,600	-11,600
2222 - Safety Equipment & Medical Supplies	-1,212	0	-375	375	-750	-750	-750
2231 - Equipment Maintenance	-4,363	-2,821	-4,350	1,529	-8,700	-8,700	-8,700
2239 - Building Maintenance	0	0	-750	750	-1,500	-1,500	-1,500
2251 - Material Damage Insurance	-7,271	-8,920	-3,500	-5,420	-7,000	-9,000	-13,000
2254 - Other Insurance	0	0	-650	650	-1,300	-1,300	0
2342 - Contracted Services	-28,272	-14,507	-29,500	14,993	-59,000	-61,700	-98,000
2343 - Cleaning Services	-18,462	-13,508	-13,050	-458	-26,100	-26,100	-26,100
2348 - Other Services	-21,990	0	-20,000	20,000	-40,000	-25,000	-1,000
2374 - Telephone & Fax	-1,724	-867	-800	-67	-1,600	-1,000	-1,600
2381 - Electricity	-4,527	-2,339	-3,500	1,161	-7,000	-7,000	-7,000
2383 - Gas	-102,367	-47,482	-37,500	-9,982	-75,000	-96,000	-75,000
2431 - Memberships & Subscriptions	-1,000	-1,000	-1,000	0	-2,000	-2,000	-2,000
2442 - Promotional Items	0	0	-1,250	1,250	-2,500	-2,000	-2,500
2452 - Photocopying & Printing	-1,791	-108	-750	642	-1,500	-1,500	-1,500
2453 - Stationery	-363	0	0	0	0	0	0
2454 - Freight	-26	0	0	0	0	0	0
2513 - Depreciation Buildings	-26,153	-13,148	-13,200	52	-26,400	-26,400	-26,300
2514 - Depreciation Furniture and Fittings	-2,705	-1,360	-1,350	-10	-2,700	-2,700	-2,700
2518 - Depreciation Other Machinery & Equip	-21,865	-13,821	-8,350	-5,471	-16,700	-16,700	-28,500
2621 - Loan Interest Paid	-18,083	-11,039	-6,400	-4,639	-12,800	-20,935	-20,100
Expenditure	(515,992)	(231,234)	(247,257)	16,023	(494,514)	(545,356)	(539,647)
Net Operations	182,418	161,889	100,248	(61,641)	200,495	197,644	255,867
3205 - People & Capability	-19,157	-10,927	-10,467	-459	-20,935	-22,000	-25,561
3210 - Information Services Support	-18,028	-11,576	-10,692	-884	-21,384	-23,000	-57,648
3217 - Finance Services	-10,256	-5,366	-5,406	40	-10,811	-11,000	-3,718
3220 - CE & Democratic Support	-750	-379	-368	-11	-736	-1,000	-556
3229 - Building Assets	-33,573	-16,787	-16,787	0	-33,573	-34,000	-27,522
3291 - Asset Management Administration	-58,978	-31,607	-31,633	25	-63,265	-63,000	-69,430
3335 - Waste & Data Service Administration	-9,696	-5,237	-5,164	-73	-10,329	-10,000	-7,646
3911 - Reversal of Non-Cash Depreciation	50,723	28,329	22,900	5,429	45,800	45,800	57,500
Internals, Non Cash etc	(99,714)	(53,550)	(57,617)	4,067	(115,234)	(118,200)	(134,581)
NET OPERATIONS after Internal	82,704	108,339	42,631	65,709	85,261	79,444	121,286
6514 - Other Machinery & Equipment Renewa	-54,928	0	0	0	0	0	0
6539 - Plant Machinery & Vehicles New Works	-7,520	-23,530	0	-23,530	0	-23,530	0
6541 - Land & Buildings New Works	-31,803	0	0	0	0	0	0
Capital	(94,251)	(23,530)	0	(23,530)	0	(23,530)	0
Funding and Assets etc	11,547	(84,810)	(42,631)	(42,179)	(85,261)	(55,914)	(121,286)
Rating requirement	0	0	0	0	0	0	0