
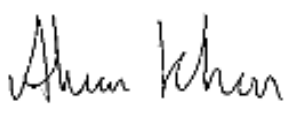


LONDON BOROUGH OF WALTHAM FOREST

Meeting / Date	Cabinet 8 June 2023	
Report Title	Crematorium New Build	
Cabinet Portfolio	<p>Councillor Clyde Loakes Deputy Leader Climate and Air Quality and Portfolio Lead</p> <p>Councillor Ahsan Khan Deputy Leader and Housing and Regeneration and Portfolio Lead</p>	 
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Wards affected	OPEN	
Public Access	<p>Open except for Appendix A which is EXEMPT in accordance with Section 100 (A-H) of the Local Government Act 1972 and Schedule 12A as amended, on the grounds that it involves the likely disclosure of exempt information as defined in Part 1, paragraph 3, as it contains information relating to the financial or business affairs of any particular person (including the authority holding the information) and disclosure would not be in the public interest</p>	
Appendices	<p>Appendix A - Summary Financial Data and Key Financial Assumptions (EXEMPT)</p> <p>Appendix B - Equalities Analysis Screening</p>	

1. SUMMARY

- 1.1 This report provides an overview of the Council's proposed new flagship Crematorium development on Old Church Road at Chingford Cemetery, which will give bereaved families a peaceful and respectable place to bid goodbye to their loved ones.
- 1.2 The scheme also aims to address:

- Limited burial space
 - Increasing demand due to rising population
 - Lack of choice through provision of a complementary service
- 1.2 This report seeks Cabinet's approval for the capital budget for the design and development works.
- 1.3 The Crematorium scheme is a return on investment opportunity. Costs are being met from prudential borrowing, to be repaid by revenue operations over 25 years to ensure the project is financially viable, as illustrated in Appendix A - Summary Financial Data and Key Financial Assumptions.

2. RECOMMENDATIONS

- 2.1 Cabinet is recommended to:
- 2.1.1 Approve the capital budget of up to £8.4m for the Crematorium capital scheme which is funded by prudential borrowing.
- 2.1.2 Note the Crematorium service will aim for a Return on Investment for the new Crematorium facility through revenue generation from cremations over 25 years.
- (a) Note the Operations of the Crematorium has been assessed by modelling revenue against the overall project costs of £8.4m (2 chambers).
 - (b) Note the analysis of ROI for all Crematorium operations indicates a potential £21m surplus over 25yrs, this will be subject to demand and successful marketing of the Crematorium facility.
 - (c) Note the financial business case scrutinised by Finance and Neighbourhoods.
 - (d) Note the Chapel has capacity to host burial ceremonies, which could generate additional revenue.
- 2.1.3 Delegate authority to the Corporate Director of Property & Delivery, in consultation with the Corporate Director of Neighbourhoods, to deliver the crematorium scheme, taking the project through the developed design programme, planning, procurement approvals and construction.

3. PROPOSALS

Background

- 3.1 The London Borough of Waltham Forest acquired the cemetery in 1977 which is located on Old Church Road. Chingford Mount Cemetery is a large cemetery with tightly packed grave plots, roadways, and pathways that include a short avenue lined by mature London plane trees at the western main gates.

- 3.2 The Borough does not currently have a Crematorium or Chapel facility for non-denominational funeral services and the construction of a crematorium at Chingford Mount cemetery will help achieve the Council's 15-minute Neighbourhoods framework that incorporates all three of the core guiding principles.
- 3.3 This much-needed facility will include a chapel that connects to the crematorium. An on-site chapel will ease funeral day logistics, attend to the needs of grieving friends and family, lessen traffic in the borough, accommodate residents of diverse faith and belief groups, and those of no faith, and add an additional source of revenue for both cremations and burials.
- 3.4 In summer 2020 early feasibility work commenced on the Crematorium scheme. An initial desktop feasibility study was undertaken to assess the design and scheme viability, which included indicative profit projections and operating costs.
- 3.5 Two outline design options have been progressed with further due diligence assessing the commercial viability for the Crematorium operation.
- 3.6 The scheme will deliver a contemporary, purpose-built crematorium including:
 - (a) A combined chapel, office, and reception building as well as a car park and maintenance compound with enhanced tree planting and landscaping.
 - (b) A separate staff/visitor entrance, and a family viewing area and reflection room providing dignity and privacy.
 - (c) Fridge storage and two modern electric cremators helping to significantly reduce the associated Carbon Dioxide and NOx emissions.

3.7 Strategic Context

Effectiveness of the Crematorium service delivered is based upon:

3.7.1 *Quality*

- Delivering a critical public service whose performance is measured against standards set by the Institute of Cemetery and Crematorium Management (ICCM).
- Delivering a service needed in Waltham Forest as evidenced by the estimated 77% of borough inhabitants who favour cremation.
- Exemplar design.
- Provision of a localised alternative burial option to traditional burials.

3.7.2 *Efficiency*

- Given the growing community, providing necessary space efficiently is critical to Waltham Forest in the next 10 years.

- Providing service choices for the families looking for more affordable funeral options.
- Heat energy re-use through sustainable design.

3.7.3 *Partnerships*

- The service works closely with the Cemetery estate, the ICCM, the Private sector and associated funeral director services.
- Local businesses such as florists, hotels, and funeral-associated services will benefit from opportunities for local employment and income.
- Provision of a focal point for the communities bereaved.

3.7.4 *Sustainable Design*

- Improved Sustainable Urban drainage and transportation strategy by offering on-site EV charging stations, bicycle storage facilities, photovoltaic system (PV) Green roof, rainwater harvesting re-use generated energy to heat the nearby buildings e.g. church, school, care home.
- Air source heat pumps.
- The project's two proposed electric cremators produce up to 80% fewer CO2 emissions than gas cremators.

3.7.5 *The drivers used to determine if the project is actually required are set within the context of:*

- An increased, ageing and culturally diverse population.
- Addressing one of the Council's '15-minute Neighbourhoods' priorities by reducing the need for residents to travel long distances out-of-borough to access a crematorium facility,
- Providing a comprehensive end-of-life service that meets community expectation.
- Address operational issues brought on by the decreased burial capacity.

3.8 Development Proposal

3.8.1 The proposal evaluates the costs associated with demolition of the existing temporary mortuary, preparation of the existing site, construction of the new crematorium and associated costs.

3.8.2 Based on site visits, review of the existing constraints and opportunities of the site, and feedback from the service team, the crematorium is proposed to be located on the site of a temporary mortuary mobile unit and compound. The existing mortuary compound area is 550m².

3.8.3 Two proposal concept options have been included in the feasibility study, each with an approximate GIA of 450m². The proposal includes an entrance with waiting area, a chapel, crematorium space, office area and maintenance compound.

- 3.8.4 External works include wheelchair accessible parking spaces, landscaping works to provide vehicle and pedestrian access, external garden areas including improvements to the existing pond.
- 3.8.5 The parking strategy is for visitor vehicles to park along the main and existing roads within the cemetery, as is currently the case for visitors to the cemetery, the existing office building is to remain at the entrance gates.

3.9 Delivery Plan

- 3.9.1 The indicative key milestones for the Crematorium programme are summarised in the table below:

Milestone/Activity	Crematorium
Pre-Planning/Design Development	July to Dec 2023
Tender Activity (to run concurrently with Planning) and cost update	Jan 2024 to April 2024
Construction works period (inc. contractor discharge of conditions)	June 2024 – Sep 2025
In Use	Sep 2025

4. **OPTIONS & ALTERNATIVES CONSIDERED**

- 4.1 The alternatives of doing nothing or keeping the current level of investment were considered, as well as closing the cemetery when all remaining burial space is exhausted in about 10 years. However, these options have been dismissed because they would pose a significant risk of operational failure for the council, such as failing to meet its 15-minute neighbourhood priorities and missing out on the opportunity to transition to a green burial solution that could potentially generate power for the site and surrounding community. It would also carry the risk of reduced burial capacity in the borough, especially in terms of meeting any civil contingency requirements, such as the COVID-19 pandemic or during times of war.

5. **COUCNICLS CORPORATE PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)**

- 5.1 The Crematorium development will contribute to meeting the Council's Public Service Strategy priorities:
- Our 15-minute neighbourhood
 - Confidence in our future
- 5.2 The new London Plan, contains the following key sustainability requirements:
- Major developments should be net zero-carbon in accordance with the following energy hierarchy:

- Be lean – use less energy and manage demand during construction and operation.
- Be clean – Exploit local energy resources (such as secondary heat) and supply energy efficiently and cleanly.
- Be green – generate sort and use renewable energy on site.

5.3 In line with the London Plan, the local planning policy requires all development within the Borough to minimise carbon dioxide emissions in accordance with the energy hierarchy. As a result, the development will be required to offset all carbon emissions, i.e., 100% of carbon emissions. This will contribute to the Council's broader work to address the climate emergency.

6. CONSULTATION

6.1 Subject to Cabinet approvals, a communications plan will be developed, as part of the project plan, setting out the approach to formal and informal consultation with members, the local community and officers.

7. IMPLICATIONS

7.1 Finance, Value for Money and Risk (See Exempt Appendix A)

7.1.1 The total capital expenditure required for the Crematorium development project is £8.4m, for construction works including £1.64m for the two Electric Cremator Chambers. The Chambers will require replacement every 8 years or every 8000 cremations, which is built into the financial modelling.

7.1.2 An operational business plan has been developed to forecast the cost and income from the Crematorium. It assumes the Crematorium service will attract 1,200 cremations per year at a fee of £900 to generate a surplus of c£21m.

7.1.3 ONS data shows there are around 1500 deaths in the borough each year; however, the business catchment area would be wider across neighbouring boroughs and East London where there are over 8000 deaths, which are serviced by five crematoria. There are many cemeteries in this region, but there is limited future capacity.

7.1.4 Sensitivity on price and numbers have been assessed (Appendix A) and the service will generate up to £21 million surplus over 25yrs, this will be subject to demand and successful marketing of the crematorium facility. The breakeven point for the project is with 800 cremation per year at £900. By increasing the fee to £1,100, breakeven is at 600 cremations.

7.1.5 The business plan allows for the building and service cost including additional staff and the maintenance and replacement of the ovens. Income is based on an estimated number of services, however additional income can be generated from pet cremations, non-service cremations and burials in the cemetery using the chapel for a service.

7.1.6 Key Risks

- (a) The provision of a Crematorium will require significant, up-front capital expenditure both for the required construction works, as well as the two electric chambers, and there will also be medium-term revenue commitments required for maintenance contracts for the chambers, this will be further developed in the developed design stage. If adequate demand for the Crematorium is not obtained, then there is a significant revenue risk.
- (b) The equipment cost for the electric chambers and associated installation, maintenance and running costs are currently based on soft market testing and will be confirmed during the procurement process.
- (c) The success of the Crematorium operation is also dependent on the successful recruitment and retention of specialised staff.
- (d) Revenue cost forecasts assume inflation will average at 2% over 25 years.

7.2 Legal

7.2.1 The Council is the burial authority under section 214 Local Government Act 1972. The Council has the general power of competence under section 1 Localism Act 2011 and ancillary powers under section 111 Local Government Act 1972 to do anything, which is calculated to facilitate or is conducive or incidental to the discharge of any of its functions.

7.2.2 The Procurement of the Delivery Partner will be conducted in accordance with the Public Contracts Regulations 2015 (as amended) and the Council's Contract Procedure Rules. Under Rule 11.1.1 the Council may use a legally compliant framework agreement which the Council has procured or has the right to access (subject to complying with the rules applicable to that framework).

7.3 Equalities and Diversity

7.3.1 The Equality Act 2010 requires public authorities to have due regard to the need to eliminate discrimination and advance equality of opportunity. The Council must further take into account its wider Public Sector Equality Duty (PSED) under s.149 of the Equality Act 2010 when making its' decisions. An Equalities Analysis screening has been completed and there are no negative or adverse impact identified. The delivery of a crematorium facility will have positive benefits for all faiths and persons with no faith at all.

7.4 Sustainability (including climate change, health, crime, and disorder)

7.4.1 Planning policy has guided sustainability aspects of the site redevelopment including carbon reduction measures. Sustainable

materials form part of the design philosophy while observing budget constraints.

7.4.2 A Sustainability and Energy Strategy will be developed and drafted to articulate the Council's requirements for the Crematorium and includes a requirement for the new Crematorium to meet the Building Research Establishment Environmental Assessment Method BREEAM 'Very Good' standard and minimum planning policy requirements. The pre-assessment completed score achieved 62.7% which achieved a 'Very Good' rating with all mandatory requirements met.

7.4.3 To achieve the BREEAM "Very Good" standard, the new Crematorium facility has reduced staff parking provision while increasing the number of spaces for people with disabilities. The site is aiming to provide 80 parking spaces aiming to provide 6% of the total provision as accessible and cycle provision as set out in The London Plan, these spaces will be provided near the proposed crematorium building.

7.5 It also promotes an improved sustainable urban drainage and transportation strategy by offering on-site electric vehicle charging stations and bicycle storage facilities. Installation of photovoltaic system and green roof technology to generate green electricity, heat reclaim from the cremator chambers and back up air source heat pumps served via heat exchangers and compliance with building regulations are further important steps.

7.5.1 A significant number of possible uplift credits have been identified; these credits provide a total of 24.4% uplift, increasing the BREEAM score to 88.1% (outstanding); however, many of these credits are unlikely to be achieved, so they should be considered as options to replace credits lost rather than to improve the initial score. The project is fully committed to exploring all possible solutions for improving the target score and will continue the assessment process throughout the project's life cycle. The proposals comply with the new The London Plan policies D4 and D5, Core Strategy policy.

7.6 **Council Infrastructure**

7.6.1 **Resources:** The project will be managed from within the Property and Delivery Division, using resources currently in place. These will be responsible for the delivery of the project working with internal stakeholders and external consultants:

7.6.2 **Support services – Finance, legal and procurement:** Support will be required from the Council's legal, procurement and finance services in preparing all the necessary legal agreements, undertaking procurement, and assessing the financial impact upon the Council.

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)

None