

Minutes



Greater Gwent Cremation Joint Committee

Date: 29 September 2021

Time: 10.00 am

Present: Councillors J Taylor (Chair), Councillor R Jeavons, S Evans, K Williams and J Simmonds

Gareth Price (Head of Law & Regulation), Meirion Rushworth (Head of Finance), Joanne Hazlewood, Paul Dundon, Karen Sansom, Felicity Collins and Pamela Tasker (Governance Officers)

Apologies: Councillor Pratt, Meredith, Moore and J Hughes, Steve Tom and Joanne Gossage.

1 Apologies for Absence

Councillor M. Moore, Councillor J. Hughes, Councillor Pratt, Councillor Meredith, Joanne Gossage, and Steve Tom.

2 Declarations of Interest

None.

3 Minutes of the Previous Meeting

The minutes of the meeting held on the 27 January 2021 were accepted and approved as a true and accurate record.

4 Gwent Crematorium Solar PV Lease Agreement

Carbon Reduction Assistant Manager – Mathew Preece

The Carbon Reduction Assistant Manager (MP) provided a presentation to the Committee in relation to the Welsh Community Energy Group (Egni Co-op) proposing to install solar panels on both flat and pitched roofs at the Gwent Crematorium.

There is a requirement for the whole of the Welsh public sector to be de-carbonised by 2030. The installation of renewables such as solar panels is one of the best solutions to truly decarbonise any electricity that the site consumes.

Even though Gwent Crematorium is managed by the Joint Committee, Newport City Council are responsible for the carbon emissions from the building. Therefore, Newport City Council needs to come up with a strategy to decarbonise that site if the Council is to hit their target of becoming carbon neutral by 2030.

MP informed the Committee that Egni Co-op energy group approached Newport City Council back in 2018 with their proposal to install roof mounted solar panels on a number of their buildings. A business appraisal was carried out and this particular community ownership method was considered to be more effective than the Council doing it themselves internally.

Over the past 18 months, 27 sites have had roof mounted solar panel systems, increasing the energy generating capacity of Newport City Council, rising from 35kW to 2300kW. The Officer explained to give an idea of this scale; this would be 390 individual panels to 7000 panels. This was only possible by using this community energy model due to the lack of the Council's internal resource to be able to manage that scale of work in such a short space of time.

The Arrangement

The Officer ran through the arrangement of the Community Energy Ownership Model and how it works. Torfaen County Borough Council were the legal owners of the Crematorium and they would be required to grant a 21 year Lease for roof space to the energy community group. However, there would be a back-to-back agreement between Torfaen and Newport City Council, as the managers of the building, to comply with the landlord's obligations in the lease and to indemnify Torfaen accordingly. A long-term Power Purchase Agreement would be put in place to sell power from the panels to Joint Committee at a favourable rate, which was guaranteed to be less than the current energy tariffs. Egni Co-op will undertake all maintenance for the 21-year period and cover the costs of all of the necessary insurances. If for some reason, the panels need to be removed for works during the 20-year period, Egni Co-op will pay for them to be taken down and re-instated during the term of the Lease. Once the 21-year Lease has finished, Egni Co-op can either transfer ownership of the installation to the Joint Committee or remove the installation at their cost.

In doing so, the Joint Committee would receive the full benefit from the solar panels from that point.

There is an option to buy out the whole system during the Lease, if it is felt better value for money. It was noted that the Gwent Crematorium would be paying 10% below the day time tariff from the current energy provider for electricity generated by the solar panels.

The Project Team would oversee the installation of the roof solar panels at Gwent Crematorium as they have done with the 27 other Newport sites. The benefits would be carbon savings and financial savings, which would directly benefit Newport City Council as they pay the bills for the Gwent Crematorium but that would reduce the operating costs to the Joint Committee and increase any profit share or distribution to the other authorities.

Egni Co-op – Community Organisation

Egni Co-op is a community organisation which funds and manages the installation of solar panels in Wales. Their main aim is to reduce carbon emissions, engage people in climate action and are not necessarily about making profit. They have over 3 megawatts on roofs across Wales on a range of different buildings. That community group would manage the installation from a client's perspective in terms of health and safety.

Proposal Design

MP presented the proposal design for the installation. It would be 99 solar panels with 50 power optimisers and 1 inverter. It would have a 36kWp array, the site could take more but they are restricted by the roof space. Two different roof types, which are flat and pitched so there will be a requirement for different mounting techniques.

Benefits of the Project

MP highlighted benefits from this project as the Joint Committee could realise revenue savings for the site from year one, with guaranteed reduced electricity rates through the Power Purchase Agreement and at no cost to the joint committee for signing up.

It would class as permitted development as it is less than 0.5 hectares and would conform to the design requirements as listed in the Town and Country Planning Act.

The Officer also went into detail with regard to procurement and delivery of the installation, there would be an agreed contract variation on the existing contract between Newport City Council and Egni Co-op, Newport City Council would act as the contract manager and they have already vetted the installation partner. They have successfully delivered on other sites with Newport alongside other Welsh authorities. Lessons have also been learnt from previous installations to be utilised for this installation and also live data would be provided from the metering system to see how much carbon and financial savings have been made through the installation.

Risk Mitigations

In relation to the business case that was circulated to the committee, the officer discussed the risk mitigations.

Newport City Council has drafted the Lease to protect the landlord at all times, even to the point where there is a need for a roof repair/replacement. If this would be needed for the crematorium, the solar panel community energy group would pay for the removal and reinstatement of the panels in full for the repair to go ahead.

Another risk could be that if the site is demolished or sold, there is a requirement to buy out those panels as the energy group has no guarantee to sell the electricity back to the site if changed hands. The Committee was informed that this would be deemed a fairly small risk as there is no immediate plan to sell the Gwent Crematorium.

MP had previously discussed the risk of procurement challenge with senior officers and the Head of Law and Regulation. The consensus was that they do not feel there is a risk and that this can be dealt with as an extension and variation to the current contract.

Newport would effectively act on behalf of the Landlord and do the works required to allow the solar panel installation to go ahead. As it can be appreciated that Torfaen may not have the same access to the building if required. Newport would indemnify Torfaen against all liabilities under the Lease.

Environmental and Financial Perspectives

In summary, from an environmental perspective; allowing the solar panel installation would move the Joint Committee toward the target set by the Welsh Government in terms of renewable energy sectors, with renewable energy being in community ownership and in line for the 2030 public sector target both organisationally and nationally.

From a financial perspective, there is no cost to the joint committee for signing up as the system is owned and operated by the community energy group. The only cost to the committee would be by purchasing the renewable energy from the company, but this will be cheaper than the provider's energy.

The officer explained that revenue savings would be seen from year 1 with guaranteed lower rates through the Power Purchase Agreement. Over twenty years this could come to circa £30,000. From year one they estimate the savings to be around £1800.

Due to the agreed contract variation, there would be a streamlined exercise for delivery for the end of this financial year.

The Chair opened up questions from the Committee for the Carbon Reduction Assistant Manager to answer on the matter.

The Committee asked the following:

- Councillor Jeavons queried if there has been an assessment to determine if the roof is strong enough to take these panels.

The Carbon Reduction Assistant Manager confirmed there will be a structural survey done prior to the panels being installed. They are working in line with Newport Norse to ensure that no major repair work needs to be done before the installation. As this would be counter-productive for the initial repairs needed.

- Councillor Evans asked if they are looking to charge the council on how much energy they use; how would the team know it would be competitive in the market, given the current situation with energy bill prices.

MP responded stating that there would be a guaranteed reduction on what the joint committee or site would be paying the regular electricity provider. For example, instead of paying EDF Energy 15 pence per unit of electricity usually from national grid, the council would be using the energy from the solar panels at a reduced rate, so they would be paying 14 pence, making a saving of 1 pence. That gets extrapolated throughout the year which could be a £2000 saving.

- Councillor Evans commented that energy bill costs usually rise quarterly and unit costs. Would they stay fixed or go up?

MP explained that it would track what the unit rate is from the start of the financial year. For instance, if EDF would go up to 16p the following year due to inflation; there would be a saving of 0.6p.

Karl Donovan (Newport Norse) commented that they have commissioned a contractor to undertake investigative work on the repair of the roof. It will involve a scaffolding on each side of the crematorium. They will not know the full scale of what is wrong with the roof until inspected.

Agreed:

The Committee understood the importance of carbon reduction, and agreed to option 3 of the report.

They agreed to allow the solar panels installation and allow Newport City Council and Egni-co-op to deliver the scheme by the end of this financial year subject to the inspection of the roof being done beforehand.

The Finance Business Partner (JH) presented the budget monitoring position to the Committee as at the end of August.

The officer explained that they are projected to be down on income by £254,000.00. Expenditure will be overspent by £142,000 giving an overall deficit of £396,000 before any distribution.

The agreed budget distribution for this year is currently at £950,000. If the position stays at this projection, with a £396,000 deficit and maintain the current distribution of £950,000, the Joint Committee would be looking at a draw from balances of £874,000.

JH noted with the balances, they currently sit at £1.4 million, taking that £950,000 from it would leave a balance of £562,000. This is the position at end of August so they are hoping this position will improve.

JH advised the projected variances on the premises; the overspend could be largely attributed to some repair work that the council have had to do and on the replacement of a heat exchanger unit and fan for the mercury abatement equipment.

This was necessary as expenditure, without it, two of the cremators would have been inoperable.

There is an increase in the premises costs over the last four years, premises related costs have increased by 44%. The officer stated that this is largely due to the age and nature of the equipment needing replacing and repairing.

The services currently show an underspend of £8000, that tends to be more of independent supplies and services budget. Part of that has been taken off by the fact that the Committee has replaced the visual tributes and the audio upgrade; so they have replaced the audio equipment to give them access for visual tributes. That has been taken out of the supplies and services budget.

The revenue budget is meeting the costs for the full audio upgrade as previously agreed by the Committee to come out of reserves.

The income at the end of August is showing a forecast of £254,000. The officer presented a table to the Committee which showed this is due to a decreasing number of cremations compared to the last period. The officer warned that it is too soon to predict if it will increase.

The risk that the officer reported to the Committee is that there is a projected shortfall of £874,000. In order to ensure the £950,000 distribution is still met, they will have to make a substantial draw on the reserves to maintain that position.

The increase in building costs is because they have replaced the boiler and fan to ensure the operation of the two cremators; this will hopefully reduce the ongoing maintenance costs.

JH reminded the Committee to note the budget monitoring place at the end of August and be mindful of the impact this will have on the reserves held by the Committee when considering the works mentioned in the report.

Comments were welcomed by the Committee.

The Committee asked the following/made the following comments:

- Councillor Jeavons reminded the Committee to take these points into consideration with the exempt item at the end of the agenda before any judgement. Happy to reduce the amount but would like the Committee to consider the last item before making a decision on this.

The Head of Finance (MR) commented as section 151 officer; there are two issues. One is not knowing if the position will get better or not with the paperwork to note which will be discussed later in the meeting for item 9a. It does have the potential to impact on this situation.

When the council set the budgets back then this would be the last year that £952,000 distribution would be affordable, as the situation seems to have worsened since then.

MR explained that they are looking at two broad options; where they could maintain a distribution this year and next year but will have to reduce this year's budget distribution. If not, unless it improves significantly in the last five months of the financial year, then the council would look at a significant reduction in a single year. Those are the two issues. This decision can be taken at the next meeting. £400,000 is a steep position to recover from and anymore issues on premises costs will have to be factored into the position as well.

The Finance Business Partner pointed out the variant in the restated return but advised that the bottom line has not changed. There was a £3940 change between staff costs and other payments. This relates to medical referee fees that were paid via the Council payroll system and transferred into supplies and services to come out of professional fees.

Agreed:

The Committee agreed that they will be mindful of the financial situation that JH explained, when they have to make the decision at the next meeting.

6 Visual Tribute Prices

Councillor Jeavons raised this item in order for the committee to look at pricing structure for the visual tributes.

Councillor Jeavons mentioned when the Committee looked at the projected shortfall of a quarter of a million pounds, the visual tributes might help that, as other crematoriums also offer this facility.

It was suggested to the Committee that they should look into this as Councillor Jeavons agreed with the idea of installing the tributes, as it is what visitors want.

The Chair noted that the Gwent Crematorium is slightly cheaper than the other rivals on each of the elements.

This suggestion was noted by the Committee for consideration.

7 Funeral Director's Report

Funeral Director sent his apologies therefore nothing to discuss for the current meeting.

8 Manager's Report

The Team Manager (PD) noted that memorial sales are always changing but the cremation numbers have become more buoyant. The Gwent Crematorium is currently benefiting from the visual tributes which has proven popular. This option has brought in additional revenue via services. The feedback has been very positive on the visuals that the visitors see.

It also brings in more cremations as there were situations where people would go to other funerals as other places had this facility when the Gwent Crematorium did not.

Numbers for funerals now are very buoyant and the Gwent Crematorium are full almost every day which is good for revenue.

Website

Website is very popular due to the reduced face to face interaction from the impact of the pandemic.

Installation of Audio Equipment

Everything went to plan with the installation of the audio equipment. The team had a couple of days of down time so had it done at the same time. Therefore the crematorium did not lose more use of the building than they needed to.

The improvement is very popular and has made a huge difference in the chapel.

Screen Suggestion by Media Company

A further improvement has been suggested to the Team Manager by the Media Company.

They mentioned that the crematorium could replace the 50 inch screen in their cloister area, with additional wiring work and electric equipment. To be in a position that when visual tributes displayed on the tv screen; rather than seeing just the camera image within the chapel, the cloister screen would show the visual tributes so the full screen would fill up with images of the what pictures the family have suggested.

It was noted that this is certainly something the crematorium's rivals offer.

PD was quoted for £2885 including all of the cabling and installation. No need to do this but if the committee approve it, then the manager could arrange for that to be done.

Pricing Structure – discretionary items

The committee already approved the cost for visual tributes but subsequent to that manager has been made aware of other things the crematorium could do but did not know when the installation would be made.

PD noted an important idea for the price list, for the facility to charge £75 for orders placed after the cut off for ordering visual tribute requests (the immediate cut off period is after immediate 72 hours). There is no profit in this, but is a fee the company levy as it causes difficulty of late sending such images. So it would be a case of sending the fee back to the families.

PD suggested to delete the current fees for the recordings of CD's, USB's and DVD's, CDs have never been popular and the media company struggle to make these as most of the staff work from home now.

Suggested to rename these items, retain the £92 fees and offer downloadable files; the same thing but including the visual tributes of family photographs to the downloaded file. No difference in the cost to that. And the offer the same thing with CD's and DVD's but for £92 on top of the other £92 cost for the downloadable files. A unity of cost across the items of what would suit people better.

Service Times

The increased service time has proved very popular with the public regarding positive feedback. It has been instrumental in increasing the number of services per month, so it has been successful.

As the crematorium is now offering 45 minute service times, the extension need for services has now gone. The Team Manager proposed that they could drop that option from their service list. They have not been asked for an extension by the public since they increased the service time.

With the offer for memorial service; at the moment the Gwent Crematorium charge £196 for a Memorial Service, where people bring ashes or service has taken place in another crematorium and they do a service with their local families in the Gwent Crematorium.

This takes away the time for a cremation time, therefore increases the waiting time for services; the manager would like to overhaul how they charge for that.

Therefore PD proposed a standard cremation fee £828, remove the cost of an unattended cremation which is £450 which leaves a charge of £378. Which puts our revenue where it should be under normal circumstances. It would add clarity to the pricing structure.

The Crematorium have been successful in keeping the green flag award for the fifth consecutive year. And managed to keep their gold award for the chartered for the bereaved benchman scheme for the third consecutive time.

The move to longer service times and visual tribute prices would add to this and consolidate the Crematorium's position.

Mention of Longstanding Staff Member Retirement

The Team Manager informed the Committee that Doctor Brian Wilcox who has been a medical referee at the crematorium since 1982 was taking retirement on this day. He has been titled the longest serving medical referee in the country and has been an enormous asset in running of the crematorium; as well as a great friend and colleague to the team of the crematorium over the years.

The Committee passed on good wishes for his retirement and the committee suggested if they could send a letter to thank him for his services over the several years.

Agreed:

1. The Committee approved of the quoted cost of £2885 for allowing the works to relay visual tributes on the screen.
2. The Committee agreed and approved of the change of the CDs/DVDs to the downloadable file with a visual file including tributes to remain the same at £92. The Team Manager confirmed that funeral directors are aware on every instance of the cut off period and that they only had one instance where this had to be charged.
3. The Committee agreed and approved of the suggestion of Memorial Service cost to reflect the actual cost of cremation minus the unattended cremation cost itself; as the Team Manager confirmed with the Committee it is very rarely asked for. They factored in that the service would take time, and factoring in the removal of an extension time and they are happy to recoup charges if necessary.
4. The Committee agreed that the crematorium can delete the option of extended service times.
5. The Committee Clerk would write a letter of thanks to Dr Brian Wilcox on behalf of the Committee to thank him for his outstanding service.

The Committee resolved to exclude the press and public during the consideration of the following items as it contained exempt information under Schedule 12A of the local government act 1972 due to confidential financial details.

a Facilities Management

The Newport Norse Manager (KD) explained to the Committee that he and the Team Manager for Bereavement have been looking at the Gwent Crematorium and its services, to see if they can do something to it to make it a more pleasant experience for everyone.

From their last meeting, KD and PD met with Councillor Simmonds and Councillor Jeavons and took them around the crematorium to discuss what plans they have and outlined the feasibility cost.

KD presented the floor plan of the facility of the Gwent Crematorium to the Committee.

It showed three areas, the waiting area with the ladies toilets, the second area being the gentlemen's toilets and the third being the book of remembrance room.

KD explained that with the waiting room area, it is difficult to get across via diagrams but it is a very small and cramped room with a disabled toilet facility. If it is full, people have to come through to get to the ladies' toilets, therefore it is not a very good layout.

PD highlighted that just outside of the double doors where the coffin is placed before the service; people who are coming out of the toilets are exiting to the side of the coffin – the layout is not appropriate.

KD made the suggestion of removing the disabled and ladies' toilets to open up the waiting room in its entirety.

For the second area, the main room would not be touched. The supporting room; they could remove but there would be no point for that. They allowed for a complete refurbishment for this and that the doors will be coming off and refurbished with new lighting for a more pleasant experience.

KD showed on the floorplan what the layout would look like, if the toilets were to be taken out. KD proposed that on the left wing, where the gentlemen's toilets and urinals are currently, gents who use the urinals are facing the window where the flower display arrives.

Therefore, it was suggested to move the urinals out of the way and a trough sink for washing hands with an entry to an accessible toilet instead.

KD then explained that the lobby itself will have two doors and a sign which will allow access and a larger ladies toilet on the end. It was mentioned that there will be a move of drainage and water services, but for a much better layout.

PD recommended putting a storage area in there that the cleaners could use, by the store at the top relocated to the cremators room. As when cleaners are working there, they have no reason to go outside with the storage area being inside. This also adds to their security when working in the early morning hours.

PD also advised the Committee that the staff room can be absorbed to other rooms in the building.

It was suggested to renew the roof, board the walls and make them smooth with new flooring and new doors. It was mentioned that Councillor Jeavons acknowledged the old style doors by the book of remembrance room.

PD noted how changing the roof would have appropriate netting which would not allow further flies to enter. The Committee was informed how the book of remembrance room has been treated twice in two weeks for flies; the crematorium had pest control come in and they advised that it was the worst infestation they had seen.

The Officers welcomed questions from the Committee.

The Committee asked the following:

- Councillor Evans suggested that with the cost of works, they could put in LED lights to the ceiling to help this situation and asked if this work will impact on the other services?

In response, KD explained that it will be tendered out and with better prices. The construction price will all be done out of working hours as it cannot be done when services are on.

KD advised it has been considered to bring in portable toilets at certain times. Details will follow later on when the team appoint a contractor.

- Councillor Williams queried with regard to the waiting room area proposals. Referring to the floorplan; Councillor asked for further clarification on where the disabled toilets are shown, there are four seats, but the other side of that seems to have more space for more seats. How is the crematorium going to achieve this or is this an example of how many seats can sit there?

KD responded by stating that he did not draft up the ideas so is unsure whether it is to scale.

- Councillor Williams went on to note that from the single door to the women's toilets, and have that many seats there, seems out of proportion in relation to what is there currently and asked if they could switch the door around the other way. For the plans for the new waiting room, the first part on the left where the disabled toilet was, if they took that out, where seating will be instead; but a lot more seats on the other side but it appears to be a narrow area.

KW responded to clarify that it is 6.3 metres for total width and 2.7 metres for depth which is quite good for the space.

Councillor Williams acknowledged this back wall dimension which answered his question.

- Councillor Jeavons wished to raise a couple of comments after the inspection of the facilities.
 - Considering the facilities in its present state which is inadequate for what is needed. PD has raised this issue with using toilets with the coffin just outside the room – Councillor Jeavons agreed that they need to alter that. The design in the day was ok back then but now it is not a good design as the public convenience area should be away from the coffin and waiting areas.
 - The works being carried out will be outside of the service times to minimise disruption.
 - For the Book of Remembrance Room; despite winning the Green Flag Award, the doors look like school doors and if you look at the ceiling, you can see the 12-14 diameter light full of flies. An overhaul is needed and it needs looking at.

Councillor Jeavons confirmed he is happy to support the work proposed hence why he intended to refer the budget item until this part to throw a different light on what is needed.

Councillor Simmonds agreed with Councillor Jeavons' comments as he was part of the inspection and stressed that the facilities are woefully dated and inadequate. Therefore a clean up is necessary. This was agreed by PD.

The Carbon Reduction Assistant Manager (MP) commented to build on what Councillor Evans' mentioned earlier; they should consider service savings for the new roof, especially as LED lighting has detection and any new toilets – egni-coop energy have saving measures which could save revenue costs in the long run.

- Cllr K Williams asked MP if any design that they will do, would it be taken account to help account for carbon savings and be as green as can be.
- The Chair mentioned his apologies for missing the inspection for the crematorium and confirmed he was happy to go along with the suggestions made as the waiting room needs work.

The Chair noted that the Committee's financial position might not be as good as they want it to be but reminded the members that they are in competition with the likes of Langstone Crematorium and the facilities are the type of facilities that people would want to have at a cremation; thus the Gwent Crematorium needs to improve.

- Councillor Williams asked the officers; when they change the waiting room, would they put the service screen in to relay the service so the visitors can see it from inside of that room; as Wales gets about 50 weeks of rain a year; is this something the crematorium team would consider?

KD confirmed the reservation with that is that people sat in the waiting room would be waiting to go in for a separate funeral, but would have to watch someone else's funeral on the screen.

Refurbishment Project Feasibility Order of Cost Report

KD went on to cover the cost plans for the Committee, as there is a high level of feasibility with lots of detail they are looking at.

There are a number of caveats with the current situation of the construction industry with the changing market conditions with the supply chain being selective in the opportunities they pursue. It was confirmed that this will not be finalised until tendered out at the moment. KD assumed this would be the total approximate cost for the three areas.

MR reminded the committee that they have only just seen the cost and that they do not have the options on how to fund the works mentioned. MR went on to ask if the committee would want to borrow and fund that, or charge against revenue budget which puts pressure on the revenue budget, or use the reserves.

MR referred back to the earlier discussion regarding maintaining the distribution this year or next year, or do we go as planned this year and nothing for next year? MR stressed that they need to recognise the implications of this and what the options are.

MR noted that he had not seen any of the figure detail and have spoken to JH (Finance Business Partner) since said discussion and JH has not seen anything in relation to this

either. So the Committee was reminded to be cognisant on how they would fund this and fully understand the impact.

The Chair suggested that the Committee should agree that this continues to be explored and a report for the next meeting should be drawn up for the financial implications and options for this. It was suggested that PD and KD would carry on with JH to get this costed up with all implications so the Committee can take a considered decision.

Agreed:

It was agreed that the Committee will be provided with a report detailing the financial implications and options for this work first before they reach a decision.

The Members of the Committee agreed with the Head of Finance that they should be provided with an updated forecast so they know what it means for future budgets for a more rounded consideration.

The meeting terminated at 11:14am