

CABINET

20 June 2023

Title: Improvements at Chadwell Heath Cemetery including Provision of Multi-Faith Facility	
Report of the Cabinet Member for Public Realm and Climate Change	
Open Report	For Decision
Wards Affected: Chadwell Heath	Key Decision: Yes
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Accountable Director: Alan Caddick, Interim Director of Homes & Assets, My Place	
Accountable Executive Team Director: Leona Menville, Strategic Director of My Place	
Summary The Council is committed to providing facilities that encourage use of all its public spaces including our cemeteries. A review of current cemetery provision has demonstrated the visitor facilities at Chadwell Heath Cemetery are outdated and not fit for purpose. The buildings are in extremely poor condition, bordering on being dilapidated which risks future costs to the council. Improving the facilities is therefore an invest to save opportunity as well as offering a more welcoming, inclusive, and contemplative space for visitors. This report sets out the proposals to future proof the use of the cemetery whilst enhancing the facilities through the provision of a new combined multi-faith prayer and reflection space alongside new toilet facilities. The overall capital cost of the project is £350,000 and it is recommended that approval be given to fund the project through the allocation of SCIL. Associated annual revenue costs of circa £15,000 shall be met from the service budget.	
Recommendation(s) Cabinet is recommended to: (i) Approve the provision of a combined multi-faith prayer and reflection space and new toilet facilities at Chadwell Heath Cemetery. (ii) Approve the allocation of £350,000, to be funded through allocation from the Strategic Community Infrastructure Levy, and note that the associated revenue costs would be met from the Cemeteries' Service income budget; and	

- (iii) Delegate authority to the Strategic Director, My Place, on the advice of the Procurement Board and in consultation with the Strategic Director, Finance and Investment and the Chief Legal Officer, to progress the procurement and construction arrangements for the project and award and enter into the contract(s) and all other necessary or ancillary agreements with the successful bidder(s).

Reason(s):

To assist the Council to meet its commitment of achieving its Inclusive Growth goals.

1. Introduction and Background

- 1.1 The Chadwell Heath cemetery is in Whalebone Lane North, Marks Gate, Chadwell Heath.
- 1.2 The existing public toilet facility for the cemetery is in a very poor condition and considerably below what one would expect in a cemetery which is actively used. An exercise was carried out to look at the cost of refurbishment of the existing toilet block, but concluded it was beyond economic repair, and could not provide the scope and standard of facilities required.
- 1.3 As part of the cemetery improvement project, the Strategic Director requested the project be expanded to include a multi-faith prayer room to enhance the facilities for all communities to encourage additional burials and establish best practice.
- 1.4 Early on, it was clear that minor repairs were not going to be adequate, so officers commissioned a full feasibility/masterplan for the entire dilapidated area.
- 1.5 The Masterplan considered medium- and long-term issues which would enable its future expansion and development.
- 1.6 After consideration of the Masterplan, it was agreed the most viable solution was a single modular building incorporating:
- New toilet facilities
 - Ablution facilities
 - A multi-faith prayer and reflection room
- 1.7 Once the scope of the project was established, soft market testing was undertaken which confirmed that modular construction was the most economical and satisfactory solution.
- 1.8 Officers have been speaking with three modular building suppliers who are on Development Frameworks which are accessible to the Council. The soft market intelligence has provided an indication of the appetite in the market and has been very useful in establishing the best solution.
- 1.9 By working within the parameters of standard module units, officers have designed a proposal which uses space in the most advantageous way to provide an efficient solution. Our soft market testing has shown prices ranging from £342k to £550k.

- 1.10 The costing proposals have been extensively scrutinised and challenged and we have developed the design to limit costs as much as possible within the scope of what is required. Following this exercise, we are now at the point of having a final estimated cost of £350,000. It should be noted that currently construction inflation has been significant for some time due to the rising cost of building materials and a skills shortage pushing up labour costs.
- 1.11 To establish if the project was acceptable in planning terms, a Planning Application was submitted in December 2022 and approved in March 2023. The preparation work is now complete in terms of the design and cost of the new facility and subject to funding and council approval the project is ready to be implemented. If approved the building could be completed by late Summer.

2. Proposal and Issues

- 2.1 The proposal is to provide a combined multi-faith prayer and reflection space with separate toilet and ablution facilities in a single new building of approximately 100 square metres.
- 2.2 The facilities include the provision of two unisex toilet pods and a unisex accessible toilet with a baby-changing facility. These are accessed from a new external path. A cleaners' storage facility is also included. The proposed location, layout plan and elevations are set out at Appendix 1.
- 2.3 The project will update and enhance existing facilities. An increase in operating costs, such as opening and closing, increased electricity usage and cleaning, will be funded from the cemetery's revenue budget including income gained from the uptake of burial spaces.
- 2.4 The financial modelling unpinning our approach takes into consideration an increase in cremations in recent years. Completing the installation of the new Columbarium as part of our ongoing investment (see 5.5 below) underpins our commitment to securing a steady income stream across all our cemeteries ensuring we provide final places of rest for residents of the borough for the foreseeable future.
- 2.5 Continued growth in the borough is increasing diversity and our cemetery facilities do not reflect the anticipated changes in the population. The Borough Manifesto sets out that diversity needs to be understood, embraced, and harnessed for the benefit of everyone, and to reap the benefits of diversity, our community must be united, not segregated. It is anticipated that further growth will increase diversity therefore the service needs to adapt older facilities to benefit both the community, and the council.
- 2.6 The service needs to forecast the future and address future growth. Cemeteries are important social infrastructure that play an important role in many residents' lives. They tend to hold deep significance for families with loved ones buried in local cemeteries and can help offer a space that brings comfort to families as they struggle with their grief while remembering loved ones. Chadwell Heath provides a serene environment to spend time on a spiritual level with many psychological benefits for those who have suffered a recent bereavement in their family.

- 2.7 The use of SCIL will be used to fund infrastructure that supports development in providing the multi-faith prayer and reflection space with separate toilet and ablution facilities and is intended to create wider inclusion for our ever more diverse community and attract a large proportion of the community that would otherwise seek burial options from outside of the borough. It is intended that the impact of the project will unlock further growth as community groups acknowledge the investment.
- 2.8 The current buildings are in extremely poor and bordering dilapidated condition. The proposed multi-faith prayer and reflection space with separate toilet and ablution investment will create a positive impact around cohesion and equalities and will be more reflective of the anticipated changing population.

3 Options Analysis

- 3.1 The option to refurbish the existing toilet block and provide a separate multi-faith prayer and reflection room was considered. The existing toilet block is beyond satisfactory economic repair and has a limited serviceable life. It is more economical to provide a single building for all the required facilities.
- 3.2 The option to do nothing was considered. The current condition of the toilet block reflects badly on the Borough and the existing building is beyond satisfactory economic repair and has a limited serviceable life. A multi-faith prayer and reflection room would not be provided with this option.

4. Consultation

- 4.1 Consultation has taken place with relevant Cabinet Members, the three Chadwell Heath ward councillors and local faith groups including Al Madina Mosque.
- 4.2 The Gardens of Peace are willing to help and be involved with this project once we have the building on site. The positive engagement with Gardens of Peace has resulted in an offer of collaboration through additional training and support for staff undertaking any traditional Muslim burials as well as the offer of a referral service to us when they are unable to accommodate burials within their site. These commitments are offered freely in the spirit of building cohesive communities within the borough.
- 4.3 A report was submitted to Asset and Capital Board on 12 April 2023 where the Board approved in principle for the proposals to proceed to Cabinet on the basis that the report fully addressed and resolved the concerns outlined by the Board in relation to finance, the Chadwell Heath Cemetery Extension report (Cabinet, 20 September 2016) and the wider rationale of the project.

5. Financial Implications

Implications completed by: David Dickinson, Investment Fund Manager

- 5.1 This report is seeking £350k of funding for a combined new multi-faith facility, including ablution facilities, and new toilet facility at Chadwell Heath Cemetery. There is currently no Capital budget available allocated for these works.

- 5.2 Funding sources have been considered, including grants, S106 and CIL. There is no s106 from nearby developments to provide community facilities and currently there is no grant available to fund this proposal. SCIL is considered to be an option for this site.
- 5.3 As there is no current budget, one option for this proposal would be to fund from borrowing with repayment based on the asset life, which is 50 years. An annual budget of £15k would be required to cover interest costs of 3.5% and debt repayment over 50 years. If funded from borrowing, the £350k required would be added to the Council's Capital Financing Requirement, which is forecast to reach £1.822 billion. The £15k per year for financing costs would be charged to the service, which would need to cover this cost from increased net income from burials.
- 5.4 Overall, given the length of the asset life (50 years) the repayment would be relatively small but would require budget to be set aside within the MTFS to fund this from 2024/25, with the spend likely to be incurred in 2023/24.
- 5.5 SCIL is to be used to provide infrastructure to support the growth in the borough. At present, the procedure for allocation of SCIL is that which was agreed in 2017, based on annual bids and allocations. A new procedure to be more responsive to growth and priorities for spend is being prepared and will be submitted to cabinet for approval this year. In the meantime, until a new procedure can be approved and implemented for the consideration of strategic allocation and priorities of SCIL to support growth across the borough, this is being brought to members as a request for a one-off payment of SCIL to be made to support this project.
- 5.6 At September 2016 Cabinet, an investment of £400k in enhanced facilities at Chadwell Heath cemetery was approved. £317k of this has been spent on the elements identified within the original Cabinet Report which has included installation of hard infrastructure, fencing, significant planting, a new access point and steps, raising the land, development of a bespoke Muslim burial area, a pet cemetery and columbarium ground works. The remaining budget of £83k allocated for the residual Columbaria installation, consisting of cemetery cremated remain vaults and assisted landscaping, is set to complete in 2023.
- 5.7 The works as part of the £400k investment was to ensure that Barking and Dagenham could continue to offer burials for residents for the next 40-50 years to avoid them having to pay higher fees within neighbouring Boroughs. Eastbrookend and Rippleside cemeteries are full to new burials (except for a few new graves created in recent years). The investment in Chadwell Heath has meant that the cemetery is now a more attractive proposition for residents and has helped contribute to an increase in burials within the cemetery.
- 5.8 The decision to install Columbarium into Chadwell Heath is a direct result of data from the Cremation Society of Great Britain. At the inception of the cabinet report in 2014 data for England and Wales identified 390,494 cremations accounting for 77% of all funerals. As of 2021 (latest data available) cremations have increased to 476,210 accounting for 80.4% of all funerals. The improvement will enable a range of options within our cemeteries to inter cremated remains and to capture a percentage of this market. The current cost of living crisis is resulting in the service

and funeral directors seeing families opting for a cheaper, value for money funeral. Direct cremation is becoming more popular which will increase cremations further. Leases are offered over shorter 25-year periods which enables the authority to actualise a perpetual income to fund the service and maintain the cemeteries.

- 5.9 The anticipation of the investment back in 2016 was to not only provide and encourage further burials, whilst maintaining the offering for Barking and Dagenham residents, but to also realise an increase in income. The Cabinet report detailed an anticipated additional income of £165k by 2019/20, increasing to £250k once fully established. An analysis of cemeteries income since 2016 shows that annual income has increased by £176k or 39% over the period from 2016, and in 2022/23 the income target was exceeded by £86k.

£'000s	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Income budget	-513	-520	-608	-642	-546	-546	-546
Annual income	-456	-497	-462	-449	-541	-762	-632
Shortfall/(Surplus)	57	23	146	193	5	-216	-86

- 5.10 It remains to be seen whether the £250k forecast will be realised, although the £165k target has been exceeded. Undoubtedly some of the additional income is attributable to COVID deaths, and not solely the £400k investment.
- 5.11 The impact on the service revenue budget of the proposed facilities is £30k pa - £15k for financing and £15k for an enhanced revenue budget to service the new facility. This can be met from the current income surplus.

6. Legal Implications

Implications completed by: Lauren van Arendonk, Locum Contracts & Procurement Lawyer

- 6.1 This report seeks to approve the provision of a combined new multi-faith facility and new toilet facility at Chadwell Heath Cemetery, using a Framework Agreement as the selected route to market.
- 6.2 Under rule 4.2 of the Contract Rules, Framework Agreements and Contracts are partially exempt from the full application of the Rules provided the framework has been properly procured under the Regulations and the procurement is made in accordance with the Framework's terms and conditions. The use of a mini competition as a means of procuring a supplier under a Framework would be in accordance with its procurement rules and requirements.
- 6.3 Therefore, it is recommended that the construction of a combined new multi-faith facility and new toilet facility at Chadwell Heath Cemetery be approved, with a procurement of the works being undertaken using a framework.

7. Procurement Implications

Implications completed by: Euan Beales, Head of Procurement

- 7.1 The report has outlined the need and justification for the works/project to be approved and the impact it will have on the Borough.

- 7.2 From a procurement viewpoint a separate report will be required to be submitted to procurement board for ratification of the route to market, the evaluation methodology and any impacts that can be generated through elements such as Social Value and LLW.
- 7.3 Based on the impact on the Borough and that the procurement route will be scrutinised under separate cover, I cannot see any reason not to approve the recommendations as made.

8. Other Implications

- 8.1 **Risk Management** – A risk-based approach has been considered throughout this report and reflected in the route taken and the proposals for the facility.

The use of a formal signed contract will help protect the council from failures or default of the contractor. Any contractor will include an amount to cover market conditions and risk within their final proposed price. We have developed the project in such a way as to try to eliminate certain areas of building risk via such actions as soil investigation surveys and testing, drainage survey, topographical survey etc. This will help limit any risk cost element in the contractor's tender price.

There is a risk that construction inflation could increase contractor's tender prices. This is outside the Council's control, but officers will attempt to limit and mitigate as much as possible. My Place will provide construction supervision and cost control for the project.

- 8.2 **Contractual Issues** – The provision of the multi-faith facility, if approved, will be delivered through an appropriate procurement / contractual process which will comply with the Councils procurement processes. An appropriate form of contract, in this case the JCT Minor Works Contract, will be used.
- 8.3 **Corporate Policy and Equality Impact** – An Equality Impact Assessment Screening Tool has been completed and is attached to this report as Appendix 2.

Public Background Papers used in the preparation of the Report: None

- Cabinet report 20 September 2016 entitled "Chadwell heath Cemetery Extension" (Minute 42)
<https://modgov.lbbd.gov.uk/Internet/ieListDocuments.aspx?CId=180&MId=8805&Ver=4>

List of appendices:

- **Appendix 1:** New Building – Proposed Plans, Elevations Location Block Plan
- **Appendix 2:** Equality Impact Assessment Screening Tool