

Report of the Director

NENE VALLEY CREMATORIUM – PROPERTY MATTERS

1 Purpose of report

To provide an update to members on outstanding property-related issues relating to the crematorium, and to propose an approach which will progress the lease of the site to the wholly owned company.

2 Executive summary

The lease of the crematorium site to Wellingborough Bereavement Services Limited has not yet been finalised. Due diligence has now been completed and a proposal is set out in this report.

3 Appendices

4 Proposed action:

The committee is invited to RESOLVE

- 4.1 to approve the granting of a lease for five years from September 2016, at a peppercorn rent, to Wellingborough Bereavement Services Ltd, taking into account the need for the company to become established and time for the council to complete the project to landscape the grounds; the period of the lease will also provide sufficient flexibility should local government in Northamptonshire be reorganised;**
- 4.2 to note that a bid for capital funding has been submitted, to enable the development of the site landscaping, with the first stages relating to infrastructure.**

5 Background

- 5.1 The final steps to complete the set-up of the wholly owned company which has been created to operate the crematorium, and the development of the large site surrounding the main facility are referenced in the property and projects report on this agenda, because this activity remains on the council's project list as a priority.**
- 5.2 Capital funding for a memorial wall and a canopy over the waiting area has already been approved by the committee, both of which are progressing via the council's procurement procedures.**

- 5.3 District Law has been appointed by the Board to act as Company Secretary for Wellingborough Bereavement Services Ltd, and has been asked to carry out an audit to ensure compliance with all relevant legislation.

6 Discussion

- 6.1 Landscaping: a further capital bid to create infrastructure within the grounds has been submitted. This will allow a gradual development of the site because of its size, which will need to be completed in a phased way. The creation of an infrastructure around which this can be based will facilitate such phasing.
- 6.2 The lease of the crematorium and surrounding grounds has been the subject of discussion and debate for some time. Officers have not been in a position to make a recommendation about it, nor to finalise it, because there were a number of strands and implications which needed to be taken into consideration to ensure due diligence.
- 6.3 Officers have now reached a point where financial and legal advice has been received, and a recommendation can be made in respect of the lease. It is therefore recommended that the council enter into a peppercorn lease from September 2016 for a period of five years with Wellingborough Bereavement Services, for the following reasons, which demonstrate that S123 of the Local Government Act 1972 has been taken into account:
- (a) the works to the building have been completed, but the works to the surrounding land and gardens are an ongoing project, with only one small part having been completed. Five years is seen as sufficient time to substantially complete the council's project for the landscaping of the grounds if funding is available;
 - (b) the period of five years will give the company sufficient time to establish itself as a viable trading organisation for services which are new to the borough;
 - (c) the likely reorganisation of local government within Northamptonshire is likely to be complete by 2021; the intention would therefore be to agree to a lease which would suffice until a unitary council is created, and provide flexibility for the future of the crematorium to be determined by the new council once it is created. If a unitary council is not created the borough council will then be in a position to make that decision.

7 Legal powers

The council has full power to manage its property assets under the incidental powers in section 111 of the Local Government Act 1972. Furthermore the council has all the powers of an individual under section 1 of the Localism Act 2011. Accordingly it has full power to carry out the proposed actions.

8 Financial and value for money implications

- 8.1 Requirements for capital investment have been submitted to this committee

as part of the capital report. A business case will accompany that bid to demonstrate a cost saving, income generation, an improved facility for the borough, or a combination of the three.

9 Risk analysis

- 9.1 The capital investment in the grounds of the crematorium is still significant and will be the subject of a capital bid to the council. The risk to the reputation of the council's wholly owned company can now be viewed as a longer term risk, given that there are now facilities within the grounds (or shortly will be) for scattering, memorials (plaques, niches, trees, roses and benches), and interment of ashes. Further development will be needed once demand increases – and to further enhance the appearance of the crematorium.
- 9.2 The council has worked with an external legal service to mitigate the risks associated with a lease to Wellingborough Bereavement Services. The proposal takes account of the legal advice received.
- 9.3 The company has appointed an Executive Director to oversee projects, but she needs to work with council colleagues to progress those projects so that they comply with financial and procurement rules. This adds another risk to their deliverability because of the availability of council staff time.

10 Implications for resources

There are some implications for officer resources as identified in the risk section above.

11 Implications for equalities, and stronger and safer communities

There are no direct implications for equalities, or stronger and safer communities.

12 Author and contact officer

Bridget Gamble, Director

13 Consultees

Liz Elliott, Managing Director
Julie Thomas, Director
Adrian Piper, Assistant Director
Paul Burnett, Property and Projects Manager
Victoria Phillipson, Principal Property and Projects Manager
Vicki Jessop, Assistant Director

14 Background papers

Documentation in relation to viability of potential developments.
Correspondence with interested parties or contractors.

