



ADUR & WORTHING
COUNCILS

Worthing Cabinet Member for the
Environment
Adur Cabinet Member for the
Environment & Leisure

Date: 11 July 2023

Decision to be taken on or after 19 July
2023

Key Decision Yes

Ward(s) Affected: All

**JAW/006/23-24 Cremator Servicing and Maintenance Contract Procurement
(five yearly)**

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1. Worthing Borough Council (WBC) procured three new cremators from DFW Europe in 2012. PJ Combustion Solutions Ltd is the only servicing and maintenance partner for DFW Europe in the United Kingdom.
- 1.2. In order to continue its activity of performing cremations at Worthing Crematorium, WBC must renew its contract with PJ Combustion Solutions in compliance with the Public Contract Regulations 2015, for the next five years.
- 1.3. WBC and DFW Europe have agreed that PJ Combustion Solutions will continue to service and maintain the equipment for WBC for the next five years.

2. Recommendations

2.1 Recommendation One

- Approve the award of contract to PJ Combustion Solutions Ltd for five years to provide servicing and maintenance of three cremators and ancillary equipment to ensure continuity of service at Worthing Crematorium on the terms set out in this report.

3. Context

- 3.1. In 2012 Worthing Borough Council procured three new cremators from DFW Europe. In order to continue its activity of performing cremations at Worthing Crematorium, Worthing Borough Council must renew its contract in compliance with the Public Contract Regulations 2015.
- 3.2. The initial contract was for a duration of 10 years, which elapsed at the end of January 2023. The new contract will commence from February 2023 for a term of five years.
- 3.3. Worthing Crematorium is one of the busiest crematoriums in the UK. It currently uses natural gas to cremate the deceased, but this produces greenhouse gas emissions. The Councils have made a commitment to become carbon neutral by 2030. A project is underway to demonstrate that hydrogen can be used as a fuel for crematoriums instead of natural gas.
- 3.4. Hydrogen is a clean fuel that produces no emissions when it is burned. It is also more efficient than natural gas, so it could save Worthing Crematorium money on its energy costs. The project is expected to be completed in 2024. If it is successful, it could pave the way for other crematoriums in the UK to switch to hydrogen fuel. In the interim, the crematorium needs to continue to operate using natural gas and consider other options to reduce its carbon footprint.

4. Issues for consideration

- 4.1. Since Combustion Solutions are the sole servicing and maintenance partner of DFW Europe BV it is recommended that the award for servicing and maintenance is provided by them

5. Engagement and Communication

- 5.1. Consultation with Procurement recommended a Voluntary Ex-Ante Notices (VEATs) is published. This notifies the market of the intention to award the contract to a certain provider without competition which is absent for reasons of specialist technical compatibility, and provides a 10 day 'standstill' period to allow challenge to that decision.
- 5.2. Once this key decision has been approved the VEAT notice will be published.

6. Financial Implications

- 6.1. If Bereavement Services performs an average of 275 cremations per month (this is based on our past performance), the total amount paid will be £13,720 per month.
- 6.2. If Bereavement Services performs 3300 cremations per annum, the total amount paid will be £164,670.00 per annum.
- 6.3. The council will pay the above basic charge for a minimum of one year. The charge for the service will be increased every year using the Government published CPI figure for December (issued in mid-January)
- 6.4. The budget for Cremator repairs and servicing for 2023/2024 is £186,070 per year which can accommodate this charge.

7. Legal Implications

- 7.1. Section 1 of the Localism Act 2011 empowers the Council to do anything an individual can do apart from that which is specifically prohibited by pre-existing legislation.
- 7.2. Section 3(1) of the Local Government Act 1999 (LGA 1999) contains a general duty on a best value authority to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.
- 7.3. Section 1 Local Government (Contracts) Act 1997 confers power on the local authority to enter into a contract for the provision of making available of assets or services for the purposes of, or in connection with, the discharge of the function by the local authority.
- 7.4. Under the Public Contract Regulations 2015 (SI 2015/102) where a Public Authority is to enter into a contract for the supply of goods & services, and the value of those goods and services exceeds a financial limit of £213,477 (inclusive of VAT), any procurement exercise to contract for those goods and services must be conducted in accordance with the Regulations.

Background Papers

- None

Officer Contact Details:-

Name: Kate Greening

Role: Bereavement Services Manager

Mobile: 07810 771546

Email: kate.greening@adur-worthing.gov.uk

Sustainability & Risk Assessment

A Sustainability and Risk Assessment must be completed for all reports.

1. Economic

- The cost of the contract
- The impact of the contract on the local economy
- The potential for job creation
- The potential for economic growth

2. Social

2.1 Social Value

- Providing a high-quality crematorium service
- The impact of the crematorium on the local community
- The potential for the crematorium to provide a sense of comfort and closure to families
- The potential for the crematorium to be a place of peace and reflection

2.2 Equality Issues

- The importance of ensuring that all people have equal access to the crematorium service
- The need to be sensitive to the needs of different people, cultures and religions
- The need to ensure that the crematorium is accessible to people with disabilities

2.3 Community Safety Issues (Section 17)

- Ensure that the crematorium is a safe place for staff and visitors
- A plan in place to deal with accidents and emergencies
- Ensure that the crematorium is secure from vandalism and theft

2.4 Human Rights Issues

Respect the human rights of all people who use the crematorium service
To be sensitive to the religious and cultural beliefs of different people
To ensure that the crematorium is a place where people feel safe and respected

3. Environmental

- To minimise the environmental impact of the crematorium
- The use of renewable energy sources where possible
- The use of energy-efficient equipment where possible
- The development of a waste management plan

4. Governance

- To ensure the crematorium is governed in a transparent and accountable manner
- To have a clear set of policies and procedures in place
- To have a system in place to monitor and review the crematorium's performance
- To insure the crematorium is subject to independent scrutiny