

# MAYOR'S EXECUTIVE DECISION MAKING

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Monday, 17 June 2013

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Mayor's Decision Log No. 33

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1. **TOWER HAMLETS MULTI FAITH BURIAL GROUND (Pages 1 - 26)**

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact: John S. Williams, Service Head, Democratic Services

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# Agenda Item 1

<b>Individual Mayoral Decision Proforma</b>  Decision Log No: (33 )	 <b>TOWER HAMLETS</b>
<b>Report of:</b> Corporate Director of Development & Renewal – Aman Dalvi	<b>Classification:</b> Unrestricted
<b>Tower Hamlets Multi Faith Burial Site</b>	

<b>Is this a Key Decision?</b>	<b>No</b>
<b>Decision Notice Publication Date:</b>	N/A
<b>General Exception or Urgency Notice published?</b>	<b>Not required</b>
<b>Restrictions:</b>	None

## **EXECUTIVE SUMMARY**

The report recommends a purchase of a 125 year lease of 3 acres of land for the use as a burial site. It also recommends that the Council enters in to a Management Agreement for burial services on the site. It also proposes to end the current practice of paying a contribution to each burial and in the future make a charge for the service. There are further details on the scheme in a Part 2 report.

## **DECISION**

To;

- a) Note the contents of the report;
- b) Authorise officers to enter in to an Agreement to Lease for the acquisition of three acres on a 125 year long lease basis and to enter in to a Management Agreement for the management of the site, provision of graves and long term maintenance.
- c) End the current contribution of £225 per burial paid for funeral services outside the Borough and ring-fence the budget of £30,000 for supporting the annual net operating costs of the proposed multi-faith burial facility.

**APPROVALS**

**1. Corporate Director proposing the decision**

I approve the attached report and proposed decision above for submission to the Mayor.

Signed .....  ..... Date ..... 12/6/2013 .....

**2. Corporate Director proposing the decision**

I approve the attached report and proposed decision above for submission to the Mayor.

Signed .....  ..... Date ..... 12/6/2013 .....

**3 Chief Finance Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

Signed .....  ..... Date ..... 12/6/13 .....

**4. Monitoring Officer or his/her deputy**

I have been consulted on the content of the attached report which includes my comments.

(For Key Decision only – delete as applicable)

I confirm that this decision:-

(a) has been published in advance on the Council's Forward Plan OR

(b) is urgent and subject to the 'General Exception' or 'Special Urgency' provision at paragraph 18 or 19 respectively of the Access to Information Procedure Rules.


Signed .....  ..... Date ..... 12/6/2013 .....

**EXECUTIVE MAYORAL DECISION**

I have considered the above information and advice on the acquisition of a Multi Faith Burial site for Tower Hamlets as detailed in the report.

My decision is based on the following reasons:-

- A thorough search for a suitable site has been carried out
- The project will deliver benefits to the residents of Tower Hamlets.
- It satisfies the requirements set out in the Council's Local development Framework Core Strategy

Signed .....  .....

Executive Mayor

Dated ..17/06/13.....

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<b>Committee/Meeting:</b> Executive Mayor Decision	<b>Date:</b>	<b>Classification:</b> Unrestricted	<b>Report No:</b> 1
<b>Report of:</b> Corporate Director of Development & Renewal  Originating officer: Aman Dalvi		<b>Title:</b> Tower Hamlets Multi Faith Burial Ground  <b>Wards Affected:</b> All	

<b>Lead Member</b>	Cllr Alibor Choudhury
<b>Community Plan Theme</b>	One Tower Hamlets
<b>Strategic Priority</b>	Work Efficiently and Effectively as One Council

## 1.0 SUMMARY/BACKGROUND

- 1.1 Following a series of reports to MAB in December 2011, May 2012 and September 2012, this report summarises the detailed discussions had with owners of suitable sites and makes recommendations on how to proceed with the acquisition of a Tower Hamlets Multi Faith Burial Ground.
- 1.2 The Borough currently has no operational burial sites and residents who require burial services must seek services outside the boundaries of the Borough. Where residents are able to use a municipal cemetery operated by another Council or private operator, there is normally a premium charge. The majority of burials take place in the City of London Cemetery, Gardens of Peace and Wood Green.
- 1.3 The Council is not under a statutory responsibility to provide burial services; however it must ensure the legal disposal of any person who dies within the Borough boundary, where no suitable funeral arrangements have been made.
- 1.4 The London Plan confirms that many London boroughs will run out of burial space in the next few years. For central and inner London boroughs, this means that provision is often made in outer London. This can cause serious problems for access, maintenance and exceptional costs and can have a disproportionate effect on people in London's poorest boroughs and on some of London's poorest communities who rely on access to burial facilities.
- 1.5 In 2008 Tower Hamlets established the burial subsidy which provides the families of deceased residents with a £225 contribution towards burial costs;

this subsidy represents the difference between resident and non-resident charges levied by out of Borough sites. The Registrar's Office reports that this is a very successful and popular scheme.

1.6 The Council's Local Development Framework Core Strategy (adopted in September 2010) states that the Council will proactively plan for the needs and requirements of a multi faith burial ground. It sets out the criteria for the identification of the most appropriate site and confirms the site identification process will be undertaken as part of the Managing Development DPD.

1.7 In light of the above, officers were requested to consider short, medium and long term options and proposals for burial provision for residents of the Borough.

- **Short Term Options**

Continue with the burial subsidy scheme for eligible residents.

- **Medium Term Options**

Partner or purchase a plot within an existing burial ground, eg, City of London.

- **Longer Term Options**

Purchase land for development in to a burial ground for the sole use of Tower Hamlets residents. It is proposed to set aside £3 million of resources as a contribution towards the funding of a multi faith burial facility.

## 2.0 OPTIONS

2.1 In response to longer term options, the following could be considered.

2.2 A consultant was appointed to undertake a comprehensive site search within Tower Hamlets to see if an appropriate site could be found for a new burial ground within the Borough. This did not identify any sites for such a use. As a result, a further search was instigated to the North East of Tower Hamlets on the premise that the site should be easy to travel to. The revised search identified 51 possible sites of which 41 were worthy of further investigation. Ultimately the possibilities were whittled down to two suitable sites. Of the two sites, discussions were held with the respective owners and one site is now felt to offer the possible longer term solutions to burial provision for the residents of Tower Hamlets.

2.2 A Charitable Trust (Trust) owns a 20 plus acre site just inside the M25 of Metropolitan Open Land. It is the Trust's intention to develop the site out as



a burial ground. This will require planning consent and it is envisaged that the Trust has submitted a detailed planning application which is now being considered. Following pre-application advice from the relevant planning authority, it has been established, in principle, that burial use is appropriate for the site. Architects are currently drawing up plans for the site. As a result of this, further and more detailed discussions and negotiations have taken place with the Trust.

- 2.3 The Trust own and operate another burial ground within the South East of England and are felt to be capable of delivering the subject site as a fully serviced cemetery with the required infrastructure and would be able to manage and maintain the site in the long term.
- 2.3 It has been established that the Trust are prepared to lease a three acre plot of land, within the larger site, to the Council for the sole and exclusive use of Tower Hamlets residents.
- 2.4 The Council would acquire the land on the basis of a 125 year long lease paying a one off premium and an annual peppercorn rent.
- 2.5 An Agreement to Lease would be entered in to which would ensure that a number of conditions are met before the land acquisition completes. These conditions are that the site secures planning consent for burial use has a separate trading company to deliver plot maintenance and associated services and that the Trust puts in the necessary road and servicing infrastructure.
- 2.6 It is proposed that the Trust would lease the land on a serviced plot basis. They will arrange preparation of graves for burial, manage bookings and provide on-going long term site maintenance. This would be controlled through a Management Agreement. Whilst the Council would effectively own the land, the day to day operational aspects would be managed on its behalf by the Trust.
- 2.7 It is estimated that the 3 acre plot of land would be capable of taking 3,000 grave plots.
- 2.8 The Council would pay the Trust a capital sum (a premium) for the long leasehold interest in the land. (Detailed in the Part Two Report).
- 2.9 The day to day operation of the site would be managed by a suitable trading subsidiary of the Trust on behalf of the Council through a Management Agreement, the broad terms of which and the services provided are outlined below;
  - 2.9.1 Provide multi-faith burial plots exclusively for the residents of Tower Hamlets;

- 2.9.2 Remain open for 365 days a year between the minimum hours of 0800 and 1900 during summer months and 0800 and 1600 in winter months;
  - 2.9.3 To inter bodies of persons over 12 years of age on the demised land;
  - 2.9.4 To operate the burial ground in accordance with the Rules and Regulations, which may be varied by the Trust subject to previous written consent of the Council;
  - 2.9.5 To manage the LBTH site to no lesser standard than the remainder of the whole site;
  - 2.9.6 To carry out verification checks, as specified by the Council, to ensure that only bona fide residents of the Borough are interred on the LBTH burial grounds, and to charge them tariffs that will be reviewed and agreed annually;
  - 2.9.7 To provide quarterly accounts showing all revenue received from residents, and fully audited accounts within 6 months of the financial year ending;
  - 2.9.8 To maintain the landscaping and grounds in accordance with reasonable levels of standards as evidenced by industry practice but to include regular cutting of grass during the summer months of intervals of no less than two months;
  - 2.9.10 To maintain the burial register;
  - 2.9.11 To provide a long term maintenance plan for the demised premises when more than 85% of the maximum number of graves have been used, subject to the recycling of graves;
  - 2.9.12 To offer multi-faith services in the Chapel of Rest;
- 2.10 Details of fees payable by the Council to the Trust for the provision of the services outlined above are to be found in the Part Two of the report.

### **3.0 DECISIONS REQUIRED**

The Executive Mayor is recommended to:-

- a) Note the contents of the report;
- b) Authorise officers to enter in to an Agreement to Lease for the acquisition of three acres on a 125 year long lease basis and to enter

in to a Management Agreement for the management of the site ,  
provision of graves and long term maintenance.

- c) End the current contribution of £225 per burial paid for funeral services outside the Borough and ring-fence the budget of £30,000 for supporting the annual net operating costs of the proposed multi-faith burial facility.

#### **4.0 REASONS FOR THE DECISIONS**

- 4.1 The Council will have secured a burial site exclusively for the residents of Tower Hamlets that is accessible by car and public transport, minimising economic disadvantage for those needing to bury family members. The land is already owned by a burial service provider, who will be responsible for developing out the site and then managing it on a day to day basis with minimal Council involvement going forward, save for a contractual management role.

#### **5.0 ALTERNATIVE OPTIONS**

- 5.1 Alternative options the Council could consider are;
  - (a) Do nothing. The Council could continue with the current burial subsidy programme of contributing £225 per burial.
  - (b) Seek alternative sites suitable for burial. This could then involve the Council having to procure a burial service provider.
- 5.2 All the financial information relevant to these options and the report's recommendation can be found in Part 2 of this report.

#### **6.0 COMMENTS OF THE CHIEF FINANCIAL OFFICER**

- 6.1 This report seeks approval to acquire a specialised site on a 125 year lease in order to secure the future provision of burial services at affordable levels for the residents of the Borough. The proposed twenty acre site is owned by a Charitable Trust, with the intention of establishing it as a burial ground. The Council will enter an agreement to lease three acres of the site.
- 6.2 In conjunction with the land acquisition, it is recommended that the Authority enters into a management agreement with a suitable legal subsidiary of the Trust to manage interments.
- 6.3 This report is accompanied by a 'Restricted' report which contains the commercial arrangements proposed for the site acquisition, the management agreement, and the options for charging. The 'Restricted' report also

contains a financial analysis of the costs of the initiative and an assessment of the likely income generated based on the proposed levels of fees. The scheme assumes a level of usage, however it is possible that demand for this service could vary according to the level of charge determined.

- 6.4 The lease and management agreement will represent a significant long term financial commitment for the Council, the likely whole life costs of which are set out in the associated restricted report, and if there is a higher rate of demand than anticipated in the model, then net costs increase. Those net costs must be considered in the context of assumed significantly reduced General Fund resources going forward.
- 6.5 As part of the 2013-14 budget process, on 7 March 2013 Council approved an Accelerated Delivery growth bid to set aside a provision of £3 million for the provision of a multi-faith burial ground. Although these resources were earmarked, in order to proceed with the land acquisition outlined within this report, a capital estimate must be approved in line with the financial assessment included within the Part 2 – 'Restricted' report. It is anticipated that this scheme will require the full utilisation of that provision. Alternatively, depending on what level of subsidy is determined appropriate by the Mayor, this will represent committed growth for which compensatory savings will have to be identified.
- 6.6 In recognition of the lack of facilities within the Borough, the Council currently operates a burial subsidy scheme which provides the families of deceased residents with a £225 contribution towards the cost of burial – this subsidy represents the difference between the resident and non-resident charges levied by the out of Borough sites. A budget of £30,000 per annum is currently managed by the Registrar's department to operate the scheme. If the burial subsidy scheme is ended once the new burial facility is operational, it is proposed to transfer the budget to support the running costs of the burial facility.

## **7.0 CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL SERVICES)**

- 7.1 By virtue of section 214 of the Local Government Act 1972 the Council may provide and maintain cemeteries inside and outside its area. Under the same section it may also contribute to the costs of any other person who provides or maintains a cemetery in which the inhabitants of its area may be buried. The Local Government Act also permits the Council to acquire land, including on a long lease of 125 years, for the purpose of any of its functions.
- 7.2 Section 1 of the Localism Act 2011 confers on the Council a general power of competence which, subject to certain restrictions, permits it to do anything which an individual generally may do. These various powers taken together permit the Council to take a long lease of land outside its area, establish a

cemetery on that land and contribute to the costs of a third party in providing and maintaining a cemetery.

7.3 Section 3 of the Local Government Act 1999 requires best value authorities, including the Council, to “make arrangements to secure continuous improvements in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness”.

7.4 In addition the Council should have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not. Religious belief is a protected characteristic and the legal documents will ensure that the site is available for all residents of Tower Hamlets.

## 8.0 ONE TOWER HAMLETS CONSIDERATIONS

8.1 The proposal will satisfy a recognised need for a burial site open to all the residents of the borough over the age of 12, irrespective of their faith or belief. The equalities issues described in 7.5 will be addressed in the terms of the Lease and the Management Agreement

## 9.0 RISK MANAGEMENT IMPLICATIONS

9.1 If the Council chooses not to purchase a burial site then residents will have to rely on existing facilities and charging regimes outside the Borough.

## 10.0 APPENDICES

None

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### **Local Authorities (Executive Arrangements) (Access to Information) (England) Regulations 2012**

<b>Brief description of “background papers”</b>	<b>Name and telephone number of holder and address where open to inspection.</b>
<b>Deloitte Valuation Report</b>	<b>Ann Sutcliffe Ext 4077</b>

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of the Local Government Act 1972.

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