

Report to Cabinet

Subject: Provision of a Pet Cremation Service

Date: 28 June 2018

Author: Service Manager – Parks and Street Care (PASC) Services

1. Wards Affected

All Borough wards are affected

2. Purpose

This report sets out proposals to approve the establishment of a new Pet Cremation service within the PASC Service area, and to agree an increase in the capital budget and refer it to Council for approval. Additionally it seeks to authorise the Deputy Chief Executive and Director of Finance to obtain any necessary consents, approvals and licences required to operate the Pet Cremation Service.

3. Key Decision

This is not a key decision.

4. Background

In March 2017 full council approved an updated Gedling Plan for 2017/19 which included a new action to *“explore the feasibility of implementing a new pet cremation and ashes burial service, if financially viable.”*

Market research has found that the East Midlands has one of the highest instances of dog and cat ownership in the country, with 31% of households owning a dog (with an average of 1.5 dogs per dog-owning household), and 20% of households owning a cat (with an average of 1.8 cats per cat-owning household).

It is reported that there are approximately 1.1 million dogs in the East Midlands, and by applying the regional trends to Gedling Borough it can be calculated that there are approximately 22,947 dogs in the borough. Similarly, it is reported that there are approximately 854,000 cats in the region, and by applying the regional trends to Gedling Borough it can be calculated that there are approximately

17,766 cats in the borough.

A Populus survey conducted in 2017 also found that people in the East Midlands are the most likely in the UK to hold a memorial event when their pet dies (35%).

Based on this research and the fact that the Council is seeking to become more innovative and commercial, PASC Services have identified a business case for a Pet Cremation Service to be delivered from Gedling Borough Council's Jubilee Road depot site. This will be distinct from a pet crematorium service offered by other businesses as no public access will be allowed. Instead it will be a collection and return service.

There are 9 veterinary practices (including multiple sites) listed on the vet directory within Gedling, and around 40 in the wider Nottingham area. Preliminary market research indicates that these veterinary practices use hazardous waste collection and cremation services at locations that are outside of the district or even Nottinghamshire, which indicates that there is a readily available market within Gedling and its immediate environs for a locally run service.

Early discussions with local veterinary practices have indicated that there would be support for such a service as it is perceived that there are currently only the larger national providers or small local independent family run businesses operating in this field. No mid-range organisations are currently supplying to this potential market, and PASC Services aims to fill this gap.

If proven to be successful, it is envisaged that the Pet Cremation Service may operate both inside and outside of the Borough. Initially though, the target market would be the 9 local veterinary practices, plus offering a service to householders within the Borough.

The service would involve the collection of pet cadavers from veterinary surgeries and from households. The cadavers would then be transported to the depot to be burnt individually, guaranteeing that the correct ashes are returned back to the veterinary surgery for collection, or to the household direct if requested by the pet owner.

It is envisaged that the Council will contract directly with the vets for removal of clinical and hazardous waste, including the pet cadavers, and the pet owning customers directly for the provision of the casket containing the pet ashes. Caskets will range from a basic model made from biodegradable cardboard, through wood, to brass and pewter with plaques placed on them with words of remembrance and the name of the pet depending on customers' requirements.

The Council can rely on powers under section 1 of the Localism Act 2011 to operate the cremation service and the Environmental Protection Act 1990 ("the EPA") and the regulations made thereunder, namely the Controlled Waste (England and Wales) Regulations 2012 ("the Regulations"), to charge for the

collection and disposal of waste. The EPA gives collection authorities like Gedling the discretion to collect industrial waste, if requested to do so, **within their area** and dispose of it for a reasonable charge. The Regulations also give the power to charge for the collection of dead domestic pets from households.

Outside the Borough, any collection of industrial waste would be on a cost recovery basis under the Localism Act as the EPA only provides the power to charge for collection within the Borough.

In order to dispose of the collected industrial waste, the collection authority (Gedling) will need approvals from the waste disposal authority for the area, in this case that is the County Council.

Having sought guidance from GBC Planning Department, GBC Environmental Health Officers and the Environmental Agency the depot location, subject to licence approval and permit authorisation, has been confirmed as suitable for housing a pet cremator.

An area of unused space in the yard will be fenced off to use as a waste transfer station, and three bays in the existing storage sheds will be allocated for the installation of a suitable model of cremator and to allow ancillary space for vehicle storage, refrigeration units and administrative accommodation.

Cremator Licences & Permits

As the operation will be incinerating animal carcasses it will require Animal and Plant Health Agency (APHA) approval as a low capacity incinerator site.

However it has been confirmed that the Council will not require a waste permit from the Environment Agency as the Pet Cremator has been approved by DEFRA as only cremating under 50kg of materials, (domestic animals/pets), per hour. As an industrial unit that has the potential to cause pollution to air, the installation is required to have a pollution permit from the local authority before it can operate.

The process classification required in this case is an environmental permit 'Part B' from Gedling Borough Council, to ensure the equipment conforms to the latest standards with regards emissions and pollutants.

Waste Transfer Station Authorisation and Licencing

As part of the service being offered the Council will be required to remove hazardous and non-hazardous waste from veterinary surgeries along with any pet cadavers. In order to do this the Council will need to establish and register a Waste Transfer station in Jubilee Road Depot.

This will involve creating a fenced off compound area that is bunded with a tank

for drainage, in a corner of the depot. The area will be used to securely store the waste streams that come into the transfer station from the veterinary surgeries in separate identifiable containers, before they are collected and removed by hazardous waste contractors from site. The cost of this disposal will be recovered from the veterinary surgeries and is being introduced to encourage the surgeries to take up the overall service.

As a result the Council are required to register as a waste carrier and apply for a Standard Rules SR2015 No 9 - household commercial and industrial waste transfer station with asbestos storage (no building) permit from the Environment Agency. This process will require formal consent from Nottinghamshire County Council prior to the submission of the application to the Agency.

5. Proposal

To recommend the addition of a Pet Cremation Service to PASC Services to be fully operational by 1 April 2019 to ensure that it is able to provide and deliver an appropriate and effective service on behalf of the Council and local residents. Initially, the target market would be within the Borough, although this may be extended to include addresses that sit along our boundary.

As part of the Dynamic Council commercialisation agenda, the PASC Service is adopting a more commercial and entrepreneurial-led business model. The Pet Cremation Service will initially make contributions towards the cost of service overheads. Whilst the Council is able to make reasonable charges associated with the collection of waste within the Borough as detailed within this report, if the business proves successful over the short to medium term, then a new approach may need to be considered which would involve the creation of a local authority company.

It is also proposed that authorisation be given to the Deputy Chief Executive and Director of Finance to obtain all necessary consents, licences and approvals to enable the Pet Cremation Service to operate.

This will enable the new Pet Cremation service to be introduced, subject to the granting of the necessary authorisations, permits and licences. This Service is not intended to be a crematorium site and as such no members of the public will be coming into the depot. Where a domestic service is offered, our unique selling point (USP) will be that we collect from and return to their dwellings.

It is proposed to establish two new staff posts to form a 'Pet Cremation Service' team to provide all aspects of the cremation and waste disposal work for external customers. This will consist of a skilled operative and an administrative assistant.

6. Alternative Options

An alternative option would be to not commence the commercial initiative. This option is not recommended as the Council would miss out on what is potentially a good income stream, and would not fulfil a Gedling Plan objective. There is also an option to concentrate on only one income stream i.e. the veterinary surgeries or the householders, but this would not make commercial sense to do so.

7. Financial Implications.

In March 2018 Council approved a provision of £65,400 within the capital programme for the acquisition of a pet cremator and vehicle. Since approval of that budget an increased budget requirement has been identified due to an increased vehicle specification and additional building conversion costs. The revised capital programme requirement is now £89,000, an increase of £23,600. It is proposed that Cabinet agree the increase in the capital programme and refer it Council for approval.

The 2018/19 budget contained a revenue provision of £59,800 as part of its budget reduction programme on the basis that the business would start in September. This start date has now been moved to 1 April 2019 and the contribution to overheads of £59,800 will not be achieved in the current financial year – this will be reported in the Q1 budget monitoring report to Cabinet.

The pet cremation service is budgeted to generate a contribution to overheads of £88,800 during 2019/20 financial year. This was based on a fully developed business case utilising an assumed number of cat and dog cremations per year, casket sales and an indicative charging mechanism.

The worst case scenario would be a lack of business, in which case the estimated contribution to overheads would not be achieved but the capital equipment purchased for the pet cremation service could be re-sold, with the two staff being redeployed or made redundant.

The final fees and charges for pet cremations and associated products will be formally agreed with the portfolio holder prior to going live in April 2019.

8. Appendices

None.

9. Background Papers.

None.

10. Recommendation(s)

Cabinet members are recommended to:

- (a) Agree to increase the capital budget by £23,600 and refer to Council for approval.
- (b) Subject to the approval of the capital budget, approve the establishment of a new Pet Cremation Service within PASC which will become fully operational on 1 April 2019.
- (c) Authorise the Deputy Chief Executive and Director of Finance to obtain any necessary consents, approvals and licences required to operate the Pet Cremation Service.
- (d) Authorise the Portfolio Holder for Environment to determine any future proposals for the Pet Cremation service to be provided to residents and businesses outside the Borough.

11. Reasons for Recommendations

This project will bring additional revenue income into the Council which can be used to directly support the general costs of services provided by the Council to its residents.

It will also assist the Council in becoming more innovative and commercial by operating in the local market and gaining valuable experience that can translate into other service areas if required.