

CABINET MEETING – 18th JANUARY 2024

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

Procurement of a Framework Agreement for Funeral and Coronial Services

Author(s):

Director of Smart Cities and Enabling Services and Director of Adult Services

Purpose of Report:

To seek approval to procure and award a framework agreement for funeral and coronial services.

Description of Decision:

Cabinet is recommended to authorise the Director of Smart Cities and Enabling Services and the Director of Adult Services in consultation with the Cabinet Secretary and the Healthy City Portfolio Holder to procure and award a framework agreement for a duration of 4 years for the delivery of funeral and coronial services.

Is the decision consistent with the Budget/Policy Framework? *Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

The estimated aggregate value of the contract for the full contract term is £820,200. Since this is in excess of £500,000, Cabinet approval is required prior to advertising this contract for procurement in accordance with paragraph 9.2 of the Council's Procurement Procedure Rules.

The Council has a requirement to arrange the removal of bodies and to arrange funeral services as outlined within the report, which includes the performance of its statutory duties.

A single-supplier framework will promote consistency of practice and efficiency for the local authority and its partner agencies (including the police, ambulance, and mortuary services).

A contract term of 4 years is proposed to secure cost certainties and cost efficiencies in the delivery of the services. The contract includes delivery of both the funeral services and the body removal services in order to ensure that the service is attractive to the market.

Alternative options to be considered and recommended to be rejected:

A framework agreement for a multi-supplier framework has been considered, however delivery by a single provider ensures consistency of practice and efficiency across the Council and partner agencies.

A framework of a lesser duration has also been considered however this duration is intended to secure greater cost certainty and efficiency for the contract term.

Impacts analysed;

Equality No **Privacy** No **Sustainability** No **Crime and Disorder** No

Is the Decision consistent with the Council's co-operative values? Yes

Is this a "Key Decision" as defined in the Constitution? Yes

Is it included in the 28-day Notice of Decisions? Yes

CABINET – 18 JANUARY 2024

Procurement of a Framework for Funeral and Coronial Services

Report of Director of Smart Cities and Enabling Services and Director of Adult Services

1. Purpose of the Report

- 1.1 To seek approval to procure and award a framework agreement for the delivery of funeral and coronial services.

2. Description of Decision (Recommendations)

- 2.1 Cabinet is recommended to authorise the Director of Smart Cities and Enabling Services and the Director of Adult Services in consultation with the Cabinet Secretary and the Healthy City Portfolio Holder to procure and award a framework agreement for a duration of 4 years for the delivery of funeral and coronial services.

3. Introduction/Background

- 3.1 The Council has a requirement for a supplier to provide funeral services and removal of bodies for residents within its city.

- 3.2 The services are split into two distinct requirements which are:

- **Funeral services** for residents - A public health funeral may be necessary if the resident has insufficient funds in their estate to pay for the cost of their funeral and/or no friends or relatives willing or able to take on and fund the funeral. In those cases, the funeral services will be delivered by the appointed service provider.

Where a public health funeral is arranged by the Council, the Council will look to recover the cost of the funeral from the estate by corresponding with the relevant financial institutions where funds may be held. This could result in full repayment, part repayment or no repayment at all.

- **Removal of bodies** - At the instruction of His Majesty's Coroner, bodies must be picked up from the place of death were deemed to be an unexpected death and transported to a designated hospital (including those hospitals outside of the Sunderland Area). It is then determined by the coroner if a post-mortem is required to ascertain a cause of death. The costs of these removals are borne by the Council.

- 3.3 In March 2023, following a quotation process the Council awarded a framework for funeral and body removal services for up to an 18-month term to the current service provider. The framework term was set at 18 months to allow the coroner sufficient time to consider the scope of any changes to the requirements for the future framework agreement to commence in 2024.

4. Current Position

- 4.1 The existing framework with the current service provider has a term of up to 18 months. It is predicted that expenditure under the current framework agreement will reach the threshold for requiring a full procurement exercise to be undertaken as set out in the Public Contracts Regulations 2015 ('PCRs') at 16 months into the term of the contract. Since the existing framework was awarded through a sub-threshold procurement exercise, awards under the existing framework should not exceed the threshold in the PCRs.
- 4.2 Therefore, a further tender process will be required to be carried out to ensure compliance with the regulations. The estimated value of the framework agreement (exclusive of sums recovered by the Council from the estate of the deceased for funeral services) is £205,050 per year, with a total estimated contract value of £820,200 and therefore will exceed the thresholds of the PCRs and will need to go through a full procurement process. The procurement will be undertaken through the open procurement procedure.

5. Reasons for the Decision

- 5.1 The estimated aggregate value of the contract for the full contract term is £820,200. Since this is in excess of £500,000, Cabinet approval is required prior to advertising this contract for procurement in accordance with paragraph 9.2 of the Council's Procurement Procedure Rules.
- 5.2 The Council has a requirement to arrange the removal of bodies and arrange funeral services as outlined above in paragraph 3, which includes the performance of its statutory duties.
- 5.3 A single-supplier framework will promote consistency of practice and efficiency for the local authority and its partner agencies (including the police, ambulance, and mortuary services).
- 5.4 A contract term of 4 years is proposed to secure cost certainties and cost efficiencies in the delivery of the services. The contract includes delivery of both the funeral services and the body removal services in order to ensure that the service is attractive to the market.

6. Alternative Options

- 6.1 A framework agreement for a multi-supplier framework has been considered, however delivery by a single provider ensures consistency of practice and efficiency across the Council and partner agencies.
- 6.2 A framework of a lesser duration has also been considered however this duration is intended to secure greater cost certainty and efficiency for the contract term.

7. Impact Analysis

- 7.1 The impact on communities of interest to the equality, privacy, sustainability, and crime disorder issues have been considered and are deemed as low risk and low significance.

8. Other Relevant Considerations / Consultations

- (a) **Co-operative Values** – This decision is deemed not to deviate from the values of a co-operative council.
- (b) **Financial Implications** – The costs of the services outlined in this report will continue to be met from the coroner’s budget and the Financial Safeguarding Team budget within adult social care. For funeral services, the Council will recover some of the funds from the estate of the deceased. The sums recovered will vary depending on the estate. During the existing 18-month framework, to date 45% of expenditure on funerals has been recovered, comprising £21,000 of the total £46,000 spent.
- (c) **Legal Implications** – The proposals are in accordance with the Public Contracts Regulations 2015 and the Council’s procurement procedure rules.

