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Committees: Chief Officer – Colin Buttery Corporate Projects Board Project Sub Committee PHES Committee	Dates: 14 June 2019 28 June 2019 19 July 2019 23 July 2019
Subject: Cemetery & Crematorium Mechanised Digger Replacement Unique Project Identifier: 12075	Gateway 2: Project Proposal Light
Report of: Director of Open Spaces Report Author: Spencer Lee	For Decision
<h1>PUBLIC</h1>	

Recommendations

1. Next steps and requested decisions	<p>Project Description: The City of London Cemetery & Crematorium wish to replace one plant vehicle, an aging JCB 2CX digging machine. The proposed replacement vehicle is a JCB 3CX Compact digging machine, which is the closest equivalent, and best suited vehicle of this type available on the market.</p> <p>Next Gateway: Gateway 5 - Authority to Start Work (Light)</p> <p>Next Steps: Creation of tender report</p> <p>Requested Decisions: Members of the Port Health & Environmental Services Committee and Project Sub Committee approve:</p> <ol style="list-style-type: none"> 1. That budget of £500 is approved for staff costs to reach next Gateway 5; 2. Note the project budget of £500 (excluding risk); 3. Note the total estimated cost of the project at £55,000 (excluding risk);
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4. Resource requirements to reach next Gateway	Item	Reason	Funds/ Source of Funding	Cost (£)
	Staff Cost	Project Management	Local Risk	£500
	Total			£500
	Costed Risk Provision requested for this Gateway: Nil (as detailed in the Risk Register – Appendix 2)			
List the resource requirements to reach the next Gateway in the table above including staff costs. Please keep the requested CRP separate.				
5. Governance arrangements	<ul style="list-style-type: none"> • Port Health & Environmental Service Committee • Colin Buttery – Director of Open Spaces • Transport Coordinating Group 			

Project Summary

6. Context	<ol style="list-style-type: none"> 1. The City of London Cemetery and Crematorium carries out approximately 900 burials each year, 400 of which are new graves. 2. The sale of new graves and burial in existing graves generates over £2'000'000 in income each year. 3. A mechanised digging machine is essential for maintaining burial provision for, bereaved of the City and North East London. 4. The purchase of a new mechanised digging machine will ensure that the cemetery is able to offer the same level of burial service for the next six years.
5. Brief description of project	To preplace an aging JCB digging machine that is becoming unreliable and expensive to maintain with a new mechanised digging machine. The JCB models have a proven track record of reliability and power to weight ratio and in the opinion of the cemetery management team, is the most appropriate vehicle/plant for the purpose of cemetery work.
6. Consequences if project not approved	If this plant vehicle is not replaced, the cemetery will continue to incur increasing maintenance cost and disruption to the service

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	that we provide due to reliability issues, ultimately resulting in a loss of income.
7. SMART project objectives	Replacement plant vehicle sourced within budget in collaboration with City Procurement by 30 July 2019. Vehicle ordered and delivered by 31 October 2019. Vehicle put into service by 4 November 2019 with no interruption to burial provision.
8. Key benefits	<ol style="list-style-type: none"> 1. Burial provision at the cemetery will continue to be a sustainable option for the next six years. 2. Reduced vehicle maintenance and repair costs. 3. Increase in vehicle reliability.
4. Project category	3b. Income generating
5. Project priority	A. Essential
6. Notable exclusions	<ol style="list-style-type: none"> 1. A vehicle servicing agreement will not form part of this project.

Options Appraisal

2. Overview of options	<ol style="list-style-type: none"> 1. Do Nothing 2. Lease plant vehicle 3. Purchase replacement plant vehicle <ol style="list-style-type: none"> 1. Doing nothing is not an option if the cemetery is to continue to offer burials at the current rate. The cemetery would incur increasing cost to maintain and repair an aging vehicle, and risk receiving adverse publicity should the vehicle fail and result in grave not being prepared in time for a burial service. 2. Five-year leasing cost exceeds the out-right purchase value of the plant vehicle, plus there is no residual value in terms of resale at the end of the lease period. 3. The preferred and most cost-effective option would be to replace this vehicle with a new equivalent vehicle; therefore, ensuring the cemetery can provide burials for the next six years. Also, after the six-year life span, the vehicle will still maintain some residual value when resold.
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Project Planning

4. Delivery period and key dates	Overall project: 31 October 2019 Key dates: <ol style="list-style-type: none"> 1. Project approved by – 30 June 2019 2. Tender process completed and order placed by – 31 July 2019 3. Vehicle delivered – 31 October 2019 Other works dates to coordinate: None
4. Risk implications	Overall project risk: Medium Further information available within the Risk Register (Appendix 2)
5. Stakeholders and consultees	<ul style="list-style-type: none"> • Colin Buttery – Director of Open Spaces • Gary Burks – Cemetery Superintendent & Registrar • Sarah Maxwell – Transport Coordinating Group • Kayleigh Rippe – City Procurement

Resource Implications

6. Total estimated cost	Likely cost range (excluding risk): £51,150 - £53,000 Likely cost range (including risk): £53,000 - £55,000															
7. Funding strategy	Choose 1: All funding fully guaranteed	Choose 1: Internal - Funded wholly by City's own resource														
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Funds/Sources of Funding</th> <th style="text-align: right;">Cost (£)</th> </tr> </thead> <tbody> <tr> <td>Cemetery local risk budget</td> <td style="text-align: right;">£55'000</td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> </tr> <tr> <td style="text-align: right;">Total</td> <td style="text-align: right;">£55'000</td> </tr> </tbody> </table>			Funds/Sources of Funding	Cost (£)	Cemetery local risk budget	£55'000									Total	£55'000
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8. Investment appraisal	The whole life cost of the purchase, repairs and maintenance of the plant vehicle over a six-year period (excluding fuel costs) is £56'150.00.
9. Procurement strategy/route to market	Request for quote process via the Procurement Operations Team.
10. Legal implications	None
11. Corporate property implications	None
12. Traffic implications	None
13. Sustainability and energy implications	None
14. IS implications	None
15. Equality Impact Assessment	Select one of the following options: <ul style="list-style-type: none"> • An equality impact assessment will not be undertaken
16. Data Protection Impact Assessment	N/A

Appendices

Appendix 1	Project Briefing
Appendix 2	Risk Register
Appendix 3	G2 Cemetery Crematorium Mechanised Digger Replacement

Contact

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