

Committees: Corporate Projects Board - <i>for information</i> Port Health and Environmental Services Committee <i>[for decision]</i> Projects Sub <i>[for decision]</i>	Dates: 04 May 2021 18 May 2021 23 June 2021
Subject: Cremator Replacement Project Unique Project Identifier: <i>PV Project ID 11943</i>	Gateway 6: Outcome Report Regular
Report of: Director of Open Spaces Report Author: Gary Burks	For Decision
PUBLIC	

Summary

1. Status update	Project Description: To replace the ageing cremators at the City of London Crematorium with new, more efficient and environmentally friendly ones. This will ensure the sustainability of cremation services at the site. RAG Status: Green (Previously Green at G5) Risk Status: Low (Previously Medium at G 5) Costed Risk Provision Utilised: Nil Final Outturn Cost: £869,106
2. Next steps and requested decisions	Requested Decisions: To approve and sign-off the successful completion of the Cremator Replacement project at the city of London Cemetery and note the lessons learned.
3. Key conclusions	The project suffered an initial setback due to the Coronavirus Pandemic, increases in mortality and subsequent lockdown.

	<p>The Project did not keep to the schedule submitted at G5. It was originally scheduled to commence in May 2020 but due to the Coronavirus Pandemic it was quickly rescheduled to commence at the Start of August 2020. The project kept to the revised schedule and budget, there were no compensation events.</p> <p>The old cremators were removed during the quiet months of August to November, the new cremators were installed and operational by early November. The project was completed by the second week in February.</p> <p>In short, the project has run smoothly, to time, on budget and has been completed successfully.</p> <p><i>The learning points from this project are as follows;</i></p> <ul style="list-style-type: none"> • If possible do not replace cremators during a pandemic • Allow the Cremator manufacturer to advise on all methodology and to plan the work schedule without too much interference • Using a consultant project manager would have reduced the risk of a single point of failure but there would have been significant cost and delay to the project. • Work with the manufacturer, but set clear parameters regarding the needs of the service • Always keep in communication with the manufacturers project manager • Plan for the reinstatement of flooring within the budget. • On this occasion, the manufacturer was responsible for obtaining planning consents and with the delays to signing contracts because of the pandemic this put a lot of pressure on the timescales and could have significantly affected the outcome. With the benefit of hindsight consents should have been achieved earlier.
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Main Report

Design & Delivery Review

<p>4. Design into delivery</p>	<p>The design of the project did adequately prepare for the delivery of the project and there were no real surprises. The old cremators were broken up in the crematory and removed through an open</p>
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	<p>skylight by crane and the new ones were lowered in and built in the crematory. The Crematory is large and there was adequate separation and screening to protect and exclude the crematorium staff.</p> <p>The manufacturer was accurate in all designs and the air blast cooler was put in place over one weekend.</p>
<p>5. Options appraisal</p>	<p>The options tablet for consideration at G3 were as follows;</p> <ul style="list-style-type: none"> • Remove all the old cremators and replace with two new ones without flue gas treatment plant • Remove all the old cremators and replace with two new ones with flue gas treatment plant (option chosen). • Remove three of the four old cremators (leaving one operational) and replace with two new fully abated ones. <p>The option chosen has allowed the City Corporation to improve its environmental credentials by abating all cremations and has also mitigated the previous risk relating to size as all of the new cremators are able to accept a 42” coffin. (the older cremators could only accept a maximum coffin size of 30” wide. This is the best option in my opinion and best fit for the crematorium.</p> <p>The only change to the schedule of works submitted at Gateway 5 was the delayed start to the programme, and therefore the completion date. However, we had the use of the new cremators from early November and the project was completed by first week in February which allowed us to meet the needs of the bereaved during the second covid spike.</p>
<p>6. Procurement route</p>	<p>The Procurement team used an existing framework to procure the project management and design/build (ref itt_COL_12115). This caused an initial challenge as the only tender came from FT and used their own ‘in house’ project team. However, this was challenged by the City’s legal team due to risks around the fact that the manufacturer and project manager were from the same company. Therefore, as the City Surveyor’s Department had previously advised that although they could assist in reviewing specifications and advising on City procedures, this was not within their team’s professional field, consequently in order to prevent any slippage I fulfilled the role of Project Manager for the City.</p> <p>This worked well, allowed the project to run smoothly and saved the City a significant amount of money, but Project Management is not my area of expertise and this on top of the operational stresses of running the cemetery and crematorium during a pandemic was very difficult.</p>
<p>7. Skills base</p>	<p>The Manufacturer was responsible for the design and build and I became project manager for the City Corporation as the CSD did not wish to manage the project.</p>

	I have certain advantages in this field and whilst I would not call myself a Project Manager, I manage a large site and have significant knowledge of it. I was able to draw on the skills of my team and had the advantage of being on site at all times during the project. I also live on site which helped when organising out of hours and weekend work.
8. Stakeholders	Due to the planning of the project (to complete most of the work during the quiet summer months) although stakeholders (funeral directors, officiants and the general public) were informed/advised through newsletters, in writing and at face to face meetings, the work did not negatively affect the operation of the crematorium or services to the bereaved.

Variation Review

9. Assessment of project against key milestones	<p>The original timescale for the project as for it to commence in May 2020 and complete at the end of October 2020. Due to the Coronavirus pandemic there was a revised start and finish date of August to start of February and although this is a slightly longer period it included the Christmas break where manufacturing and construction closes for a few weeks.</p> <p>Whilst this project started and completed later than originally planned, the key milestones were achieved with the safe removal of the four old cremators and replacement with two, more efficient and environmentally friendly ones complete with flue gas treatment plant.</p> <p>This work was achieved in the quieter months of the year, the site remained operational and able to offer services and cremations throughout and all works were completed by early February 2021.</p>
10. Assessment of project against Scope	<p>The scope of the project Was for the removal of four old cremators and replacement with two larger ones complete with flue gas treatment plant whilst the crematorium remained operational.</p> <p>The scope of the project was achieved completely.</p>
11. Risks and issues	<p>I am pleased to say that none of the identified risks became issues and there was no need to draw on contingencies during the project. The use of a consultant during the planning stage highlighted the risks associated with the electricity supply and the opinion of the manufacturer was that the likelihood of the risks becoming issues was not high. It was therefore prudent to declare the risk in case it became an issue.</p> <p>There was a contingency of £130k but none of this was needed during the project.</p>

12. Transition to BAU

The project plan had stages and as soon as the new cremators were installed and operational, we could use them (even whilst the commissioning engineer was still monitoring and programming them). The North Chapel was closed to funerals until the project was complete to allow access and so that my waiting room on that side of the building could be used by contract staff. The contractor thoroughly cleaned and made available the waiting room in time for the chapel to be allowed back into use.

There was also very little 'down time' when the flue gas treatment plant was being installed as the cremators operated on 'bypass' until the plant was ready to provide filtration.

Value Review

13. Budget

<i>Estimated Outturn Cost (G2)</i>	Estimated cost (including risk): £1,100,000 Estimated cost (excluding risk): £800,000
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	<i>At Authority to Start work (G5)</i>	<i>Final Outturn Cost</i>
<i>Fees</i>	£14,180.	£14,180
<i>Staff Costs</i>	£1,273	£1,273
<i>Works</i>	£850,900	£850,900
<i>Purchases</i>	£	£
<i>Other Capital Expend</i>	£	£
<i>Costed Risk Provision</i>	£130,000	£
<i>Recharges</i>	£2,753	£2,753
<i>Other*</i>	£	£
<i>Total</i>	£999,106	£869,106

Final accounts verification has not yet taken place.

As the project is under £2,000,000 in value, is not classed as a high risk project and the fee accounts are under £50,000, the final accounts verification will be undertaken by the Open Spaces Department and is expected to be completed by an appropriate officer assigned by the Director of Open Spaces after all retention moneys are released

14. Investment	<p>This project was agreed on the basis that it protects the current level of income rather than improves or makes extra income. The risk highlighted at G5 was that, if and when the old cremators failed (and one already had) the City's ability to offer cremation would be affected and the current income of £2m per year from cremation would be significantly affected.</p> <p>During the planning and procurement of this project, the excessive use of consultants was also avoided to reduce unnecessary spend.</p> <p>The new cremators have an operational life of 20 years, therefore the risk has been mitigated.</p> <p>As the new cremators have been in use since November 2020 and it has been a very busy time with the second Covid spike, the two cremators have already carried out over 700 cremations. And this is slightly over two thirds of the total cremations for the time as we had a failure with No1 cremator and it was out of commission for a week or so.</p>
15. Assessment of project against SMART objectives	<p>Apart from the delays to the start of the project (which were unavoidable) the project has achieved all of its objectives and this was to remove the old/ failing and inefficient and replace with new, efficient fully abated cremators.</p>
16. Key benefits realised	<p>The key benefits described at G2 were to ensure that the City Corporation could continue to meet the needs of the local community for the next 20+ years whilst improving energy efficiency and reducing pollution at the same time by removing its 20+ year old cremators and replacing them with more efficient and abating ones. This has been achieved.</p>

Lessons Learned and Recommendations

17. Positive reflections	<p>The project ran smoothly and to the amended schedule, there were no issues and no compensation events. This was due to the scoping of the project, reduced outside interference and local project management.</p>
18. Improvement reflections	<p>I have learned more about the procurement of large projects and that frameworks cannot always offer what the City Corporation requires and the look more broadly at the project</p>

	to avoid missing things that seem incidental (flooring repairs, making good after pipework is removed and so on). I have made notes of my learning during this project but am unlikely to be required to manage a project like this again. My main reflection is to avoid a project like this during a pandemic at all cost.
19. Sharing best practice	I have drawn up some learning points and have shared my experience during the project with my senior managers.
20. AOB	I wish to note that Facultatieve Technologies and their Project Manager Richard Harvey worked with the City and provided an excellent level of commitment and professionalism and I am very grateful for this.

Appendices

Appendix 1	Project Coversheet
Appendix 2	
Appendix 3	

Contact

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