

COMMUNITIES SCRUTINY PANEL

DATE	08/01/2026
REPORT OF	Director, Economy, Environment & Infrastructure
SUBJECT	Replacement of Cremators at Grimsby Crematorium
STATUS	Open

CONTRIBUTION TO OUR AIMS

The recommendations in this report will contribute to the delivery of the Council Plan for 2025 to 2028 which sets out the ambition for a Stronger Economy and Stronger Communities. The replacement of the crematoria aligns with our strategic Green Ambition which is set out in the Carbon Roadmap to reduce the Council's carbon emissions, working towards the Council's strategic priority of achieving net zero by 2030. As well as making a positive and tangible contribution to tackling climate change, supporting green jobs, supporting a green recovery and high-quality environment, the recommendations will also contribute to the effective management of our assets.

EXECUTIVE SUMMARY

To consult with Communities Scrutiny Panel Members, before seeking Cabinet approval, to progress plans for the replacement of the two cremators at Grimsby Crematorium, with new electric cremators, including associated building works.

MATTERS FOR CONSIDERATION

To seek Communities Scrutiny Panel's views and consideration of the proposal to progress the replacement of two cremators at Grimsby Crematorium, with new electric cremators, including associated building works.

1. BACKGROUND AND ISSUES

- 1.1 North East Lincolnshire Council secured funding for decarbonisation of Council assets via the Public Sector Decarbonisation Scheme (PSDS), which Cabinet approved on 13th March 2024. This funding is supporting the decarbonisation of several Council buildings and introduction of more energy efficient heating systems, which help reduce running costs, as well as supporting the Council's strategic priority of achieving net zero by 2030.
- 1.2 An element of this provision included the replacement of the existing gas cremators at Grimsby Crematorium with electric ones.
- 1.3 Grimsby Crematorium currently operates two gas cremators, both at the end of their mandated lifespan despite recent re-lining. Maintenance issues and costs are increasing, and failure of one or both units would cause significant service disruption, including:
 - Families travelling further for cremations, causing distress.
 - Loss of income for North East Lincolnshire Council.
 - Reputational damage.

- 1.4 **Options for Replacement** - Two options have been explored for the replacement of the current gas cremators, as outlined below.
- 1.5 Replace with New Gas Cremators, which would be simpler in terms of building works required. The Grimsby Crematorium team are also experienced in working with gas cremators.
- 1.6 However, there are several disadvantages with like for like gas replacement, including:
- No financial energy savings or carbon reduction, leading to potential increased energy costs to the Council;
 - Significant downtime (approximately 12 weeks), which would require temporary cremators resulting in an additional cost of approximately £40,000 per week through a mixture of lost income and temporary cremator hire; and,
 - Higher capital outlay without the PSDS grant funding (PSDS would only fund replacement electric cremators, not gas), the capital costs of replacing the gas cremators would be more expensive.
- 1.7 Replace the existing gas cremators with new electric cremators, which has several advantages and disadvantages, as outlined below.
- 1.8 Advantages include:
- Electric cremators are more efficient than gas, which would provide significant longer term operating savings;
 - The installation of the electric cremators could be undertaken whilst the gas ones are kept functioning, i.e., no requirement for temporary provision, reducing the scheme costs; and,
 - An opportunity to use the PSDS funding to subsidise the cost of replacement cremators.
- 1.9 However, the principal disadvantage to this option is that building works would be required to Grimsby Crematorium to enable the installation of the electric cremators in an extension to the building.
- 1.10 More UK Local Authorities are installing electric cremators including Worcester, East Cambridgeshire, and Rushcliffe. The Grimsby Crematorium team have visited the Rushcliffe facility to see how it operates and are satisfied electric cremators could be incorporated in Grimsby.
- 1.11 **Cost** - The overall cost of replacing the current cremators with electric cremators

using the PSDS grant, would require capital expenditure of c.£4.7 million, including a 30% contingency (prudent given the current cost plan). The PSDS Grant would provide funding of c.£1.5 million towards this cost, with the remainder consisting of Council borrowing.

- 1.12 Replacing the current gas cremators with new gas ones would cost c.£5.7 million but could increase to c.£6.6 million if emergency measures were required, as outlined in paragraph 1.6. PSDS grant could not be used to replace the existing cremators with gas ones and would require Council borrowing to finance the full cost.
- 1.13 As outlined earlier in this report, consideration of this matter will be sought from Cabinet in early 2026 and the project team have completed a RIBA stage 3 design (for the building works outlined paragraph 1.9) and cost plan. As outlined in paragraph 1.11, because the current cost plan will be subject to further technical design and procurement of construction work, a contingency of 30% has been included in this cost plan, which is felt to be a prudent approach.
- 1.14 Should Cabinet approve the progression of this scheme, the Council would place an order with the appointed electric cremator manufacturer (using the PSDS grant), because there is a c. 12-month lead in time for them to be supplied. This will provide the project team the opportunity to undertake the final technical building designs and procure a construction contractor, with the aim of undertaking the works in the Spring of 2027.

2. RISKS, OPPORTUNITIES AND EQUALITY ISSUES

- 2.1 Using the PSDS funding and replacing the gas cremators with electric ones will provide the Council with a wider range of options to reduce CO2 emissions within the Borough and reduce energy cost to the Authority.
- 2.2 The PSDS grant also provides a significant opportunity for the Council to deliver this essential cremator replacement supported by external grant rather than delivering the required replacement programme wholly through NELC capital borrowing.
- 2.3 A condition to the PSDS funding is that any project shortfalls which emerge are met by the Local Authority and funding may have to be repaid if projects do not complete on time. Using the PSDS funding for this scheme will ensure the Council maximises the use of the grant, plus the project team has consulted with the funder to ensure its use, as outlined within this report, is eligible.
- 2.4 Unpredictable and fluctuating gas and electricity prices may result in lower annual energy cost savings than expected. This risk is important because of the reduction in the potential energy cost savings for the Council. To mitigate this risk the most suitable low carbon alternative system was chosen for this scheme and the proposed building fabric measures outlined in paragraph 1.9, will allow the system to run at its highest efficiency.
- 2.5 Construction work costs could increase and impact on the proposed programme.

Current cost estimates are based on a RIBA stage 3 design, which incorporates building design work, including building surveys, consultation with the Council's planning department, consultation with utility providers, etc, undertaken by professional advisers, with costs reviewed by a suitably qualified Quantity Surveyor. This provides a level of comfort to the costs associated with this project. However, as outlined earlier in this report, a contingency of 30% has been included in the costings to mitigate any potential increases. The building works proposed are small, primarily consisting of an extension to the current building. The Council would seek to use its existing procurement frameworks to procure a contractor, using its programme (and in collaboration with the electric cremator manufacturer) as the basis for any appointment, so reducing the risk of programme overrun.

3. REPUTATION AND COMMUNICATIONS CONSIDERATIONS

- 3.1 Utilising the PSDS grant and replacing the existing cremators with new, more efficient ones will generate positive reputational and communications benefits, as it will secure the future operation of Grimsby Crematorium and reduce the Council's carbon emissions and show progress towards our strategic priority to reach net zero by 2030.
- 3.2 Conversely, the risk of not replacing the current gas cremators and them failing could cause negative reputational and communication issues.

4. FINANCIAL CONSIDERATIONS

- 4.1 As outlined in paragraphs 1.11 and 1.12:
 - Replacing with electric cremators will cost c.£4.7 million, funded by c.£1.5 million of PSDS grant and the remainder from Council borrowing.
 - Replacing with gas cremators would cost c.£5.7 million (potentially rising to £6.6 million if emergency measures were required), funded entirely by Council borrowing.
- 4.2 Income generated by Grimsby Crematorium would support the cost of Council borrowing.
- 4.3 Replacement of the current cremators with electric ones would also offer energy savings to the Council of £55k per year.

5. CHILDREN AND YOUNG PEOPLE IMPLICATIONS

- 5.1 Our environmental strategies aim to improve the environment for the benefit of current and future generations. Children and young people are especially concerned about our environment, and it is essential to engage with them on environmental matters.

6. CLIMATE CHANGE, NATURE RECOVERY AND ENVIRONMENTAL IMPLICATIONS

- 6.1 Through building fabric improvements and energy efficiency improvements NELC will be consuming resources more efficiently and investing in the green economy and infrastructure, contributing to the Council's environmental priorities.
- 6.2 Replacing end-of-life and aging cremators with low carbon alternative systems instead of like-for-like fossil fuel reliant systems is contributing to the Council's environmental priority of working towards a low carbon North East Lincolnshire that is prepared for, and resilient to, the impacts of climate change

7. MONITORING COMMENTS

In the opinion of the author, this report does not contain recommended changes to policy or resources (people, finance or physical assets). As a result no monitoring comments have been sought from the Council's Monitoring Officer (Chief Legal Officer), Section 151 Officer (Director of Finance) or Strategic Workforce Lead.

8. WARD IMPLICATIONS

Grimsby Crematorium sits within the Park Ward.

9. BACKGROUND PAPERS

Public Sector Decarbonisation Scheme grant for heat decarbonisation to Local Authority Assets – Cabinet Report – 13th March 2024

10. CONTACT OFFICER(S)

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