

Meeting:	Officer Decision
Decision Date:	18/07/2025
Report of:	Director of Housing & Communities
Portfolio of:	Cllr Katie Lomas - Finance, Performance, Major Projects, Human Rights, Equality and Inclusion

Decision Report: Management of Fulford Cemetery

Subject of Report

1. Since 1968, Fulford Parish Council has owned and maintained Fulford Cemetery. Under the terms of a Burial Services Agreement dated 27th March 2006, the Council of the City of York (CYC) is liable for 80% of any loss on an annual basis; this relates to an interest CYC has in a land extension to the cemetery to provide burial capacity for the whole city.
2. Until 2023/24 the cemetery operated with a profit and in accordance with the burial agreement, such proceeds provided capital funding managed by the Fulford Cemetery Committee. Since then, total losses of £12,003 and £113,023 respectively were recorded, resulting in a total loss to CYC of £100,021. The remaining 20% of losses are borne by Fulford Parish Council.
3. It is expected the cemetery will continue to operate at a loss. In doing so, the financial pressure on CYC's budgets will continue, without CYC being able to direct the operations in any meaningful way.
4. In December 2024, Fulford Parish Council made a formal request for CYC to take over the management and maintenance of Fulford Cemetery, alongside rescinding the Burial Agreement. This paper

recommends a one year proposition which will allow a period of stability, improved capacity at the cemetery alongside providing time for due diligence work to take place ahead of presenting Executive members with an options report to consider in relation to the future permanent arrangements of the council's element of the interest at Fulford Cemetery.

Benefits and Challenges

5. Should CYC accept the Parish Council's request and return the cemetery to a stronger financial position, this will directly benefit CYC's revenue budget by avoiding a significant financial risk.
6. Regardless of the way forward, either party will have to adapt to different ways of working to realise a surplus. This is within a challenging bereavement marketplace as more people are choosing less expensive cremations. The Parish Council and current cemetery staff cohort does not have the skills to make those required changes.

Policy Basis for Decision

7. This paper asks for approval to put emergency temporary capacity in place with a formal s101 agreement. There will be an indirect effect on key priorities of:
 - affordability;
 - environment;
 - equalities and human rights; and
 - health inequalities.

Financial Strategy Implications

8. The cemetery account has seen losses over the last two years which has resulted in the council's Fulford Cemetery reserve being exhausted and pressures for the parish council. There is a risk that without investment into management capacity of the cemetery that the losses will continue over a longer period leading to a long term liability for the councils. Whilst the addition of resource in the short

term will increase costs it will provide a better indication of the longer term viability of the service. There is no guarantee that these temporary arrangements will return the cemetery to a surplus position, however there will be additional experienced support for the cemetery that will seek to keep costs and liabilities as low as possible as well as seek to improve income streams, as well as restore confidence into the service. The aim would be to stabilise the service that is currently without direct management or direction by sitting it alongside a service which is well respected in York for its Bereavement expertise and services. The costs of the arrangements under each scenario will impact on the Bereavement Services budget which includes the cemetery and crematorium.

Recommendation and Reasons

9. This paper recommends that an s101 agreement is drawn up so that the council's Bereavement Services within Customer Services manages the Fulford Cemetery and its staff for a period of one year. All other legal agreements will stay in place until a further options paper is approved for Executive to consider.

Reason: This decision will stem the ongoing issues and provide a guarantee to residents that they will have access to the cemetery for future burials and may be an opportunity to mitigate current losses and increase income to the council.

Background

10. Fulford Cemetery is the main burial site for City of York and is open to people of all faiths and from any area (including out of York). Some land has been assigned for green burials.
11. The site has been maintained to a standard expected within the resources available. That said, some of the assets such as the timber items, need maintenance. Historically, public realm carried out grass cutting maintenance however, over the years that service stopped due to budget pressures. Ground maintenance will further decline with some land (housing old gravestones) maintained less.

12. In 2017, an independent report for CYC was produced for burial capacity across the City. At that time, the annual burial rate in Fulford was 168 and an estimate of 50 years capacity was provided i.e. 8,400 burials. Since 2017, there have been 1,301 burials which leaves a capacity for 7,099. At the current annual rate of 112 burials, this would equate to 63 years capacity, but as the numbers of burials is declining this estimate is likely to be longer.
13. Whilst Fulford Parish Council owns and manage the cemetery, CYC is tied into an agreement to underwrite 80% of any debt. There are two agreements between CYC and Fulford Parish Council, both dated 27th March 2006: a) the Burial agreement and b) the Works (loan) agreement. The Council part-funded a loan to extend the land at the cemetery in return for making the cemetery available for all York residents, and also to invest any surpluses into the capital maintenance of the site or bear 80% of any losses.
14. Until 2023/24, the cemetery ended the year in profit. Since then, national issues such as Coronavirus Pandemic, market competition (as new companies provide services such as pure or direct cremations) and the cost-of-living crisis means that people are turning away from full burial services.
15. Provision of cremation and burial services requires employment of staff to manage sites, administer records, facilitate burials and maintain the grounds. The cost of this expenditure can be high and the only means to offset it in most cases is through new business i.e., income from new burials and new cremations.
16. In addition to increasing fees, to mitigate the loss, Fulford Parish Council reviewed and reduced staffing levels. Redundancy costs were circa £80k last financial year and in turn, income reduction was significant as summarised in paragraph 2.
17. Fulford Parish Council considered other ideas to generate income such as selling the lodge, leasing of land for solar panels, a pet cemetery, the pre-sale of multiple plots and a garden of remembrance. Despite creative thinking, the Parish Council do not believe they are best placed to take forward these ideas.

18. Finally, Fulford Parish Council wrote to local Members of Parliament to highlight the local and national issues affecting bereavement services. The letter included a request for “any assistance that Government can provide to help local authorities faced with such unaffordable expenditure, during what appears to be a transition away from public sector provided bereavement services to private sector low-cost cremation services, Fulford Cemetery Committee would welcome any help in its current predicament”.
19. The Fulford Parish Council have approached CYC for help and a number of options have been considered including full transfer of services to the council on a permanent basis. The full options analysis however will take some time, and Members are keen to support Fulford Parish Council to look at all options for transparency, including Community or Trust involvement. This work could take another 6 months before Executive can issue its full and final response to the Parish Council.
20. In the meantime the cemetery is in crisis and the staff base requires stability whilst key decisions are made, and the financial position of the cemetery and the financial risks to both the Parish Council and CYC are significant.
21. The proposed s101 agreement will allow for a short term purely contractual arrangement for the council to:
 - **Manage the 4 remaining staff** at the cemetery one of whom will retire from the service this summer, and the saving already built into budget projections.
 - **Manage the Cemetery budget** which has a savings line of £10,000 in savings to achieve (as at 25th June 2025 this had been significantly reduced due to an improved level of fee income) .
 - **Use the Cemetery Lodge (known as Cemetery House)** - At present the first floor is leased to a tenant; use of the ground floor is for offices and staff areas. The ownership of the land and lodge is to be retained by Fulford Parish Council.

- **Use Cemetery Assets** - Various items of equipment (e.g., JCB, tractors, mowers, etc., plus the IT equipment and office furniture currently owned by Fulford Parish Council will need to be utilised by CYC to carry out operations of the cemetery.
- **Access Cemetery Records** - New records are processed using Scribe Cemetery (an online service) and the historical data is being added to that record gradually, but it may take several years to achieve all the data on that one record without additional admin assistance (it has been an ongoing project at the cemetery for the past couple of years). Pre-Scribe records are summarised on a spreadsheet and the manual deeds, register books and plans are kept at the Cemetery Lodge office.
- **Access the Cemetery Development Fund** – The present fund contains around £20k for capital expenditure under the terms of the Burial Services Agreement. This could be repurposed to offset losses or could be retained by Fulford Parish Council for future capital expenditure for the grounds by agreement with CYC, under an arrangement such as the current Cemetery Committee.
- **Continuation of Public Works Loan Board Loan** - A loan of £97,560.46 was taken out in 2006 for 25 years (at 4.4% interest) to redevelop some of the land at the cemetery to increase the size of the burial ground to provide city-wide burials. The loan therefore continues until 2030. It was taken out by Fulford Parish Council but is guaranteed by CYC through a Loan Agreement for the repayments .
- **Continuation of the Burial Agreement and associated loss sharing agreement.** It is not possible to dissolve the Burial Agreement at speed and so this will remain in place. In any case this is a 'key decision' linked to the provision of Burial Ground for the City and so will be accommodated in a later report to Executive.

22. The Council’s Bereavement Services whilst it has a newly established and strong management structure, management roles have been recently amalgamated across Register Office and Customer Services to contribute to corporate savings targets. The staff group based at the Crematorium is only small with 5 full time staff fully employed in the busy operations of the facility and the maintenance of a closed cemetery at Dringhouses. It is therefore recommended that additional resources are employed to inject the necessary capacity into Fulford Cemetery. These increases would be temporary for the period of the agreement to avoid ongoing financial commitments. The skills are present already in Bereavement services at a supervisory level but a current role would need back filling, if successfully appointed.

23. The costs would be as follows*:

Current payscale plus estimated payaward 3%				
Grade	Annual Salary	%	Cost 12 months	Cost 6 months
Grade 7	42,214	100%	42,214	21,107
Grade 4	32,772	75%	24,579	12,290
Total	74,986		66,793	33,397

*Plus pay award pending

24. Where any existing staff time is used in respect of the above this will need backfilling from the existing establishment budget alongside a % of senior management time, operating across all of the services in the portfolio.

25. Whilst the costs for 6 months are provided here, this is moot given that an options paper for Executive will not be ready for some months. Lead in time will also be required to implement any recommendations from that report, so 12 months is proposed at an estimated total cost of £67k*.

26. The funding source can only come from the Parish Council, and it is expected that they will charge this to the cemetery budget, so if the financial position of the cemetery does not improve then there could be losses of 80% of around £80k for the council including the £10k savings target. The **do nothing** option could result in an

undetermined liability and importantly the reputation and future customer base will have reduced impacting its ability to ever raise acceptable levels of income in the future.

Consultation Analysis

27. At this time consultation has been undertaken with Fulford Cemetery and the Parish Council, CYC Legal Services, Financial Services and Human Resources. The options analysis below sets out some of the issues to be considered when making any decision.
28. At its meeting on 26th June 2025 Fulford Parish Council the council resolved to agree to the proposal for a one year s.101 Agreement commencing on 1st August 2025, subject to approval by CYC, and final approval of the agreement on 30th July 2025.

Options Analysis and Evidential Basis

29. There are three options that the Director can consider in coming to their decision these are as follows:
 - **Option 1 – Do nothing and CYC continue to advise only.** At this point CYC could decide to take the annual loss and hope that Fulford Cemetery returns to a profitable position once again. However, the cemetery does not have sufficient or skilled management resources or time to dedicate to making the necessary improvements to reduce the losses, and the Council cannot directly influence the Parish Council decisions on the operations of the cemetery. This option is not recommended due to the high financial risk.
 - **Option 2 - CYC could choose to end the current Burial Agreement.** The reputational risk of this option is high given that Fulford Cemetery is the burial ground used for York residents. The Parish Council are not likely to agree without an arrangement to manage the cemetery. This option is not recommended as it would almost certainly bankrupt the Parish Council. This option cannot be considered in this report as this would be a 'key decision' for Executive not officers.
 - **Option 3 – A management arrangement.** This option would see CYC provide management support to the cemetery and run it on

the Parish Council's behalf, with the employment cost of existing staff and ownership of assets being retained by the Parish Council. The benefits of this action are that the Parish Council will remain the employer of the cemetery staff and should the business be turned around there will be no pressure on CYC to cover losses. This is the least worst preferred option of the three although there are necessary costs which are unavoidable to inject the required resources into the Cemetery operations to safeguard them.

Organisational Impact and Implications

30. **Financial** The financial implications are outlined in the report, there may be minor impacts on other management roles in the service which could increase costs.

Human Resources (HR) Option 3 would see Fulford Parish Council remaining the employer of the current cemetery staff. Should this option be taken forward an agreed understanding between the two separate organisations will need to be put in place as to the how the arrangements will operate. Any additional resources required by City of York Council to manage the cemetery during this temporary period will need to be resourced and recruited to in accordance with the Council's procedures.

Legal CYC has a power but not a duty to provide burial services.

There are two agreements between CYC and Fulford PC, both dated 27th March 2006:

- the Burials agreement which provides for the Parish Council to facilitate "City Council Burials" at agreed rates in lieu of CYC expanding its own burials capacity; and
- the Works (loan) agreement for the redevelopment of land to extend Fulford Cemetery, with CYC funding a related payment of £2500 per year (circa £40k remaining).

Option 1 – Do nothing - As set out in the report, this option carries financial risk for both CYC and the Parish Council as doing nothing will not improve the financial position.

Option 2 – End the Burial Agreement – the risk with this option is that Fulford Cemetery is the burial ground used for York residents and without an agreement in place there would be no provision for the burial of residents of the wider York area. This option would be very likely to result in the bankruptcy of the Parish Council, so this option should not be considered without an alternative provision in place.

Option 3 – a management agreement – this would be an agreement under section 101 of the Local Government Act 1972 which allows a local authority to arrange for the discharge of any of its functions by another local authority. This option would still mean the Parish Council incurs the costs of running the service, for which CYC would still be liable for 80%. However, it would enable CYC to have more input into the financial arrangements over the term of the agreement and therefore an opportunity to better manage those costs.

Procurement see reference to s101 agreement above

Health and Wellbeing, - it is acknowledged that there could be a health and wellbeing impact on residents if the maintenance of the cemetery deteriorates, as has already been reported. Improvements will have the converse impact.

Environment and Climate action, - any solutions for the short, medium and long term maintenance of the cemetery will look to meeting the council's ambitions around climate change.

Affordability – any losses experienced by Fulford Parish Council and/or the City Council will directly impact on the funding available to provide services to all.

Equalities and Human Rights, the decision in this report is short term and an Equalities Impact Assessment will accompany the future longer term options paper. The recommendation in this report is expected to have a positive impact for people covered by the Equalities Act who may benefit from the cemetery being open, accessible and a pleasant environment to be in.

Data Protection and Privacy, The data elements of the s101 agreement have been discussed with the Information Governance Team.

Communications, Communications Team will support any actions that come from changes put in place during the year, should option 3 be accepted. This may cover both workforce and external communications, in terms of both direct customer communications that helps to deliver a particular outcome and engagement within the local community.

Economy, there are no economic implications of this report although the simple cremation market is having a direct impact on burial services across the country.

Risks and Mitigations

31. All options at paragraph 29 carry risk and this is mainly financial risk to the council's revenue budget. Option 2 and 3 look to mitigate the risk.

Wards Impacted

32. The report relates to Fullford & Heslington Ward specifically. All Wards would be at risk of being impacted if Option 3 was not approved however.

Contact details

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Background papers

None

Annexes

None

Abbreviations

CYC City of York Council
k Thousand