

## **Bereavement Services Music/Media Replacement Project**

### **Business Case (in support of Capital Bid)**

#### **Introduction**

As part of the 2016/17 capital programme Bereavement Services has made a bid of £10,000 to replace the current music system with an even more staff efficient, higher quality multi functioning music/media system which will not only improve the quality and range of services available to clients, but will also provide an opportunity to generate an additional income for the Council through the sales of these services.

#### **Current Position**

The current music system was purchased and installed in 2013, replacing an old and antiquated system. The current system allows for funeral directors to order music for their clients on line instead of supplying their own, their clients or “burnt” CD’s. This has made significant in-roads to improving the staff time efficiency by eliminating the need for staff to sort out and check the usability of CD’s prior to funerals. This may appear to be a small issue, but is essential when operating such a significant service with an extremely small team.

In addition the 2013 system included a web camera and has proved a popular service with a number of families, being used to view the funeral services from around the world. This also allows for the availability of DVD’s of the service to be available for purchase by the family.

However, there are downsides and limitations to the current system as it was purchased very much as a trial and therefore low investment made at the time. Issues have been identified with the viewing platform for the web camera in that it is restricted to only certain software packages, which has caused upset and distress to bereaved families, (which is understandable at a highly emotive time). This in turn reflects badly on the bereavement Service, despite the issues being beyond our control. Ultimately, the opportunities for high customer service quality and income deriving opportunities are being damaged by the poor quality of the current system.

On investigation it has been found that neighbouring (competing) crematoriums provide on-line services for music as well as web casting options. It has become clear that such services are an important element to client’s choice of venue for funeral services now and will increase in to the future. There is also a growing demand for display of pictures and videos via the large screen at services, which is another functionality we should be introducing to keep up with our competitors.

On the current system the uptake of the services available has been steady over the last two years, but has not been wider marketed due to its limitations.

### **Proposal**

With the approval of the £10,000 capital funding the Council has the opportunity to purchase a far superior music/media system that will both increase staff time efficiencies even further and provide a wider range of high quality, reliable services to clients.

The proposed system would allow for the music to be linked to the Burial and Cremation Administration System (BACAS) diary, which is the current system by which funeral bookings are made with the music choices coming via a separate system, which staff then select on the music system. The proposed system would make the whole funeral booking process much more streamlined.

However, in addition to this add on sales could be confidently marketed given that the quality would be vastly improved and include an end user friendly web camera platform. In addition other services would be provided:

- Web casting
- DVD sales
- Picture and video display facility

By providing these additional options we are offering the bereaved the best facilities which allow us to match our neighbouring crematoriums, at the very least allowing us to be a confident competitor in the marketplace, reducing the chances of missing out on a cremation service simply because we are unable to compete with our neighbours by not providing web casting and/or visual presentation facilities to prospective clients.

### **Financial Information**

With the improved infrastructure to accommodate these add on sales facilities the service would have the confidence to be able to actively market the products with a high probability of increased sales. The tables below provide income projections based on a 5% and 10% (percentage of cremations) sales basis over the next 5 years.

Income based on 5% Cremations sale achieved By 21/22										
	Cost to CDC		unit cost 16/17	17/18	18/19	19/20	20/21	21/22	Gross	
	per unit								income	cost to cdc
DVD	£30.00	£55.00	5	15	20	25	35	46		
Income per year			£275.00	£825.00	£1,100.00	£1,375.00	£1,925.00	£2,530.00	£8,030.00	£4,680.00
Web cast	£30.00	£50.00	10	15	20	30	40	46		
Income per year			£500.00	£750.00	£1,000.00	£1,500.00	£2,000.00	£2,300.00	£8,050.00	£4,830.00
31 day View	£20.00	£24.00	10	15	20	30	40	46		
Income per year			£240.00	£360.00	£480.00	£720.00	£960.00	£1,104.00	£3,864.00	£4,080.00
Visual presentations photos otribute upto 25 Photos	£50.00	£75.00	5	15	20	25	35	46		
			£375.00	£1,125.00	£1,500.00	£1,875.00	£2,625.00	£3,450.00	£10,950.00	£7,300.00
Annual income			£1,420.00	£3,120.00	£4,160.00	£5,580.00	£7,660.00	£9,568.00	£30,894.00	£20,890.00
Income based on 10% Cremations sale achieved By 21/22										
	Cost to CDC		unit cost 16/17	17/18	18/19	19/20	20/21	21/22	Gross	
	per unit								income	cost to cdc
DVD	£30.00	£55.00	5	25	45	65	80	92		
Income per year			£275.00	£1,375.00	£2,475.00	£3,575.00	£4,400.00	£5,060.00	£17,160.00	£4,710.00
Web cast	£30.00	£50.00	10	20	35	50	70	92		
Income per year			£500.00	£1,000.00	£1,750.00	£2,500.00	£3,500.00	£4,600.00	£13,850.00	£8,310.00
31 day View	£20.00	£24.00	10	20	35	50	70	92		
Income per year			£240.00	£480.00	£840.00	£1,200.00	£1,680.00	£2,208.00	£6,648.00	£4,080.00
Visual presentations photos otribute upto 25 Photos	£50.00	£75.00	5	25	45	65	80	92		
			£375.00	£1,875.00	£3,375.00	£4,875.00	£6,000.00	£6,900.00	£23,400.00	£15,600.00
Annual income			£1,420.00	£4,820.00	£8,600.00	£12,380.00	£15,880.00	£19,136.00	£61,058.00	£32,700.00
Capital Investment			£10,000.00							

The tables above show that for an investment of £10,000 add on sales income growth has the potential of £1,420 in year one through to between £7,660 and £15,880 by year 5. The payback period using add on sales alone is c.3.25 years based on 5% sales and c.2.4 years based on 10% sales.