

SURREY COUNTY COUNCIL**CABINET**

DATE:	26 NOVEMBER 2024
REPORT OF CABINET MEMBER:	KEVIN DEANUS - CABINET MEMBER FOR FIRE & RESCUE AND RESILIENCE
LEAD OFFICER:	LIZ MILLS, STRATEGIC DIRECTOR CUSTOMER TRANSFORMATION
SUBJECT:	APPROVAL TO PROCEED: CORONER'S SERVICE DIGITAL POST-MORTEM & MORTUARY FACILITY
ORGANISATION STRATEGY PRIORITY AREA:	NO ONE LEFT BEHIND / HIGH PERFORMING COUNCIL

Purpose of the Report:

The Coroner's Service is seeking to deliver a digital post-mortem service in Surrey. This will enable Surrey County Council to meet its statutory responsibilities under Sections 2 & 5 of the Coroners and Justice Act 2009, contain rising costs for pathology services and provide an enhanced service by using available technology to significantly reduce the number of invasive post-mortems that take place in the county. This will help to maintain the dignity of the deceased and create a better experience for bereaved families and faith communities to support the Council's priority of No One Left Behind. It will also enable service efficiencies in the longer term, alongside potential for income generation.

Recommendations:

It is recommended that Cabinet:

1. Approves the proposal to deliver a digital post-mortem service in Surrey.
2. Grants delegated authority to the Deputy Chief Executive & Executive Director for Resources to approve the transfer of £1.15m capital pipeline to budget to successfully deliver a Digital Post-Mortem Service in Surrey, following endorsement by Capital Programme Panel and subject to the annual revenue impact, including borrowing costs, being no more than £90k, as per the current Medium Term Financial Strategy (MTFS).
3. Notes the intention to commission a third-party provider to deliver a digital post-mortem scanning service, the costs of which will be met from the service revenue budget.

4. Agrees to delegate approval of the necessary steps to deliver this proposal up to +/- 10% of the budgetary tolerance level, including procurement route to market, any contract award decision and any other legal documentation required to facilitate the approvals within this report, to the Deputy Chief Executive & Executive Director for Resources in consultation with the Cabinet Member for Fire & Rescue and Resilience.

Reason for Recommendations:

The current model of post-mortem provision for the Surrey Coroner's Service is not sustainable due to increasing costs and ongoing challenges in providing a high-quality service for the deceased and bereaved families. There is currently no digital post-mortem capability in Surrey. This technology is used for only a small number of deceased (predominately faith and child deaths) who must be transported out of county. Other areas with digital post-mortem capability report that approximately 70-75% of all post-mortems can be done digitally. Investing in digital capability and the necessary infrastructure needed will minimise current risks in service delivery and enable efficiencies in the longer term through a significant reduction in invasive post-mortems.

Executive Summary:

Background:

1. Surrey County Council has a statutory duty under Sections 2 & 5 of the Coroners and Justice Act 2009 to provide sufficient resources to enable the practical and effective delivery of the Coronial function. Coroners are independent judges who investigate certain deaths to establish who the deceased was and how, when and where they came by their death. Alongside staffing and court facilities, the Council must also provide transport and storage for the deceased and post-mortems/diagnostics to establish cause of death.
2. Surrey is a busy and complex Coronial area due to its population size and several other factors, including five prisons, five acute hospitals, two large military barracks, long sections of motorway and railway, proximity to the UK's two largest airports and stretches of the River Thames. The Coroner receives an average of 3,500 referrals per year.
3. Approximately 2,400 Coronial post-mortems are carried out each year. Other areas with digital capability report that approx. 70-75% of all post-mortems can be done digitally (using a CT scanner). Initial analysis shows that with digital capability, the need for invasive post-mortems in Surrey would reduce to approximately 600 cases p/a.
4. Provision for storage and post-mortem services for the Surrey Coroner's deceased (community / hospital) is currently delivered by Berkshire Surrey Pathology Service (Frimley NHS Trust) at three hospital sites across Surrey, namely, Royal Surrey Hospital, Guildford, St Peters Hospital, Chertsey and

East Surrey Hospital at Redhill. A Service Level Agreement (SLA) is in place for the commissioning of this service.

5. Coronial post-mortems are carried out by pathologists paid for by the local authority under the terms of a service level agreement (SLA), using facilities in NHS mortuaries. Most post-mortems are invasive due to a lack of digital post-mortem infrastructure in the county.
6. Deceased requiring digital post-mortems (predominately faith and child deaths at present) must be transported out of county due to the lack of a digital facility.

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Case for change:

7. The service is facing significant risks and issues, which means the current model of post-mortem provision is no longer sustainable:
 - Uncontrolled rising costs year-on-year due to conditions outside Surrey County Council's control – specialist services in a limited market
 - National shortage in pathologists trained in invasive post-mortems – hard to attract and retain specialists
 - Current NHS partner cannot guarantee required service levels – capacity, equipment and staffing challenges causing delays and inconsistent experience
 - Crisis of capacity in winter months within hospital mortuaries, alongside inadequate surge capacity
 - Delays and distress caused to bereaved families
8. From a total budget of £4.6m p/a, the Coroner's Service spends approximately £1.5m p/a on post-mortems and mortuary services. If the 'as is' continues and no investment is made, operational costs for these services will rise at an estimated minimum of £100k year-on-year. In addition, because these are specialist services in a limited market, the service carries an ongoing risk of having to manage increases to market rate that are difficult to control.

Benefits and Delivery of a Digital Post-Mortem Service:

9. While a digital approach will require some initial investment and adjustments to operational costs, financial modelling suggests that the cost of running a digital CT scanning service will be offset from Year 2 onwards by the savings generated from reducing the need for invasive post-mortems.
10. Switching to a digital service would also lead to improved service levels with the ability to conduct more post-mortems in a day from a single site. This would enable deceased persons to be released more quickly into the care of a family appointed funeral director and improve service efficiency. It will be a better experience for the bereaved and maintain the dignity of the deceased.

11. Initial analysis has identified that there would be an increased throughput of total post-mortems by a minimum of 30%, from 15 per day (across 3 sites), to 20 per day (at one site) with a digital scanning capability, at negligible change to annual cost.
12. SCC also possesses a key enabling property asset – a temporary body storage facility with capacity for 330 deceased - which is ideally positioned to facilitate a digital post-mortem service. The ability to enhance an existing facility reduces the level of capital investment required and drives intensified use aligned to the Council's Corporate Asset and Place Strategy. Its continued use will need to be secured through the planning process, as the facility currently has temporary planning permission. This will be a Regulation 3 determination, and early conversations have been positive. To note this is a core dependency for successful delivery of the proposal.
13. An estimated maximum capital investment of £1.15m would enhance the existing temporary body storage facility to deliver the provision of a digital imaging suite, including:
- Design, construction, consultancy (includes contingency)
 - Construction of an external hardstanding area with essential infrastructure (power/water) to accommodate a mobile digital unit
 - Refurbishment of welfare facilities for staff
14. An options analysis identified that the most effective operational delivery model would be based on using contracted services and scanning equipment leased from a specialist provider, with a set of agreed standards, fees and add-ons. This will require a procurement exercise and award of contract. The annual costs of this contract will be met by the service revenue budget and will be offset by a planned reduction in the current service expenditure associated with conducting invasive post-mortems in existing mortuary facilities.
15. Having a digital post-mortem facility in Surrey would also create opportunities for income generation to help offset the cost of borrowing, as other areas without digital capability may wish to use the facility at an agreed rate. Informal conversations have suggested that there would be interest in such a proposal; however, income generation opportunities would need to be properly scoped following approval to proceed.
16. Operating a digital mortuary would require a licence from the Human Tissue Authority (HTA) and specific regulatory requirements to be met. Surrey County Council has successfully been issued with a HTA licence previously when it had to stand up its temporary body storage facility in December 2022 and care for deceased persons prior to post-mortem.

17. The Council will also need to consider the findings of The Fuller Inquiry¹ to take all appropriate steps to safeguard the security and dignity of the deceased in developing its operating procedures and staffing model to run a digital mortuary.

18. In summary, a digital post-mortem service will give the Council the ability to:

- Mitigate financial risks
- Guarantee service quality
- Create income-generating opportunities
- Manage times of high demand (e.g. winter pressures)
- Future-proof the Coroner's Service
- Safeguard the dignity of the deceased and provide an improved experience for the bereaved

Consultation:

19. The proposal has the full support of the Senior Coroner for Surrey who has been fully engaged and provided input throughout its development.

20. Subject to approval to proceed, engagement activity will be undertaken with key stakeholders including NHS partners, Faith Groups, Human Tissue Authority and other Coronial areas. Affected residents will be consulted through the planning process.

Risk Management and Implications:

21. Key risks associated with the proposal have been identified (below) and will be actively managed:

	Risk Description	Mitigation action / strategy
a.	Insufficient funding to deliver project / cost escalation	<ul style="list-style-type: none"> • Feasibility study will reflect risks and contingencies • The Council will monitor delivery • All stages will be managed by an in-house project team • Contingency built into estimated cost
b.	Do not receive permanent planning permission for proposed site	<ul style="list-style-type: none"> • Engage in early conversations with planning officers • Proactive engagement and consultation
c.	Lack of interest amongst specialist scanning providers to provide contracted services	<ul style="list-style-type: none"> • Early market engagement

¹ [Independent Inquiry into the Issue Raised by the David Fuller Case](#)

d.	Increased operational costs to run a digital post-mortem service (short to medium-term)	<ul style="list-style-type: none"> • Detailed understanding of expenditure • Offset against efficiencies elsewhere within the service • Robust contract management
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Financial and Value for Money Implications:

22. This proposal will enable the Council to deliver value for money by mitigating the financial risks and increasing year-on-year costs associated with the current need to commission highly specialised services within a limited market.
23. If no investment is made, it is projected that operational costs for this area of the service will rise by an estimated minimum of £100k in 2025/26 and a further £100k the following year, with an ongoing financial risk of further uncontrolled cost increases due to needing to match market rate for specialist services in a limited market.
24. With this proposal, an initial estimated increase of £87k in pathology costs (from £1.5m to £1.6m) is expected in Y1 due to the need for specialist mortuary roles that are not part of the current staffing structure. These are needed to meet Regulator (Human Tissue Authority) requirements and to provide necessary professional expertise.
25. It is anticipated that additional revenue costs for operating a digital facility will be offset by a reduction in costs associated with invasive post-mortems. A digital facility will also provide opportunities to generate income.
26. Table 1 (below) sets out the estimated revenue impact of the proposal. This includes the additional running costs of the pathology service, offset by other costs savings. Further details are shown in the Part 2 report. The annual cost of borrowing £1.15m is £90k. Any net efficiencies will be built into the Medium-Term Financial Strategy.

Table 1: Revenue Impact

Income and expenditure	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	2030/31 £m	Total £m
Income	-	-	-	-	-	-	-
Savings	(0.83)	(1.65)	(1.65)	(1.65)	(1.65)	(1.65)	(9.08)
Gross savings/income (input positive)	(0.83)	(1.65)	(1.65)	(1.65)	(1.65)	(1.65)	(9.08)
Revenue Cost							
Revenue costs	0.81	1.62	1.62	1.62	1.62	1.62	8.92
Net costs / (efficiencies) before borrowing)	(0.01)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.16)
Borrowing Costs	0.04	0.09	0.09	0.09	0.09	0.09	0.49
Net Cost / (efficiency)	0.03	0.06	0.06	0.06	0.06	0.06	0.33
Do Nothing revenue increase	0.11	0.22	0.22	0.22	0.22	0.22	1.19

27. Table 2 (below) sets out the Capital Profile.

Table 2: Capital Profile

Capex and Funding Profile	2025/26 £m	2026/27 £m	2027/28 £m	2028/29 £m	2029/30 £m	Total £m
Total Scheme cost	1.15	-	-	-	-	1.15
Funded by:						
Third Party	-	-	-	-	-	-
Government Grant	-	-	-	-	-	-
Revenue Funding	-	-	-	-	-	-
Capital Receipts	-	-	-	-	-	-
SCC Funding Required	(1.15)	-	-	-	-	(1.15)
Total Funding	(1.15)	-	-	-	-	(1.15)

28. Further work will be carried out to provide more accurate revenue and capital estimates. These will be scrutinised by Property Panel and Capital Programme Panel ahead of delegated approval to proceed.

29. In addition, this proposal will also enable the Council to maximise use of a body storage facility that has been invested in but currently only operates as a contingency, making best use of an existing asset.

Section 151 Officer Commentary:

30. The Council continues to operate in a very challenging financial environment. Local authorities across the country are experiencing significant budgetary pressures. Surrey County Council has made significant progress in recent years to improve the Council's financial resilience and whilst this has built a stronger financial base from which to deliver our services, the cost-of-service delivery, increasing demand, financial uncertainty and government policy changes mean we continue to face challenges to our financial position. This requires an increased focus on financial management to protect service

delivery, a continuation of the need to deliver financial efficiencies and reduce spending to achieve a balanced budget position each year.

31. In addition to these immediate challenges, the medium-term financial outlook beyond 2024/25 remains uncertain. With no clarity on central government funding in the medium term, our working assumption is that financial resources will continue to be constrained, as they have been for the majority of the past decade. This places an onus on the Council to continue to consider issues of financial sustainability as a priority, to ensure the stable provision of services in the medium term.

32. The recommendation limits both the capital expenditure and revenue impacts to levels included in the current MTFs. As such, the Section 151 Officer supports the recommendations.

Legal Implications – Monitoring Officer:

33. The Coroners and Justice Act 2009 provides for a Coroner to investigate deaths of certain individuals in certain circumstances. S5 (1) of that Act provides that the investigation should enable the Coroner to determine who the deceased was and how and when they died. The proposal contained in this report would enable the Coroner to fulfil that statutory function.

Equalities and Diversity:

34. The proposal will enable the Council to meet the needs of faith groups as part of the death management process and will provide an improved service for all Surrey residents. An Equality Impact Assessment will be completed as part of the design and planning of operational procedures to deliver a digital post-mortem service to understand the impacts for bereaved families and staff.

Other Implications:

35. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No implications arising from this report.
Safeguarding responsibilities for vulnerable children and adults	Ability to safeguard the security and dignity of the deceased will be a fundamental requirement of a successful application for a HTA licence and the facility will be regulated.
Environmental sustainability	The facility has already had air source heat pumps installed. Any additional modifications/ additions

	to the site will include consideration for enhanced asset efficiency.
Compliance against net-zero emissions target and future climate compatibility/resilience	No implications arising from this report.
Public Health	No implications arising from this report.

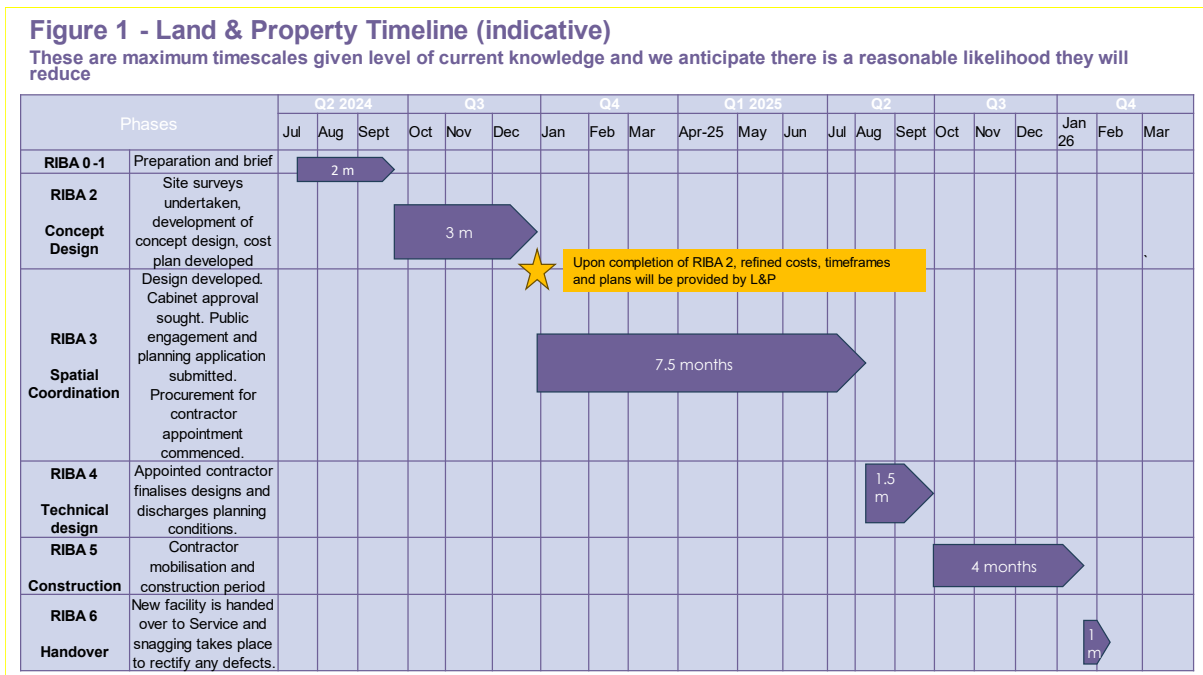
What Happens Next:

36. Subject to approval to proceed, the specific project details will be developed and delivered via Surrey County Council’s in house team, over seen by Land & Property Programme Management Office and the service.

37. Anticipated project steps include:

- Assembling the project team to develop design work to RIBA 2 (3 months). Following design, surveys and planning consultation, a fully costed project plan and timeline will be delivered.
- Applying for planning permission to retain the existing facility and introduce additional functionalities.
- Tender process and award of contract with a digital scanning provider
- Application for a Human Tissue Authority licence

38. An initial timeline of activities is shown at Figure 1 (below).



Report Author:

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Consulted:

- Property Panel and Capital Programme Panel
- Communities, Environment & Highways Select Committee
- Senior Coroner for Surrey

Annexes:

Part 2 report

Sources/background papers:

None.
