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To Whom it May Concern

Submission: Interment Costs and Pricing in NSW

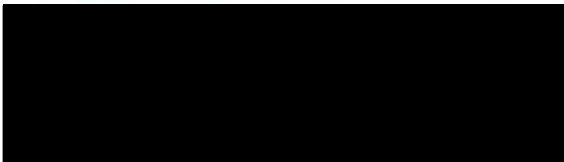
Please find below Kempsey Shire Council's (KSC) submission regarding the IPART's Interim Report on *Interment Costs and Pricing in NSW*:

IPART Interment Costs and Pricing in NSW Interim Report	KSC Comment
<p>Section 5.2.1 What factors affect the land costs of interment services?</p>	<p>Concern expressed over the growing inequity between actions proposed between Regional and Sydney areas.</p> <p>The report refers to the State Government working in 'partnership' with Regional Councils whereas for Sydney based cemeteries the report states that identifying and acquiring land in Sydney is best undertaken by State Government cemeteries regulator.</p> <p>Recommendation: State Government practice should be consistent across all areas (Regional and Sydney) and uniformly fund land acquisition for cemeteries.</p>
<p>Section 6.3 A legal obligation on cemetery operators is needed to provide for perpetual maintenance of cemeteries</p>	<p>The report refers to perpetual maintenance when the cemetery closes they will need to fund maintenance to a level of meet community expectations.</p> <p>Recommendations: a minimum performance-based standard of maintenance should be applied incorporating standards for safety and amenity.</p>
<p>Section 7 Prices for interment rights</p>	<p>Given that land is the constraint within the cemetery business, it seems unusual to suggest the use of 'costs marked up models' where the most valuable part of the interment process is the land itself.</p> <p>Recommendation:</p> <p>Pricing driven by market demand models to be considered rather than costs in isolation.</p>

IPART Interment Costs and Pricing in NSW Interim Report	KSC Comment
<p>Section 6.5 Cemetery operators that meet a threshold for number of interments for new perpetual sites per year be required to establish a perpetual maintenance reserve fund</p>	<p>The report states that Cemetery operators may be required to contribute to a 'Perpetuity Fund' that may be regulated in some way, and either a self-managed fund or an independent body. The purpose of this is to ensure operators have enough funds to maintain cemeteries to a standard.</p> <p>Recommendation: While this Perpetuity Fund may ensure operators have funds to manage cemeteries into the future, it is also likely to increase administration requirements. Whilst KSC does not object to the perpetual maintenance calculation, KSC does not support the establishment of a Perpetual Maintenance Restricted Reserve which would essentially result in increased administration burden and cost for relatively small cash amounts.</p>

Should you require any further information or discussion regarding this submission please do not hesitate to contact Manager Commercial Business, Gayleen Burley on 02 6566 3200.

Yours faithfully,



ACTING DIRECTOR CORPORATE & COMMERCIAL