

14 October 2020

Ms Jennifer Vincent
Director, Pricing
Interment Review
Independent Pricing and Regulatory Tribunal
PO Box K35
Haymarket Post Shop NSW 1240

Our Ref: 2020/600758

Dear Ms Vincent

IPART - Interment Costs and Pricing in NSW

Thank you for the opportunity to provide a submission to the IPART interment costs and pricing review. Northern Beaches Council currently operate two cemeteries at Mona Vale and Manly. In this context, the IPART review is timely and is likely to inform Council's future decisions on the management of cemetery operations.

Council supports the recommendations of the submission by Local Government NSW. The following comment is provided on specific issues below.

Recommendation 1 - Interment Industry Scheme and Licencing

An interment industry scheme composed of codes of practice and a sensible licencing model, (such as one that would only apply to private operators) would ensure consumer protection and would raise the general standard of operation of the interment industry.

Recommendation 7 – Interment levy to include Council cemetery operators

LGNSW notes that *"IPART has not demonstrated that the Office of Local Government is failing in its role as regulator of Council operations to the extent that a second regulator is required"*. Putting regulation aside, the management of cemeteries and crematoria requires specialist skills and knowledge and Council acknowledges the support and assistance that Cemeteries and Crematoria NSW (C&CNSW) has provided to local government operators to date.

To be a truly independent and effective regulator of the industry, Council believes that C&CNSW should be fully funded by the NSW State government. Otherwise, the industry will fund the regulator and consumers will ultimately bear the cost. If the levy is unavoidable, Council proposes that it will apply to both cemetery and crematoria operators, at a differentiated "per burial" or "per cremation" rate - rather than as a percentage of turnover.

Recommendation 8 - Land for new cemeteries

Council supports a coordinated approach to the identification, funding and acquisition of land for new cemeteries with the involvement of local government. Political pressure at a local level has made it very difficult to develop new cemetery sites in the Sydney metropolitan area in the recent past and it is difficult to see how this will change given competing community demand for diminishing open space in the future. An alternative mechanism, based on a set of triggers prioritising the allocation of land for cemetery and related services at State Government level may be necessary to achieve meaningful improvement in this area.

Recommendation 20 – Perpetual maintenance

A perpetual care fund makes the provision of ongoing future maintenance more equitable by shifting the cost from ratepayers to direct users of cemetery services. Factoring in perpetual care across the board may also enable regional and rural cemeteries to justify price rises beyond CPI. Council has an established perpetual care fund for the Mona Vale Cemetery and welcomes the development of guidance materials on best practice financial provision for same.

Recommendation 21 - Renewable tenure.

IPART has recommended that licenced cemetery operators (i.e. those that meet a certain activity threshold) will be required to offer renewable tenure. Council's two local cemeteries have a remaining capacity of less than 10 years, with between 80 – 100 annual bodily interments. It is likely that Council will exceed the threshold for annual interments and would therefore require an operating licence. This would also require Council to offer renewable tenure for new interment sites. While Council supports the concept and principle of renewable tenure to provide extended capacity and long-term financial sustainability for cemetery sites, there is currently no mandate from the Northern Beaches community to pursue or offer this option. Council would be obliged to undertake extensive community consultation and seek Councillor support for any proposal to introduce renewable tenure in our local cemeteries.

Should you require any further information or assistance in this matter, please contact Nadine Phipps on [REDACTED].

Yours sincerely

[REDACTED]

Campbell Pfeiffer
Executive Manager, Property