



Anglican Church Diocese of Sydney

ST. ANDREW'S HOUSE SYDNEY SQUARE NSW 2000
ALL CORRESPONDENCE TO:
PO BOX Q190 QVB POST OFFICE NSW 1230

TELEPHONE: (02) 9265 1555

7 June 2019

Interment Costs and Pricing Review
Independent Pricing and Regulatory Tribunal

By email

Dear Tribunal Members

Re: Review of Interment Costs and Pricing

This response to the questions raised in the issues paper circulated by IPART has been prepared in consultation with the Registrars and Bishops of the:

Anglican Diocese of Armidale

Anglican Diocese of Bathurst

Anglican Diocese of Canberra and Goulburn

Anglican Diocese of Grafton

Anglican Diocese of Newcastle

Anglican Diocese of Riverina

Anglican Diocese of Sydney

1. Introduction

The Anglican Church in New South Wales is organised into seven geographically based Dioceses. Each Diocese is further divided into local parishes, to which the Diocesan administration provides advice and leadership. In the case of cemeteries and columbaria, responsibility for management of the facilities rests with the minister and wardens of each parish. Collectively, the Anglican Church accounts for 173 of the 296 church based interment facilities listed on the CCNSW register.

This response has been prepared at the Diocesan level and addresses the issues that are of particular relevance to the context in which Anglican parishes operate, and those elements of the review which touch on social concerns.

2. Pricing Principles

2.1. Affordable and equitable

We support all people having access to affordable options for dignified and respectful interment – whether burial or cremation. We note that renewable interment is not always possible given the rate of decomposition in various locations throughout the state, and the difficulty and cost of disinterring remains from tightly used heritage cemeteries. At this time it is unlikely that church facilities will offer renewable interment due to the uncertainty around the future management of church cemeteries, the lack of information regarding the rate of decomposition at each site and the

specialist skills required to conduct disinterment. We do support the provision of perpetual interment options at affordable prices. This may require some changes to community norms – for example multiple burials in one plot at different depths, possibly of people who are not known to each other.

2.2. Simple and transparent

We believe this is the most important principle of the three. While interment services purchased pre-need can be bought at the purchaser's leisure, when services are bought at need it is implicit that the purchaser is vulnerable through grief and changed personal conditions. Depending on the nature of the deceased's passing there may be significant trauma around the death. We consider that it is essential that purchasers in these cases are provided with clear information about pricing in a way that allows them to easily compare offerings both across and within cemeteries.

2.3. Financially sustainable operation of the cemetery into the future

This principle supposes that financial sustainability of the cemetery will be a factor in pricing from this point in time. We support this principle, however recognise that it does not answer the maintenance demands arising from past interments. As an element of equity, the application of this principle must be proportionate to the percentage of costs applicable to the specific interment site. Other strategies beyond the pricing of future sales must be considered to address the ongoing maintenance needs of cemeteries already at or close to capacity.

3. The efficient costs of providing interment services

3.1. New Cemeteries

Anglican churches are not seeking to develop new cemeteries. Most existing Anglican cemeteries are either closed or only open to burials for reserved plots or those available to church members. We note however that in the past, provision of land for burials was made by government on behalf of the whole community through Crown Land grants, or through private donations of land – often as part of provision of a church for a local community. Anglicans are no longer widely considered the most appropriate caretaker of deceased remains. We do consider it appropriate that the provision of land for future cemeteries be a responsibility of government, most realistically at the state level, whether in partnership with private operators or through Crown land managers. Public infrastructure is considered at this level (roads, hospitals, schools etc) and should also include interment services. As the provision of appropriate interment services is so critical to community wellbeing we also consider it would be unwise to limit the provision of future interment facilities to private operators.

3.2. Maintenance of Cemeteries

This is a large consideration for Anglican parishes which are currently responsible for the ongoing maintenance of cemeteries which are either closed or have reduced opportunities for further income generation. The issues which face them are:

- 3.2.1. **Lack of financial resources** – while a few parishes have trust funds, most manage their cemeteries from general funds, primarily freewill offertories. Parishes may never have had a cemetery fund established to separate interment income from general donations. The original trusts or conditions over the donation of land may have restricted parishes from selling plots, or the prices for burials may not have considered the ongoing maintenance cost.

3.2.2. Restrictions on land use – Some parishes have churches with the cemetery laid out surrounding or on land adjacent to the church. This can severely restrict the provision of additional buildings to cater for the current operations of parishes, where community space, facilities for small groups, children’s programs and office space are necessary.

3.2.3. Administration and management costs – the administration of cemeteries in Anglican parishes is occasionally carried out by a staff person as a very minor element of their administrative responsibilities, but is more often undertaken by a volunteer. It is a complicated task and transactions may span many years during which there may be turnover of volunteer labour. In the past record keeping may not have been prioritised or maintained in a way to facilitate easy transfer to another manager. Further complicating this issue is the difficulty to attract volunteers to take on this specialist task, and the aging of church congregations.

Despite these challenges, it should be noted that Anglican churches have a good record of attending to the ongoing maintenance of cemeteries as a service to the community and out of respect and care for the families of those interred in our cemeteries and columbaria.

There is however a community expectation that church based cemeteries will continue to be maintained so that they are safe and accessible. While visiting the interment sites of family members continues to be a social norm, for many members of the community the wider value of cemeteries is not a personal connection to a particular grave or niche. It seems to us that cemeteries are valued for two elements beyond the personal:

Value of human life – cemeteries and columbaria provide evidence that our society treats the deceased with respect and dignity, reflecting a belief that human life has value regardless of the way in which it is lived. To be consigned to a pauper’s grave (a mass or anonymous burial) is considered an indictment on society, not the deceased.

Heritage – Many Anglican cemeteries date to the earliest days of European presence in Australia. As such they tell the story of our life since then – through their physical nature and the people who are commemorated through memorials. This value reaches far beyond the life of the parish which hosts the cemetery, however the costs of maintaining this value is borne primarily by the congregation meeting in that church.

We respectfully request that attention is given to some wider social participation in the maintenance of cemeteries which are closed or reaching capacity. This might be through

- Financial support for the maintenance of church based cemeteries.
- Transfer of the management of closed cemeteries to local councils
- The ability for churches to move memorials from grave sites to clear space for community use.
- The sale or transfer of air space above cemeteries to establish perpetual maintenance funds or enable parishes to meet their need for expanded facilities.

3.3. Perpetual Maintenance Funds

We recognise the wisdom of the use of perpetual maintenance funds to ensure that cemeteries are able to be maintained according to reasonable community expectations into the future.

We consider that legislation regarding perpetual maintenance funds should respond to the risk posed to the community of failure of the cemetery operator to manage the ongoing maintenance

requirements. This could be calculated by reference to the size of the facility and the resources held in trust for ongoing maintenance.

For smaller facilities, such as those operated by parishes or councils where economies of scale are not accessible, we suggest that rather than punitive measures to enforce the establishment of perpetual funds, opportunities to encourage the establishment of trusts be explored. This might be in the nature of matching contributions (as with superannuation) or grants, or the establishment of a state wide fund in which smaller operators can participate.

Anglican parishes have maintained cemeteries since the establishment of the State of New South Wales, and we would strongly resist any regulations where compliance demanded yet more resources be diverted to cemetery management. Recognition of the good history of management of NSW Anglican parish cemeteries would however be welcomed and assistance to ensure this can continue in the face of the resource challenges listed above would be appreciated.

3.4. Pricing

Parishes are advised to consider the pricing of comparable services in their local council cemeteries when establishing their prices. As many parish cemeteries are conducting a very small number of sales or interments per year, it is unrealistic to use a calculation of the cost of sale to set pricing. While a premium may be charged due to the relationship of the cemetery to the church, it is equally likely that that purchaser is buying because of a real and current connection to the church community, or a family connection within the graveyard and therefore is eligible for a discount.

3.5. Crown Cemetery Levy

We understand this levy is passed on to customers on interment so is additional to the cemetery's pricing of a service, and is fixed across the cemeteries to which it is currently applied. While we are willing to collect this levy on behalf of CCNSW, we suggest that the cost of collecting the levy by and from smaller facilities may in fact exceed the benefit of the levy collected. Given that church and community cemeteries and columbaria accounted for only 1.4% of burials in 2017 – 2018 across 216 facilities (at an average of one burial per facility) it seems advisable that existing church facilities be excluded from collecting and remitting the Crown Cemetery Levy for practical reasons.

4. Form of recommendation

Cemeteries are a social good, and their regulation should take into account the pricing principles already considered in the issue papers. As a consequence the degree to which the recommendations are enforceable should correspond to the social significance of the care of cemeteries.

Newly developed cemeteries and those with the capacity for substantial income generation should be obliged to establish perpetual maintenance funds where they do not exist, and ensure that their capital value is preserved where they are already established.

Operators of cemeteries that are closed or winding down should be supported to maintain perpetual funds or establish and build them where they do not exist. Financial vehicles to encourage and support such efforts could be established centrally, perhaps through tax deductible funds.

5. Developing your recommendations

Alongside worship and teaching, Anglican parishes are invariably committed to volunteer intensive activities which contribute to positive community life – social activities for the aged, hospital visits, well-being for disadvantaged communities, and many other charitable and community oriented undertakings. The increased complexity in cemetery management has already impacted parishes by requiring specialist and time intensive volunteer or staff resources. Demands made on parishes to respond to further regulation will have a flow on effect which cannot be tested, but may result in

direct costs to services and benefits now offered to the living. We urge that the consequences of any decision of this review be tested in the light of its impact on a church which is currently operating a small parish based facility well.

For further information please contact

Penelope Barletta
Manager, Parish Property Services
Sydney Diocesan Services
pxb@sydney.anglican.asn.au

[REDACTED]

Yours Faithfully,

[REDACTED]

Doug Marr

Registrar

Anglican Diocese of Sydney

- cc. Richard Neal – Chair, Anglican Church Property Trust Diocese of Sydney
- Mr Christopher Pears – Registrar, Diocese of Armidale
- Ms Karen Trafford – Registrar, Diocese of Bathurst
- Mr Trevor Ament – Registrar and General Manager, Diocese of Canberra and Goulburn
- Mr Christopher Nelson – Registrar, Diocese of Grafton
- Mr Stephen Phillips – Diocesan Chief Executive, Diocese of Newcastle
- Ms Michelle Catanzariti – Registrar and General Manager, Diocese of Riverina