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### IPART REVIEW INTO COSTS & PRICING OF INTERMENT IN NSW

Thank you for the opportunity to provide feedback on the interim report into costs and pricing within the interment industry in NSW.

Wollongong City Council is located within the Illawarra, an hour south of Sydney. We currently oversee nine cemeteries in the region which include four operational cemeteries, two cemeteries open to reservations only and three closed cemeteries.

Please find below our response to the interim recommendations that directly affect our operations.

*3 The NSW Government work in partnership with councils in a coordinated strategic manner to identify land for interment outside Sydney*

**Agree.** This would be beneficial for future proofing the industry. Currently Council has two main operational cemeteries with an estimated life of over 200 years at current rates of interments.

*4 An interment service levy not be applied to additional cemetery operators until the statutory review of the Cemeteries and Crematoria Act 2013 is completed and it can be demonstrated that the functions of CCNSW are of benefit to the wider cemetery and crematoria industry in NSW*

**Agree.** Currently no direct benefit can be seen from the payment of a levy.

*5 Office of Local Government's performance statistics be required to include transparent and comparable cost information about councils' cemetery operations*

**Disagree.** Currently Council provides significant amounts of information as part of its annual reporting process that are available for the public to review. This includes financials about all Council operations. Council currently report the cemeteries as a category 1 business activity in the Special Purpose Financial Statements which provides further details on the financial outcome of the business over the previous year. Whether adding additional requirements provides further transparency is unknown. Additional costs would also be incurred in collating this information in the format required.

*6 There be a legal obligation on all cemetery operators to make adequate financial provision for perpetual maintenance of interment sites and the cemetery. 7 Cemetery operators that conduct more than 50 bodily interments in new perpetual interment sites per year at a cemetery must contribute to an independently managed perpetual maintenance reserve fund to provide for long-term cemetery maintenance. 8 The perpetual maintenance reserve fund for a cemetery must be independently managed by Treasury Corporation or an independent body approved by CCNSW. 9 CCNSW to develop Guidelines on when and how a cemetery operator can use perpetual maintenance funds for a cemetery*

**Disagree for Council operators.** The Local Government Act 1993 provides regulatory and financial oversight of Council operations and therefore no further mandatory financial provisions is required for Council operators. With all of Council cemeteries in operation for over 50 years, significant costs have already been incurred that should not be recouped from new consumers using the services.

*10 Cemetery operators provide a Plain English Statement of terms and conditions for interment rights at a cemetery that customers can easily access. This include a clear statement on the obligations of each of the interment right holder and the cemetery operator for the nature and level of maintenance of the interment site and the cemetery*

**Agree.** This would provide uniformity and certainty for the customer across the industry.

*11 To make it easier for consumers to compare and understand prices for bodily interment services, cemetery operators be required by regulation to publish prices for all bodily interment services on a consistent basis. To do so, cemetery operators be required to publish the following: – The total price for a bodily interment service (ie, the sum of all necessary service components) for both at-need and pre-need purchases – Itemised prices for each service component of the bodily interment service, using the terminology described in Table 7.2, and including any additional costs due to cultural or religious requirements – Product specifications for the interment right, such as size and depth*

**Agree.** This is already a requirement of Council operators who have their fees and charges published each year.

*12 Within 12 months CCNSW to develop a central website to enable consumers to compare prices for interment services in one place*

**Agree**

*13 In setting interment fees and charges, all cemetery operators should include future maintenance costs of their cemeteries. 14 Our pricing tool be made available to cemetery operators for use on a voluntary basis to inform decisions on pricing for bodily interment rights. 15 Users of the pricing tool should include land value at its initial purchase cost, but for cemeteries that are located on gifted land, the land value should be zero. Land value for an established cemetery should not be adjusted over time to reflect changes in surrounding land values*

**Agree.** The pricing tool will ensure that all costs are brought into account and provides transparency for the consumer. This will be necessary in situations where current pricing is significantly under actual costs.

Please contact me should you require further information.

**This letter is authorised by**

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