

12 July 2022

Written Submissions  
NSW Government  
Locked Bag 5022  
**PARAMATTA NSW 2124**

**By email:** ccnsw.regulatoryreform@cemeteries.nsw.gov.au

To Whom it may concern,

### **CEMETERIES & CREMATORIA NSW PROPOSED INTERMENT INDUSTRY SCHEME**

I refer to Cemeteries and Crematoria NSW (CCNSW) proposed Interment Industry Scheme (Scheme). City of Newcastle (CN) understands CCNSW are seeking submissions from the community, industry and other interested stakeholders to review and provide feedback on the proposed Scheme.

I note that the proposed Scheme includes licence conditions, as documented in the draft Licence Conditions for Operators of Cemeteries and Crematoria (Licence) dated June 2022, in relation to contracts with consumers, cemetery maintenance, pricing transparency, customer service, religious and cultural requirements, and Aboriginal cultural and spiritual requirements.

CN is of the opinion that the proposed Scheme needs further consideration. Specifically, its scope and application need to be broadened to apply to the whole interment industry as defined in s.26 of the *Cemeteries & Crematoria Act 2013*. It is apparent that compliance with several of the proposed Licence conditions should extend to other industry participants to achieve the objectives of the Scheme to:

- Improve the financial sustainability of the interment industry in NSW,
- Ensure that cemeteries are well maintained, now and into the future, and
- Provide consumers with a better experience when engaging with cemetery and crematoria operators, through ensuring consistent and transparent interment services.

Additionally, compliance with the Licence should not be retrospective and should commence from a suitable transition period from the formal adoption of the Scheme.

Please find attached our submission on the draft regulation and licence conditions supported by the regulatory impact statement identifying the specific concerns.

CN respectfully requests that CCNSW considers this submission and adopts the proposed recommendations to meet its objectives more comprehensively for the Scheme, in tandem with providing Interment Industry participants with a set of Licence conditions that can be readily adopted and complied with.

Yours faithfully



Joanne Rigby

**ACTING DIRECTOR INFRASTRUCTURE & PROPERTY**

*Attachment. CN submission on the draft regulation and licence conditions.*

Licence Condition	Comment
<b>A. Consumer Contracts</b>	
<i>A.1 to A.3 inclusive</i>	<p>City of Newcastle (CN) is the owner and operator of a portfolio of cemeteries. CN outsources certain operational elements to other specialist industry participants, such as funeral directors, grave diggers and monumentalists. These suppliers are members of the interment industry as defined in s.26 of the Cemeteries &amp; Crematoria Act 2013.</p> <p>CN cannot be responsible for compliance with this requirement where third parties are providing services directly to the consumer. Compliance with this Licence Condition is the responsibility of all industry participants that have a direct consumer relationship.</p>
<b>B. Cemetery Maintenance</b>	
<i>B.3 Operator must keep records in relation to the activities carried out under the maintenance document</i>	<p>The requirement for documentation of each site activity, inspection and the costs incurred is both onerous and unnecessary.</p> <p>An operator's compliance with the extensive requirements of Licence Conditions B.2, B.4 and B.5 is sufficient.</p> <p>This Licence Condition should be deleted.</p>
<i>B.5.8.b. Prepare, complete, and keep records of weekly and daily maintenance work.</i>	<p>CN has multiple assets to repair and maintain for the benefit of ratepayers and has a well-established regimen to do so.</p> <p>The obligation for cemetery maintenance imposed by Licence Condition B is sufficient to ensure cemetery site maintenance occurs without the additional, onerous reporting burden Licence Condition B5.8.b imposes on cemetery operators.</p> <p>CN already prepare Service Asset Plans which detail routine maintenance work on our assets and how these are undertaken.</p>
<b>C. Pricing Transparency</b>	
<i>C.1 to C.2 inclusive</i>	<p>As noted in comments addressing Licence Condition A. above, CN cannot be responsible for compliance with this requirement where third parties are providing services directly to the consumer. Compliance with this Licence Condition is the responsibility of all industry participants that have a direct consumer relationship.</p>
<b>D. Customer Service</b>	
<i>D.1 to D.6 inclusive</i>	<p>CN notes that Licence Condition D. requires the compliance of the cemetery operator only and does not extend to those third parties it may contract with to provide services directly to the consumer. CN cannot be responsible for compliance with this requirement where third parties are providing services directly to the consumer.</p> <p>Licence Conditions D.1 to D.6 inclusive should extend responsibility for compliance to all industry participants that have a direct consumer relationship.</p>
<b>E. Religious, Cultural and Spiritual Principles</b>	

<i>E.1 to E.2 inclusive</i>	<p>CN notes that Licence Condition E. requires the compliance of the cemetery operator only and does not extend to those third parties it may contract with to provide services directly to the consumer. CN cannot be responsible for compliance with this requirement where third parties are providing services directly to the consumer.</p> <p>Licence Conditions E.1 and E.2 should extend responsibility for compliance to all industry participants that have a direct consumer relationship.</p>
<b>F. Reporting Obligations</b>	Noted
<b>G. Prohibition of Interment Services</b>	N/A
<b>Other</b>	<p>The introduction of the Interment Scheme will impose significant resourcing and administration costs on CN in relation to its seven active (and inactive) cemeteries. Currently our cemetery management team consists of one full time equivalent staff member for administering plot sales, interments and general enquiries.</p> <p>The additional requirements imposed will result in the below additional workload not currently resourced or budgeted:</p> <ul style="list-style-type: none"> <li>• To develop an annual operational maintenance plan per cemetery. Initial establishment costs will be high to accommodate the identification of all assets and development of performance standards that are not already in place. Costs will increase due to the number of CN cemeteries, and their size and complexity.</li> <li>• For annual record keeping for maintenance activities for seven cemeteries</li> <li>• To undertake maintenance self-assessment (annually or biannually depending upon Category classification) for seven cemeteries</li> <li>• To keep this information in a format required by CCNSW and the administrative burden of providing this information to CCNSW.</li> <li>• To maintain each cemetery to the minimum standards imposed</li> <li>• To prepare for potential audits and site visits by CCNSW following the 12-month transition period.</li> </ul> <p>CCNSW can mitigate these costs by allowing operator flexibility regarding the format for this information and by implementing a reduced frequency for reporting.</p> <p>CN anticipates that an additional two full-time equivalent staff will be required to meet these obligations, the cost of which will be borne by our ratepayers.</p>