

## Licence conditions - pricing transparency

The Interment Industry Scheme introduces mandatory measures (licence conditions C.1 to C.5) to improve pricing transparency in the market for burials and ash interments, by regulating how pricing and products are disclosed to consumers.

These conditions implement recommendations from two recent reviews into the cemetery sector. A [statutory review of the Cemeteries and Crematoria Act 2013](#) recommended improvements to transparency using an itemised pricing template to enable consumers to compare products and contribute to pricing affordability. Similarly, the [Independent Pricing and Regulatory Tribunal \(IPART\) Review of the costs and pricing of interment in NSW](#) recommended pricing transparency as a type of ‘competition by comparison’ that will help consumers understand their choices.

The IPART report recommended that operators be required to publish itemised prices for each component of a basic interment service and provided an example template, which CCNSW proposes to adopt with slight amendments after testing it with operators.

### Who is required to meet these requirements?

All operators who have Category 1 and 2 licence conditions will be required to meet the requirements. See our [fact sheet on licensing and categorisation](#) for more information on licence categories.

Pricing transparency	Licence condition	Category 1	Category 2	Category 3	Category 4 (caretaker)
	C.1	Yes	Yes	No	No
	C.2	Yes	Yes	No	No

### Licence conditions summary

Please note this is a summary of the proposed Scheme and licence conditions. For more details read the [Licence Conditions for Operators of Cemeteries and Crematoria](#).

#### C.1 Operators must publish standardised price breakdowns of their basic interment products

New pricing disclosure requirements will mean operators must make publicly available the pricing breakdowns of the least expensive burial and ash interment products offered in each of their cemeteries, in a way that is clear and easy to find. These least expensive products will be called a Basic Adult Burial and/or a Basic Ash Interment (burial or on-site storing of ashes).

Operators must show the pricing of these products in each place of business, and online if they have a website.

Operators must use CCNSW's Operator Price Breakdown template, which is [available to view here](#), to break down the basic prices. The template is an itemised list of all the components of an interment service, including definitions. The template includes components such as administration, maintenance, excavation and burial.

Operators who have other information to include in the pricing structure of their products are able to add those to the template.

For example, operators who discount some parts of the product must include the discounted amount. For example, some council operators offer interments at a discount rate to local ratepayers – this should be clearly disclosed. Operators are also able to add in any extra fees that they charge.

## C.2 Basic price breakdowns need to be provided to customers before contracts are signed

Operators must make consumers aware of their least expensive products before consumers sign a contract. This will allow consumers to understand the price and components of the least expensive option offered at that cemetery, and how it differs from the package they have chosen to purchase (if different).

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## How will CCNSW support operators?

CCNSW has developed the Operator Price Breakdown Template for operators to use to break down their basic burial and ash interment prices, and will provide a guide for how to use this template along with other explanatory material to support operators to comply.

Recognising that some operators have long timeframes required to approve any changes to their pricing (in particular councils), the implementation of the pricing requirements will take into account time for operators to understand and adjust their pricing structures as required.

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## Relevant FAQs

### What is the Basic Adult Burial and Basic Ash Interment?

Operators will be expected to identify their least expensive 'adult burial' and/or ash interment package that may be purchased by a consumer as a minimum. This does not require operators to create an entirely new product offering.

In the licence conditions, the Basic Adult Burial is defined as the least expensive available bodily interment package (including the interment right and the burial). The Basic Ash Interment is defined as the least expensive available ash interment package, including the interment right and the placement/burial of ashes).

### What items need to be included in the price of a Basic Adult Burial and Basic Ash Interment?

Operators will be expected to provide a breakdown of their Basic Adult Burial or Basic Ash Interment in the approved format, which is proposed to be the [Operator Price Breakdown Template](#). The template includes:

- total cost of package for pre-need and at-need purchase
- a breakdown of all service components
- specifications (e.g. number of interments)
- interment type and length
- religious, cultural or community specific requirements specified in a separate line (if included in the basic product)
- other components (e.g. funeral service, catering).

Memorialisation may only be included as part of the Basic Adult Burial or Basic Ash Interment if it is included in the operator's basic interment offering. Where this is a third party arrangement or the consumer is expected to purchase the memorial, this should be stated.

### What if someone doesn't want the Basic Adult Burial?

The Basic Adult Burial will allow consumers to compare the cost of basic burials across multiple operators. If a consumer doesn't want a basic burial, they could still refer to these figures to get an idea of the market price for an interment service, and to better understand the costs of the items in the package that they do wish to purchase.

### What if funeral directors add a percentage to operator costs when they invoice customers?

While funeral directors are able to set charges for their services, they should not add a percentage charge to cemetery or crematoria costs. If this occurs it should be reported to NSW Fair Trading.

### Can the price for a Basic Adult Burial or Basic Ash Interment be fixed by a cemetery operator for a period?

CCNSW will not be fixing the prices set by most operators and will only require pricing to be in the approved format and provided to CCNSW as specified for transparency purposes.

The exception is Crown cemetery operators, whose prices will continue to need approval by CCNSW.

### Will new pricing transparency rules apply to existing interment right agreements or will they only be prospective?

Pricing transparency requirements are not retrospective and do not apply to interment rights contracts already entered into between an operator and a customer.

### How does the pricing template work? What should an operator do if they do not provide certain components as part of the basic burial or ash interment service?

The Operator Price Breakdown template is intended to show the prices for the basic products in a consistent way, to drive transparency for consumers. Recognising that every basic product may be

slightly different, the template allows operators to include those components that make up part of their price, and identify those that are not applicable.

If an operator does not, for example, provide digging of the grave or memorialisation, this should be marked as not applicable or, if it is provided by a third party, that should be noted as not applicable.

For each component, the template provides an explanation of the types of things that should be included, but there is also a column where an operator can specify which things are included in this component for them specifically.

### **Why does the template reference ‘maintenance in perpetuity’ under the maintenance category when perpetual maintenance requirements are not being introduced at this stage?**

This reflects the fact that by maintaining cemeteries now, while cemeteries are active, operators are also preparing for maintenance into perpetuity.

Some operators are voluntarily collecting funds specifically for perpetual maintenance and if so, this should be listed in the ‘operator specific information’ column of the table.

For best practice reasons, operators should be thinking about the maintenance costs of their cemeteries, and factoring it into their prices where possible, in preparation for future licence conditions.

### **Do religious requirements need to be included in the basic price breakdowns?**

Religious requirements only need to be included in the basic product price breakdowns if those requirements are part of that basic product – e.g., the least expensive package offered by a cemetery or operator includes a specific religious requirement. This may not be the case for most cemeteries.

### **How does an operator include the price of land for pre-existing cemeteries?**

The requirement to include the price of land in the breakdown of the Basic Adult Burial or Basic Ash Interment will only apply to new cemetery developments.

### **What if an operator only offers perpetual or only renewable services?**

The Operator Price Breakdown template includes both options and it is up to the operator to complete either or both of these templates as appropriate.

### **If I do not have a website, do I need to create one to display pricing?**

No. If you do not have a website you must still display prices at each place of business. You must also provide your prices when meeting with potential customers offsite (such as at a person’s home).

### **How can pricing transparency and price comparisons work if some operators are offering ‘hidden discounts’ and others aren’t?**

The pricing template will require operators to add in a line to indicate any discount that is being offered, so that both actual and discounted prices can be compared.