

# Cemeteries and Crematoria Program Newsletter

August 2006

## Introduction

Welcome to the August 2006 edition of the Cemeteries and Crematoria Program Newsletter. This edition provides you with some brief information in relation to current cemetery matters. For more detailed information and guidelines relevant to cemetery operations, please refer to the department's website at: [www.health.vic.gov.au/cemeteries/](http://www.health.vic.gov.au/cemeteries/)

## Cemetery Administration

### Trust Office Holders

It is very important that the department be advised in writing of any changes to trust office holders as soon as possible after the change takes place.

### Trust Member Appointments

Where a trust member whose 5-year term has or is about to expire is not seeking re-appointment, the trust Secretary must advise the department in writing.

## Abstract of Accounts

Abstracts of Accounts for the 2005-2006 financial year are due with the department by 1 September 2006.

An updated form with cover letter is enclosed with this newsletter and has also been posted on the DHS

website. Please note this is a revised form.

*DHS contact: John Bernabo, 9096 5160.*

## Maintenance Grants – 2005 / 2006

Maintenance grants to the total value of \$252,000 have been allocated to 30 small to medium sized cemetery trusts in rural areas of Victoria.

This funding will assist trusts to undertake essential maintenance work in public cemeteries under their control.

*DHS contact: John Bernabo, 9096 5160 or visit:*

[www.health.vic.gov.au/cemeteries/admin/dhsgrant.htm](http://www.health.vic.gov.au/cemeteries/admin/dhsgrant.htm)

## Cemetery Trust Fees

### Approval, Gazettal and listing

All trusts were required to submit their fees lists to the department by 30 Jun 06 for approval under the *Cemeteries and Crematoria Act 2003*.

All fees submitted up to 1 July 2006 have been approved and gazetted. If your trust requires a copy of its approved fees list or gazettal notice, please contact the department.

Approved fees are currently being entered onto the program database for posting on the department's website.

Trusts who have not submitted fee lists:

- Have had their previous fees approved and gazetted,
- Must still submit their fees list to the department for listing on the Internet.

The department is continuing to work with trusts to ensure their fees meet with relevant legislative and competitive neutrality requirements.

### Revised Fees

Revised fee applications can be submitted at any time throughout the year. Written justification for fee changes must be included with the application.

### Fee Format

Note all fees must be rounded up or down to the nearest whole dollar. For example: \$165.01-\$165.49 = \$165.00, \$165.50-\$165.99 = \$166.00).

*DHS contact: Peter Bright, 9096 5159.*

## Native Vegetation Controls and Heritage Overlays

The department has provided \$84,500 to assist five cemetery trusts affected by native vegetation controls and heritage overlays. This funding has enabled the trusts to commission site assessments and develop site management plans and agreements with the Department of Sustainability and Environment (DSE).

This will allow the trusts to operate effectively, whilst preserving native vegetation and heritage values. DHS will work with the five trusts, consultant ecologists, DSE and Heritage Victoria to develop protocols to assist all cemeteries affected by native vegetation and heritage issues.

*DHS contact: Raelene Lesniowska, 9096 5970.*

## Code of Practice

In February 1994 Victoria became a signatory to the 'Competition Principles Agreement', which defines the principle of competitive neutrality (CN). Essentially CN is about ensuring publicly owned entities such as cemetery trusts compete fairly in the market place.

Section 112 of the *Cemeteries and Crematoria Act 2003* (the Act) provides for trusts to sell and supply memorials. Any trust that engages in these activities must ensure they are informed about and comply with CN principles. CN policy breaches may lead to breaches of the *Trade*

*Practices Act 1974*, for which significant penalties apply.

To assist trusts to meet CN obligations, the department facilitated the development of a "Code of Practice relating to the sale and supply of memorialisation goods and services by cemetery trusts and other alternative suppliers in Victorian public cemeteries" (the code).

The code provides trusts with a set of guidelines to ensure they are fully compliant with CN requirements.

In early July copies of the code were distributed to the 20 largest trusts likely to be impacted by CN policy. These trusts have been asked to adopt and implement the code by 30 September 2006. However, if you believe your trust may be impacted by these requirements, please contact the department.

*DHS contact: Anne-Marie Greenfield, 9096 6158. Further information and copies of the code are also available at: [www.health.vic.gov.au/cemeteries/](http://www.health.vic.gov.au/cemeteries/)*

## Auditor General's Review of 13 Large Cemeteries

At the department's request, the Victorian Auditor General's (AG's) Office conducted a review of thirteen large Victorian Public Cemeteries. The report titled "Review of major public cemeteries" was tabled in the Victorian Parliament on 19 July 2006. A direct website link to the report is at:

[www.audit.vic.gov.au/reports\\_of/her/agpccemeteriescv.html](http://www.audit.vic.gov.au/reports_of/her/agpccemeteriescv.html)

Two industry reports mentioned in the AG's report (*Evaluation of the Financial Viability of Victoria's Cemetery Trusts and the Development of Fee Models* prepared by RSM Bird Cameron and the *Victorian Cremation Industry Viability* prepared by Marsden Jacobs and Associates) is at: [www.health.vic.gov.au/cemeteries/](http://www.health.vic.gov.au/cemeteries/)

Following the tabling of the AG's report, the Secretary issued the reviewed trusts a set of directions under the *Cemeteries and Crematoria Act 2003* (the Act). An additional letter was sent to five of the reviewed trusts requesting further information about specific issues raised in the report.

The department is working with the reviewed trusts to ensure the information requests are adequately met and the directions are effectively implemented in accordance with the Act and the Standing Directions of the Minister for Finance.

*DHS contact: Bryan Crampton, 9096 5808.*

## Chart of Accounts

Currently 14 of the larger trusts are subject to a range of reporting and accountability requirements under the *Financial Management Act 1994* and the *Audit Act 1994*. To assist the larger trusts in meeting these reporting requirements, determining appropriate fees for services, and appropriately allocating their costs across their services, DHS engaged consultants Pitcher Partners to work with these trusts and develop and implement a common chart of accounts (COA) structure.

Trial implementation of the chart in the Cheltenham and Fawkner trusts is near completion. Due to some unforeseen delays in the pilot program, full implementation of the Chart of Accounts in other 'large 14 trusts' will be deferred until the commencement of the 2007/08 financial year.

*DHS contact: Anne-Marie Greenfield, 9096 6158.*

## Accounting Policy Matters Relating to Cemetery Trusts

Throughout the course of the COA project (see above), a number of long-standing accounting policy or treatment issues were identified which require resolution at an industry level, including:

- Accounting policy/treatment regarding:
  - Land.
  - Unearned Income.
  - Maintenance provision.
  - Perpetual maintenance reserve.
- Valuation of cemetery reserves and land.

To resolve these issues, DHS is convening a working group to be chaired by the Director Finance and Business Services, DHS and comprising representatives from:

- The CCAV;
- DHS Finance and Business Services Branch and Cemeteries and Crematoria Program;
- The Department of Sustainability and Environment (as needed);
- The Department of Treasury and Finance;
- The Victoria Auditor General's Office; and
- The Victorian Valuer General's Office (as needed).

A letter calling for representatives to participate in this working group was sent to the above list of stakeholders in June. The group is currently being formalised with the intent of first meeting in August 2006.

*DHS contact: Anne-Marie Greenfield, 9096 6158.*

## Presentation at Australian Funeral Directors Association (AFDA) Training Seminar, 31 May

Officers from the Cemeteries and Crematoria Program gave a presentation at a recent AFDA meeting on DHS administrative requirements in regards to exhumations, private religious interments and repatriation of bodies and ashes overseas. The presentation focused on prescribed forms, statutory documents and approval processes.

*DHS contact: John Bernabo, 9096 5160.*

## Cemeteries and Crematoria Program Website

The DHS cemeteries website is regularly updated and provides a wide range of information, guidelines, forms, checklists, publications, related website links and other tools to assist cemetery operations.

To supplement existing resources on this website, DHS will periodically develop fact sheets on specific cemetery issues.

*DHS contact: Peter Bright, 9096 5159.*

## Contact Information

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