



LGNSW SUBMISSION

DRAFT PERPETUAL CARE FRAMEWORK

27 MARCH 2026





Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Employ nearly **50,000 people**



Manage more than **1,800 community & public centres**



Maintain more than **168,000km of roads & bridges**



Manage more than **\$220 billion of community assets**



Recycle **1.75 million tonnes of waste**



Spend more than **\$2.5 billion each year on caring for the environment**



Operate more than **380 libraries that attract tens of millions of visits each year**



Make kerbside waste collections for more than **3.1 million households**



Manage an estimated **4 million tonnes of waste each year**



Spend more than **\$2.4 billion on culture and recreation**

Local Government NSW acknowledges and pays respect to the Traditional Owners of the lands on which we work, and the lands we travel through. We also acknowledge our Elders – past, present and emerging.

TABLE OF CONTENTS

INTRODUCTION	4
LGNSW POSITION	5
KEY ISSUES	5
Co-design approach with councils	5
Implementation timeframes	6
Duplication and unnecessary bureaucracy	7
Financial sustainability of perpetual care.....	8
Regulatory Approach.....	10
Collection of Levies	10
CONCLUSION	11
RECOMMENDATIONS.....	12

INTRODUCTION

Local Government NSW (LGNSW) is the peak body representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in NSW.

LGNSW welcomes the opportunity to provide feedback on Cemeteries & Crematoria NSW's (CCNSW) *Perpetual care and the future of cemeteries: Draft Perpetual Care Framework for consultation*.

Councils play a significant role in the cemetery and crematoria sector, particularly in regional and rural NSW, where councils manage the majority of cemeteries. According to the CCNSW 2024-25 activity report, councils operated 1,010 cemeteries in NSW, equating to 65% of all cemeteries. Of these, 661 are active and 350 inactive. The majority (955 cemeteries) are based in rural and regional NSW, with the remaining fifty-five located in metropolitan Sydney. Councils also operate five crematoria in rural and regional NSW.¹ Overall, councils manage the largest amount of land dedicated to cemetery purposes of any provider in the state.

LGNSW supports the objective of ensuring cemeteries across NSW are managed with dignity, respect, and long-term strategic planning. However, the perpetual care framework discussion paper does not provide sufficient detail to determine how the framework will operate with local governments' existing regulatory requirements. The consultation would benefit from a genuine co-design process with councils, more realistic implementation timeframes, and clarity on regulatory and administrative expectations.

This submission takes a broad view of the implications of the proposed framework. The positions outlined are informed by existing LGNSW policy, as well as feedback from councils seeking a more enabling and proportionate regulatory approach that supports sustainable, long-term outcomes for council-operated cemeteries.

This submission is guided by the NSW Government's Better Regulation principles, including proportionality, necessity, and regulatory efficiency, ensuring that any regulatory change delivers benefits that clearly outweigh the costs.²

¹ [CCNSW Activity Report 2024-25](#)

² [TPP19-01 Guide to better regulation](#)

This submission was endorsed by the LGNSW Board in April 2026.

LGNSW POSITION

LGNSW's long-standing advocacy on cemetery management emphasises that reforms must be practical, proportionate and properly resourced. Councils operate the majority of cemeteries across NSW, many of which are low-volume or inactive, and already meet significant planning, asset-management and reporting obligations. LGNSW maintains that new regulatory requirements should not duplicate existing responsibilities, impose unfunded liabilities or proceed at a pace that exceeds council capacity. Councils seek to offer respectful and dignified interment services at affordable prices to their communities. Any increased NSW Government regulatory impost on council cemeteries may have to be funded through increased interment fees – a situation councils hope to avoid.

A sustainable approach requires realistic timeframes, alignment with established local government planning and reporting processes and adequate funding support, rather than additional layers of regulation.

KEY ISSUES

LGNSW supports the objectives of ensuring cemeteries are managed with dignity, respect for culture and religion, are financially sustainable and are maximised for public value. The introduction of any mandatory Perpetual Care Framework or further regulatory requirements must not increase administrative burden, create unfunded financial liabilities, or duplicate existing local government planning or reporting frameworks.

Co-design approach with councils

The introduction of the Industry Interment Scheme (IIS) has resulted in significant regulatory obligations on councils to date. The increased regulation of local government cemeteries is costly to administer and comply with and is not proportionate to the issues the IIS is seeking to address (as required by the NSW Government's Better Regulation principles).

It is positive that CCNSW is moving away from the suggestion that cemetery operators should be required to ring fence funding for perpetual maintenance of cemeteries,

noting that this one-size-fits-all approach to regulation does not reflect the unique financial and regulatory context of local government.

LGNSW asks that CCNSW adopt a genuine co-design approach for perpetual care with councils, ensuring consultation considers the local government context.

The *Perpetual care and the future of cemeteries - draft Perpetual Care Framework* has potential implications for multiple areas of councils' functions including asset management, community consultation, land use planning, and financial planning and requires input from internal council teams as well as the broader community. How the framework will interact with council functions is not clear with the limited scope of consultation paper. It is particularly unclear how councils' financial planning obligations will operate in the context of perpetual care. LGNSW seeks further collaboration to design a system that does not unduly burden councils.

Since the roll out of the IIS council cemetery operators have demonstrated they are willing partners in reform and have engaged with CCNSW when opportunities have arisen. CCNSW should continue to engage with councils, including with councils' executive leadership with respect to resourcing, financial sustainability and perpetual care.

Recommendation 1: That the NSW Government collaborate with councils on any policy frameworks affecting council-managed assets through a genuine co-design process.

Implementation timeframes

There is no demonstrated immediate need for the short timeframes proposed in the draft framework, which seeks to finalise the framework by mid-2026 and commence new regulatory requirements in 2027. The issues the framework addresses are long-term in nature, and no evidence has been presented of any urgent risk that would justify fast-tracking significant new obligations, particularly given the scale and pace of reforms already underway. Implementing these regulatory changes without adequate lead time would create avoidable administrative burden and cost inefficiencies, as councils must integrate any new requirements into existing planning, budgeting and annual fee-setting processes.

Councils require sufficient time to update their plans, undertake community consultation and secure necessary budget allocations and council resolutions. They are already managing significant financial pressures from rising service demands, rate-pegging constraints and ongoing cost shifting, which limits their capacity to absorb sudden cost increases. Without a realistic transition period, councils may be placed in a position where compliance is not feasible. LGNSW therefore recommends a transition period of up to three years to support effective, transparent and financially sustainable implementation.

Recommendation 2. That the NSW Government provides a transition period of up to three years to allow councils to implement the Perpetual Care Framework in a planned and sustainable manner.

Duplication and unnecessary bureaucracy

Councils already operate in a heavily regulated environment and undertake strategic, financial, and asset-based planning that address the long-term management of community assets, including cemeteries. Councils are responsible for complying with more than 50 pieces of legislation and work directly with more than 20 NSW and Commonwealth Government agencies.³

In 2020, IPART's Review of the costs and pricing of Interment recognised this regulatory burden and advised that further duplication of council processes should be avoided, recommending that cemetery-related reporting be consolidated through existing local government systems rather than new standalone mechanisms.⁴ Despite this, subsequent reforms introduced through the IIS, required local government operators to undertake additional, separate, and more detailed regulatory reporting directly to CCNSW.

A similar pattern is now emerging with the draft Perpetual Care Framework, which proposes new requirements that duplicate processes councils already undertake. Councils already prepare Plans of Management for all land classified as community land under the *Local Government Act 1993*. Section 36 of the Act states that a council must prepare a draft plan of management for community land, and these plans set out the permissible uses, objectives, and management approach for each parcel of land.

³ [IPR - Handbook](#)

⁴ [Review of the costs and pricing of Interment in NSW- Final report 2020](#) pg. 94

Introducing parallel planning or reporting requirements through the framework would replicate existing statutory processes and place further unnecessary pressure on councils.

Examples of some of the recent detailed plans and strategies relevant to their assets and community histories, places and demographics, include Narrandera Shire Council, [Historical Cemetery Site Narrandera- Plan of Management 2025](#) and Queanbeyan-Palerang Regional Council [Cemeteries Strategy 2024-2029](#).

Given that Plans of Management are already a legislated requirement of the *Local Government Act*, it is appropriate for the NSW Government to provide a transitional period. This would allow councils to update their existing Plans of Management to reflect any new expectations within the draft framework, rather than requiring new plans or additional processes.

Recommendation 3. That the NSW Government accept a Plan of Management from local government cemetery operators that addresses the objectives of the Perpetual Care framework, rather than a separate Perpetual Care Statement.

Financial sustainability of perpetual care

The draft Perpetual Care Framework identifies financial sustainability as a core objective, yet it provides no financial model, funding pathway or long-term cost assumptions to explain how operators are expected to resource perpetual care, particularly for inactive cemeteries that generate no revenue. While the framework signals an expectation that operators will plan and fund perpetual maintenance indefinitely, it offers no mechanism to support this requirement and does not account for the financial constraints councils face. This risks creating significant unfunded liabilities for local government.

LGNSW reiterates its longstanding position that councils cannot keep absorbing new financial responsibilities without appropriate funding support. Many council-managed cemeteries are legacy assets established without perpetual care reserves and generate limited or no revenue. IPART's Review noted that councils will inherit the largest share of legacy costs from past interments who were never charged a fee for maintenance in perpetuity, estimating that councils carry 46%, totaling \$768 million⁵.

⁵ [Review of the costs and pricing of Interment in NSW- Final report 2020](#) page 34

Against this backdrop, the draft Perpetual Care Framework remains aspirational and principle-based, signaling intent rather than providing guidance, tools or costings. Councils are seeking clarity on what level of long-term financial planning is expected and what evidence CCNSW will require. It is unclear whether existing IP&R-based financial planning obligations would be sufficient.

LGNSW reiterates its strong opposition to any mandated ring-fencing of funds for perpetual care obligations. Local government already has multiple existing perpetual maintenance responsibilities, including parks, roads, footpaths, bridges and community infrastructure. Local government, unlike other cemetery operators, also has income sources that are also effectively perpetual, including rating income and Financial Assistance Grants. The maintenance of council cemeteries, like other council lands and infrastructure, is already planned for as part of existing local government responsibilities, and this must be taken into account prior to imposing any duplicative or overlapping regulatory requirements.

It is also unclear how volunteer-supported maintenance, which remains an important but inherently uncertain resource for many rural cemeteries, would be recognised within perpetual-care assessments.

Without clear guidance on how CCNSW will regulate funding expectations and without acknowledgment of the statutory and financial framework councils already operate within, the framework risks imposing obligations that cannot be met sustainably.

Recommendation 4. That the NSW Government must not mandate any ring fencing of funds for perpetual maintenance of council cemeteries, recognising that this is inappropriate for the local government financial and regulatory context.

Recommendation 5. That the NSW Government clearly articulate the financial expectations associated with the Perpetual Care Framework, including the level of long-term financial planning required and the evidence operators must provide, before any regulatory requirements commence.

Recommendation 6. That the NSW Government assess whether existing local government planning and asset management processes already meet the objectives of the Perpetual Care Framework and, where they do, exempt councils from additional requirements or support them to develop perpetual care financial strategies aligned with community expectations and resourcing capabilities.

Recommendation 7. That the NSW Government provide non-binding guidelines, or financial models tailored to local government to assess the direct and indirect costs involved in perpetual maintenance, without impinging on council investment and expenditure autonomy.

Regulatory Approach

The discussion paper notes that CCNSW will review Perpetual Care Statements to assess the degree of operator preparedness and will determine if further regulation is necessary. LGNSW strongly supports a proportionate, risk-based, and collaborative regulatory approach. Councils have demonstrated a willingness to engage constructively with CCNSW and to improve practices where required. A punitive approach is unlikely to deliver better outcomes, risks undermining trust between the regulator and councils, and is likely to result in increased costs being passed onto the bereaved.

Council cemetery operators continue to report increased workloads arising from the additional reporting, compliance and administrative requirements introduced through the IIS. The pace and volume of new expectations, combined with the need to track frequent updates and attend multiple consultations, are placing significant strain on already stretched operational teams, particularly in the absence of additional resources.

Recommendation 8. That the NSW Government prioritise proportional regulation, pause or stage the introduction of further requirements, and provide support and guidance to ensure operators can meet existing obligations before any new compliance measures are introduced.

Collection of Levies

LGNSW does not support councils being required to act as levy administrators on behalf of the NSW Government. This function places additional administrative burden and risk for councils, without delivering any corresponding benefit to local communities.

LGNSW supports the principle of equity and expects that, where levies are collected from not-for-profit cemetery operators (including councils), CCNSW's regulatory

activities, guidance and sector support should be proportionate to the needs of those operators. It is important that levy revenue collected from the not-for-profit sector is used in a way that supports and strengthens that sector, rather than being directed primarily toward addressing issues within operator cohorts where most complaints arise.

Recommendation 9. That the NSW Government exclude councils from administering NSW Government cemetery levies on behalf of the NSW Government.

Recommendation 10. That, if the NSW Government does not remove the levy on councils, collected funds should be transparently reinvested to support not-for-profit cemetery operations in NSW.

CONCLUSION

LGNSW supports reform that strengthens the long-term sustainability of cemetery operations and delivers better outcomes for communities. To be effective, however, reform must be realistic, proportionate, and appropriately resourced. Any new obligations relating to perpetual care must respect the existing statutory planning, financial and asset-management frameworks councils already operate within and must be developed with an understanding of local needs, community expectations and available resourcing.

Councils are committed to working constructively with CCNSW and the NSW Government and advocate for a genuine co-design approach to the perpetual care framework. A collaborative process that avoids duplication of existing council processes, provides clear guidance, and introduces requirements at a sensible pace will support successful implementation and reduce the regulatory pressures councils are currently experiencing. This approach will ensure that reforms are practical, sustainable and capable of delivering meaningful, long-term benefits for communities across NSW.

For any questions relating to this submission, please email:
communitypolicy@lgnsw.org.au

RECOMMENDATIONS

Recommendation 1: That the NSW Government collaborate with councils on any policy frameworks affecting council-managed assets through a genuine co-design process.

Recommendation 2. That the NSW Government provides a transition period of up to three years to allow councils to implement the Perpetual Care Framework in a planned and sustainable manner.

Recommendation 3. That the NSW Government accept a Plan of Management from local government cemetery operators that addresses the objectives of the Perpetual Care Framework, rather than a separate Perpetual Care Statement.

Recommendation 4. That the NSW Government must not mandate any ring fencing of funds for perpetual maintenance of council cemeteries, recognising that this is inappropriate for the local government financial and regulatory context.

Recommendation 5. That the NSW Government clearly articulate the financial expectations associated with the Perpetual Care Framework, including the level of long-term financial planning required and the evidence operators must provide, before any regulatory requirements commence.

Recommendation 6. That the NSW Government assess whether existing local government planning and asset management processes already meet the objectives of the Perpetual Care Framework and, where they do, exempt councils from additional requirements or support them to develop perpetual care financial strategies aligned with community expectations and resourcing capabilities.

Recommendation 7. That the NSW Government provide non-binding guidelines, or financial models tailored to local government to assess the direct and indirect costs involved in perpetual maintenance, without impinging on council investment and expenditure autonomy.

Recommendation 8. That the NSW Government prioritise proportional regulation, pause or stage the introduction of further requirements, and provide support and guidance to ensure operators can meet existing obligations before any new compliance measures are introduced.

Recommendation 9. That the NSW Government exclude councils from administering NSW Government cemetery levies on behalf of the NSW Government.

Recommendation 10. That, if the NSW Government does not remove the levy on councils, collected funds should be transparently reinvested to support not-for-profit cemetery operations in NSW.