
INDEPENDENT INVESTIGATION INTO GOVERNANCE AND OPERATIONAL CONCERNS AT THE ROOKWOOD GENERAL CEMETERIES RESERVE TRUST

The Minister for Primary Industries and Minister for Lands and Water directed investigation into governance and operational concerns at the Rookwood General Cemeteries Reserve Trust (RGCRT) following representations from community stakeholders and RGCRT Board members.

Terms of reference for the investigation were provided to Government's industry regulator Cemeteries and Crematoria NSW (CCNSW) to conduct an investigation into the concerns that included key stakeholders and the RGCRT.

Independent consultants conducted an evidence-based and consultative investigation that provided a report with recommendations to address issues and findings.

The NSW Government has considered and endorsed the conclusions and all recommendations of the investigation.

The key government response is to appoint an administrator for a period of 12 months to implement the recommendations of the independent report, and to ensure RGCRT operations and service delivery continue uninterrupted.

The NSW Government support for recommendations is outlined in the table below, along with responsibility for implementation of each of those recommendations. The NSW Government also supports strategic actions to give effect to the conclusions in the Report.

The majority of recommendations are matters for the Trust and will be implemented by the newly appointed RGCRT Administrator with the assistance of the NSW Government, where required.

The RGCRT Board was provided with opportunity to consider and respond to interim findings and this response was evaluated in the report and any warranted amendments were made.

The full Investigation report will be released via the CCNSW website, in the public interest, with brief redactions for privacy and legal reasons.

The Administrator will be supported by an advisory group that will include key faith-based stakeholders, as well as finance and community engagement skills and resources, and is empowered to access such skills and resources as the Administrator may require.

The NSW Government's response and coordinated action by the Administrator and CCNSW will ensure that RGCRT is on a sustainable footing, while improving services and community engagement.

CCNSW will play a key role in supporting administrator and responsible for several recommendations.

| TOPIC | RECOMMENDATION OF THE INDEPENDENT INVESTIGATION | GOVERNMENT RESPONSE | COMMENT | RESPONSIBILITY |
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| 3.1.10 Compliance with the Act | All meetings of the board are to be minuted and all papers tabled at meetings are to be incorporated as part of the full record of each meeting. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | An appropriate penalty be applied to the Trust for this breach of the Act. | Supported | CCNSW to consider and address | CCNSW |
| 5.3 Concerns expressed by the Lebanese Muslim Association and the Jewish Board of Deputies | The Trust work closely with cultural and faith groups when considering changes to established practices. Existing cultural and religious practices are to be identified, understood and documented in collaboration with stakeholders as burial policies are prepared. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.7 & 6.3 & 4.1.2 Introduction of new pricing model | Withdraw the existing stalled pricing strategy and in consultation with a wide range of stakeholders prepare a pricing policy that: <ul style="list-style-type: none"> ▪ reflects all the objects of the Act ▪ demonstrates a balance between securing financial sustainability and achieving community obligations ▪ is benchmarked against the Northern, Southern and Catholic Cemeteries Metropolitan Trusts, and if required, is reviewed by an independent body such as IPART ▪ When future pricing is being reviewed, a detailed consultation program is developed and implemented prior to pricing levels being finalised for a board decision ▪ Has a detailed section outlining risk to the Trust. | Supported | RGCRT Administrator to consider and address CCNSW to review pricing policy and structure for compliance with the Act prior to any price increases. | RGCRT |
| | For price rises beyond CPI style increases the IPART engagement requirements for Councils should serve as a guide to the nature and extent of consultation. | Supported | RGCRT Administrator to consider and address | RGCRT |

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| 2.1 Trust staff and reporting structure | <p>The rationale for the revised structure needs to be explained to the board by the Chair.</p> <p>Any changes in structure should be agreed to by the full board as per Item 15 Delegations of Authority.</p> | Supported | RGCRT Administrator to consider and address | RGCRT |
| | <p>If the new structure is to remain:</p> <ul style="list-style-type: none"> ▪ The role of the Chair section of the charter should be revised to define the extent of the Chair’s executive decision making power and any requirements for consultation with fellow board members. ▪ Measures to ensure the independence of role of the Chair of the Risk and Audit Committee be reviewed and possibly augmented. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 2.2 Board appointments | <p>That the Government through either a CCNSW Guideline or Schedule to the Act provide for the Minister to appoint a specified minority of Board members who are to be drawn from members of the major religious communities that the RGCR or for that matter any Trust serves, and that:</p> <ul style="list-style-type: none"> ▪ appropriate nomination mechanisms by those communities are set out ▪ guidance is provided to assist these groups and others manage potential conflicts of interest and understand a nominee board member’s requirement to act to secure the best interests of the Trust while also managing any responsibilities to nominating organisations. <p>The Government may also wish to consider requiring other specialist knowledge, for example, business, heritage, community service provision or cross cultural community engagement as prerequisites for board membership.</p> | Supported in principle | <p>To be investigated with further advice provided to the Minister for consideration</p> <p>Trust Board membership is already considered on a range of skills and representational criteria.</p> | CCNSW and DPI - Lands |

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| | A multi faith and multicultural stakeholder liaison group be established to provide a structured conduit between community and faith groups to the board. | Supported | Administrator and CCNSW implement Advisory Group | RGCRT & CCNSW |
| 2.2.1 Board vacancies | Depending on option chosen by the Minister, should the Board remain in its present form the Minister undertakes a fresh appointment processes to fill the two RGCRB Board vacancies and that the positions be readvertised. Specific skills being sought include: <ul style="list-style-type: none"> ▪ governance ▪ financial management ▪ community service provision ▪ stakeholder engagement with an emphasis on working in a multicultural environment. | No longer required | Suitably qualified administrator to be appointed to manage affairs of the Trust for period of 12 months. Trust positions are planned to be then advertised. | CCNSW & DPI - Lands |
| | That the appointment process is at arm’s length from the RGCRB <ul style="list-style-type: none"> ▪ CCNSW take a lead role in the recruitment process ▪ Given the present division within the board there be no Trust board involvement in the final selection of board members. | No longer required | Suitably qualified administrator to be appointed to manage affairs of the Trust for period of 12 months | CCNSW |
| | That any ex officio board appointments are in line with the Act and the Department of Premier and Cabinet and Public Service Commission guidelines for government board and committee appointments. | Supported | Future ex officio appointments will be in accordance with this recommendation | CCNSW |
| 2.2.2 Record of nominee board members | The current board has only 17 months of remaining tenure and is marked by significant divisions that have not been able to be resolved. The present board is not functional in its current form. We recommend that CCNSW put forward to the Minister a range of | Supported | Suitably qualified administrator to be appointed to manage affairs of the Trust for | CCNSW & DPI – Lands |

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| | options available under the Act to provide for ongoing oversight and direction of the Trust’s long term and day to day operation until the review into future governance arrangements for the entire Rookwood Cemetery is complete. | | period of 12 months | |
| | CCNSW appoints an independent convenor to work with the Administrator / Chair, LMA, JBD and others who had an active role in the reform and amalgamation discussions to develop an agreement that reflects the varied understandings of the conditions to which these groups consented to the amalgamations. | Supported | RGCRT Administrator, assisted by CCNSW, consider, address and coordinate recommended outcomes | RGCRT CCNSW |
| | An improved system of tracking decisions and actions agreed to by the board be developed and any changes or delays in implementing these be registered for board review). | Supported | RGCRT Administrator to consider and address | RGCRT |
| | There be full status updates on all activities related to Lot 10 to ensure the Board has a clear picture of proposed works, timing and budget. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 2.2.3 Role of nominee board members within the introduction of new pricing and land purchase | The overall land strategy including “infill” sites at Rookwood, remaining land at Rookwood and the status of potential land purchases be reaffirmed at a board level. This should take into account the suitability of land for all faith and cultural groups including the Jewish and Muslim faiths. | Supported | RGCRT Administrator to address overall land strategy as a high priority. | RGCRT |
| | Procedures for proxy votes are not addressed in the Charter. If proxy votes are permissible then to ensure transparency proxy votes should be written, signed and kept as part of the full record of the meeting. | Supported | RGCRT Administrator to consider and address | RGCRT |

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| 3.1.1 Frequency and conduct of board meetings | Given the pressing issues to be addressed by the board at this point the RGCR board should be meeting at least nine times each year. | Supported | RGCR Administrator to consider and address | RGCR |
| | Delegations be reviewed and updated as the current ones are dated 2014. | Supported | RGCR Administrator to consider and address | RGCR |
| | There should be an improved focus on prioritising and allocating time for full discussion of critical agenda items. | Supported | RGCR Administrator to consider and address | RGCR |
| 3.1.2 Behaviour in meetings | The findings of this new independent investigation being undertaken by the Trust should be considered by the Minister as another input in assessing the overall functionality of the board, the performance of board members and relationships between board members and the executive of the Trust. | Supported | Resolution of specific issues is internal RGCR matter, the issue for Minister is no longer required | RGCR |
| | All board members and executive staff undergo “anti-bullying” training. | Supported | RGCR Administrator to consider and address | RGCR |
| 3.1.3 Quality of board and committee meeting papers | <p>All board papers and presentations (with the exception of instances of urgent business matters) to be sent out at minimum one week in advance. This includes confidential documents.</p> <p>A model evidence based board paper should be developed to guide staff and committees. This should include:</p> <ul style="list-style-type: none"> ▪ a definition of the problem and how the initiative or policy fits within the business and strategic plan ▪ analysis of the main options considered and an objective assessment of their relative strengths, weaknesses and risks and consistency with the all the objects of the Act | Supported | RGCR Administrator to consider and address | RGCR |

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| | <ul style="list-style-type: none"> ▪ an outline of the respective implications of each option for the Trust, customers and the community ▪ reasons for recommending a preferred option ▪ inclusion of appendices with details of assumptions and any calculations underpinning the options. | | | |
| 3.1.4 Quality of board meeting minutes | Confidence in the accuracy of minutes could be improved by implementing a protocol whereby the resolution and any commentary or qualifications are read back to the meeting prior to finalisation and when voted upon, a short summary of reasons for support and in the case of votes against, the reasons for dissent, is also minuted. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | Once a draft version of the minutes is sent, it should be the version that is discussed at the meeting and where required amended within the meeting prior to being adopted. Having multiple versions of these documents does not add to board members' confidence in the accuracy of the minutes. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | If discrepancies or inaccuracies are identified, board members should be more active in amending the minutes in the subsequent meeting before they are approved. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | The discrepancy between the minuted comments and Mr Roughley's assessment in his report be revisited during the forensic audit. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.5 Committee meetings | Administrative processes and practices are the same for all committees and committee chairs. | Supported | RGCRT Administrator to consider and address | RGCRT |

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| | Individual committee charters be revised to ensure agendas and relevant reports to support committee meetings are sent at minimum one week prior to meetings to enable full preparation, informed discussion and full participation in meetings. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | If a full report cannot be provided in advance the committee chair be verbally briefed on the content of the report by the CEO or relevant director to ensure that they can effectively focus and direct committee discussion and deliberations. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | Except in extraordinary circumstances confidentiality should not be an excuse to avoid providing documents in advance of meetings. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.6 Board committee charters and code of conduct | That the new draft charter/corporate governance manual be subject to a full board discussion prior to it being decided upon. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | That the charter conforms to relevant government guidelines. | Supported | RGCRT Administrator to consider and address. CCNSW to review charter | RGCRT |
| | That one current version of the board and all committee charters along with a board code of conduct and this document be available on the Trust's website. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.7 Board confidentiality | The board develop guidelines for confidentiality within the code of conduct. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.8 Board members' interaction with staff | There is currently no guidance within the existing code of conduct for board members around their specific interactions with staff. This should be developed and equitably applied. | Supported | RGCRT Administrator to consider and address | RGCRT |

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| 3.1.9 Trust Board Secretary | <p>That appointment of the Secretary be subject to full board discussion and decision.</p> <p>That if secretariat services are to continue to come from within the Trust, the corporate governance manual be revised to:</p> <ul style="list-style-type: none"> ▪ Provide greater guidance around the potential for conflicts of interests where the Secretary is a member of the executive and to ensure the CEO, the executive and the Secretary are all aware of the independence of their respective roles ▪ Outline in detail the processes to ensure confidentiality and security of board discussions and documents. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | <p>Alternatively recruit a suitably qualified company secretary:</p> <ul style="list-style-type: none"> ▪ from within the Trust who is not a member of the executive team ▪ from outside the Trust. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.1.11 Annual reporting | <p>The full annual report is formally presented to the Board for discussion and approval.</p> | Supported | RGCRT Administrator to consider and address | RGCRT |
| | <p>That while material within annual reports may be used to assist with marketing and education this is an ancillary function and not the primary purpose of an annual report and these functions should not be merged.</p> | Supported | RGCRT Administrator to consider and address | RGCRT |
| | <p>Future annual reports fall in line with those for statutory bodies by conforming to the 2015 Annual Report Checklist released by NSW Treasury.</p> | Supported | RGCRT Administrator to consider and address CCNSW to assist and oversee. | RGCRT |
| | <p>The RGCRS should be able to account for all expenses related to preparing and producing the annual report as a single line item.</p> | Supported | RGCRT Administrator to consider and address | RGCRT |

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| | Guidelines be prepared to direct staff attendance and travel related to events such as award ceremonies. As with other government entities where consultants attend these events it should be at their own expense. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 3.2 RGCRT Strategic Plan | That where the objects of the Cemeteries and Crematoria Act 2013 are cited by the Trust, for completeness and accuracy all the objects are duly reflected. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 4.1.1 Overall engagement by the Trust | The Trust develops a community and stakeholder engagement strategy. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | This strategy is independent of plans overseeing customer service, marketing and promotional activities. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | Consideration be given to establishing an external community liaison group with representatives of major faith and community groups to provide diverse, structured and regular feedback to the Trust and the Board. | Supported | RGCRT Administrator to consider and address | RGCRT |
| | Multicultural NSW be approached to assist and/or review those elements of the plan that relate to engaging culturally and linguistically diverse communities. | Supported | RGCRT Administrator to consider and address | RGCRT |
| 4.1.2 Engagement around the new pricing model | When future pricing is being reviewed a detailed consultation program is developed and implemented prior to pricing levels being finalised for a board decision. | Supported | RGCRT Administrator to consider and address | RGCRT |

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| 5 Respect by the RGCR for different religious requirements | Develop a community and stakeholder engagement strategy that is independent from a marketing plan. This strategy should outline: <ul style="list-style-type: none"> ▪ the formation of a multi-faith and multicultural community liaison group ▪ the implementation of a schedule of regular meetings to develop stronger relationships with major faith groups and faith based burial services. | Supported | RGCR Administrator to consider and address | RGCR |
| | With the assistance of Multicultural NSW, create a Multicultural Plan in accordance with the Premier’s Memorandum M2012-19. | Supported | RGCR Administrator to consider and address CCNSW to assist and oversee. | RGCR |
| | In cooperation with Multicultural NSW and Rookwood’s major cultural and faith groups provide cultural competency training for all board and staff members across the organisation. | Supported | RGCR Administrator to consider and address | RGCR |
| | The RGCR seek advice about the EEO implications of faith based section managers. | Supported | RGCR Administrator to appoint managers for each of the faith-based sections with sufficient autonomy to ensure that RGCR meets the religious and cultural needs of the sections. | RGCR |
| 6 Sustainable burials and pricing observations | Pricing for double burials be considered as part of a full pricing review that involves in-depth consultation with a broad range of community stakeholders. | Supported | RGCR Administrator to consider and address | RGCR |

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| | It is recommended that matters related to claimed cross subsidisation be explored in any future pricing review. | Supported | RGCRT Administrator to consider and address CCNSW to assist and oversee. | RGCRT |
| | Withdraw the existing stalled pricing strategy and in consultation with a wide range of stakeholders prepare a pricing policy that: <ul style="list-style-type: none"> ▪ reflects all the objects of the Act ▪ demonstrates a balance between securing financial sustainability and achieving community obligations ▪ is benchmarked against the Northern, Southern and Catholic Cemeteries Metropolitan Trusts, and if required, is reviewed by an independent body such as IPART. | Supported | RGCRT Administrator to consider and address. CCNSW to review pricing policy and structure for compliance with the Act prior to any price increases. | RGCRT CCNSW |
| | When future pricing is being reviewed a detailed consultation program is developed and implemented prior to pricing levels being finalised for a board decision. | Supported | RGCRT Administrator to consider and address | RGCRT |