

The North/South Funeral Divide

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June 29TH 2016



IN THE NEXT 20 MINS...

Royal London National Funeral Cost Index 2015/6

Rising Funeral Costs

Weaknesses of the state safety net

Developments arising from public affairs work

Policy makers response to date

The North/South Funeral divide

If nothing changes... a warning for us all

Changes that still worthy of fighting for



2014 - 2016 NATIONAL FUNERAL COST INDEX

- **The most comprehensive annual study relating to rising funeral costs, and the factors responsible.**
- **Funeral Costs by Country, County and c275+ postcode locations throughout the UK.**
- **Using same methodology; aggregating ICCM , YouGov , Yourfuneralchoice.com data**



2016

Coming soon...



2016

“Keeping the faith...”

National Funeral Cost Index 2016;

- **Our comprehensive cost data, plus a preliminary glimpse at:**
- **The richness and diverging cultural approach to funerals across the UK, across different faith groups and our increasingly secular society.**
- **But first 2015...**

2015 Results



NATIONAL FUNERAL COST INDEX **2015**

NON-DISCRETIONARY COSTS

Funeral Costs **£3702 +3.9%**

- Burial £1645/£2698(resident/non)
- Cremation £683
- Doctors Fees £164
- Ministers Fees £131(average)
- Funeral Directors £2334**

DISCRETIONARY COSTS

- Coffins £989
- Limousines £291
- Obituary/Funeral Notices £75-87
- Flowers £144
- Venue £317
- Catering £424
- Memorial £928





National Funeral Cost Index

2016

Sneak Preview



NATIONAL FUNERAL COST INDEX

2016 Funeral Costs - 2015

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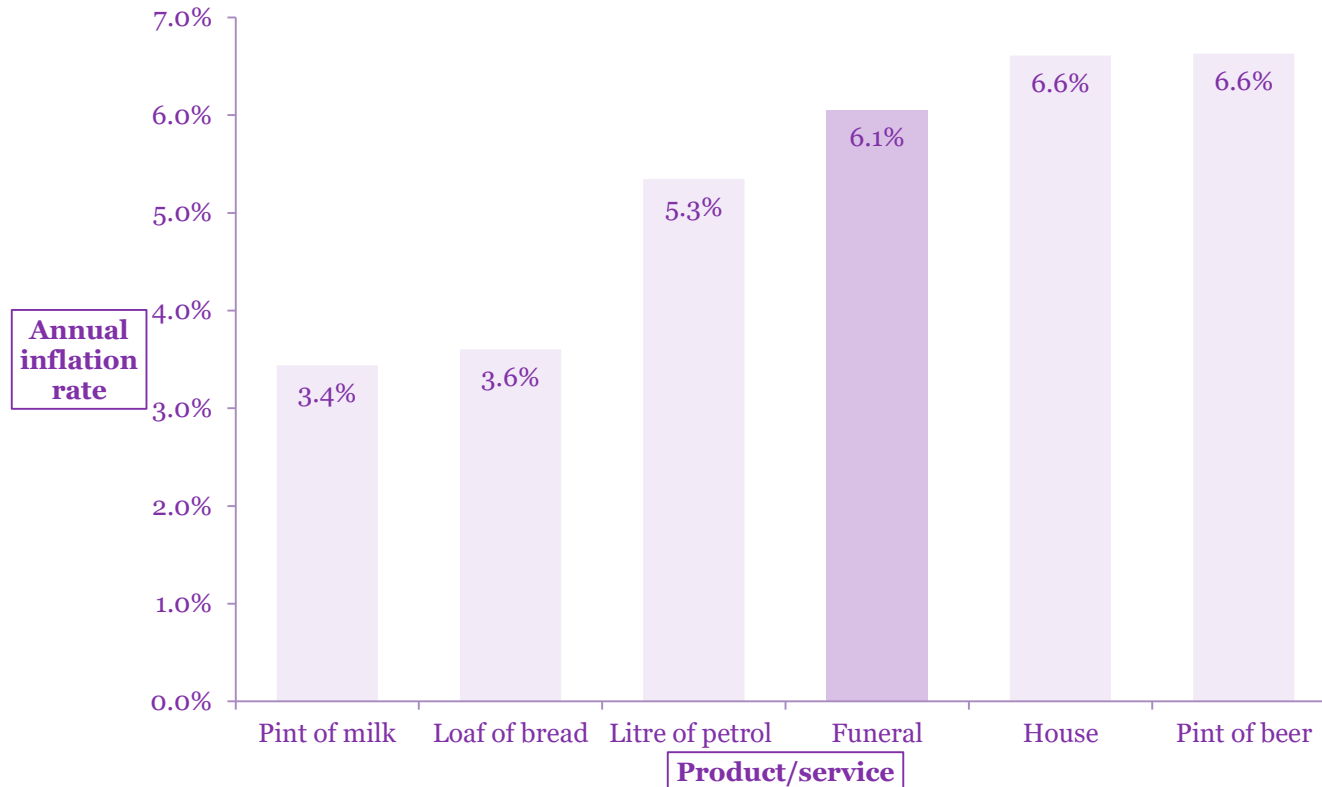
• Memorial £928



RISING FUNERAL COSTS

- Since 1980 funeral costs have risen from £473 to £3,702 (x8)
- Bread & Milk (x 3), Petrol (x 6) .
- Only a house and a pint have risen more (x9)

Annual inflation rates (1980-2015)

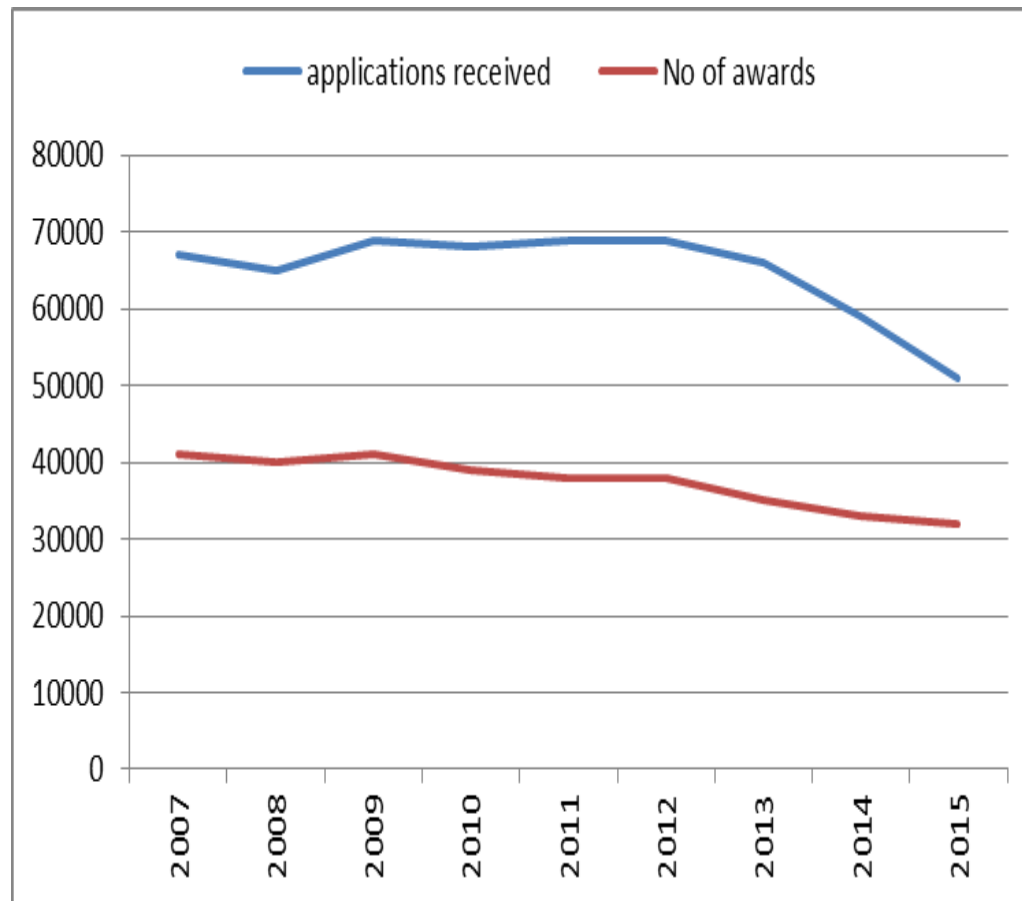




Keeping
this
issue in
the
public
eye

FUNERAL POVERTY SOCIAL FUND HELPING LESS PEOPLE

Social Fund Funeral Payments



- **Funeral costs up**
- **Awards down, why?**
 - **Improved economy?**
 - **Belt tightening?**
 - **FDs directing to PHFs?**
 - **Consumers choosing PHFs?**
 - **Change to DWP processes?**
- **Rise in PHFs?**

Social Fund Funeral Payments -2015

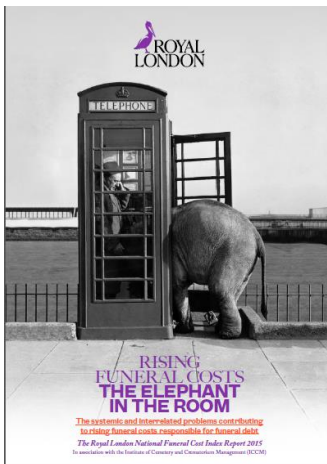
- **Incredibly important/increasingly inadequate**
- **Awards declining**
- **Average award up £1375 (vs retail cost of £3702)**
- **New data expected in July**
- **Weaknesses, now well documented**
 - **Application and eligibility complex**
 - **Flawed process**
 - **Eroding value**
 - **Slow response**

FUNERAL POVERTY HEADLINES AND PRESSURE GROUPS



Funeral Poverty Alliance

A pressure group led by Quaker Social Action, comprising key consumer groups, market experts and academics



Royal London National Funeral Cost Index

The most comprehensive annual study relating to rising funeral costs, and the factors responsible.



**What
progress
has
been
made?**



NORTH/SOUTH FUNERAL DIVIDE **SCOTLAND OFF THE BLOCKS**

- **The Burial and Cremation Bill (Scotland) passed 03/16**
 - Sensitive re-use of abandoned graves
 - Adoption of SFFEP
 - Potential licensing of Funeral Directors
 - Scottish Funeral Bond
- **Doctors fees removed**



NORTH/SOUTH FUNERAL DIVIDE WESTMINSTER CAUGHT IN TRAFFIC

Select Committee Enquiry

- Report recommendations echoed a lot of the findings covered in our report,



Select Committee Enquiry Findings

- 1. The cap on “other costs” has devalued the SFFEP.**
- 2. Recommendations on “negotiating a reasonable cost of and items required for a simple funeral”, with funeral directors agreeing to this being signposted.**
- 3. Regulations to be amended to set out the essential items of a simple funeral, the capped element as negotiated with the funeral industry and index linked.**
- 4. Recommendation to refer to the Competition and Markets Authority to address the combination of factors driving up costs.**

FUNERAL POVERTY SELECT COMMITTEE ENQUIRY REPORT FINDINGS

Select Committee Enquiry Findings

5. Introduction of an **eligibility checker**.
6. **Application to be shortened and simplified**, clarifying if close relative available no award provided.
7. DWP to **review whether bar for assessing other relationships is set too high**, preventing some claimants.
8. Wider communication and signposting to SFFEP (hospices, hospitals etc.).
9. **UK Govt should follow pathway set by Scotland**, to tackle systemic causes of inflation, and reduce funeral poverty.
10. Bereavement benefit reforms welcomed but three areas still to tackle, **co-habiting couples** with children, length of **Bereavement Support Payment (BSP)** , interactions with Universal Credit.

Select Committee Enquiry Findings

11. Penalising children on grounds of marital status is unjust.
12. Recommend that the **BSP extended to co habiting couples with dependent children.**
13. **Extend the BSP to 18 months from 12** to reflect the long lasting impacts of bereavement.
14. Recommend removing **Widowed Parents Allowance** from the list of benefits treated as “income from other earnings”.
15. Government should consider whether the additional burden on work coaches, in judging individual circumstances for Universal Credit is appropriate – and will look at in the Job Centre Plus inquiry.

NORTH/SOUTH FUNERAL DIVIDE GOVT RESPONSE DISAPPOINTING



- Said it will **consider** undertaking a coordinated review of burials, cremations and funerals.



- Committed to work with stakeholders to agree elements of a standard funeral and what reasonable cost of this would be.



- “...make it is easier to understand who can claim, and how much a successful applicant can expect”



- No eligibility tracker



NORTH/SOUTH FUNERAL DIVIDE GOVT RESPONSE DISAPPOINTING



- Will **consider** recommendations to improve communications (improving the application form).



- Will **consider** the wider issues (sensitive re-use of abandoned graves) and noted Scotland's activities.



- Rebuffed proposals regarding Bereavement Support Payment (BSP) and Widowed Parents Allowance.



NORTH/SOUTH FUNERAL DIVIDE WESTMINSTER CAUGHT IN TRAFFIC

- **Competition and Markets Authority**
- It's on their radar but ...
- ...there's plenty of other things they could be looking at.



Where
does that
leave us?



NORTH/SOUTH FUNERAL DIVIDE

Doctors Fees

- A two / three tier system
 - Scotland no fees.
 - England and Wales fees for burial and cremation.
 - Northern Ireland?
- England and Wales changes:
 - Will make burial even more expensive in England and Wales.
 - Unclear but potentially positive impact on cremation prices.
 - Cause delays and confusion
 - Has already impacted Funeral Plans.



NORTH/SOUTH FUNERAL DIVIDE

DOCTORS FEES IMPACT ON FUNERAL PLANS

- Covered by funeral plans?
 - In Scotland not necessary
 - Rest of the UK still required
- What have providers done for Customer who bought a plan in Scotland before changes ?
 - Given refunds/Kept amount?
- Funeral Plan shortfalls – a topic of future debate
 - Regional costs mean 13% of plans likely to start in debt with consumer unaware.



Warning!





WARNING!

If, as expected, little changes, then the warning I gave in 2013 is worth revisiting; that by 2033...

- **Deaths up c700,000 pa**
- **Number of FDs up from current 5300+**
- **Investment returns set to improve?**
- **Issues remain, costs keep rising above inflation**
- **Basic Funeral c£10,000**
- **Disbursement cost largest element of a funeral**
- **SFFEP worth c£2500 (the gap therefore £7500)**

WARNING!



If, as expected, little changes, then the warning I gave in 2013 is worth revisiting; that by 2033...

- **A rise in Public Health Funerals (PHFs) because:**
 - **Costs continuing to rise**
 - **Weakening state safety net (SFFEP)**
 - **FDs no choice but to signpost PHFs**
 - **Consumers electing to have PHFs**
- **SFFEP merged with other benefits?**
- **Local Authorities responsible for SFFEPs and Public Health Funerals?**

WE NEED TO CONTINUE TO PROVIDE EVIDENCE FOR THE NEED TO CHANGE?

- **Need for a systemic root and branch review of disposal in the UK.**
- **Maintain call for a state safety net that is fairer, quicker, simpler and more valuable.**
- **Continued pressure for sensitive re-use of abandoned old graves in England and Wales.**
- **Challenge and influence for the removal of doctors fees in England, Wales and Northern Ireland.**
- **A close look at the future needs of crematoria and the impact of private ownership.**
- **Understand the risks and benefits of licensing and/or regulation of the funeral industry.**
- **And finally...**

Public Health Funerals



THANK
YOU