



Last Rights Project

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Re: Funerals Market Study:

I wish to urge the Competitions and Markets Authority to investigate the funerals market under s.131 of the Enterprise Act 2001.

I am writing from the perspective of Project Manager for the Last Rights project, a 1 year pilot providing end-of-life planning support in the Kensington and Chelsea area. We have delivered 20+ workshops for groups of residents and professionals and undertaken 37 cases of individual support. Although not all of the individual casework involved funerals, many of them did, either retrospectively, with clients struggling to pay for a funeral which had happened, or those working out how to organise an affordable funeral.

I will contribute to the relevant issues in the order they are raised in the Statement of Scope.

Competition and transparency in the provision of funerals

43. Bereaved people in general do not approach the organising of a funeral in the same way they would approach any other expenditure of that scale. They hope to get the matter organised expediently, they often have no previous experience or expectation of the costs, so they entrust themselves to the funeral director and his or her 'expertise'. They have little regard for the commercial nature of the interaction or the facts that there is a conflict of interest and they might need a degree of caution and scepticism. Nobody would dream of entrusting the choice of a big piece of furniture, a car or a holiday to the seller in the same way, even if it were a fraction of the price of a funeral.

The business of providing funerals needs to be regulated in a way that reflects the fact that the consumer is unable to practice the most basic 'savvy shopper' skills.

44. There is a clear tendency to mask price differences behind similar 'package' prices, for instance a simple funeral seems to cost between £1995 - £2125 in many of the local companies in W.London, but the inclusions and exclusions are very different. Some of these packages allow extras while others are inflexible: if a single variation is wanted, the package is not available and the customer will get an itemised bill. The cost of this might be higher even if the variation was to omit a component of the package, e.g. family members wish to act as pall-bearers.

45. People who have just been bereaved do not practice the same level of financial care or caution when arranging a funeral for several reasons:

- They often don't have any experience to go on, so don't know what to expect

- They are distressed and anxious and happy to accept the first sign of kindness from a funeral director as a sign that the commercial interest will be secondary
- They have many other worries and want to get the matter of the funeral sorted, so are happy to hand it over to the 'experts'.
- People have rarely discussed funeral wishes with each other, so they revert to tradition and social pressure, which funeral directors can exploit to sell costly conventions, rather than openly encouraging their customers to think of a truly personal ceremony
- Funeral directors rarely make any enquiry about the mourners' financial means before arranging a suitable funeral. Defaulting customers are a big problem in the funeral industry, but there is no matching move to ensure that nobody is sold a service they cannot afford.
- Funeral directors are not always clear about the criteria for DWP Funeral Payments, and some are unwilling to assist their customers with an application, so it is often the case that the customer believes they will get a grant when in fact they are not eligible. This might lead them to commit to a bigger package than they can afford.

46. No comment.

47 a) Price increases:

The increasing cost of debt recovery is one factor

The 'monopoly' factor: people often see one company as their traditional family service, even when the name on the shopfront conceals the fact the company was bought out by Dignity or one of the other conglomerates.

47 b) Big differences between companies in the same neighbourhood: companies may be targeting different markets. In this area, one company (with the highest prices) displays pictures of the funerals of the rich & famous in their shopfront...

47 c) In this area (Central London), the number of funeral outlets is actually decreasing, with several smaller shops having closed down recently. Despite this, there is a wide choice, but in my experience, people rarely phone around or consider different companies when planning a funeral (see 45 above).

They will go the company that has been used before by friends or family, or to the company that is most familiar (e.g. nearest).

47 d) Bereaved people often feel out of their depth when choosing a funeral, they simply don't have enough experience to know about the options available, so they will just opt for the first service that is offered.

47 e) NO, to put it simply!

- I have never seen a funeral director stating unambiguously what embalming actually involves or that it is unnecessary.
- I have never seen a funeral company include the option of the cheaper time slots at crematoria in their price lists, or the choice of crematoria with the price difference.
- I have never seen a funeral company that lets their customers know they can find their own celebrant. A local priest, who had been in charge of his church in this area for 4 years, told me he has never been asked to perform a ceremony as the funeral company has always arranged a celebrant for his parishioners before he had a chance to offer.

47 f) Funeral directors on the whole have excellent inter-personal skills, a basic professional qualification, so their customers usually feel they've been treated with great sensitivity and respect. This may make it even harder to be critical or follow up any complaint they may have after the event is over. When I have heard complaints, it has been about junior members of staff who were not directly involved in providing the service – e.g. they just answered the phone or opened the door.

47 g) If they know about comparison sites, they may have a look and be confused or overwhelmed – I do, even though I am an everyday user of such services. Many of these services are less than objective (for instance only accepting entries from companies that pay a fee).

47 h) Codes of Practice: I am only aware of the trade association agreements – NAFD, SAIF etc, which tend to be more defensive than prescriptive. The Fair Funeral Pledge has only just begun to make its mark and needs much more publicity to promote the standards it is setting.

47 i) I have not seen evidence that funeral companies are competing in a significant commercial sense: most simply refer to conventions such as being locally established and/or family owned (often misleadingly).

47 j) No comment

48 k) To make effective price comparison, funeral companies need to publish all the components of each package and the cost of the disbursements and any extras. Companies need to use the same language, so their customers know what they are comparing.

48 l) If there were an agreed standard list of components for a 'simple funeral', it would greatly facilitate comparison.

48 m) No comment

48 n) No comment

Crematoria Market Power

52 o) Any competition between crematoria is probably targeted directly to the funeral companies, and not seen by the public. In my experience, funeral companies don't often offer a choice to the customer. For instance in this area, Putney Crematorium is in fact much cheaper than Kensal Green, and it is closer to residents in the south of the borough and no further from the Local Authority's cemeteries (which are actually in Ealing) but I have not seen any of the local funeral companies suggesting it as an option.

52 p) No comment

52 q) No comment

52 r) My understanding is that the biggest price hikes are where the private sector has moved in, either building new crematoria or buying existing public facilities. I have seen statements to the contrary (i.e. the funeral companies blaming the local authority for raising prices) but this is not supported by the facts. Last year's national review clearly showed that the 10 best value crematoria were all Local Authority owned, and the ten most expensive were all privately owned. (<https://beyond.life/blog/2017-cremation-burial-cost-index/>).

I look forward to hearing more about this investigation,

Yours sincerely,

Emily Engel

Last Rights project manager.