

Salford Citizens Advice

Competition and Market Authority Review of Funeral Market Study

Response to 'Statement of Scope':

Salford Citizens Advice has organised a local funeral poverty campaign for a number of years; working with other charities, our local authority, and the local funeral industry. We were concerned about the increasing levels of funeral poverty, a marked failure of the state's support to people needing help to pay for funerals, and what we viewed to be a poorly functioning market place.

We very much welcome your proposals to review the working of the funeral market.

We note (relating to your points 43 to 46) that people are very vulnerable when organising funerals, and as such are not always working as perfect or normal consumers.

With regard to the marked drivers of funeral cost inflation (your point 47), we think that the disproportionate inflation of costs in this market place, is of itself good evidence of a failing market. There is a lack of transparency and price comparability in this market, this is further exaggerated by a tendency for consumers to be less than usually prepared to shop around.

The role of third party referral to various providers should not be underestimated in its effect on initial consumer choice.

We note the unusual aspect of the way the market place is organised (at least here in Salford) so that a near duopoly is disguised (in part) by large providers trading under a range of historical names often associated with the historical predecessors of the current businesses.

We endorse the national Fair Funeral campaign's efforts to badge providers, and have adopted a similar approach locally. We believe that in the absence of market comparison tools this approach is a good first start.

We note a markedly low rate of consumer rights issues arising from this market place – yet importantly, we hear from our local authority colleagues about a range of actual problems around local provider performance. We think that the consumer is particularly reluctant, for perhaps a range of cultural and emotional reasons, to act on concerns over the quality of service.

The lack of competition in the market is, we think associated with a reduced preparedness to shop around, the lack of cost transparency in general terms, and an unusually significant role of third party referral. There is also something to be

considered in the role of funeral pre-payment products and whether this biases consumers to a lack of mobility.

The role of 'disbursements' (third party costs) is a difficult area to regulate, or to introduce greater transparency around – it does though remain an important cost element, (your [point 48](#)).

With regards to your questions around the role of crematoria in the market, we have perhaps less to say ([point 52](#)). We do though note the impact of local authority funding costs, and the lack of mobility – perceived or otherwise, within this particular market place.

We are happy to answer any follow up questions you might have.

We are happy for our views to be made known to others, or quoted by you.

Finally, we are very much of the view that this review is long overdue, and that the weaknesses in the working of this market are a major cause of household poverty for many.

Yours sincerely,

Tom Togher

Chief Officer

Salford Citizens Advice.