

REPORT TO CMA ON PROPOSAL TO INVESTIGATE

THE FUNERAL AND CREMATION INDUSTRY

I wish wholeheartedly to support the proposed investigation of the funeral and cremation industry. I must apologise for the brevity of evidence I can provide at this stage in the difficult time frame available.

My evidence derives from many years' work as a social worker with people facing terminal illness, which led to a growing awareness of the unfairness of the funeral industry and the long term damage that funeral costs can inflict on family finances.

Since my retirement I have worked with Citizens Advice, latterly setting up and managing a one year project supporting people to plan for the end of life. I have contributed to the national Fair Funeral Campaign and submitted reports to the Standing Committee on Social Fund Funeral Payments in 2016.

In relation to the specific issues of interest to the CMA at this stage, I wish to submit the following:

1. I agree that the funeral industry's practices prevent, restrict or distort competition in the UK in a manner that is detrimental to the consumer:
 - 1.1: through opacity in pricing that prevents people making fully informed comparisons or choices
 - 1.2: through restricting the information they provide so customers are rarely clear of the full range of choices
2. I believe that these practices lead to significant harm by
 - 2.1: causing long-term debt
 - 2.2: exacerbating the impact of bereavement and grief by adding elements of stigma and shame

The features causing concern:

Funeral services

3. *Customers' vulnerability and difficulty in engaging at the point of need.*
Customers seeking a funeral are usually doing it promptly after the death of a loved one, either because the hospital or care home want the body moved out without delay, or in the case of a death at home, because the culture of looking after our dead at home is beyond the memory of most of the population, who are often unaware that it is one of the options and horrified by the idea.

4. *Customers' unresponsiveness to measures of price and quality; they largely choose a funeral director on the basis of recommendation or personal experience.*

People who have lost a close relative rarely have previous experience of organising a funeral and feel pressured into sorting out the details without delay. The people I have worked with in relation to their funeral debt usually report using the company they were advised dealt with a previous funeral in the family, or the funeral of a family friend or neighbour. Thus the term 'family firm' can acquire a personal meaning that is misleading. They rarely reported having made their choice due to pricing or other usual consumer reasoning.

5. *Customers' inability to assess certain aspects of quality and the value for money of all options offered given funerals are an infrequent purchase and customers are often inexperienced.*

5.1 Bereaved people usually feel an urgency to book the funeral that discourages shopping around.

5.2 If the first company they consult offers a service that meets their expectations they will often agree without looking any further for comparison.

5.3 They will approach a company which has been used before, recommended by friends or family, or one they are familiar with due to proximity. Often all three of these reasons direct them to the same company.

5.4 As they have little experience of funerals or understanding of the possible pricing differences, their expectations may be very vague. They are not in a position to compare what is being offered and are particularly vulnerable to being reassured by a kindly and confident sales person, and relieved to feel they need go no further in their search than the first company considered.

6. *Lack of transparency: reluctance of firms to publish / disclose clear prices (including online) or to provide comprehensive information on quality and range.*

6.1 Many companies do not put their prices online which bars people from making comparison without picking up the phone or going out to find out what's available from different firms.

6.2 When the prices of the different packages are published, they are difficult to compare: they often include different elements without specifying what they are and/or using language that is unfamiliar to the customers (e.g. disbursements, interment (excludes the cost of digging), order of service (is a paper programme that many people could easily print at home) etc)

6.3 Few companies publish the price implications of choosing a different time, cemetery or crematorium.

7. *Point of sale advantage: ability of suppliers to largely control the decision-making process leading to the sale and its outcome.*

7.1 Funeral providers often have deals with coffin providers that bar the customer providing their own coffin, or charge them a fee for doing so. When a member of the public rings around coffin providers they are often told that they do not sell direct to the public. This explains why the price for the basic cardboard coffin is £100 from the producer, but around £400 from a funeral company.

7.2 Similarly, the funeral companies have links to local celebrants which may preclude them from encouraging their customers to consider their own faith ministers first. When I first started researching the cost of funerals, I was told by a local CofE minister that in all his 4 years at his church, he had never been asked to officiate at a funeral. His congregation was comprised mostly of elderly people, but they invariably went to the funeral company first, and by the time he found about the death, the celebrant had already been booked.

8. Ineffective self-regulation in respect of information transparency – no mandatory publication of online prices, absence of publication of inspection reports.’

8.1 The prices as published, whether they are online or on brochures provided by the companies, are rarely comparable. What counts as 3rd party costs or disbursements can vary, sometimes including the coffin, vehicle hire and/ or bearers’ fees and sometimes not.

8.2 Additionally, it is often unclear how flexible the cost of one of the ‘packages’ is. I worked with a family who were told that if they wanted to provide their own transport, they could not have the package that otherwise met their needs, unless they paid for the transport included in the price. Similarly, a family who wanted to provide their own coffin bearers were told that the cost would not be deducted from the package they were booking, neither could they book and pay for an additional limousine. This family had the resources to know where to go to book their own additional limousine, but many families would simply not find the initiative or momentum in the midst of their grief.

Crematoria services

9. Working in the Central London area, crematoria services are generally accessed directly by the funeral company unless the family is organising their own funeral. Families often only know about their nearest crematorium and have no idea of who owns the service or how much the prices vary. The three crematoria nearest to my home address are at Kensal Green, Putney and East Finchley (one of the Council’s cemeteries). Although City of Westminster residents get a significant discount on burial spaces in the Council’s cemeteries, the crematorium at East Finchley is owned by the London Crematorium Company and offers no concessions to residents.

The comparative costs are as follows:

<u>Crematorium</u>	<u>Standard weekday price - price before 10am</u>		<u>Distance</u>
East Finchley / Marylebone	£610	£310	6.4 miles
Mortlake Crematorium	£610	£365	7.7 miles
Putney Vale Crematorium	£625	£310	8.6 miles
Kensal Green Cemetery	£650	£290	1.4 miles
Golders Green Crematorium	£690	£310	4.6 mile

There is little apparent logic in these fees and one would have to know the exact mileage charged to make a decision. Funeral companies should be making these differences clear so the customer can make a rational choice.

Issues specific to religious groups

In relation to your request for additional information about different faith groups, I am glad you included this as it is a much neglected area.

I am only really aware of the issues as they affect members of the Muslim and Jewish communities, and my views come from informal sources rather than my work experience.

My concern is that the mainstream funeral industry has sometimes failed to take responsibility to meet the specific needs of minority communities. When people from minority communities belong to a faith organisation this might not matter much because the procedures can be managed by the temple, synagogue or mosque, who are used to taking charge. However there are individuals who have not taken part in organised faith activities but still wish to be buried according to their beliefs, and they can get very short shrift from the mainstream services. I have been told point blank by a funeral director that his company cannot meet Muslim requirements, which was patently untrue since this same person acknowledged that the people he turned away did get a service from another company nearby. In some areas, there is specialised service for Jewish or Muslim customers outside the mosque or synagogue, so these people will have no choice but to use the mainstream service. There should be a way for each local authority, as part of their responsibility for public health funerals, to publicise the requirements of different faith groups and how they can be met in their locality, so that those who need such provisions can be fairly served. It is not acceptable for any funeral company to simply refuse to take on work for minority faiths simply because they feel it is too much trouble.

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