

Please find below our responses to the CMA interim report on funerals. We're happy to answer any further questions:

- 1) We do consider that the CMA's analysis is correct with respect to the suspected features of concern in the supply of services by funeral directors at the point of need.
- 2) We do consider that the CMA's analysis is correct with respect to the reference test being met in relation to the supply of services by funeral directors at the point of need.
- 3) We agree that the market size, the proportion of people affected and the persistence of those features justifies the CMA exercising its discretion.
- 4) We consider that the draft terms of reference in Appendix F are almost sufficient. We would add the capacity of larger corporations to commission and publish significant industry research which may shape and influence public sector and consumer perceptions on purchasing funeral services. For example Dignity's "Time to talk about Quality and Standards" of 2018, and The Co-operative Group Ltd – "Making Peace with Death"
- 5) Regarding UIL's – we're not sure that we sufficiently understand the definition or implication of a UIL to provide any perspective on this, nor to rule it out. As a business, and even as individuals we would always seek first to remedy a situation in a way which causes the least amount of cost and upheaval, and in a way which empowers individuals rather than constrains them.
- 6) Our views on the potential remedies proposed:
 - a. Comments on section 8.65 outlining components of
 - i. Helping people make good choices: this is common sense from our point of view, however our focus would be on educating the consumer as an intervention. Communications at the point of need which help the consumer to ask the right questions which will help them to understand the service that they are buying. Presenting people with pre-defined ideas of what they would need isn't necessarily the answer, we all need different things - We would also add that education should include the fact that a funeral director is not a legal requirement: defining a standard, essential service assumes that everyone will want and need the same things.
 - ii. Ensuring affordable options are easily available: Our concern relating to ensuring affordable options are made available is "who would be mandated to provide that low cost option?" and "would these affordable options really and truly be an option for the most vulnerable in our society?"
 - iii. Enabling people to have justified confidence in the quality of the service – interventions that help people judge the quality of the service offered: our concerns are; "what are you rating? – is it people, premises or services?" and "who does the rating?" also – "what's important to a consumer may vary - everyone has different priorities."
 - b. Transparency remedies: we agree that greater transparency is essential and pricing should be really clear. Our concerns with third parties providing price lists or negotiating packages means that families will be even less in control of the choices they make and will give them less information.
 - c. Changes to regulatory framework: a statutory code of practice sounds like a positive step, however, if a code is defined as statutory it might increase the perception that you have to use a funeral director and that all funeral directors are the same, or that you have to do certain things in relation to a funeral service.
 - d. Establishment of a regulatory body: who would this be? Would it be like OFCOM? It would need to have no connection in any format to existing trade organisations and be operating entirely in the interests of the consumer. If a licence system operates,

what is being licenced? The funeral director, the business or the premises? What would the requirements for the licence be? How would it be paid for? This interim report states that a current issue in price increase is not justified by any substantial increase in cost base – this would clearly increase the cost base of operating, and actually potentially disproportionately for smaller operators who, by admission of the report are able to keep prices as low as possible for customers at present. A concern about licencing is that, depending on requirements, it could prevent new entrants, and therefore innovation and competition in the market. It could also restrict an individual's freedom to create the kind of funeral they need, without a funeral director.

- e. CMA led price regulation: how would this work?

Additional evidence:

We set up our business in 2014 because we felt:

- 1) People were not being proactively offered options
- 2) There was a lack of transparency in relation to:
 - a. Pricing
 - b. The service that is actually provided (there are no special professional skills actually needed)
 - c. What goes on behind the scenes
- 3) People were paying more than they needed, especially for things they probably didn't need
- 4) There was a lack of differentiation or innovation between funeral director offerings – eg when one fleet of black hearses looks much like another, why would you think there is any difference?
- 5) People were not being encouraged to talk about and plan for death – the emphasis being more on perpetuating the myth that death is not a normal occurrence, is a taboo and not to be discussed or planned for.

Five years later we are an established, local independent funeral director with our own premises with an award-winning reputation for delivering services that people need and value.

We have done this from the beginning by establishing a business model that :

- 1) Doesn't encourage commission based upselling, and positively informs people about the pricing options.
- 2) Is open and transparent from the outset about what a funeral director does or doesn't do, and what the individual can do themselves
- 3) Has published its prices clearly online and in leaflet form, in plain English from day one, and encourages families to talk to more than one funeral director.
- 4) Encourages families to make the choices that are right for them – and we don't limit their choices by being tied to a particular supplier, be that coffins, vehicles, crematoria, celebrants etc
- 5) Publishes information online about options and choices and gives talks to community groups and other organisations, including the NHS, about options and choices.
- 6) We encourage people to talk to us before the point of need without the pressure of selling a plan; we have been interviewed by many people wishing to understand how to plan their own funerals.
- 7) Values consumer education; we founded a community group, called BrumYODO, which creates space to encourage people to talk about death and dying. There are hints

throughout the report that suggest people are not open to this. We have found this is simply not true. We have successfully put on two major death festivals in Birmingham. BrumYODO is regularly referenced amongst health professionals nationally for good practice in community engagement and has won a number of awards. We believe as a business that a better informed consumer, is better for our business and the funeral industry as a whole. We have anecdotal evidence of the benefits of the activity that has been created through BrumYODO.

- 8) Now that we have our own premises, we regularly show people around, including into the mortuary – it's important for people to see "behind the curtain", to understand what they are paying for and see where the person they care about is going to be looked after.

Potentially we could not have set up this business in a new regulatory environment. The costs initially would have been prohibitive. Renting mortuary and refrigeration space enabled us to test and build our business.

Licensing and training – we found when starting the business that training is almost impossible to access unless you're already working in the business. The kind of training that was available did not necessarily allow for innovation.

There is a strong presumption in the funeral industry about there being 'a way you do things' – our focus has always been to ask why certain things are done and whether there is still a value in doing those things. This includes how a funeral might be defined and what service an individual might need. There is a strong sense throughout the report that a simple funeral, or a direct cremation will never be appropriate for the majority of consumers – if a simple funeral is defined by an old business model then this may be the case – no one will purchase it. However our simple funerals and direct cremations over the last 18 months have comprised 41% and 12% respectively of our business. So our 'standard' funeral equivalent equates to 47% of our business - A big difference from the 90%, 80% and 86% of Dignity, Co-op and Funeral Partners share as quoted in the report.

In terms of the average cost of our funerals, over the last 18 months our average cost is £3,100 (excluding flowers, orders of service, catering etc) – again very different from the £4,300 quoted in the report.

Best wishes

Fran Glover and Carrie Weekes

a natural undertaking
funerals celebrating life