

Funerals market investigation – summary of responses to the working papers consultation

1. This document provides a summary of the responses we have received to the 23 consultative working papers published on 30 January 2020, 20 and 21 February 2020.

Background

2. On 30 January, 20 and 21 February 2020, we published 23 consultative working papers. These documents set out the analysis we had conducted on the information gathered during the course of the funerals market investigation. We invited submissions from interested parties on these papers.
3. This is an aggregated and anonymised summary of the views provided by smaller funeral directors, local authorities and burial providers to our working papers. This covers 11 responses which have not been published on the CMA website.
4. We would like to thank everyone that responded to our working papers.

Back of house funeral director services

5. Points raised by respondents in relation to *The quality of 'back of house' funeral director services* working paper included the following:
 - a) The lack of refrigeration facilities had been the cause of unnecessary and unwanted embalming;
 - b) small and large branch operators did not always have refrigeration facilities and so the deceased could not be kept there in warmer weather, unless they were embalmed;
 - c) some respondents said that they had witnessed poor practice at funeral homes. These included:
 - i. the deceased lying on the floor during busy periods stored uncovered;
 - ii. the deceased kept on make-shift trestles;
 - iii. funeral directors' premises being unclean; and

- iv. mortuaries with mould and unpleasant smells.
- d) In relation to embalming practices, the following comments were made:
- i. False information was given to the general public in relation to embalming, eg, that it allowed the deceased to be touched, or, their hands held while receiving visitors, without the possible risk of the transfer of pathogens; and
 - ii. making someone look 'alive' when they had 'died' was not best practice in caring for the bereaved. Part of accepting that a person had died was to accept their death.

Regulating the price of funeral director services

6. Points raised by respondents to the *Remedy options for regulating the price of funeral director services at the point of need* working paper included the following:
- a) The Inquiry Group should use the expertise of the trade associations. This was considered to be an option which merited further consideration by the Inquiry Group, given the difficulties likely to be involved in the regulation of funeral director services and prices;
 - b) the proposed regulatory regime could be paid for by a regulatory levy requirement on every funeral carried out by a funeral director. For example, a charge of £5 per service could be levied on the funeral director for each funeral it carried out;
 - c) an order of service should be included in the benchmark package because the vast majority of funerals had a printed order of service of some kind;
 - d) embalming should not be included in the benchmark package. Respondents told us that:
 - i. The short-term cosmetic benefit of embalming was far outweighed by the damaging environmental cost of burying or burning the toxic chemicals used in the process;
 - ii. most people were not aware of the invasive nature of the procedure. Refrigeration offered a safe and hygienic alternative;
 - iii. embalmed remains were not accepted in the natural burial sector, unless there were exceptional circumstances beyond the control of the family;

- iv. embalming should be considered on a case-by-case basis. Some funeral directors provided embalming as a matter of course and it was an unnecessary cost for the client;
 - v. embalming was unnecessary in many instances and so should not be included in the benchmark package. There should always be a reason for embalming. Families were often persuaded that it was necessary when it was often carried out in order to suit the funeral director, eg in cases where they did not have refrigeration facilities, or where these were limited; and
 - vi. embalming should be a choice for customers. If refrigeration was provided, there was no need for embalming, except in repatriation cases. It did not improve the viewing experience for the majority of people and could, in some cases, cause anguish as it could give the body a waxy appearance. Some funeral directors carried out embalming to avoid investing in refrigeration facilities.
- e) Limousines should not be included in the Inquiry Group's benchmark package because in many cases families drove themselves to the funerals or travelled by taxi. Many families did not use a hearse either. Both limousines and hearses should be 'optional extras.'

Quality regulation remedies

7. Points raised by respondents to the *Quality regulation remedies working paper* included the following:
- a) Funeral directors and crematoria operators should undergo some form of quality regulation because both services had 'back of house' areas where the deceased were kept. Funeral directors should follow the same standards to ensure a consistent and agreed level of respect across the sector for the care of the deceased;
 - b) back of house standards should be the main areas of focus for quality regulation because this was so open to abuse due to the fact that areas where the deceased were cared for were private and very rarely inspected, either by clients or trade associations;
 - c) many of the proposed remedies outlined were welcomed. A number of respondents commented in their responses that the proposed remedies could improve the experience of customers;
 - d) some of the proposals were vague and required further detail. For instance, in relation to the transport and care of the deceased;

- e) the requirement that the bereaved were informed of where the deceased was stored should be mandatory, rather than just being a 'desired outcome';
- f) embalming services should be presented to the client in a clear and simple way;
- g) a mixture of the outcomes-based and rules-based regulatory models would be appropriate for monitoring and upholding back of house standards for funeral directors;
- h) having refrigeration storage should be mandatory for all funeral directors;
- i) the ratio of one refrigeration space for every 50 deceased persons taken into the care of a funeral director on average per year, as proposed in the draft Code of Practice for funeral directors in Scotland, should not be permitted;
- j) each deceased person should be stored in a separate storage compartment as this is the only way to uphold the dignity of the deceased person (and also avoid contamination);
- k) if certain prescribed training was made mandatory, this could adversely affect smaller providers. Furthermore, some existing training was not of a good standard;
- l) creating a nationally accredited professional education programme, or, allowing funeral directors to choose from the currently available qualifications would be a step forward, but it would have to be reviewed to ensure that the training provided was both suitable and up to date;
- m) the number of hours spent training and any other form of professional development needs should be self-assessed. However, some respondents noted that formal training and education was not required because funeral directors conducted a great deal of on the job training;
- n) a specific code of conduct for funeral directors should be introduced;
- o) a single regulatory regime would be better than having different authorities in each nation responsible for the regulation of funeral directors. This would help to ensure more standardised regulation across the sector. In this regard it would be beneficial to build on, but not duplicate, the new regulatory regime in Scotland. This was, respondents argued, because Scotland has different practices to those of the rest of the UK;

- p) some respondents commented that all relevant organisations should have input in relation to the establishment of a quality regulatory regime, but should be guided by the recommendations of the Inquiry Group;
- q) in the event that a licensing and inspection regime was established applying to individuals and businesses, the former would be more likely than the latter to be most effective;
- r) in designing a quality regulatory regime some respondents commented that administrative processes should not be burdensome. Some smaller businesses might struggle to keep on top of the administration although they may be employing excellent practices within their business;
- s) quality regulation should not necessarily be a costly process, provided funeral directors were already ensuring good practice across their businesses;
- t) some respondents commented that, prior to the establishment of a quality regulatory regime, and, with very little cost to funeral businesses, funeral directors should be required to publish their prices. This should be done in a comprehensive way that was simple and easy to follow for the consumer; and
- u) although local authorities could legally carry out funeral services, many councils used private funeral directors to provide these services. If a local authority was then responsible for local inspection, licensing and statutory monitoring, this would present a clear conflict of interest.

Funeral directors and crematoria - barriers to entry

8. Points raised in response to the working papers about market entry issues included the following:
 - a) Some respondents commented that, because the entry requirements for setting up as a funeral director were low, some businesses entered the sector with minimal investment and experience as value providers. These businesses would keep their advertised fees low, but as soon as they took charge of the deceased would then add additional costs onto the customer; and
 - b) some respondents said that barriers to entry in the crematoria sector were high, noting planning restrictions in particular. Some respondents noted that, while both public and private crematoria performed well, they prioritised their financial profits.

Other points

9. Other points raised included the following:
 - a) One respondent commented that agreements such as 'coroner's contracts', usually those held by larger funeral operators, were anti-competitive. The complex paperwork required to tender for a coroner contract was beyond the ability of the average smaller funeral director;
 - b) another respondent noted that far fewer limousines were seen at natural burial grounds as most people used their own cars, but this might change in future decades as private car usage changed;
 - c) another respondent commented that adding a mark-up or supplementary fee on to a disbursement should never be justified.