



National Association of Funeral Directors

Stephanie Canet, Project Director
Funeral Market Study Team
Competition and Markets Authority
Victoria House
37 Southampton Row
London
WC1B 4AD
funerals@cma.gov.uk

4 January 2019

Dear Stephanie

Consultation on whether to open a full market investigation into the funerals sector

Further to our meeting on 18 December 2018, to discuss publication of the CMA's interim report on 29 November and consultation on the launch of a full market investigation, I write on behalf of the National Association of Funeral Directors to respond to the consultation and reiterate some of the points we discussed in the meeting.

The NAFD and its members would like to see greater oversight of the funeral profession. We welcome discussions about improving transparency, identifying a consistent minimum set of industry standards and what kind of regulatory structure should be adopted.

However, we have concluded that the six months that the CMA has had to compile the interim report has only allowed its Market Study Team to scratch the surface of the sector. As we reflected to the team in our recent meeting, we are concerned that the interim report overlooks much of the evidence presented to, and also commissioned by, the CMA over the course of the Market Study and that this has led to conclusions being drawn that are not reflective of the funerals sector as a whole.

Indeed, the absence of comprehensive evidence is openly acknowledged in Paragraph 6.5 of the CMA's interim report. We are pleased that the CMA recognises that the data obtained to date is neither comparable, nor reliable, but are concerned that this important point may have been missed by the media and the majority of those who will have only read the headline summary of the report.

As a consequence, the NAFD believes a market investigation is necessary to ensure that the CMA is able to reach a greater understanding of what consumers want and how funeral directors operate. Only a full market investigation will enable a clearer view of the funeral sector to emerge and ensure the CMA is able to access all of the information it needs to arrive at a more balanced picture. The NAFD offers its full support in helping the CMA arrive at this greater level of insight.

Of great concern to the NAFD is ensuring any market investigation process is followed fairly and with an open mind. We have some concerns about the fairness CMA's recent approach to data collection.

618 Warwick Road, Solihull, West Midlands B91 1AA

Tel: 0121 711 1343 Fax: 0121 711 1351 e-mail: info@nafd.org.uk
www.nafd.org.uk

VAT No: 417 6942 31

The National Association of Funeral Directors is a member of the Trade Association Forum

[f](#) Facebook/NAFDUK [t](#) Twitter/NAFD_UK [in](#) LinkedIn/national-association-of-funeral-directors

In order for a market investigation to be effective, it is important that evidence is obtained in an objective and balanced way and that the proper process is adhered to. In order to help ensure that maximum benefit can be derived from the process, the NAFD will be taking a keen interest in how any investigation is conducted.

Below I summarise some of our concerns about the headlines of the interim report, which we discussed in our meeting, and address in brief, our view of the CMA's suggested remedies.

Key concerns about conclusions in the interim report

A market that is not operating normally?

We are not persuaded that the evidence supports this conclusion. Based upon the evidence the CMA has uncovered of the market share held by the three largest funeral firms, more than 75% of UK funerals each year are conducted by small, independent (often family-run) funeral businesses. Indeed, the market share held by the independent sector is increasing.

In response to an increasingly competitive marketplace, in the last two years, both Co-op Funeralcare and Dignity have revised their pricing and introduced lower cost options. For example, Co-op Funeralcare has lowered the price of its Simple Funeral twice and Dignity has introduced a range of attended and unattended simple cremation options. These changes appear to us to be evidence of a market that is operating effectively.

The lack of dominance by the larger players is particularly evident if one compares the funeral industry to the pharmacy sector – another locally delivered service with a combination of large multiples and small independents. In 2016 it was reported in the Pharmaceutical Journal that there were more than 14,000 community pharmacies operating in Great Britain, with the top 12 players owning almost 50% of the market (of which one player, Boots alone owned 33.5%). Opticians provide another useful comparison. In 2016, it was widely reported by Mintel that Specsavers' market share was 38.7%, with Boots and Vision Express responsible for 14.4% and 12.9% respectively. In comparison, the funeral sector, where 350,000 funerals (and rising) out of 600,000 are delivered by independent firms, represents a significantly more balanced market.

Further evidence that the market is operating effectively can be found by comparing the average cost of funeral directors' fees in the annual Royal London Funeral Cost Index, which is the only source of independently resourced and comparable annual data.

Royal London reported the cost of funeral directors' fees as follows:

- 2018 – 4.5% decrease (against an overall decrease in the average cost of a funeral of 0.7%)
- 2017 – 2.1% increase (against an overall increase in the average cost of a funeral of 3%)
- 2016 – 0% rise (against an overall increase in the average cost of a funeral of 0.7%)
- 2015 – 5% (against an overall increase in the average cost of a funeral of 3.9%)

This shows that there have already been three years in which the average increase in the cost of funeral directors' services has been below the average increase of the wider funerals market. This, we would strongly suggest, is evidence of a market that has already self-corrected.

We do not dispute that, historically, there have been periods in which the cost of a funeral directors' services has outstripped inflation or the rise in the average total cost of a funeral, but there a number of factors to which this can be attributed. The number of annual deaths has fallen significantly over the last two decades, with a rise again in the last few years. We were surprised that this crucial factor was not included in the 'Key market statistics and trends' section of the market study. In addition, the increase in the number of funeral directors means that there are simply fewer funerals per funeral director than there were in the past. Taken together with high fixed costs, this fundamental supply factor necessarily drives prices up and is likely to continue to do so while there are so few barriers to market entry and no mandatory minimum standards requirements for new firms.

It is equally important to recognise that, over the past ten years, consumers' expectations of funerals have transformed significantly, from reasonably formulaic and simple affairs into complex celebration of life events, with increasingly personalised elements. This too has led to people spending more money with their funeral director, on different and additional services.

A market in which consumers are not satisfied?

When you look at the results of surveys commissioned by ourselves and others in the profession, from respected market research firms such as YouGov, and also the Ipsos Mori research commissioned by the CMA itself, it is clear that there is a high level of satisfaction with the care and services provided by funeral directors.

Moreover, the CMA's own research evidenced that, generally speaking, people have a good idea of what a funeral will cost, in advance. If one considers this alongside the consistently low levels of complaints received each year about funerals, there is ample evidence that, on the whole, consumers are satisfied with the services provided by funeral directors and agree that the profession is trying to do the best it can to serve bereaved people.

We feel that these points are particularly pertinent to the question of whether the market is working well for consumers and so would like to understand why, after commissioning research to ask these specific questions, the CMA Market Study Team chose not to refer to them at all in the interim report.

Improved quality and standards are not outputs of higher prices?

Another of our concerns lies in the CMA's declaration in the interim report, that it is "not persuaded by the argument that... higher prices were justified by better quality services".

We would like the CMA to more clearly define what it means by 'better'. Based on the NAFD's experience of inspecting up to 2,000 funeral homes a year, many funeral firms invest significant sums of money in order to deliver higher standards of care. By simply focussing on the cost to the consumer, without considering the quality of service delivered, the CMA risks missing out an important part of the equation. We would also like to understand how the CMA intends to fairly assess the standards in operation in the thousands of UK funeral homes, both in and out of trade association membership, as part of a Market Investigation.

We have a particular concern in this area as we have recently been made aware of a letter which was sent by the CMA to the British Institute of Embalmers (BIE) and others, encouraging individuals to come forward with examples of "unacceptably low" standards of care in the funeral industry. We are concerned that this request specifically sought negative evidence, rather than seeking any relevant

evidence, to allow the CMA to come to a balanced conclusion. There is already a wealth of evidence available in the public domain that points to wide-ranging standards across the sector (e.g. the report of Scotland's Inspector of Funeral Directors, NAFD inspection reports, Dignity's report "It's time to talk about Quality and Standards etc.). In future, we ask the CMA to not only to look for negative examples, but instead to seek a balanced perspective. As the stakes in a market investigation will be so much higher, we would have serious concerns if a similarly unbalanced approach were adopted by the CMA going forward.

We also have concerns that the CMA's letter to the BIE was in danger of falling outside of the proper Market Study process, as it was made after the publication of the interim report and consultation document. Whatever conclusions the CMA might draw from the responses to its request for information could not have been set out in the interim report and were therefore not consulted on. We are concerned that this procedural irregularity could deprive stakeholders the opportunity to comment or offer an alternative perspective on evidence which will inevitably inform the CMA's decision. This is both disappointing, for the reasons set out above, and concerning, as it seems to indicate a casual willingness on the part of the Market Study Team to step outside of process. If a Market Investigation is initiated, we would strongly urge the CMA to work within its own rules and guidelines, to ensure all stakeholders are given fair chance to comment.

Who is the consumer – and are they always vulnerable?

In our recent meeting with the CMA, we sought to explain that there are several consumers of funeral services and that they may not always be vulnerable. It is true, a funeral can be a purchase made in a heightened emotional state rather than one solely based on a rationally-led price assessment. But that does not mean the purchaser is unhappy with their choice or unable to make an informed decision.

The CMA's own consumer research showed that people knowingly decided to not compare funeral directors, because they were comfortable with the choice they were making (even if in making this choice they were assuming that all funeral directors are the same).

Consumers of funeral services can be:

- Those pre-paying for their own, or someone else's funeral and choosing a funeral director ahead of time (reported in June 2018 by HM Treasury as more than 207,000 people a year¹)
- Those enacting the funeral plan or other instructions of someone else, where the funeral director has already been chosen.
- Those choosing a funeral director, arranging and paying for a funeral at a time of need

If we set aside the very significant number of funeral plans sold annually, we provided the CMA with evidence in July that very few people attend funeral arrangement meetings alone and were generally accompanied by one or more other people.

Not being alone reduces any opportunity for an unscrupulous supplier to take advantage of a vulnerable person. Further, the CMA's own consumer research revealed that the majority of interviewees felt that costs were explained to them well and they did not feel pressured.

¹ HM Treasury 2018 - <https://www.gov.uk/government/consultations/pre-paid-funeral-plans/pre-paid-funeral-plans-call-for-evidence>

It is also important to note the findings of numerous studies by YouGov, Research Works and IPSOS Mori, that the most commonly cited reason for a consumer using the first funeral director they visited was the wishes of the deceased person – whether that was set out in a funeral plan, or expressed more informally to their next of kin.

There has been no research into why each deceased person chose the funeral director they did when taking out a funeral plan or expressing funeral wishes in some other way. Just because someone hasn't purchased a funeral plan doesn't mean they haven't planned ahead. In fact, this is exactly the type of behaviour we should encourage, as decisions are not made under stressful and highly emotional circumstances.

We would be concerned if any CMA intervention sought to persuade family members to ignore and override the wishes of their deceased loved ones in order to get, what they perceive to be, a better deal. It is precisely these kind of funeral-market specific considerations that we would like to help the CMA understand over the course of a Market Investigation.

Exclusion of funeral plan market from scope

We cannot overstate our concerns about the impact of the CMA's decision to exclude the sale of funeral plans from the scope of its market study. According to HM Treasury's consultation document of June 2018, in 2017, members of the Funeral Planning Authority alone had over 1.3 undrawn funeral plans, equating to approximately £4bn in assets, under their management. HM Treasury reports that, in the same year, these providers sold over 207,000 new plans.

As highlighted above, the circumstances in which a person typically purchases a funeral plan are quite different to those of a person buying an 'at need' funeral. We appreciate that HM Treasury is currently conducting its own evaluation of this aspect of the funeral market and sympathise with the CMA's apparent reluctance to duplicate work. However, with funeral plans now accounting for such a significant proportion of the market and with their popularity growing every year, it simply isn't possible to understand the funeral market without taking their impact into account. A funeral plan is the most efficient way to plan for and set aside funds for a funeral and, the fact is, if the popularity of funeral plans continues to rise as it has in recent years, it may not be long before they become the primary way in which funeral services are acquired.

In the event that a full Market Investigation takes place, it is essential that the impact of the funeral plan market on the price of funerals, and on consumer empowerment, is taken into account.

Funerals are out of the reach of many people?

The interim report focusses specifically on people with less than £10,000 of earned income a year. While we absolutely agree that more needs to be done to ensure people on such limited incomes are not plunged deeper into poverty following the death of a loved one, it is unrealistic to assess average funeral prices against a group for whom State benefit support is specifically designed and therefore are typically not required to pay this amount.²

It is important that the funeral sector acknowledges that bereaved people could be classed as vulnerable customers, and that specific focus should be given to financially constrained vulnerable

² Recipients of Funeral Expenses Payment are not required to pay any burial or cremation fees and receive up to £700 towards other expenses.

customers – supported by a better State benefits system for funerals – but this is different to structuring a market around the needs of a particular (minority) group.

The NAFD would like the CMA's assurance that its recommendations for the funeral market will be based on the needs of the entirety of the market, not skewed towards the needs of the 10% for whom proper Government support is currently lacking because of the inadequacy of the Social Fund funeral payment.

In the NAFD's original submission to the CMA, in June 2018, we set out how we have – along with many other organisations – campaigned for more than a decade for a proper review of the Social Fund funeral payment. We refer the CMA back to our submission for the details.

Given the CMA's focus on those on limited financial means, we are concerned not to see any conclusions drawn about the impact that Governments since 2003 have gradually eroded the efficacy and value of the Social Fund funeral payment for this particular group of people.

What is the average cost of a funeral?

Paragraph 2.6 of the report states that “the average cost of the essential elements of a funeral now stands at nearly £4,300, with another £2,000 being spent on discretionary items, such as flowers and catering.” In subsequent paragraphs the report highlights the annual increase in funeral costs.

Firstly, the CMA should make it clear that these average costs include third party charges (disbursements) over which the funeral profession has absolutely no control, must be always paid in full (irrespective of what discounts may be offered elsewhere by funeral directors to help families that are struggling), and which are rising above the rate of inflation and above the rate of any increase in funeral directors' costs.

The inference from the interim report is that funeral directors bear the responsibility for all the charges associated with funeral expenses, including third party costs (disbursements). Funeral directors will, in virtually all cases, meet these costs and then charge them to the family. Funeral directors effectively collect fees on behalf of cemetery and crematoria; if the funeral account is unpaid, then the funeral directors is left with the debt, not the relevant authority.

The NAFD requires its members to show these third party charges (disbursements) separately on the funeral account and we feel it would be appropriate for the CMA to be consistent with this. It is also important to note that third party costs (disbursements) are more than simply the cremation charge. Burials still represent 23% of funerals, which is a significant proportion, and burial charges are higher than cremation charges. Additionally, there are the fees for a Minister and, in the case of cremations, there are also doctor's fees to be included in the disbursement figure too.

For completeness, it should also be acknowledged that the public sector is equally as accountable for these third-party (disbursement) cost increases as the private sector – and sometimes considerably more so, as evidenced in our original submission.

Secondly, the average cost quoted in the interim report is attributed solely to the Sunlife Cost of Dying Report 2018. The same paragraph goes on to state: “Analysis of the CMA consumer survey responses

implies that people will typically spend between £3,000 and £5,000, with at least 16% spending more than £5,000.⁴¹”

What the report fails to highlight is that a greater number (25%) of people in the same survey said they spent less than £3,000 (Table 37) and that the average amount spent, as calculated by Ipsos MORI in the CMA’s own study, is actually £3,602.

There are numerous additional sources of average funeral costs, directly comparable with Sunlife’s calculation, all provided by reputable research consultancies. These include:

- YouGov for the NAFD (2018): £3,822;
- YouGov for Royal London (2018): £ 3,757;
- YouGov for Co-op Funeralcare (2018): £3,259; and your own -
- Ipsos MORI for the Competition and Markets Authority (2018): £3,602.

The average of all five of these figures (including Sun Life’s) is £3,748. Some £550 less than the average figure promoted in both the CMA’s interim report and press release.

It seems unfair that the interim report relies on only one of these five sources – all of which were provided to the CMA in submissions. It is particularly concerning that of the five sources presented to the CMA, it is the highest which has been selected. It is also important to highlight that this figure was provided by a commercial organisation which polled at least 25% fewer people than the other research organisations and has changed its research methods in recent years (having replaced half its sample of 100 funeral directors in 2018), statistically increasing the unreliability of the results.

We hope that a full Market Investigation will allow the CMA sufficient opportunity to consider all of the information available, in order to gain a more accurate and balanced view of the market.

The aims of the full market investigation reference

We note that the aims of the full market investigation reference would be almost entirely about encouraging the acquisition of additional knowledge by a largely unwilling public – through education, support, communication - rather than market economics and the application of Competition Law.

- (a) Helping people make good choices about funeral arrangements:
- (b) Ensuring that there are affordable options easily available for people who want or need them:
- (c) Enabling people to have justified confidence in the quality of service they will receive from a funeral director: that is, interventions that will help people judge the quality of service offered by funeral directors.

Funeral Directors have already taken significant steps in regard to visibility of pricing information and must continue to do so. The NAFD intends to consult with members on adding additional mandatory requirements to the Code of Practice in this regard. However, it seems from the report and from the findings of the CMA’s consumer research that it has arrived at the same conclusions we have: that any requirement to change behaviour around the purchase of a funeral, sits as much with the consumer as with the funeral director.

What the listed aims of a full market investigation reference do not consider is how consumers can be (accurately) assured about the quality of the funeral director they are choosing. The CMA’s own research evidences this at paragraph 4.3.15:

“No one inquired about the nature and quality of funeral directors’ mortuaries when choosing a funeral director or took this into consideration. Again, respondents assumed funeral directors had to meet certain industry standards. Many also found thinking about the deceased’s body stressful and preferred not to know details....”

Given the current lack of any barrier to entry to the profession and evidence of a range of operational standards, we feel that an assessment of the impact of quality of service and standards on pricing and choice should also form a core part of the investigation’s objectives.

Proposed Remedies

Over the coming months the NAFD expects to work closely with both our members and the CMA to understand and respond proactively to these suggested remedies. However, our initial thoughts are set out below.

8.68-8.69 Pricing visibility

The NAFD is currently reviewing its Code of Practice to include a mandatory requirement for all members to list their pricing information and Terms and Conditions online, either on the NAFD’s public membership database website, the Funeral-directory, or via the members’ own website. We also intend to redraft paragraph 9.2 of our Code of Practice to make clear that it does not restrict our members from promoting their services on comparison websites.

It is also important to remember that websites are not the only place where pricing might be made more easily available to consumers. 61% of our members in England, Wales and Northern Ireland told us in November 2018 that they already offer accessible price lists (which may be on their website, via email and/or in branch windows) to assist consumers in undertaking research without having to visit a funeral home.

As we work with our members to increase the percentage with pricing information available online and overcome legitimate concerns some of them have about this challenge, we would also like the CMA to consider how it might ensure commercial comparison websites are not permitted to post pricing information about firms which are not signed up to their service as our members often find it is outdated or otherwise inaccurate. We would also want to see them to disclose upfront what they charge for their services, be that to the funeral director or the family.

8.70 Pricing transparency

As a trade association, it is not within our remit to discuss the pricing strategy of any funeral firm, however we are focused upon how funeral firms care for and communicate with bereaved families – including on matters related to pricing and we remain committed to working with our members to ensure they are acting as responsible businesses.

We share The CMA’s view that there is more the whole profession can do to educate and inform bereaved families. However we feel that, taken as a whole, the profession is operating in the public interest. We believe firmly, and with good evidence, that firms acting in conflict with consumers’ best interests are in the minority and that the needs of all consumers would

be best served by finding proportionate ways to bring the whole sector up to a common standard and address individual issues.

As we confirmed to the CMA at a recent meeting, we are working to develop a template pricing structure, which could ensure that all our members reported their pricing in a consistent manner. We have offered to share this with the CMA to see if it could be adopted industry-wide.

8.71 Understanding how to procure a funeral

These recommendations closely align with the findings and conclusions drawn in the CMA's Research Works report, and they are mostly around provision of information:

- Provision of accessible guidance for people making funeral arrangements for the first time.
- An independent source of advice about how to arrange a funeral or the costs of making funeral arrangements.
- Guidance that there may be considerable variations in the prices charged by different funeral directors, and ways in which funeral costs can be managed or reduced.
- Greater consistency in how funeral costs are described and made accessible.

The NAFD would enthusiastically support (and participate in) better signposting in places like hospital bereavement offices, registrar's offices etc.

Since 2013 we have offered the My Funeral Wishes leaflet, operated in conjunction with Dying Matters, which seeks to encourage positive conversations within families that help to reduce uncertainty when a death occurs. This free leaflet, or something similar, could be promoted as part of will writing and other end-of-life planning services and we would welcome any official advice which presses the importance of talking about your funeral and shopping around for a funeral director.

Perhaps there should be a requirement for an industry wide campaign to raise awareness of funerals and funeral costs - similar to "Talk of a Lifetime" campaign in the USA and similar initiatives in Australia & New Zealand.

There has always been information on our website as to how to arrange and plan for a funeral. We receive more than 50,000 visits to the NAFD website each year and will expand this to include more information about funeral pricing and services to assist the CMA in its objective of helping people to understand how to procure and organise a funeral, both in the days immediately after a bereavement, and to plan for future funeral arrangements for themselves or their relatives in advance of the point of need.

8.71 local authorities or hospices negotiating funeral packages with funeral directors

In respect of the suggestion that local authorities could be encouraged to create low cost funerals, with several firms offering the service, we would ask the CMA to consider what evidence there is to suggest that the same Local Authorities that are substantially responsible

for burial and cremation fee increases, which have continually out-stripped general funeral price increases over the last ten years, are the best parties to control such agreements?

We would also argue that hospices – which are generally locally-based charitable organisations - have no expertise in procuring volume funeral services and it also makes the assumption that their diverse clientele all want the same standard/simple funeral. It also crosses a line from care provided, free of charge, to the procurement of professional services and raises the prospect of exploitation of vulnerable consumers. This was a view shared by others, such as the Good Funeral Guide (who actively campaigned against it, citing that it was not in the public interest).

8.72 Changes to the regulatory framework

The NAFD and our members are supportive of a strengthening of the current regulatory framework, but will seek to ensure that proposals are proportionate, do not have the opposite effect to the one intended and do not cause disproportionate difficulty for any one type or size of business.

As we made clear at our recent meeting with the CMA, we are particularly interested in the model being recommended by Scotland's Inspector of Funeral Directors, Natalie McKail and ask the CMA to look at it in detail.

We are not persuaded by the view stated by the CMA Market Study Team in our recent meeting, that the Scottish Government is pursuing a very different objective to the CMA, as its remit now seems to stretch into how standards and quality are ensured, as well as how competition law is applied.

8.74 Constraining the prices of funerals through regulation

As the CMA knows and advocates for, the best method of constraining the price of funerals is consumer choice. Constraining the price of a funeral through regulation or centrally negotiated contracts, without having a disproportionately damaging impact of the 75% of the sector which is controlled by small, independent (often family owned) firms would be almost impossible.

In our recent meeting with the CMA, the Market Study Team assured us that the CMA has "sophisticated mechanisms" for constraining prices that could be applied without causing disproportionate harm. However, no one at the meeting was able to provide us with any comparable case study or industry sector to review. A CMA representative offered the example of OFGEM price caps as an example but the provision of electricity, which is entirely supplied by a small number of larger suppliers, is clearly not a directly comparable service. The funeral sector, where each product is different and there are many hundreds of suppliers, the vast majority of which are small independent firms, is markedly different to the energy market. It would be helpful if the CMA could provide us with some examples of comparable markets or mechanisms to help inform our thinking.

We are concerned that price capping could serve to reduce choice, by increasing the size of the sector's larger players as independent firms find themselves unable to operate profitably and so consequently choose to sell their funeral home to a larger firm. We also find it a little

frustrating that the CMA is advocating for fixed price funerals, having informed the us only 18 months ago that it could not confirm the legality or otherwise of the NAFD reintroducing a maximum price for a specific funeral package.

Travelling back even further, prior to May 1975 the National Association of Funeral Directors (NAFD) set at its AGM each year a “maximum price for a minimum price funeral”. This was a defined funeral which had to be offered by all members for no more than the maximum price decided annually. The then Office of Fair Trading advised that we were in breach of competition regulations by having such a condition of membership as it was felt that although it did not fix a set price for all members to charge it would inevitably drive the normal price up to a figure approaching the maximum price allowed and it was therefore tantamount to forming a “cartel” and behaving in an anti-competitive manner.

On all of these matters and more, the NAFD stands ready to assist the CMA in answering every question it has about the sector to enable an objective and comprehensive view to be formed. The NAFD represents the widest possible range of UK funeral businesses and our members have indicated a similar willingness to work with the CMA on the full market investigation.

In return we ask for a fair and balanced approach and an equal level of engagement from the CMA.

In our early conversations with the CMA, its representatives said it would hold industry roundtable meetings. We offered to help convene such a meeting but our offer was declined. Given, by the CMA's own admission, the partial nature of some of the research upon which its findings are based, it seems clear that there would have been merit in the CMA talking, in person, to people working in the profession ahead of publishing its interim report. We do hope the CMA will review its approach and talk to people working in the profession in any full market investigation.

In our meeting with the CMA on 18 December, the Market Study Team expressed some interest in attending our October Half Year meeting. This represents a straightforward opportunity for the CMA to engage directly with a wide range of representatives of the funeral sector – something we understand is important to the CMA. This invitation remains open, as it does at our May Conference and we are also happy to convene any number of round tables or roadshows with members around the country at any point in time.

In accordance with the CMA's request, we will endeavour to persuade our members not to simply rely on our representation of their views but to contact the CMA directly. However, as many of our members are small businesses, they may find this difficult - and will understandably expect us as their trade association to be their conduit. We ask that the CMA respects this and works with us to ensure we can support the Market Investigation Team in getting answers to its questions from funeral firms in whatever means work best.

In closing, I would like to reiterate that the issue of balance and fairness is critical. The NAFD counts 850 businesses in its membership, from the very smallest to the very largest, employing 20,000 people in the UK. For many of these 20,000 employees, funeral directing is more than a job, it is a 24/7 vocation. It's an extremely tough career, both emotionally and physically – and so having an overriding commitment to its purpose is pretty much a pre-requisite. The interim report has made sweeping statements about the professionalism and ethics of these people, which we find troubling.

In the months ahead, we ask that the CMA engages fully with the profession and allows us to show it our true, unvarnished self. We ask that the CMA interviews enough members of the public to feel it can accept the views presented to it as the truth. And we ask that it withholds judgement about the profession, and its recommendations to ministers about its future, until that level of clarity is reached.

As I hope the CMA has already seen, funeral directing is a traditional profession that has always been led by consumer wishes. We assure the CMA that any recommendations that it goes on to make, which are based upon a comprehensive greater level of insight into the profession - even ones that show where funeral directors can and must do better - will be embraced by the NAFD and its members.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Jon Levett', with a stylized, flowing script.

Jon Levett
Chief Executive Officer