

Rt Hon Frank Field MP
Chair, Work and Pensions Committee
House of Commons
London
SW1A 0AA



National Association of Funeral Directors' response to the Work and Pensions Committee's call for views on the launch of a follow up inquiry into bereavement benefits

The National Association of Funeral Directors (NAFD) is the largest trade association for the UK funeral profession. It represents the interests of the entire spectrum of funeral directing businesses – including independent and family owned firms, co-operatives and major funeral groups – which, between them, conduct in excess of 80 per cent of UK funerals each year.

We welcome the announcement that the House of Commons Work and Pensions Committee is launching a follow-up inquiry into the injustice in bereavement benefits. The lack of progress made in this area since the Committee's 2016 report is inexcusable and has led to countless families being failed during the most difficult of times.

The NAFD would like to offer the Committee its full support in examining the important issues it has raised, particularly in respect of the adequacy of Social Fund Funeral Payments (SFFPs). If it would be useful, we would be very happy to provide more detailed oral evidence to complement the evidence set out below, in answer to the Committee's questions.

Is the new bereavement benefit (Bereavement Support Payment) working well?

Our membership is not well placed to make an assessment on the overall success of the benefit to date. Funeral directors have limited involvement in the process, other than to make their clients aware of any assistance that may be available to them.

The one observation we would make is that, if the intended purpose of the Bereavement Support Payment is to provide relief from the financial pressure that bereaved families face,¹ the effectiveness of this non-means tested fixed value benefit will clearly vary depending on the circumstances of the recipient.

How well has the Government done at explaining and promoting when people are eligible for the new bereavement benefit?

On 29 April we surveyed our Category A (funeral UK director) members and asked the extent to which they agreed that the new bereavement benefit has been promoted well and signposted clearly. We received 92 responses.

¹ [Department for Work and Pensions \(BVB0039\)](#)

Only 9.89% of respondents said they agreed with this statement. 62.63% of respondents either disagreed or strongly disagreed, with one respondent commenting that:

“None of my clients have been aware of the financial help that is available to them.”

A significant proportion of respondents (27.47%) indicated that they did not hold any view at all and 3 respondents commented that they were completely unaware of the new benefit.

These results indicate that awareness of the benefit among the general public and funeral directors could be a lot better.

Do people who are eligible for Bereavement Support Payment find it easy to claim?

When we asked our members whether their clients, once made aware of the new benefit, had found it easy to apply for, a larger proportion (19.78%) of respondents indicated that they agreed. However, nearly half indicated that they had not and a significant proportion (31.87%) said they held no view.

One funeral director commented that:

“The limited feedback we have had regarding Bereavements Benefits would indicate that many people still find the system and applications confusing.”

These results indicate that the process for making a claim is not as easy to use as it should be.

What should be done to support bereaved parents who were not married to their partner, who aren't currently eligible for the Bereavement Support Payment?

We question the appropriateness of using marriage-based eligibility criteria in the modern age. A significant proportion of cohabiting couples in this country choose not to formalise their relationship by marriage or entering into a civil partnership. This choice does not necessarily mean that they are any less serious about their commitment to one another, and certainly does not mean the death of one will have any less an impact on the other.

We appreciate that marriage (or civil partnership) can be distinguished from cohabitation on the basis that the former puts the state 'on notice' of the relationship, and that this distinction provides a convenient cut-off for policy-makers. The reality however, is that this distinction has little relevance to the question of whether a person should receive support following their partner's death.

In our view, the fact that a couple have chosen to live together indicates a high likelihood that the loss of one partner would significantly impact the other both financially and emotionally. We would therefore be in favour of extending Bereavement Support Payment eligibility to all cohabiting couples.

However, we appreciate that the cost of doing this would be significant. If the funding to provide this is not available, we would urge the government to consider whether more relevant criteria could be applied more suitably. For example, eligibility could be determined on the basis of factors such as the length of time the couple had lived together, the nature of their relationship and the nature of their financial arrangements.

Much more thinking about the potential consequences of changing the eligibility criteria in this way will be required. What is clear however, is that a system that completely fails to recognise the needs of a growing number of cohabitating couples is unfair and not reflective of modern society.

Should entitlement to bereavement benefits be given to children, but claimed by the parents?

The NAFD does not have a strong view on whether the Bereavement Support Payment benefit should be given specifically to children or their parents. The important point is that families that lose a parent should be given the support they need.

As the Committee's 2016 report identified, the cost of extending the Bereavement Support Payment to cohabitants with dependent children would be low, relative to the overall cost of the system. If granting eligibility to the child, rather than the parent, will provide policy-makers with a convenient mechanism for doing this, the NAFD would support this.

What can be learned from other countries' bereavement benefits systems?

Given the concerns our members have raised about their clients' experience of the application process, we would encourage the government to look at the online Funeral Expense Assistance (FEA) application platform soon to be launched by the Scottish Government.

The NAFD has been very impressed with the early demonstrations it has been given by the Scottish Government and feels that the new platform will make the application process much simpler and easier for FEA applicants in Scotland.

It could be beneficial to create a similar platform for the rest of the UK, which could also enable access to other related application processes (e.g. Funeral Expense Payment) and to add the Bereavement Support Payment application to the Scottish Government's online, as this will improve awareness of, and accessibility to the application process.

Has any progress been made on the Committee's previous recommendation that the Government and industry agree the cost of a simple funeral?

The NAFD is not aware that any progress has been made in this regard. We have certainly not been approached by Government to agree the cost of a simple funeral.

With a view to making progress, it is perhaps helpful that the Scottish Government recently published its [Guidance on Funeral Costs](#),² which sets out the following definition of a 'simple funeral':

"A simple funeral includes the following components:

- *The funeral director's services;*

² <https://www.gov.scot/binaries/content/documents/govscot/publications/publication/2019/05/guidance-funeral-costs-fairer-scotland-duty-summary/documents/fairer-scotland-duty-summary-guidance-funeral-costs/fairer-scotland-duty-summary-guidance-funeral-costs/govscot%3Adocument/fairer-scotland-duty-summary-guidance-funeral-costs.pdf>

- *Attending to the necessary arrangements, such as completion of necessary certification, taking instructions from the client and providing guidance on registration and legally-required procedures;*
- *Provision of the necessary staff for care of the deceased;*
- *Provision of an appropriate and robust lined coffin suitable for burial or cremation;*
- *Transportation of the deceased person from the place of death during normal working hours (normally within fifteen miles but taking into account local circumstances);*
- *Appropriate arrangements for the uplift of the deceased and care of the deceased person prior to the funeral, in appropriate facilities;*
- *Viewing of the deceased person, during normal working hours, by appointment;*
- *Provision of a hearse or other appropriate vehicle direct to the nearest crematorium or cemetery at a date and time agreed with the funeral director and clearly described to the client;*
- *The opportunity to hold a service at the cemetery or crematorium at the time of committal; and*
- *If burial is specified (where this is available locally) this may involve an additional charge.*

The definition of the simple funeral set out above does not include the following services:

- *Embalming;*
- *Provision of a limousine;*
- *Any third-party fees or disbursements payable on the client's behalf; or*
- *Service officiant's fee."*

In April, to coincide with the launch of this guidance, the NAFD asked its members across the UK to report on the price³ of the cheapest funeral package they offer which meets the Scottish Government's 'simple funeral' criteria. 91 NAFD members responded to the survey.

Our key findings of were that:

The average 'simple funeral' price reported across the UK was £1881.00

This is more than double the amount that is currently paid to successful Social Funeral Fund Payment (SFFP) applicants. If this figure truly is reflective of the national average, this means that the poorest families are typically being required to find additional funds well in excess of £1000.00, at an already difficult time.

There was some variation between geographical regions

The South East of England was the most expensive region, with an average reported price of £2224.00. Whereas the cheapest regions: Wales, Greater London and the North East of England, all had average reported prices under £1650.00.

³ Excluding the cost of those elements that would be covered by the uncapped part of the Social Funeral Fund Payment

This indicates that a blanket SFFP payment amount for the entire country is likely to produce unfair results, with some families being financially penalised for living in areas with higher prices.

We appreciate that a sample of 92 funeral directors out of an estimated 5,000 UK branches cannot be relied on to provide an accurate picture. However, our recent survey results do corroborate the Committee's previous finding that the £700 Social Funeral Fund Payment (SFFP) no longer comes close to covering the cost of a simple funeral.

The NAFD would welcome the opportunity to enter into negotiations with Government to agree a reasonable cost of, and items required for, a funeral that meets the Scottish Government's specification.

A significant number of NAFD members commented that uncertainty over eligibility and the delay between the application and a determination being made is continuing to cause problems for funeral directors and bereaved families.

Several respondents commented that, as a direct result of SFFPs being rejected after the funeral took place, they had been left with bad debts. One funeral director said:

"It's a vicious circle. The social fund will not guarantee any assistance without a funeral date and invoice, we are reluctant to provide a funeral date and invoice without assurance of payment"

This is a regular occurrence which places particular strain on small businesses.

Another funeral director commented that:

"We have encountered many bad debts due to the ineffectiveness of the Social Fund Funeral Payment Scheme and as a small independent business could have a bearing on cashflow"

As a consequence, many businesses are forced ask for large deposits to be paid up front. This causes problems for SFFP applicants who often don't have large sums of money immediately to hand. The result is that they are forced to choose from a much smaller pool of potential suppliers, which limits their choice as consumers and their ability to find the best deals.

One respondent summarised the issue:

"The Social Fund payment is woefully inadequate and categorically unfair. Claimants cannot get a decision until the date has been set for the funeral. Many FD's will not enter into the arrangements without a deposit. It's Catch 22 and this contributes to the rise in Public Health Funerals. Low cost option funerals are not the solution (however much the media would have you think otherwise). Almost (if not all) require payment up front. And even if the low-cost options fulfil the criteria for the DWP (i.e. it stays within the DWP funeral expenses payment) then the family cannot do anything until the date of the funeral has been booked."

A simple change to the application process that would greatly improve the situation for bereaved families would be for the Department for Work and Pensions to provide SFFP award decisions in principle without first requiring a funeral date to have been set (and therefore a contract with the funeral director to have been made) at the time of the application. This would alleviate the growing problem of bad debt for funeral directors and would enable families to make funeral arrangements, certain in the knowledge that they will not be plunged suddenly into unmanageable debt.

The NAFD hopes that the Committee's follow up inquiry will investigate, not only the lack of progress that has been made to bring SFFPs in line with the real cost of a funeral, but also what steps could be made to improve the application process with a view to alleviating the issues caused by uncertainty and delays.

National Association of Funeral Directors

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