



Funeral Poverty | A briefing

April 2017

What is funeral poverty?

- One in seven people¹ who organised a funeral in the past four years admitted it caused them serious financial concern, with the average funeral shortfall standing at **£2,334**.
- At a national level, funeral poverty has risen **50%** in just three years².
- This is an issue of growing public concern as funeral costs rise far beyond people's means.

Steep increases in funeral costs

- In the last ten years the cost of dying has risen ten times faster than the cost of living³.
- Funeral costs in the UK increased by 5.5% last year, averaging **£3,897**.

The rise of "pauper's funerals"

- Public health funerals (sometimes still called "pauper's funerals") have increased by **50% in four years**⁴ among the most financially vulnerable, causing considerable strain on public finances.
- Councils and hospitals have a statutory duty to make "suitable arrangements for the disposal of the body" where there are no other available means in the estate of the deceased or among family and friends⁵.

A dysfunctional funeral market

- Because of the emotional burden of grief and social stigma, we tend not to 'shop around' when buying funerals. As a result there is very little competitive pressure on prices and we see huge variation in what funeral directors charge.
- When the Work and Pensions Select Committee published their review⁶ into funeral poverty in March 2016, they recommended that the funeral industry be referred to the Competition and Markets Authority. Further developments from the Committee highlight that the government needs to do more, with an MP at the March 2017 Westminster Hall debate on funeral poverty stating "**the social fund now requires urgent review**"⁷.

An "opaque and outdated" system of support

- The Work and Pensions Select Committee called the system of state support for bereaved people 'opaque' and 'outdated'⁸.
- The government funeral grant (called the Social Fund Funeral Payment) administered by the Department of Work and Pensions (DWP) used to cover the cost of a basic funeral for people on qualifying benefits, where there were no other available funds.
- Over the past 12 years the value of the funeral grant has been eroded dramatically in real terms. The average award in 2015-16 was £1,410, **less than 40%** of the average cost of a funeral.⁹ Expenditure on the funeral grant has increased only **4.5% since 1988**. This represents a massive real-term decrease in expenditure.
- Making an application to the funeral grant is a long and complex process.
- The DWP only pay the grant once a funeral has taken place. This means people must commit to a funeral before they know if they'll receive any support, and often have no



means to raise the deposit required by funeral directors before the funeral can go ahead. This creates considerable problems, especially for people of faiths that require the funeral to take place soon after death.

A proactive response from the Scottish Government

- The Burials and Cremations (Scotland) Bill, which passed through the Scottish Parliament in 2016, set out a strategy to bring down rising funeral costs.
- They liaised extensively with stakeholders to develop and explore a range of measures that will work across government departments to address funeral poverty. These measures include a Scottish Funeral Bond scheme to help people save for a funeral, relevant education disseminated to the bereaved via public services and online tools to encourage discussion and planning of funerals.
- The funeral grant has been devolved to Scotland and they're currently consulting and how to design a benefit that overcomes many of the problems within the current grant.

What needs to change?

Fair Funerals and the Funeral Poverty Alliance (FPA) is calling for the following as a matter of priority:

1. Raise the funeral grant to cover cost of a basic funeral

The FPA agrees with the Work and Pensions Select Committee that the DWP must define a basic funeral and pay the grant out at this level. Bereaved people are being left with crippling debts they have no means of paying off.

2. The government must develop a plan to tackle rising funeral costs

Scotland has provided an excellent template for a cross government plan that will make a sustainable impact on funeral costs. The UK government must follow suit.

3. Funeral directors should provide a basic funeral with a clear, visible price

This would allow people to compare costs and find a funeral within their means. Government should explore options for encouraging these practices.

Andy, 47 from Yorkshire got into financial trouble after his wife lost her battle with cancer. He says:

"I was really shocked when our local funeral director quoted me £6,300 to bury my wife. The government had turned me down for a Social Fund Funeral Payment but with help Down to Earth advisers helped I was able to appeal this decision. I've still got quite a lot of the bill to pay off. Having this debt hanging over me is a painful reminder of my wife's death."

Who are we?

Fair Funerals is the only campaign working in the UK to tackle the underlying causes of funeral poverty. Working in collaboration with several interested stakeholders, the Funeral Poverty Alliance was set up to provide a not-for-profit voice campaigning collectively against funeral poverty. The Alliance includes respected charities and faith groups whose beneficiaries are affected by funeral poverty.

Who are Quaker Social Action?

Quaker Social Action (QSA) provide practical responses to poverty, including, since 2010, support



and advice to people unable to afford a funeral through our *Down to Earth* project. In 2014 QSA launched the **Fair Funerals campaign** to tackle the underlying causes of funeral poverty.

¹ <https://www.sunlife.co.uk/press-office/almost-two-thirds-of-people-%E2%80%93-the-most-on-record-%E2%80%93-now-make-some-funeral-provision-as-funeral-costs-continue-to-soar/>

² <http://www.sunlifedirect.co.uk/press-office/rest-in-poverty---cost-of-dying-up-again/>

³ <https://www.sunlife.co.uk/costofdying2016/>

⁴ <https://inews.co.uk/essentials/news/uk/worrying-picture-isolation-numbers-paupers-funerals-soar/>

⁵ <http://www.legislation.gov.uk/ukpga/1984/22>

⁶ <http://www.publications.parliament.uk/pa/cm201516/cmselect/cmworpen/551/551.pdf>

⁷ <http://fairfuneralscampaign.org.uk/content/increase-funeral-grant-cover-basic-funeral-say-mps>

⁸ <http://www.publications.parliament.uk/pa/cm201516/cmselect/cmworpen/551/551.pdf>

⁹ [Department for Work and Pensions \(2016\) Annual Report by the Secretary of State for Work and Pensions on the Social Fund 2015-16](#)