

**Feedback on Landscape Services Cemeteries and
Crematoria Charges Consultation September 2012 –
January 2013
(Budget Option F1.4)**



Sefton Council



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Executive Summary

On 13th September 2012 Sefton Council's Cabinet considered a report to increase fees and charges for burials and cremations as part of the £43 million budget reductions required by government.

At the Council meeting on 22nd November, Landscape Services was asked run a more extensive consultation on these increases, and this ran from 6th December until 7th January 2013.

The consultation asked whether the public would support the extension of fees and charges for burials and cremations provided by Sefton Council.

The consultation consisted of:

- Meetings with funeral directors as part of the standing Funeral Director's Forum
- Letters sent to representative groups such as:
 - Stonemasons
 - Southport Hebrew Congregation
 - Southport Mosque and Cultural Centre
- Use of Sefton's Community Empowerment Network groups, and advertising in the Sefton CVS e-Newsletter, facilitated by Sefton CVS

The Funeral Director's Forum is an open forum, and all the above groups are invited.

Letters all signposted the online web form provided on the council's website, on which members of the public and representative groups could leave their comments. There was also extensive media interest which helped to signpost the fee increase.

Comments were received from the Funeral Director's Forum, The Southport Hebrew Congregation, and one member of the public. A report titled: "Struggling to live, not being able to afford to die" was received from the Area Dean of Bootle.

Some attendees at the Funeral Directors' Forum felt the proposed price increases were too high and the general consensus was against a large increase.

The Southport Hebrew Congregation, which represents 105 members of the public, was also against the increases, saying:

- The average age of their congregation is 73, and therefore of limited income
- They are tied in to using the Jewish burial area and cannot move to another, cheaper site
- They believe it is morally repugnant to make profit from funerals and cremations
- Such high charges will mean that their burial fund would be unable to pay, leading to them having to use reserves and ultimately sell their synagogue
- They also believe that each sector of society should pay their fair share, such as the "absurdly low charges for football pitches (*compared with other parts of the country)."
- They suggested:
 - "Sefton Council should ensure that all charges made (parking etc.) should at least be set at a rate to cover the cost of those services and reflect the market rate"

The Area Dean of Bootle said that:

- 17% of people struggle to afford a funeral
- Some funeral directors now demand 100% payment up front
- The length of time it takes to settle probate means that the estate of the deceased cannot be used to pay for funerals
- The requirement for older people to pay for their long term care means that there is reduced funds available to pay for funerals in their estate
- The Social Fund does not fully cover funeral costs
- 9% of people have to sell belongings to be able to pay for a funeral
- Local authorities may be forced to pick up the cost of more funerals under public health funeral arrangements.

Feedback from sole member of the public who responded also reflected the concerns stated by the Southport Hebrew Congregation and the Dean of Bootle.

Feedback received by the council from Sefton Partnership for Older Citizens (SPOC) did not specifically address the proposed increase in burial and cremation charges. They did say that:

- Consideration should [also] be given to those least able to afford the higher costs (some of whom will be older citizens) who may then be much more likely to require services in the longer run which are more expensive to provide.

The results of this consultation will now be submitted for consideration by elected members to inform their decisions regarding this proposal.

Background

Sefton Council has to make an estimated saving of £50.8 million as part of the budget reductions required by the Government. This follows the £20 million saved this financial year and is a very difficult challenge as the council reduces in size and scope.

Sefton Council currently provides two crematoria at Southport and Thornton, and four cemeteries at Bootle, Duke Street, Liverpool Road and Thornton. The service caters for all faith communities, with designated burial sites for people of Muslim and Jewish faith.

The service itself carries out around 3,000 cremations and 400 burials each year.

Proposal

The proposal is to increase the charge for burials, cremations and associated services. The increase in charges would be above the rate of inflation and generate an additional income in the region of £400,000. Currently Sefton's prices are in the upper quartile of those charged locally but are not the most expensive on Merseyside.

Charges could be raised by approximately 17 to 25%, with smaller increases for the interments of 3 and 4 coffins deep, to give new charges of:

- Cremation £750
- Interment (all depths) £750
- Purchase of a grave (resident) £900

Service users would have to pay more, however the charges levied by Sefton form only part of the overall cost of an average funeral. The average cost of a basic cremation funeral package is £2,990 [source co-operative funeral care 'amber' package] and a national insurance company [source Sun Alliance] indicated that the average spend for a funeral in 2011 (including cars, flowers, wake, memorial etc.) was £6,801.

Summary of Feedback

Despite massive press coverage, and letters to key stakeholders, the response to consultation has been low, with only the Funeral Director's Forum, The Southport Hebrew Congregation, one member of the public, and the Area Dean of Bootle providing substantive comments.

- Some Funeral Directors felt the increase was too large.
- The general consensus was against a large increase.
- Suggestions from Funeral Directors to mitigate the cost or improve the service included:
 - That Sefton should invoice the client direct, as they do in Macclesfield and Stoke
 - Invoicing directly could protect the authority from any funeral director who was struggling financially

- Less popular burial or cremation times could be offered at a cheaper rate to help families with financial difficulties
- The Southport Hebrew Congregation, representing 105 members of the public, was also against the increases, saying:
 - The average age of their congregation is 73, and therefore of limited income
 - They are tied in to using the Jewish burial area and cannot move to another, cheaper site
 - They believe it is morally repugnant to make profit from funerals and cremations
 - Such high charges will mean that their burial fund would be unable to pay, leading to them having to use reserves and ultimately sell their synagogue
 - They also believe that each sector of society should pay their fair share, such as the “absurdly low charges for football pitches (*compared with other parts of the country).”
- They suggested that to mitigate these charges:
 - “Sefton Council should ensure that all charges made (parking etc.) should at least be set at a rate to cover the cost of those services and reflect the market rate”
- The Area Dean of Bootle said that:
 - 17% of people struggle to afford a funeral
 - Some funeral directors now demand 100% payment up front
 - The length of time it takes to settle probate means that the estate of the deceased cannot be used to pay for funerals
 - The requirement for older people to pay for their long term care means that there is reduced funds available to pay for funerals in their estate
 - The Social Fund does not fully cover funeral costs
 - 9% of people have to sell belongings to be able to pay for a funeral
 - Local authorities may be forced to pick up the cost of more funerals under public health funeral arrangements.

His report “Struggling to live, not being able to afford to die” is included as an appendix to this report.

- The single respondent from the public was against the proposal because:
 - It would affect people on fixed incomes and of pensionable age
 - It would affect her synagogue’s burial fund, meaning that reserves may have to be used or the synagogue sold to pay for funerals
 - It would penalise people who were trying to pay for their funerals at no cost to others
- She suggested that to mitigate the increases:
 - “There must be ‘wastage’ and efficiencies to be made in running the council and its buildings“
- Feedback received by the council from Sefton Partnership for Older Citizens (SPOC) did not specifically address the proposed increase in burial and cremation charges. They did say that:
 - Consideration should [also] be given to those least able to afford the higher costs (some of whom will be older citizens) who may then be much more likely to require services in the longer run which are more expensive to provide.

Conclusion

The conclusion is that there is some opposition to the increase in prices. However, public response to the consultation was low.

The consultation has now ended and the results have been incorporated in to a Cabinet report to go before elected members, so that they can discuss whether they wish to adopt the proposal as part of the overall council savings package.

Appendices

Appendix 1 – Overview of Consultation

The overview of consultation table below shows which groups were contacted by Landscape Services as part of this consultation.

Landscape Services		Change Proposals 2013/14 Overview of Consultation				Street Scene		
Key		Activity Completed ✓	Activity Cancelled ×					
Version 2.9								
						Signposting to website		
	Change Proposal	e-Consult	Forum /Meetings	Drop In Sessions	Hard to Reach Groups	Letter/email	Posters	Twitter/ Facebook/ Press release
	<i>Cemeteries and Crematoria Fees and Charges</i>	Response form loaded on to website ✓ 06/12/2012	Funeral Directors' Forum 14/11/2012 ✓		Letter/email to Southport Mosque and Cultural Centre 05/12/2012 ✓ No response received Letter/email to Southport Hebrew	Letter/email to all funeral directors 05/12/2012 ✓ Letters/email to all stonemasons 05/12/2012 ✓ Southport & District General Hospital 05/12/2012 ✓	Notices on notice boards/ at cemeteries and Crematoria 13/11/2012 ✓	Press release by Communications Department 10/092012 ✓

				<p>Congregation 05/12/2012 ✓ Letter received dated 07/01/2013</p> <p>Included in Sefton CVS e- newsletter 21/12/2012 ✓</p> <p>SPOC ✓ Letter received dated 20/12/2012</p> <p>FAITH GEN ✗ No response received</p>	<p>Included in Sefton CVS e-Newsletter 21/12/2012 ✓</p>		
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Appendix 2 – Feedback from Consultation

Respondent	For the Proposal	Against the Proposal	Comments Received
Public feedback via website (0 responses)	?	?	<ul style="list-style-type: none"> No responses were received from the public
Funeral Directors' Forum (Meeting 14 th November 2012)		x	<p>The comments received back from the Funeral Directors Forum was that:</p> <ul style="list-style-type: none"> They thought that the increase in fees and charges were too high Sefton will be the country's most expensive authority despite the residents being some of the country's poorest and they will have a funding gap even if they receive a full contribution from the (DWP) Social Fund. This will lead to funeral directors either ending-up with the debt or mitigating some of the cost Funeral Directors would suggest alternative burial and cremation sites to the bereaved to keep the customer's costs down <p>Suggestions to mitigate the cost or improve the service were:</p> <ul style="list-style-type: none"> That Sefton should invoice the client direct, as they do in Macclesfield and Stoke Invoicing directly could protect the authority from any funeral director who was struggling financially less popular burial or cremation times could be offered at a cheaper rate to help families with financial difficulties
FAITH CEN	?	?	<ul style="list-style-type: none"> No response was received
SPOC (Letter dated 20 th December 2012)	?	?	<p>No specific feedback was received regarding the proposed price increase.</p> <p>Regarding increases in fees and charges generally, SPOC said:</p> <ul style="list-style-type: none"> Consideration should [also] be given to those least able to afford the higher costs (some of whom will be older citizens) who may then be much more likely to require services in the longer run which are more expensive to provide. <p>Their general feedback said:</p> <ul style="list-style-type: none"> As you know, Sefton has the highest proportion of older citizens of all metropolitan councils and

Respondent	For the Proposal	Against the Proposal	Comments Received
			<p>the number of older citizens in Sefton is growing rapidly. Under normal circumstances we would therefore argue that both the totality and the proportion of the Council's budget set aside to address their needs should be growing. However, we recognise fully the challenges which the Council will face over (at least) the next 2/3 years; we understand that they are not of the Council's making; and we know that the Council will have very difficult judgements to make in deciding which of the many unpalatable savings options to adopt.</p> <ul style="list-style-type: none"> • Owing to the sheer magnitude of the savings there is a real danger that the Council will be forced to adopt short-term savings options which will save resources in the next 2/3 years but will then generate much greater costs (and problems) in the future. The very sound principle of 'invest to save' which we believe to be a vital component of any strategy to address the challenge of an ageing population may therefore be under threat. SPOC hopes that the Council will do everything within its power to protect service provision in the long term when considering which of the savings options to select since the withdrawal of 'preventative' programmes and facilities would inevitably store up problems for the future, would create hardship for vulnerable people and could result in 'cost shunting' to other service providers. • Over the past year there has been a huge national focus on 'dignity in care' and a recent report by the LGA, NHS Confederation and Age UK has set out clear recommendations on ways in which this should be addressed. Numerous examples have come to light of poor standards of care in hospitals, care homes and in domiciliary care settings at times when people are at their most vulnerable. The most recent such report was published on 23/11/12 by the Care Quality Commission. SPOC believes very strongly that Sefton must do everything in its power to guard against any diminution of standards in those environments where older people are unable to speak out for themselves and to ensure that in any contractual negotiations the consideration of

Respondent	For the Proposal	Against the Proposal	Comments Received
			dignity and quality is regarded as at least equally important as price.
Southport Hebrew Congregation (Letter dated 7 th January 2013, 105 members)		x	<ul style="list-style-type: none"> • Our interest in this matter relates to us operating a Burial Fund ('Fund') for our members. • Those who belong to the Fund (currently some 105 members) pay an annual charge. This fund has to meet all the funeral and related costs of the members, together with ancillary costs associated with maintaining the Jewish area of the Duke Street cemetery, in perpetuity. • I have been in correspondence etc. on this matter for some time (letter to Margaret Carney dated 9 November 2011, Councillor Iain Brodie-Browne, letter to Ian Moncur dated 28 September 2012) voicing our concerns about the massive increases which have been levied and continue to be proposed for burial charges (Grave £750 to £900 [+20%], Burials £600 to £750 [+25%] — why have the burial charges been consolidated into one charge?). • The average age of our members is 73 years old and they have been saving in this Fund for some considerable time. The fund is sufficient only for current levels of charges. So in one respect this is a tax on pensioners. Our members will be hit particularly hard if these increases are implemented as their income (pensions and savings) are linked to inflation and low rates of interest (Saga calculated that pensioners have seen their savings shrink by a fifth since the credit crisis began). I should point out that it is the Government's policy to protect pensioners against above inflation increases. • The average cost of a funeral in 2000 was £1,215. If you had invested your savings in a building society it would have increased to £1,438 by today. The average cost of a funeral now is £3,284 (figures from Mintel and the Building Society Association). It is impossible to ask our members for significant increases in their contributions, together with all the other cost and other increases (food, petrol, heating, insurance, freezing of age allowance, etc.) • Our 'contract' with them does not allow us to claim from the estate. The shortfall can only be met by the congregation in general from past reserves and selling our synagogue site **. • The consequence of this is that the life of the Jewish community in Southport will be foreshortened considerably by this action.

Respondent	For the Proposal	Against the Proposal	Comments Received
			<ul style="list-style-type: none"> • We have been copied into the minutes of the Funeral Directors Forum of 14 November when increases were discussed. As you are aware funeral directors do not have to bear the cost (see Para 5 below). Our fund/members do bear the cost and we should have been invited to attend. • The comment was made at that meeting that being the most expensive borough in the area (and the most expensive authority in the country*) the Funeral Directors had the option to move funerals to cheaper areas. An increase on this basis would be self defeating. However, those of a Jewish religion do not even have this option. • When we originally met with [council staff] some time ago about this and other related issues, we were told that Cemeteries and Crematoria were all part of Landscape Services, which incorporated the parks and in particular football pitches. Their policy overall was to break even. I am not sure whether this is still the case and will not comment about the absurdly low charges for football pitches (*compared with other parts of the country). He acknowledged that funerals and cremations made a profit, which is morally repugnant. Each sector of society or interested group should <i>pay their fair share</i>. There should be no cross subsidy. • There seems to be a view that these costs are an easy touch, as 'dead people' don't vote and we are not vociferous, unlike the football fraternity. This is a mistaken view. As well as our fund, there are commercial organisations that run funeral plans (Dignity, Co-Op, Golden Charter etc.) with thousands of members in the Merseyside area. In addition, when I talked to Howards (Ainsdale village) they run their own fund with fixed fees. They are unable to collect these increased charges and consequently the shortfall/loss will have to be covered by the company (similar to Equitable Life) and there may be others in this position**. The other people adversely affected by these increased costs are the people who inherit the estate of the deceased. The estate is reduced by these costs before the family and friends etc. receive their inheritance. This affects tens of thousands of people across Merseyside each year. • I think we have some very powerful arguments against the increase. We prefer to keep a low profile and put our points forward discretely. I trust this strategy will not be ignored.

Respondent	For the Proposal	Against the Proposal	Comments Received
			<ul style="list-style-type: none"> The continued increases are plainly unfair. Sefton Council should ensure that all charges made (parking etc.) should at least be set at a rate to cover the cost of those services and reflect the market rate.
Southport Mosque and Cultural Centre	?	?	<ul style="list-style-type: none"> No response was received
Area Dean of Bootle		x	<ul style="list-style-type: none"> 17% of people struggle to afford a funeral Some funeral directors now demand 100% payment up front The length of time it takes to settle probate means that the estate of the deceased cannot be used to pay for funerals The requirement for older people to pay for their long term care means that there is reduced funds available to pay for funerals in their estate The Social Fund does not fully cover funeral costs 9% of people have to sell belongings to be able to pay for a funeral Local authorities may be forced to pick up the cost of more funerals under public health funeral arrangements.
Mrs JL Southport		x	<ul style="list-style-type: none"> I am very concerned about the large increase in burial fees. They are well above the level of inflation and from what I have read will continue to rise in this manner over the next several years. This will hit people with funeral plans who do their best to pay for their funerals so the cost is not borne by others. I am a member of my synagogue's burial fund, paying an annual charge. This fund has to meet all the funeral and related costs of the members, together with costs associated with maintaining the Jewish area of the Duke Street cemetery, in perpetuity. This charge would have to go up considerably to cover payment of everyone's burial costs. As the vast majority of members are on fixed incomes, being of pensionable age, they will find it hard to fund any increase. It is likely that the Burial Fund will not impose such high increases as it is unlikely members could pay. Therefore any shortfall will have to come from the synagogue's reserves and eventually we will have to sell the site to pay for burials, therefore depriving the community of their

Respondent	For the Proposal	Against the Proposal	Comments Received
			<p>synagogue.</p> <ul style="list-style-type: none"> • You might think dead people cannot vote so it does not matter if the charges are amongst the most expensive in the country, but I and others who belong to funeral plans, do vote. So do the deceased's relatives who will have to pay for a funeral, or part of one, if there is no money in the estate. • I appreciate Sefton has to balance the books but feel strongly that burial charges should only go up with inflation, or very slightly above. I am sure there must be 'wastage' and efficiencies to be made, in running the council and in its buildings that can be used to help with the budget.

Appendix 3 – Struggling to Live, Not Being Able to Die Report

Struggling to live, not being able to afford to die

The rising costs of funerals - the impact on families, the financial implications for statutory bodies and wider impacts.

Canon Roger Driver 21st November 2012

1. INTRODUCTION

2. There is great concern over the rising cost of funerals. Year on year since 2004, research shows there has been an increase of 71% which is way above the Retail Price Index and wage inflation¹. The bad news is that those increases are likely to continue in the next twelve months, and quite dramatically. The normal costs associated for every death include Funeral directors costs, doctor's fees for certification, fees for religious or secular services and burial or cremation fees. In addition other discretionary costs include death and funeral notices, flowers, order sheets, limousines, catering for the wake, venue hire, a memorial, and if used, the professional fees associated with the winding up of the estate of the deceased.

3. Families in these financially pressed times are finding it harder and harder to make ends meet. The Sun Life 'Cost of dying survey 2012' identified that of the 552,000 deaths in the UK during the previous twelve months, 17% of people struggled to afford a funeral with an average shortfall of £1,246. As cuts in the public sector continue to manifest themselves in the reduction and removal of services, Local Authorities in particular are facing some very hard decisions in an attempt to bridge huge gaps in reducing budgets. What has caught the headlines recently is the recommendations by some Councils around the country to increase fees charges for cemeteries and crematorium, and the Church of England raising its own fees by over 50% from January 1st 2013.

4. With the acknowledgement that people in general are already struggling with those Increasing costs, there is growing concern that the poorest sections of society; those on low wages and the unwaged, will struggle to meet even part of those costs, let alone them all. Within law in this country, we have a system that in the circumstances of not being able to meet those costs, there are two lines of support. The first is the partial financial support of the Social Fund for those that qualify, and in the circumstances of the total inability to meet the costs, the second - a responsibility of the Local Authorities or NHS Hospitals to pay for a basic funeral.

5. With a challenging economy, huge changes in the welfare system, increasing costs and higher levels of debt the situation can only get worst. This paper represents an initial attempt to draw together various reports and research to help understand the situation with better clarity, and then with additional input and data from a Local Authority in Merseyside, a large NHS General Hospital, funeral directors and faith communities; focus and highlight the issues at hand. The big questions are around, whether or not we are looking at the tip of a problem that will put even more financial pressure on public sector bodies and funds? Can trends and patterns be identified to help inform planning and identify financial risk, to help find solutions? Are more people being plunged into debt to meet the costs of funerals and what are the consequences? Are we beginning to view a detachment by economic consequence, of families from established advice and bereavement support? What is the impact on health and its consequences?

6. THE RISING COST OF FUNERALS

7. Generally Funeral Directors do not publish online, or in publicity material exactly what they charge for funerals. In 2010 Ipsos MORI conducted cost comparison research into the cost of funerals². The report compared the total cost of a cremation by 3 different types of provider; independent funeral directors, funeral directors in the Dignity group and Co-operative Funeralcare branches. Results showed that the average cost of a basic funeral was £2,648, with the average for the 3 different providers varying from £2,353 to £2,916. Quotations for the total funeral follow the pattern of the funeral directors' charges, with Dignity on average the most expensive and independent funeral directors on average the cheapest. Noting a similar survey conducted in 1998, Co-operative Funeralcare continued to be in the middle of its counterparts.

8. In research in 2012, the Sun Life: Cost of Dying Report showed that the average funeral now cost £3,284, 6.2% more than in 2011. That rise was explained by a 5.3% increase in Funeral Director's costs, 3.4% in Doctor's fees for certification, 1% in fees for a religious or secular service, 6.6% in cremation and 9.6% in burial fees. Looking towards 2013 some of those costs are expected to escalate sharply. In the Church of England basic fees for a funeral service with be rising by 57% to £160, with an additional amount of £260 for burial in a church graveyard.

9. At the beginning of the November it was reported that the Metropolitan Borough of Sefton could become one of the most expensive places in England to be buried or cremated. The Full Council meeting on November 22nd will have to decide whether or not to accept a recommendation that would bring in a planned 25% increase in the price of cremation to £750 and a new grave with internment to £1,650 from April 1st 2013³. The recommendation is part of a response to address the deficit of £43m that needs to be found and cut from next year's budget.

10. Increases in charges, as politicians will know, are not popular with the public. But Sefton Council are not on their own in their dilemma, as witnessed by an increasing number of Councils being reported on in the press. Some like Cornwall⁴ have made a decision to increase and then postponed the implementation due to the outcry, others in Cumbria⁵ are just at the report stage. This is an understandably emotive area, but a question that arises is to what extent and detail are Elected Councillors being advised as to the possible impact of their decisions in this area, particularly in respect of their statutory responsibilities to be the final 'fall back position' if families cannot afford the rising costs. What might be thought as an increasing revenue stream, may just turn out to inflict a much larger draw on the general funds of the Council.

11. PAYING FOR THE FUNERAL

12. Funeral directors typically have always required a deposit, and the common experience now is for that deposit to be substantial. Anecdotally there is an additional picture appearing that some Funeral Directors are now demanding 100% payment upfront before arrangements can begin. Those 'basic' costs are only related to funerals that are taken in crematoriums and cemeteries, and if there is a funeral in a church the associated costs will then be placed on top of that basic amount. The picture thus appears of families and next of kin having to find a significant sum of money upfront in part or full, to be able to arrange a funeral and for it to take place within an average of 5 to 10 days of the death.

13. The 'Cost of Dying Report' revealed the extent to which a death can leave families in severe financial straits. About 17% of respondents to a related survey said they had struggled with funeral costs, with 20% putting the outstanding balance on a credit card, 10% borrowing money from a loan provider, and 9% having to sell their belongings.

14. When someone dies their assets and belongings are usually put into probate. If the person who has died leaves a will, one or more 'executors' may be named in the will to deal with the

person's affairs after their death. The executor applies for a 'grant of probate' from a section of the court known as the probate registry. The grant is a legal document, which confirms that the executor has the authority to deal with the deceased person's assets (property, money and possessions). They can use it to show they have the right to access funds, sort out finances, and collect and share out the deceased person's assets as set out in the will.

15. If the person who has died didn't leave a will a close relative of the deceased can apply to the probate registry to deal with the estate. In this case they apply for a 'grant of letters of administration'. If the grant is given, they are known as 'administrators' of the estate. Like the grant of probate, the grant of letters of administration is a legal document, which confirms the administrator's authority to deal with the deceased person's assets.

16. In both of these scenarios, the probate process can take at least 6 weeks for something that is straightforward, and much longer when affairs are more complicated, and in the absence of a will. Thus even in the likelihood of there being assets from the deceased estate to pay for the funeral costs, the initial outlay that is expected by the funeral director would have to be found by the next of kin. Some would be able to pay such costs from their own assets and savings, but many in low paid work or on benefits would understandably struggle to find such costs. In addition the short time frame of 5 to 10 days would also put on additional pressure to find that capital. For those in financial difficulty, and/or on benefits, applications can be made up until the end of March next year to the Social Fund to help meet the costs of a funeral.

17. FUNERAL COSTS AND FUNERAL PAYMENTS FROM THE SOCIAL FUND

18. A report published this year by the Bath Citizens Advice Bureau, 'Final Rights – Funeral costs and funeral payments from the Social Fund'⁶ highlighted the realities and difficulties surrounding the application of this fund. The history of the State assisting families with the costs of funerals is laid out in the report.

19. *'Before the advent of the welfare state, the desire to avoid the humiliation of a 'pauper's funeral' prompted the establishment of burial societies into which people on low incomes could make payments to cover the future cost of their funeral. Unfortunately, the administration fees were high and the societies were not always secure with the result that many policies collapsed. 'The commitment in Beveridge's Social Insurance and Allied Services Report 1942 to promote the well-being of citizens "from the cradle to the grave" provided for a scheme of social insurance which explicitly included funeral costs. Funeral grants were enacted as part of the 1946 National Insurance Act. Practical problems soon emerged in the administration of the scheme and from 1957 a death grant became payable to the deceased's estate to be claimed by the personal representative(s). Over the next three decades the value of grants was gradually and significantly eroded and entitlement was restricted. In 1988 the new Social Fund was given responsibility for funeral grants. Between 1995 and 1997 the system evolved further with more restrictions on eligibility and more complex regulations. At the time the Social Security Advisory Committee pointed out that the new regime was not equitable, comprehensible or workable, that grants would fail to meet the costs of even a simple funeral and that the regulations surrounding relationships with the deceased were unreasonably intrusive. However, the government went ahead with the changes as planned. The most recent regulations were introduced in 2005⁷. The two most important factors which determine eligibility are whether the claimant is in receipt of certain qualifying benefits and tax credits and whether the claimant is deemed to be the appropriate person to take responsibility for arranging the funeral.'*

20. The conclusions of the report are quite stark. Funeral Payments from the Social Fund were found simply not enough to cover the cost of even a basic funeral. There was always a significant shortfall, typically of over £1000. This was the most common issue presented by clients and was

confirmed by their survey of local funeral directors, other research and, significantly, the Department of Work and Pension's (DWP) own statistics⁸. Since claimants were by definition in receipt of benefits or tax credits, which were designed to be 'a safety net' and were only sufficient to meet the most basic needs, they inevitably struggled to pay the shortfall and typically couldn't pay the debt to the funeral directors.

21. They also observed that the rules with regard to entitlement to a Funeral Payment were extremely complex and were in fact specifically designed to ensure that, if at all possible, someone other than a benefit claimant paid for the funeral. This was not widely appreciated because the rules are not properly publicised or explained. The rules regarding responsibility are particularly obscure and should be applied with greater flexibility. In real life personal relationships are often complicated and the question of who should take responsibility less than straightforward.

22. As a result, there was insufficient information generally available to enable people to make informed decisions as to whether they should assume responsibility for arranging a funeral. As a result, many people took responsibility for a funeral who would not do so if they were in possession of all the facts. The DWP admitted that Funeral Payment decisions could take too long⁹, which caused customers in that situation anxiety about the outcome of their claim and the unresolved debt to the funeral directors.

23. The report highlighted the impact on people who lacked the funds to meet the shortfall. They noted that clients on benefit had to use what little money they had and some had taken out loans which they could ill afford to pay the outstanding amount, and worryingly, but not surprisingly some of their clients reported that the situation was having a detrimental effect on their health. Significantly they concluded:

24. 'We have been unable to establish exactly why Social Fund Funeral Payments fall so far short of the actual cost of a funeral, bearing in mind that the type of funeral we are dealing with is a basic one and the regulations set out mandatory expenses which should be met. We are not convinced by the implication in the Secretary of State's report to Parliament that the problem can be explained by the £700 limit on associated costs. The figures simply do not add up; it seems unlikely that spending on the items allowed under associated costs could be so far in excess of the £700 limit as to create a shortfall of £1000 plus.'

25. A further study independently undertaken by Bath University in conjunction with Sun Life¹⁰ reinforced some of the findings of the CAB, 'Final Rights Report'. The research involved interviewing claimants, funeral directors and stakeholders in order to examine and evaluate the way in which state support was being organised and administered. With fundamental changes to the organisation of the welfare state, alongside mounting concerns about social care and pensioner poverty, the report suggested that being able to pay for the funeral of a family member needed to be included in those discussions. The current arrangement of contributions from the state for those people who could not afford a funeral lacked coherence, which thus had the potential to create confusion and frustration as well as exacerbating emotional distress, which many of the research participants reported.

26. The research identified that the frustration and distress was the outcome of a number of interwoven issues. Namely confusion regarding awareness of and eligibility for financial assistance from the Social Fund to help with funeral costs, the amount that might be paid out, the order in which the funeral is organised and Social Fund claims administered, the way in which familial relationships were assessed and how decisions regarding responsibility for the funeral costs were made.

27. UNIVERSAL CREDIT – 2013, FUNERAL AND BEREAVEMENT SUPPORT PAYMENTS

28. The Government in July 2012 published their response to a consultation they had undertaken in an attempt to address some of the recognised difficulties of funeral payments through the Social Fund¹¹. Under the heading 'Repositioning the benefit', the document stated their findings and proposed responses: 'The Government stands by its proposal to focus support on the period immediately after bereavement. As indicated in the findings of the social research report, and supported by a number of consultation responses, it is very common for bereavement to have a large short-term impact on the finances of the surviving partner. Focusing the Bereavement Support Payment in this way provides a buffer against this immediate impact.'

29. The report published an impact assessment that included a revised lump sum and instalment payments that would be made to families. Their proposed commitment has indicated a targeting of additional resources on bereavement benefits over the lifetime of the current parliament, with the desired intention of ensuring that existing recipients are protected, and that those who claim the new Bereavement Support Payment can get the help that they need when they need it most.

30. The indicative amounts that were published would include:

- Pay a lump sum in the region of £2,500
- Further monthly instalments of £150 for a period of one year for recipients without dependent children
- A lump sum in the region of £5,000 and further monthly instalments of £400 for a period of one year for recipients with dependent children.

31. What is really important to note is that these figures and proposed commitments were only then, and still are in November 2012, only a proposal. Indeed the report contains the qualifying remark:

32. 'However, it is important to note that as final decisions on the value or tax status of payments of bereavement benefits under a revised scheme have not yet been finalised, the impact assessment provides illustrative figures only.'

33. There are a lot of positive remarks in the Consultation Document that clearly are a response and reaction to the difficulties and problems identified by many. The shift in the focus of bereavement benefits, to provide a short-term intervention, helping people deal with the more immediate costs caused by the death of a spouse or civil partner, and to provide some breathing space to start to come to terms with the emotional and practical upheaval caused by this loss, are all clearly good intentions. The proposals build on changes made in 2001; notably the replacement of Widow's Pension by the 52 week Bereavement Allowance.

34. Another clear intention and aspiration of the consultation was to simplify this particular benefit, to make it easier for people to understand their entitlement, and for them to be able to plan accordingly. The proposal would add a simplification that extends to the interaction between bereavement benefits and other parts of the welfare system, to help people understand the impact of receiving bereavement benefits on other income streams.

35. In a clear tie up with wider Government Policy and action in regard to Universal Benefit, the documents also states; 'The changes introduced as a result of the bereavement benefits review will come into being in a transformed benefit landscape, where Universal Credit will provide longer-term financial support to recipients of bereavement benefits where qualification conditions are satisfied. Crucially, this financial assistance will be accompanied by employment support, with access to the Work Programme where appropriate, to provide additional help to those who need to change jobs, or move into work following bereavement.'

36. The Government have stated clearly in the consultation that the primary aim is to improve an out of date system, whilst also retaining the current level of funding, taking into account the realities of working-age widowhood in the 21st century.

37. THE GAP AND URGENT NEED TO CLARIFY THE CURRENT POSITION

38. The inadequacies of the Social Fund funeral payments have been spelt out and acknowledged by the Government. For low-income families the existing system through qualification can pay out an average delayed maximum pay-out of £700. The pressure on bereaved families to find the money to pay either a large deposit or 100% of the costs to Funeral Directors is huge, and this before being able to arrange a funeral within the average 5 – 10 days of the death of a loved one.

39. Although the government have laid out their intentions; as it stands at the end of March 2013 the present system will end, and there is nothing to replace it, as no further statements or firm committed plans have been published or stated. The proposed indicative amounts of money published in the Consultation document would certainly bridge the gap in funding and go a long way to help support families meeting the costs of funerals. But no firm announcements have been offered and no formal commitment made, which thus leaves a significant vacuum.

40. The vacuum created by a lack of policy detail and the risk that it will not be implemented by April 2013, will though have a huge indirect impact on the public purse. This impact may not be readily understood or acknowledged but there is an important default position enshrined in law. The law addresses the questions, **'what does happen when the next of kin cannot afford the costs of a funeral, or if there is no identifiable family?'** The knowledge of this may have a sobering impact on any Council considering increasing its fees for crematorium and cemeteries, and be of concern for hospital administrators and financial directors.

41. PUBLIC HEALTH FUNERALS

42. Under the Public Health (Control of Disease) Act 1984, when anyone in the area passes away outside of a hospital and there is no one else willing or able to pay, the local authority for that area must make the necessary arrangements for a public health funeral. Local authorities will do everything in their power to try and locate living relatives or friends of the deceased and, wherever possible, offer the responsibility of making arrangements to them. If a person dies in hospital under the same circumstances the same situation will apply.

43. If a local authority cannot find a friend or family member willing or able to deal with the deceased's estate and pay for the funeral, then local authorities will try to establish the faith of the deceased and arrange a dignified service. If this cannot be determined, then generally a simple ceremony takes place followed by a burial or cremation. Under their obligation the local authority will deal with all aspects of the organisation of a state-assisted funeral, including paying for the funeral, registering the death, dealing with the undertakers and organising the details of the funeral involving, where possible, friends and relatives of the deceased in the process.

44. Local authorities will not accept part payment for funerals, contribute to the costs of funerals organised by other persons or administer estates on behalf of others. Where the local authority has taken responsibility for a funeral, it is entitled to recover expenses from any estate left by the deceased in the form of a civil debt.

45. In a Research Paper, by the Local Government Association, 'Public Health Funerals – Final Report October 2011'¹², several issues and concerns were highlighted that had a connection to the Social Fund, and families inability to pay some or all of the funeral costs.

46. Several local authorities stated in the report that the grants from the Social Fund were not enough to pay for the full cost of the funeral and where families could apply for it they still had to find the shortfall themselves. As local authorities are not able to assist when families can apply for the grant, in some cases the family would then refuse to apply at all and would therefore not pay for the funeral. It then falls on the local authority to pay.

47. The issue of funeral directors requiring a sizeable deposit up front, which the Department of Work and Pensions was unwilling to provide, meant that even if relatives qualified for a grant they would not be able to proceed if they cannot fund the deposit. Also because the Social Fund process was difficult, unclear and not timely enough, relatives were put off applying and instead come straight to the authority.

48. This situation has huge resource implications for Local Authorities in regard to the staff time and cost implications of public health funerals, and thus with rising costs, ever tighter budgets could create additional budget pressures. In the Report responses from Local Authorities stated that there was significant staff time involved with having to deal with all aspects of a public funeral e.g. visiting and searching the premises, trying to locate next of kin, dealing with financial affairs and trying to offset the cost of the funeral by recovering the sum from the assets (if any) of the estate.

49. Additional concerns creating anxiety for some Local Authorities was in respect of long term care homes that were not making provision for long-term residents who had no known relatives because they expected the local authority to make the arrangements and pick up the bill. It was also acknowledged that there were an increasing number of people with no estate from which to claim back costs, because much of their assets had been used up to help fund their long term care.

50. To give some sense of what this means in a part of Merseyside against a national average of 11 Public Health Funerals a year¹³ I managed to collect the data for Sefton Borough and the large general hospital that serves part of the populations for that area.

51. Hospital

2008/2009 15 burials

2009/2010 10 burials

2010/2011 5 burials

2011/2012 9 burials

2012/2013 4 burials (8 months only)

52. Sefton Borough

2009/2010 16

2010/2011 17

2011/2012 20

2012/2013 4 (to date)

53. PROFESSIONAL SERVICES – BEREAVEMENT SUPPORT AND CARE

54. Interwoven through the research papers¹⁴ is the issue of rising funeral costs and the potentially contradictory role of the funeral director. Through being put in the position of adviser, funder and provider of services to clients, funeral directors are typically expected to be two things at once, namely a profitable commercial enterprise and a community service. The funeral directors taking part in the studies were very aware of this and spoke openly of the potential for a conflict of interest between these two roles.

55. In my own conversations with Funeral directors some of that tension was revealed. One said effectively in the face of the fee increases in costs associated with funerals they were forced to ask for larger deposits, because effectively they were giving out interest free loans at huge financial risk to themselves if they didn't. They are businesses that employ people and they need to pay their own bills, and in this regard it would be interesting to know how much bad debt they are carrying. Anecdotally it is a lot, and rising.

56. In regard to the church, and particularly the Church of England there is also a new reality that is confronting them. After two year of no fee increases, the increases of over 50% will be impacting on Jan 1st 2013. Initially there has been an internal concern to stress the 'optional' extras to help reduce the costs, e.g. organist, vergers, etc, but the bigger issue is actually even more fundamental than that.

57. In an environment where low income families are struggling to meet the costs of a funeral, even if they do get some help from the Social Fund Funeral Payments, faced with a shortfall of over £1000 on average there are only a few areas where they can attempt to make saving. That now increasingly mean that the Church is its entirety is seen as an optional extra. Families might not want that to be the case, but economic necessity is confronting them. Contact with funeral directors confirms a growing picture whereby family members organize and lead the funerals, and this in an environment where more and more demands are being made by many people.

58. The church has struggled to communicate that their role is more than just a service in a church, or a minister at the Crematorium. There are trained professionals in the clergy, who are able to offer care and support, who understand bereavement, and who very importantly can give time to those who are grieving both before and after the time of the funeral. Indeed across the country annual bereavement services remembering and commemorating all those who have died in the previous year are common. Long after many others have moved on, the church will still be there irrespective of whether someone was a church goer or not. For in the case of the Church of England they are there for everyone in the community, and with wider church there to respond to need. The tragedy is that economic reasons are creating the situation where initial contact never happens – the role can't be carried out.

59. Conclusion

60. The cultural expectation in the UK that, for the most part, a funeral takes place 5 -10 working days after death creates a consequence of the funeral arrangements and their funding needing to be put into place very quickly. This swiftness often does not provide sufficient time for people, particularly those from low-income backgrounds or in receipt of benefits to make informed decisions about how much they wish to spend and how they can fund a funeral.

61. Personal debt is rising and organisations like the CAB are trying to cope with the numbers seeking support and help, on top of all those trying to adjust to the change to the Universal Credit system next year. Of all those I have spoken too in drawing this paper together all showed great concern for the situation, and are foreboding that it will get worse.

62. A key finding of the 'Cost of Dying Report', recognised that at a time when the death rate was predicted to increase in the next 20 years, and with rising concerns about pensioner poverty and the cost of social care, having sufficient resources to hand to pay for a funeral is set to become an issue for a growing number of people. This was likely to be impacted by the current reformation of the way in which the welfare state is organised. The report concluded that 'The issue of state support for people who struggle to pay for a funeral therefore needs to be addressed as a matter of urgency by the DWP and the funeral industry, as well as key stakeholders such as charities, the third sector, commercial organisations, and local authority representatives.

Canon Roger Driver is Team Rector of the Bootle Team Ministry, and Area Dean of Bootle in South Sefton, Merseyside. He has previously held positions as Non-Executive Director of several NHS Primary Care Trust's, and has just been appointed at a Lay Member (Public & Patient Involvement) for South Sefton Clinical Commissioning Group.

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- 3 Contained within the Sefton Cabinet report, 'Transformation Programme and Revenue Budget 2012 – 2015', p. 22 Section F1.4
<http://modgov.sefton.gov.uk/moderngov/ielssueDetails.aspx?IId=27854&PlanId=0&O pt=3#AI22346>
- 4 Planned increases by Cornwall County Council, which would have raised cemetery fees from £614 to £1305 and cremation fees from £443 to £650 were postponed in March this year.
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- 12 'Public Health Funerals Research Paper', Final Report October 2011 – Local Government Association.
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Appendix 4 – Methodology

Originally the consultation was to be information only, advising the public on the fees increase, as consultation had already taken place between October 2011 and January 2012. On 22nd November 2012 Cabinet asked Landscape Services to carry out further consultation with the public. This consultation period ran from 6th December 2012 until 7th January 2013.

An online questionnaire was created using a web form on the council's website to receive public views about the proposal. It asked for contact details and provided a box for verbatim comments to be given about the charges.

Letters were sent to key stakeholders asking them for their views. These included all funeral directors and stonemasons who use Sefton cemeteries and crematoria, the Southport Mosque and Cultural Centre, and the Southport Hebrew Congregation.

The proposal was raised at the Funeral Director's Forum for discussion. This is a forum open for all stakeholders to attend.

Views were also sought from the Community Empowerment Network groups via Sefton CVS, and the link to the consultation was sent out to all community groups via the Sefton CVS e-Newsletter.

There was a general press release issued by Communications on 12th September signposting the Transformation report and forthcoming consultation. This created a high level of press interest locally, regionally and nationally.

Appendix 5 – Online Survey



