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**AFFORDABLE FUNERAL STRATEGY & BURIAL SPACE PROVISION**

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**Reason for the Report**

1. To provide the Committee with an overview of the national issue around the rising costs of funerals and highlight how this can affect the residents of Cardiff.
2. To consider Cardiff's Draft Affordable Funerals Strategy that seeks to inform the public of funeral costs and the options they have to procure an affordable and dignified funeral.

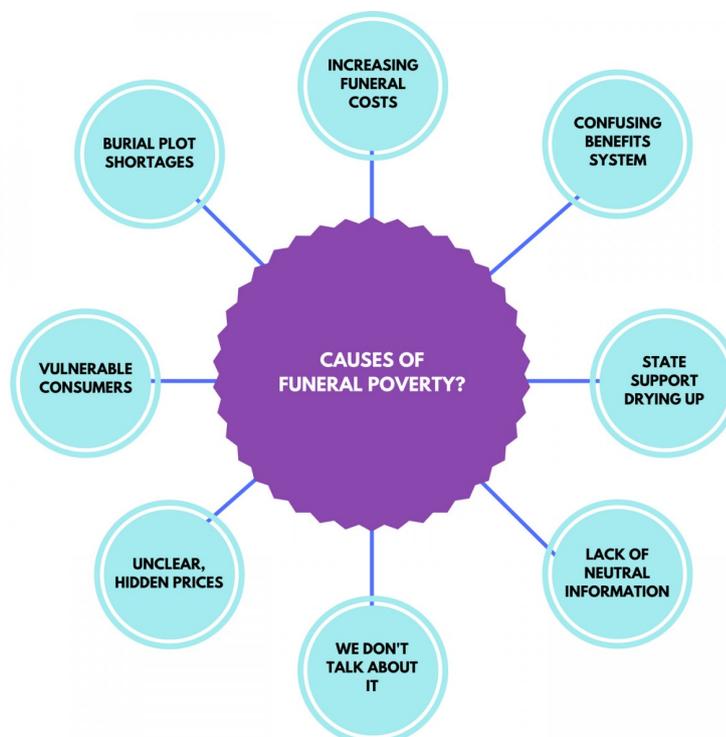
**Background**

3. The death of a relative or close friend is one of the most difficult things that any of us will have to deal with, and this situation can be further compounded if money is tight and people are being pushed into what is referred to as 'funeral poverty'.
4. Funeral costs have risen by 112% over the last 13 years, and one in six people will now struggle to afford to pay for a funeral of a relative.
5. Although Cardiff is not the most expensive place in the United Kingdom for a funeral the costs can still be high. The average United Kingdom cost for a funeral stands at £4,271, with the Welsh average being 17,2% lower than this at £3,538.
6. The costs applied by local Funeral Director costs do vary, and even with the introduction of comparison web sites for funerals it can still be a challenge to procure a funeral that is affordable and delivers what the family want. Costs can vary from under £2,000 to £5,000 for a basic funeral in Cardiff.

7. Those already in poverty can face additional hardship because of funeral costs, particularly if they are unexpected due to a sudden death. Help from the Government through the Social Fund Funeral Payment grant is available to some people who are on a low income and are receiving certain benefits to help them pay for a funeral. However, this will still not cover the whole costs of a funeral and now often covers only around 35% of the overall funeral cost and many applicants are left with debt, which reportedly averages around £2,335 across the United Kingdom.
8. The Funeral Expenses Payment Grant covers the following:
  - Burial fees for a particular plot;
  - Cremation fees, including the cost of the doctor's certificate;
  - Travel to arrange or go to the funeral;
  - The cost of moving the body within the United Kingdom, if it's being moved more than 50 miles;
  - Death certificates or other documents;
  - Up to £700 for any other funeral expenses, such as funeral director's fees, flowers or the coffin. (Note, the lowest Funeral Directors fees in Cardiff are listed as £850 but many are in excess of £1200).
9. The grant process has been criticised for being complicated and taking too long with many having committed to making funeral arrangements before it is known if funds will be made available, and if a contract has been agreed with a funeral director that person will remain liable for the costs whether the grant is awarded or not. In most cases the payment is not finalised or made until many weeks after the funeral.
10. There are reports of families having to turn to high interest lenders, loan sharks and even crowdfunding in order to pay for a funeral, and those most vulnerable often have fewer options.
11. The Council cannot control every element of funeral costs and as for any service provided there are obviously costs attached to what is delivered, whether that be Council fees or a third party such as a funeral director. The strategy does not look to remove these costs but ensure that where it can the Council can offer alternative options, work with other organisations to promote the idea of affordable funerals in order to help and inform residents and develop long term solutions to this issue.

## Issues

12. It should be recognised that Cardiff Council, through its Bereavement Services section has a long history of putting in place effective measures to ensure local funerals remain at an affordable level, the most successful initiative being the Cardiff Council Funeral Service.
13. The Cardiff Council Funeral Service has been in place for over 16 years and provides a funeral service specified by the Council but provided by a local funeral director, the prime motivator being a low cost, affordable service available to anyone. At present the total costs using this service for a cremation is £1,784 including all funeral directors costs which includes a hearse, one limousine, a coffin and care of the deceased as well as the cremation fee and still remains 50% cheaper than the average United Kingdom funeral cost.
14. In addition to this, the Council has managed to keep its cremation and burial fees at a low level when compared to other core cities and neighbouring local authorities, while ensuring that its income covers the total cost of running the service. However, investment is needed for the future including new burial grounds and the maintenance and improvement of its existing buildings and infrastructure. The public rightly expect high standards in terms of buildings and landscapes associated with the crematorium and cemetery services.
15. Other issues that affect people's ability to afford a meaningful funeral as shown in the diagram below:



16. The objective of the Draft Affordable Funerals Strategy (attached to this report as **Appendix 1**) is to examine the set of factors illustrated in the diagram above, and to create an action plan to ensure that these are addressed, while providing advice and guidance to its residents on the options available to them. In turn, this should help residents to avoid incurring debt for a funeral through having easily accessible information and making advance preparations.
17. The strategy identifies three key themes to address which are:
- **Theme 1 – Information & Preparation**
    - i. This area focuses on the Authority ensuring that accurate and easy to understand information is widely available to the public to help them make informed choices about the type of funeral they would want for themselves or a relative.
    - ii. For many a funeral is classed as a ‘crisis purchase’ and many people will turn to a specialist funeral director to make the arrangements and due to their grief may not fully understand the options available and decisions they are required to make. This is often a key factor behind funeral poverty and individuals accruing significant debt by purchasing what they think they have to rather than what they need. In addition to this are the issues of pressure from friends and family around having a ‘big send-off’ but with little consideration for the additional costs that this will likely incur.
    - iii. Awareness raising around funerals, the costs and options is therefore essential in tackling this issue and identifying pre-need for people. This means getting people to be more open about death and the funeral process and getting families to talk to each other about what they would like their funeral to be like and just as importantly, how it will be paid for.
  - **Theme 2 – Funeral Costs**
    - i. Funeral Costs are increasing and this element of the strategy will look to identify what the Council can do itself to help its residents with procuring an affordable funeral and what options the Council can look to provide to meet the differing needs of its residents.

- ii. The Authority already provides the Cardiff Council Funeral Service, a successful low cost, fixed price funeral provided in partnership with a local funeral director. At present, any resident opting for this service gets a basic cremation funeral for £1,784, which covers all costs. A burial option including the purchase of a new grave is £2,550 and an additional £300 if a service in the chapel is required.
  - iii. This scheme has proved very successful and has been mirrored elsewhere around the United Kingdom, however, there is still work to be done to promote it to the wider public in Cardiff.
  - iv. Consideration also needs to be given to the changing needs of the bereaved as many are now looking for a direct funeral option. According to the Royal London National Funeral Cost Index Report 2016, approximately 5% of people choose to have a direct cremation, whereby the person who has died is taken directly to the crematorium and the ashes are returned a few days later to the family, without any ceremony at the time the cremation takes place.
  - v. Funeral Directors report that the demand for this type of service is not necessarily cost driven and is consumer preference, however, direct cremations generally cost less than more traditional options and of course remove additional, often 'hidden' costs such as flowers, orders of service, organist and minister fees.
  - vi. The Council will look to ensure that children's funerals continue to remain free of charge in line with the Welsh Assembly Government policy, and we will ensure parents are properly supported and informed of the options they have.
- **Theme 3 – Legislation, Third Sector and External Organisations**
    - i. Changes in legislation need to be considered particularly if they will affect the cost of a funeral. An example is the ongoing review on the introduction of Medical Examiners to replace Doctors signing the cremation forms; this currently costs around £159. The introduction of a Medical Examiner service will remove the need for these forms and thereby the cost, however the cost

of providing a Medical Examiner is currently unknown and it is uncertain how the service would be funded.

- ii. The Competition & Markets Authority are also currently undertaking an exercise in relation to looking specifically at costs charged by Funeral Directors and Crematoria around the United Kingdom and it is expected that recommendations and actions will fall out of this study, which the Authority will need to prepare for.
- iii. Obviously, the Council cannot directly control every aspect that contributes to the overall funeral cost, but can look to build on existing strong local partnerships as well as find new options to identify ways to help the bereaved procure meaningful and affordable funerals.
- iv. Work needs to be undertaken with local funeral directors to ensure that price transparency is something that the public can expect with regard to the major costs associated with a funeral, the cremation or burial fee and the funeral directors fees and encourage all suppliers to be open about their charges and what they cover. The Council should lead by example on this, provide a breakdown of its own fees, and explain clearly, what they cover.
- v. In 2016 over 200,000 funeral plans were sold in the United Kingdom. These can be a good way of ensuring funeral costs are met for an individual and staff are often asked why the Council do not provide a similar service. We will look to explore if any options exist to provide a funeral bond or similar service for the residents of Cardiff to help them plan for the future through existing suppliers or the introduction of a bespoke option.
- vi. The Council needs to explore what Charity and Third Sector operators in the area are doing and look to see how it can contribute to help these organisations and ultimately the wider public.
- vii. Public Health Funerals are those organised by the Council whereby there is no one else to make any funeral arrangements or where families simply cannot afford or refuse to organise a funeral. Under the Public Health (Control of Disease) Act 1984, the Local Authority must make arrangements for the

funerals of these individuals which in many cases result in additional costs to the Council. The strategy will explore ways to deliver this legal obligation but at a lower cost to the Council.

- viii. The Draft Strategy includes an Action Plan that looks to implement a number of objectives that will culminate in the delivery of 10 key outcomes over the next two years.

### **Affordable Funerals – 10 Key Outcomes**

- 18. The Draft Affordable Funeral Strategy identifies 10 key outcomes that the Council will aim to achieve, these are:
  - i. It will publish guidance on local funeral costs by January 2020 in conjunction with Local Funeral Directors.
  - ii. It will publish and widely promote a Planning Your Own Funeral document to help people think about and record plans for their funeral.
  - iii. It will provide information and attend events throughout Cardiff to help inform the public on funeral costs and the options available to them.
  - iv. It will support greater public and personal discussion of bereavement, death, dying and care at end of life.
  - v. It will provide the option of a Direct to Crematorium funeral service at a reduced cost.
  - vi. It will ensure that Cardiff provides a zero cost service for the funeral of any child under the age of 18 and work with SANDS and UHW to ensure the best provision of service at the cemetery and crematorium is delivered to parents who have lost babies and infants.
  - vii. It will provide appropriate and understandable information and assistance to any person who wants to arrange a funeral without a funeral director at one of our sites.

- viii. It will explore the option to ensure any resident of Cardiff can access an affordable and ethical funeral plan.
  - ix. It will work with charities and third sector groups to ensure information around funerals, the associated costs and options are available to vulnerable members of our communities.
  - x. It will monitor and measure our outcomes and objectives to ensure the effectiveness of our actions.
19. At the meeting Members will have an opportunity to ask about the progress that is currently being made around future burial provision.

### **Way Forward**

20. Councillor Michael Michael, Cabinet Member for Clean Streets, Recycling & Environment has been invited to attend for this item. He will be supported by officers from the Planning, Transport & Environment Directorate.

### **Legal Implications**

21. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct legal implications. However, legal implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any legal implications arising from those recommendations. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council e.g. Scrutiny Procedure Rules; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

## **Financial Implications**

22. The Scrutiny Committee is empowered to enquire, consider, review and recommend but not to make policy decisions. As the recommendations in this report are to consider and review matters there are no direct financial implications at this stage in relation to any of the work programme. However, financial implications may arise if and when the matters under review are implemented with or without any modifications. Any report with recommendations for decision that goes to Cabinet/Council will set out any financial implications arising from those recommendations.

## **RECOMMENDATION**

The Committee is recommended to:

- (i) Consider the information in this report and the information presented at the meeting;
- (ii) Determine whether they would like to make any comments, observations or recommendations to the Cabinet on this matter; and,
- (iii) Decide the way forward for any future scrutiny of the issues discussed.

**DAVINA FIORE**

**Director of Governance & Legal Services**

**11<sup>th</sup> September 2019**