



Rated by Experts

Leading the market in  
clarity and transparency



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## Overview

Our product ratings use a set or 'red line' criteria to calculate an underlying score for each product, which translates to a star ratings.

Products can achieve between one and five stars. The more comprehensive the product, the more likely it is to be rated highly.

To achieve a five-star rating, products must meet all of our red line criteria. We focus on core product features, and don't give extra marks for unnecessary features or optional extras.

Our current red line criteria are contained in the following pages.

We do not consider price when calculating these ratings.

## Red line 1 – guarantee or £1,000 allowance

### **Cremation**

For cremation funerals, there must be a disbursement allowance of at least £1,000. This disbursement allowance must be intended to cover doctors' fees and the cost of the cremation.

Disbursement allowances must rise in line with a funeral inflation index – for example, as specified by Sunlife's Cost of Dying report.

Alternatively, these costs should be fully guaranteed.

### **Rationale**

Funeralbooker's 2017 Cremation and Burial Cost Index showed that across the UK the highest cost for a cremation was £809. Using this as our upper limit and adding minister's fees (£182), we have set our red line at £1,000 for cremation.

Exactly half of the plans rated are fully guaranteed. Others range from £450 to £840.

## Red line 2 – FPA regulation

Companies must be registered with the Funeral Planning Authority (FPA). The FPA requires regulated companies to regularly produce actuarial evaluations. This gives consumers assurance that an authority is checking that there are sufficient funds to cover the cost of providing agreed funeral services.

## Red line 3 – collection of the deceased

Plans must provide a 24-hour service for the collection of the deceased.

A death can be an extremely distressing occurrence, and consumers should be able to have the deceased collected at any time. 'Office hours' collection routines may add considerably to next of kin's distress.

Half of the plans we rate offer 24-hour collection, with the rest of the market collecting the deceased only during office hours.

### Red line 4 – transfer radius

Plans must include transportation of the deceased in at least a 25 miles radius. All providers pass this red line. Plans vary in their offering, starting from 25 miles (or local collection) to not having a limit.

### Red line 5 – extra cost for collecting deceased from a private home or nursing home

Plans must collect the deceased from a private home or nursing home for no additional cost.

Two thirds of plans rated do not charge more for the type of location the deceased is collected from. However, 4 plans do – and this cost can be as high as £250.

### Red line 6 – ashes delivered for free

Providers must deliver the deceased ashes to the family or next of kin for free after the cremation.

Only 5 plans rated deliver the deceased ashes as part of the cost of the plan. The rest of the market charge for the ashes to be returned. Whilst some explicitly state this (between £50 and £100 typically), 5 out of 7 plans that charge do not explicitly state these costs.

### Red line 7 – cooling-off period

Plans must include a 30-day cooling-off period during which customers may cancel their plan and receive a full refund.

The FCA's Insurance Conduct of Business Sourcebook (ICOBS) requires all pure protection insurance policies to include a 30-day cooling off period. As funeral plans pay out on death, to our interpretation they would be considered to be a pure protection product if regulated by the FCA.

All plans have a 30 day cooling off period apart from one provider who has a cooling off period of 14 days.

### Red line 8 – cancellation fee

The cancellation fee for terminating the plan after the cooling off period must be £100 or less.

This ranges from as little as £95 to not getting any money back if the customer pays by monthly instalments.

### Red line 9 – 24-hour helpline

Customers and next of kin must have access to a 24-hour telephone helpline. This number could be maintained by plan providers or individual funeral directors.

A 24-hour helpline is required in order for the body to be collected at any time and to provide peace of mind to consumers.

All plan providers except one have a 24-hour helpline.

## Contact Fairer Finance

### **James Daley**

Managing Director

### **Oliver Crawford & Daniel White**

Co-heads of Research

[corporate@fairerfinance.com](mailto:corporate@fairerfinance.com)