

Cost of Dying 2016

A complete view of
funeral costs over time

10th edition



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Foreword

Our 10th annual **Cost of Dying** report reveals a significant increase in the overall cost of dying, bringing the figure up by £676 from £8,126 to £8,802 while the cost of a basic funeral has risen for the 13th year in a row and now stands at £3,897.

Funerals are one of the fastest rising fixed costs in the UK and in the past year alone have risen 5.5% which is more than double the rate of pensions, inflation and earnings growth.

To put this in perspective, over the 13 years we have been tracking funeral costs, the cost of a funeral has more than doubled from £1,920 in 2004 to almost £4,000 today. If the cost of a funeral had risen in line with inflation, it would now cost £2,540 - £1,357 less than the actual figure. The total cost of dying has risen more than 16 times faster than the rate of inflation in one year, taking it up to £8,802

This rapid increase in the cost could also explain why we are spending less on the send-off than we were eight years ago. In fact, as a proportion of the total cost of dying, the send-off has dropped from 31% in 2008 to 22% today, suggesting that the continuing rise in the cost of funerals is forcing families to cut corners on their loved ones' send-off.

However, the fact that the cost of dying is far outstripping the cost of living does seem to be changing behaviour, as the number of people that have made at least some funeral provision is rising. This year, more than three in five (62%) put at least some money aside compared to 59% last year and just over half (54%) in 2009.

But, one in seven people (13%) who have organised a funeral in the past four years admitted it caused them notable financial concern, with the average shortfall standing at £2,334, and that is something that needs to be addressed. The report also found that we are not talking about what type of send-off we would like – in fact, 99% of those organising a funeral did not know all of their loved ones' wishes.

We all know that death is inevitable, but leaving debt and emotional stress behind for our loved ones is not. So this year we are working alongside **Dying Matters** to encourage people to talk about dying and start planning for it, both financially and emotionally.

Together we have launched a range of free online tools to help start that big conversation. As well as **My Perfect Send-off** – a simple way to record your funeral preferences, we also have a **Funeral Calculator** to help you work out how much you will need to put aside for your funeral and **When Someone Dies**, a step by step guide telling you everything you need to do when a loved one passes away.



Graham Jones
Director, SunLife

The total cost of dying has risen more than **16 times faster** than the rate of inflation in one year, taking it up to **£8,802**

About the report

The **Cost of Dying** report, a sector-leading research paper, providing a credible and complete view of funeral costs over time. SunLife has been tracking changes in funeral costs since 2004, while the specific data set compared in the **Cost of Dying** report was established in 2007.

This year's report looks at trends in funeral costs as well as the benefits of discussing death and funeral wishes with loved ones.

Methodology

The **Cost of Dying** report is undertaken by Critical Research using two research methods:



An **online survey** of 1,509 UK adults who were responsible for planning a funeral and administering an estate within the last four years.



100 **telephone interviews** of Funeral Directors from across ten UK regions.

Changes to the cost of dying

The cost of dying increased in 2016 by 8.3% to £8,802.

Type of funeral	Total cost of dying 2016 (£)	Total cost of dying 2015 (£)	Change from 2015 (%)
Cremation	£8,342	£7,715	+8.1
Burial	£9,261	£8,538	+8.5
Funeral	£8,802	£8,126	+8.3

How the cost of dying adds up

Average cost
of a basic funeral

Average amount
spent on the send-off

Average amount spent on
hiring a professional

THE TOTAL COST
OF DYING



This figure includes the fees for the funeral director, the cremation or burial itself, the doctor, and the minister or celebrant.

This figure is the combined cost of the memorial, death and funeral notices, flowers, order sheets, extra limousines, the venue and catering for the wake.

This is the average amount spent on hiring professionals to administer the estate.

Assuming the services shown are used.

Changes to the average cost of a basic funeral

The cost of a funeral, which makes up 44% of the total Cost of Dying, has risen by 5.5% from £3,693 in 2015 to £3,897 in 2016.

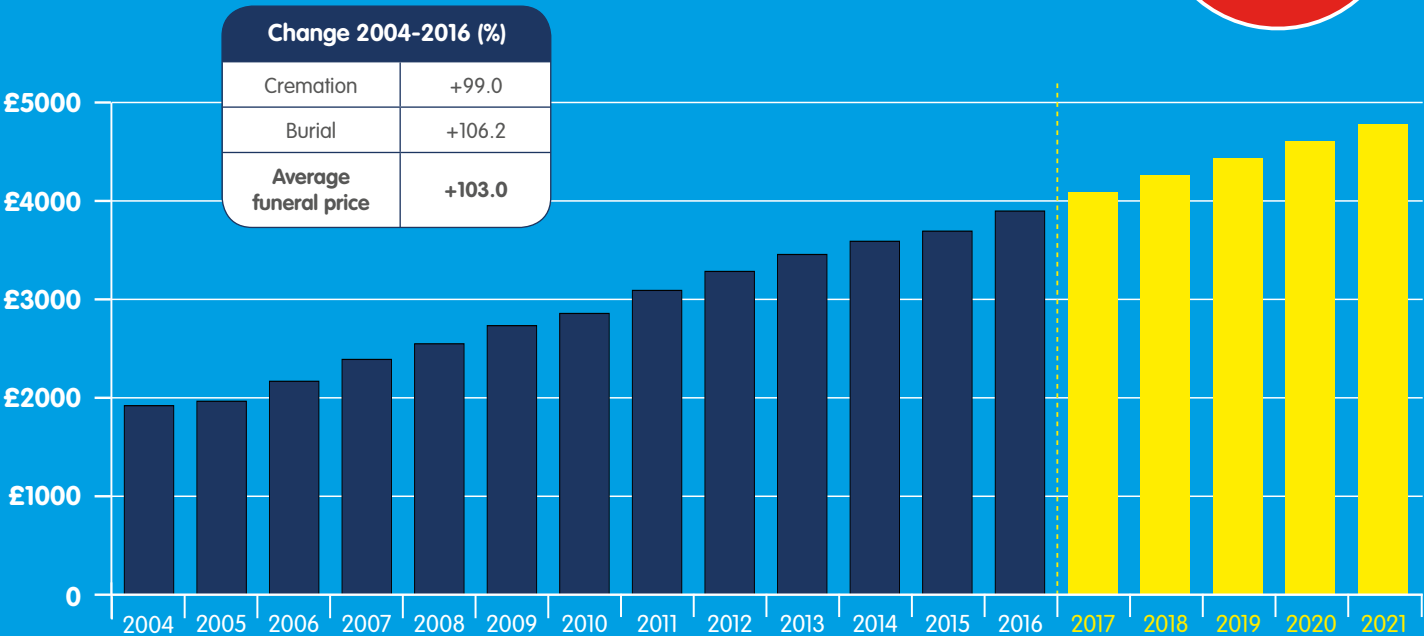
“Let the funeral directors guide you. Ours were so incredible and they made everything so much easier. They know their ‘customers’ and their families and having them just know our names the days before, on the day and when we see them in the street is lovely. They were so nice to us.”

Victoria, 32

This figure is calculated by taking the combined average cost of cremations and burials; the average cost of a burial in 2016 is £4,356, which is almost £1,000 (£919) more than the average cost of a cremation – £3,437. The cost of a burial has risen by 6.1% in the past year and by 106% since SunLife began tracking costs in 2004. If funeral costs continue to rise at the same rate we have seen over the past decade, in five years’ time the average funeral will cost £4,779.

The rising cost of a funeral

Average cost of basic funeral in 2016
£3,897



Key ■ Funeral Costs ■ Funeral cost projections to 2021

How the cost of a basic funeral adds up

The cost of a basic funeral is calculated by adding together the funeral director's fees and disbursements, which includes the cremation or burial fee, doctor's fees and clergy/officiate fees.

Funeral director's fees

Funeral director's fees, which usually cover the cost of the coffin, hearse, collection and care of the deceased plus the funeral director's professional guidance, make up the majority of the cost of a basic funeral. This cost has risen slightly more than the rise in the cost of funerals – up 5.7% over the past 12 months from £2,282 to £2,411

Disbursements

Cremation and burial fees

After the funeral director's fee, the second largest cost is the cremation or burial fee. In 2015, the average UK cremation fee was £688 – this has now increased 6.5% to £733 – while the cost of a burial has risen by slightly more – 7% from £1,822 to £1,950.

Funeral directors say there is no one reason for the rise in cremation and burial fees, but suggest it is a combination of Government cut backs, inflation, and the cost of making improvements and modifications.

Doctor's fees

Doctor's fees have remained unchanged at £164, but this figure now excludes Scotland. In May 2015 doctors' fees for funerals were removed in Scotland.

Minister's fees

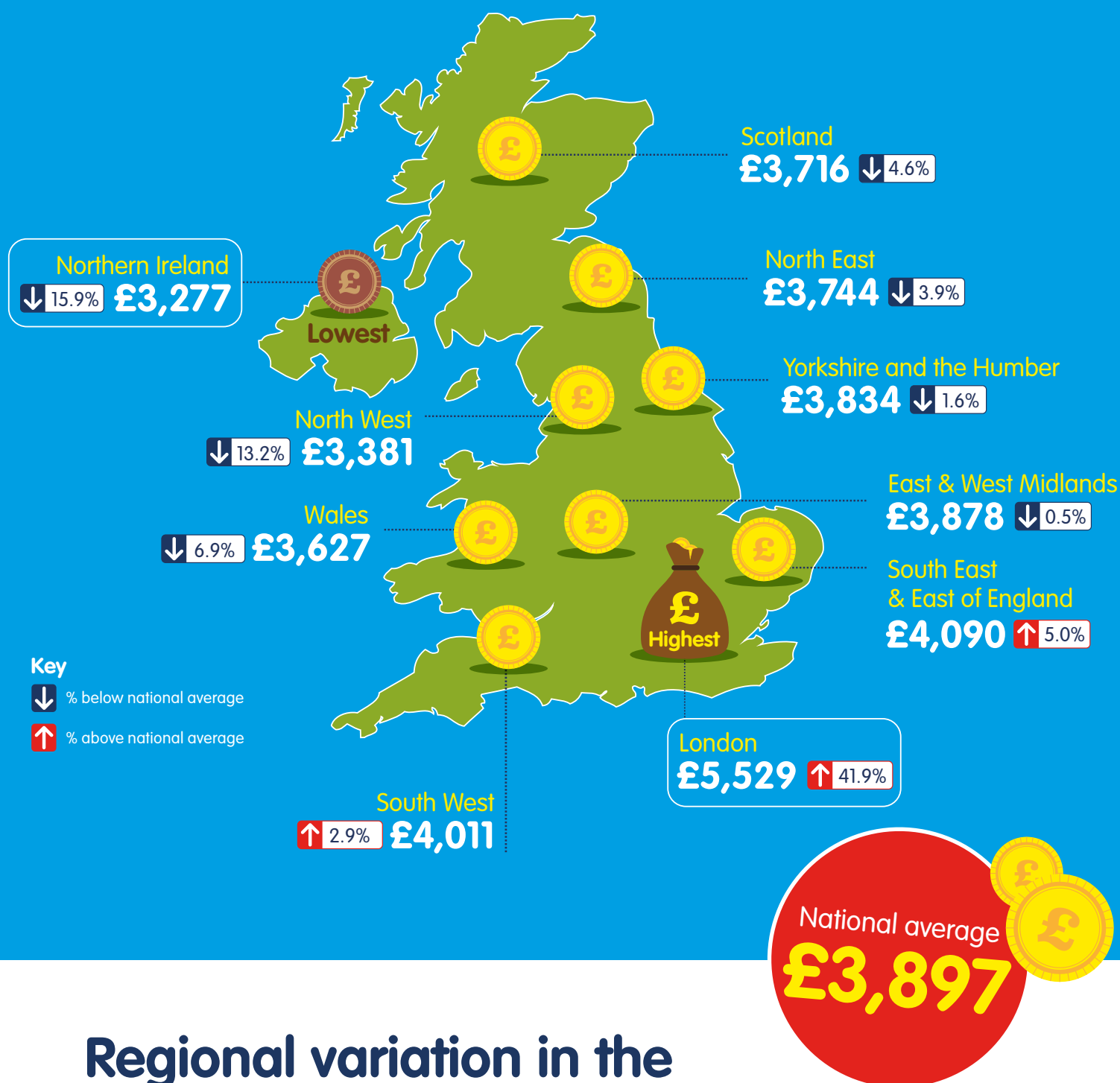
The average fee paid for a religious or secular service has also dropped, down 2.8% to £148 from £152 in 2015.

Change in disbursement fees 2011-2016

UK National Average – Disbursements	2011	2012	2013	2014	2015	2016	Change 2015/2016
Clergy/Officiate Fee for Cremation	£102	£103	£133	£141	£152	£148	-2.8%
Cremation costs (excluding clergy/officiate fee and professional services costs)	£559	£595	£624	£662	£688	£733	6.5%
Clergy/Officiate Fee for Burial	£101	£102	£132	£141	£152	£148	-2.8%
Burial costs (excluding clergy/officiate fee and professional services costs)	£1,483	£1,624	£1,737	£1,746	£1,822	£1,950	7.0%
Doctors Fees	£147	£152	£157	£160	£164	£164	0%

Percentage change in Doctors' fees includes Scotland. In May 2015 doctors' fees in Scotland were removed.

Average cost of a basic funeral



Regional variation in the average cost of a basic funeral

This year, as has been the case every year we have run this report, the **Cost of Dying** has shown significant regional variations in funeral costs. London remains the most expensive place to die, with the average funeral costing £5,529, which is 42% more than the national average of £3,897.

The regions where funeral costs are lowest are Northern Ireland (£3,277) and North West England, where the cost of a basic funeral is £3,381, 13.2% lower than the national average and £2,148 less than the cost of a funeral in the capital.

Changes to the amount spent on discretionary costs

In 2016, the average amount spent on discretionary costs, which are in essence, the added extras that turn a funeral into a send-off was £1,976, £24 less than 2015's figure of £2,000.

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Average discretionary cost	£2,027	£2,097	£2,156	£1,745	£1,864	£1,923	£2,006	£1,833	£2,000	£1,976
% change		3.5%	2.8%	-19.1%	6.8%	3.2%	4.3%	-8.6%	9.1%	-1.2%

The send-off is the only part of the overall cost that is discretionary and has been around £2,000 for the past 10 years, which means as a percentage of the entire cost of dying, it has been slowly dropping for a decade.

Back in 2008, the average spent on the send-off was £2,097, which was almost a third (31%) of the total cost of dying; now it is £1,976 which is just 22% of the total and marks a drop of 28%. In comparison, the proportion spent on the funeral has gone up from 38% of the total cost to 44%.

This suggests that families are being forced to cut back on the extras due to the rising fixed costs.

How the send-off adds up

	% share of total 'other' costs	Cost 2016	% change from 2015
Memorial	40.5%	£862	-7.1
Catering	20.1%	£354	+12.2
Limo hire	11.9%	£244	-3.9
Flowers	7.7%	£155	-2.5
Venue Hire	9.7%	£158	+21.5
Death notice	3.3%	£74	-10.9
Funeral notice	3.2%	£86	-27.7
Order sheets / service cards	3.7%	£67	+8.1
Total average other costs	100%	£1,976	-1.2

THE EXTRAS CAN ALL ADD UP	
MEMORIAL	£801
CATERING	£397
LIMO HIRE	£235
FLOWERS	£151
VENUE HIRE	£192
DEATH NOTICE	£66
FUNERAL NOTICE	£62
ORDER SHEETS / SERVICE CARDS	£72
TOTAL AVERAGE OTHER COSTS	£1,976

Regional variation in the cost of a send-off

The amount spent on discretionary costs varies significantly between regions. London, the South East, the South West and Scotland spend the most on the send-off, with loved ones in the capital paying on average £2,807. At the other end of the spectrum is the North of England, where the amount spent on the send-off is a lot less – £1,630, which is £1,177 less than in London and 17% less than the UK average of £1,976.



	Order sheets 	Death notice 	Funeral notice 	Flowers 	Venue hire 	Catering 	Limo hire 	Memorial 	TOTAL
Wales	£82	£55	£58	£167	£311	£271	£310	£696	£1,951
South East & East	£74	£64	£52	£141	£182	£403	£252	£852	£2,021
London	£76	£81	£87	£171	£313	£662	£282	£1,134	£2,807
East & West (Midlands)	£84	£59	£46	£159	£178	£352	£220	£647	£1,747
Yorkshire and the Humber	£75	£79	£48	£135	£147	£345	£357	£799	£1,986
Scotland	£74	£74	£71	£166	£214	£390	£197	£866	£2,052
South West	£65	£75	£64	£147	£195	£534	£268	£688	£2,035
North	£54	£54	£72	£139	£126	£304	£168	£713	£1,630
Northern Ireland	£73	£80	£72	£153	£108	£279	£218	£744	£1,728
National Averages	£72	£66	£62	£151	£192	£397	£235	£801	£1,976

Finding the money to pay for funeral costs

This year, our research found that 62% of people had made specific financial provision to pay for their funeral before they died; an increase on last year's figure of 59%.

Of those, more than half (56%) had made provisions through savings and investments. More than a quarter (28%) had bought a prepaid funeral plan, 16% had a life insurance plan in place and 14% had a guaranteed over 50 plan.

Of those who had put money aside for their funerals, 81% had made sufficient provision to cover the entire cost which is down on last year's figure of 84%.

"Make sure you know how much insurance cover or funeral provision the person has, and if it will cover the total cost. Funerals are very expensive and it could cost the family more than they can afford if the provision falls short." Wendy, 53

Almost half (49%) of deceased either made no financial provision or the provision made was not sufficient enough provision to cover all costs. One in seven (13%) admitted this lack of provision caused them notable financial concern, with the average shortfall standing at £2,334. The research also reveals that one in twelve said they had to cut back or change some of the arrangements they had planned. Of those, almost a third had to cut back on limousines for immediate family, more than a quarter on the headstone, and a further quarter had to make cutbacks to the catering.

Almost a fifth (17%) spent less on flowers than they'd planned while 15% had to find a cheaper venue. For one in seven (13%), finding the money to cover the cost of the funeral caused notable financial concerns.

Of this group, 41% took money from their own savings or investment while a quarter put it on a credit card. More than a quarter had to borrow money, either from a friend or relative (18%), or the bank or loan provider. Worryingly, one in ten were forced to sell belongings to cover the cost.

Changes in the average amount spent on estate administration

Of the 1,509 people questioned in the **Cost of Dying** research, 54% used a professional to help them administer the estate, and the vast majority of those appointed a solicitor (41%) – this is an increase on last year's figure where less more than half (51%) administered the state themselves.

40% of people organising a funeral said it cost more than they expected and more than a third of those said it cost a lot more

Talking about funeral wishes

Loved ones' wishes

In addition to the usual set of questions asked in the **Cost of Dying** report, this year, we also looked at the taboo surrounding talking about death.

Of those surveyed, just 1% knew all of the deceased funeral preferences; this means 99% of funerals may not be exactly as the deceased would have wished. Almost a quarter (22%) didn't know any of the deceased's preferences. Four in ten (41%) had no idea if their loved one would have wanted a burial or cremation and almost three quarters (73%) didn't know if the deceased wanted their ashes scattered, interred or disposed. Only a quarter knew which funeral director the deceased would have preferred and just one in seven knew which coffin to choose while almost two thirds did not know the deceased's preferred cemetery or burial ground.

And when it came to the details of the service, three in five (61%) admitted that they did not know whether to hold a religious or non-religious service and almost three quarters (74%) said they did not know what music or readings to have at the funeral, while only a quarter knew the deceased preferred charity for donations. Even fewer knew which flowers to choose (12%), or the deceased's preference for where the wake should be held (11%).

"Ask, beforehand if possible, their wishes and stick to that. I believe everyone should have what they want, and who they want to attend. If possible do a pre arrangement plan so that grieving relatives do not have to make decisions at this time." Sarah, 51

99% of funerals may not be exactly as the deceased would have wished

Trends and traditions

When it comes to the types of services that were popular, it seems traditional services may be falling out of favour. This year, half of all funerals included modern songs, music or anthems and almost two thirds shunned traditional funeral readings and religious passages for alternative texts. This included modern poems (16%) and modern readings from books (15%).

"Go for a Humanist ceremony and celebrate the life of the individual rather than the 'going to a better place' nonsense that comes with a religious one" Richard, 41

Of those who had spoken to their loved ones before they died about their wishes, there were a variety of requests, including asking people not to wear black – bright colours including yellow and orange were popular – as were asking people to wear the kit of their favourite football or rugby team.

One person requested a butterfly release, while another had bagpipes playing. People commonly ask to be buried with certain objects, including photos and belongings and one lady asked to be cremated with her jewellery and her pets' ashes. There were also a number of requests for unusual coffins such as wicker, cardboard and bio degradable, and alternative transport including a motorbike and sidecar and a white carriage and horses.

Our own wishes

The research revealed that organising a funeral had prompted seven in ten (71%) of people to start thinking about their own plans, up from 64% last year

Of those who said it had made them think about their own plans, 77% had started to make some arrangements; 51% said they had written their Will (up from 37% last year), 19% had made a record of their wishes in writing (up from 17%) and 44% had spoken to someone about their preferences (down from 46%).

Almost a quarter (23%) admitted they had done 'nothing yet' and for 38%, this was something 'they planned to do but hadn't got around to yet'. But for almost a quarter (23%), the reason they have done nothing about their own funeral plans is because they either don't feel comfortable talking about death or don't want to think about it.

71% of people are starting to think about their own plans

Conclusions

Our research shows that the cost of funerals has been steadily rising, much faster than inflation, for the past 12 years, and if the cost continues to rise at the same rate, the average funeral will cost £4,779 by 2021.

However, despite the fact that there is clearly a very real issue with the cost of dying, as a society we are still not comfortable talking about death or our funeral wishes.

This apathy around funerals means that many families are left with unexpected costs when a loved one dies and hasn't made any financial provision. And the lack of conversation around death and dying also means that many of us are left to make decisions about a loved one's funeral without knowing what that person would have wanted.

As a society, we need to stop treating death as a taboo subject; talking about death won't make it happen, but what it will do is ensure we are more prepared for it, both financially and emotionally.

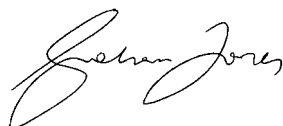
"Be prepared. Do not be frightened to discuss matters while the person is still alive and well enough to talk about things."

Ian, 62

"It is ironic that despite our increasing willingness to share all sorts of information about our daily lives on social media, many of us are still unwilling to talk about death. So we are really pleased to be working with SunLife to create a range of useful online tools, calculators and content to help people engage with the subject of death and dying in a much more positive and practical way. We hope these tools will raise awareness of this issue and help people to start those important conversations. Making and sharing plans not only gives us peace of mind, but it also makes life easier for our loved ones as they will be safe in the knowledge that they are giving us the perfect send-off."

Claire Henry

Chief Executive of the
Dying Matters Coalition



Graham Jones
Director, SunLife

"Discuss with your family the kind of funeral you would like. I knew what funeral my mother wanted as we had time to discuss it before she died which really helped arranging the funeral."

Nina, 50

Notes

About the Cost of Dying

SunLife owns the annual 'Cost of Dying' report which is one of the most significant pieces of ongoing research in its field. It has been conducted annually since 2004, using a consistent methodology to ensure data comparability over time.

The 2016 Cost of Dying research was conducted by Critical Research, an independent market research company, specialising in financial research. The quantitative side of the project consisted of an online survey carried out between April 2016 and May 2016 which was asked to 1,509 consumers. This was supported by 100 telephone interviews of Funeral Directors from across the sector. The questions asked were the same set of questions used in previous years of this project.

Regional Boundaries

The statistical regions used by the UK's ONS (Office of National Statistics) comprise the Government Office Regions for England, plus Wales, Scotland and Northern Ireland. These constitute 12 regions.

With the inclusion of Northern Ireland (to ensure UK coverage and not just GB), the following regions have been aggregated for research purposes to derive 10 regions:

- South East with East of England
- West Midlands and East Midlands

The research was therefore spread across the following regions:

Region 1 Wales
 Region 2 South East and East of England
 Region 3 London
 Region 4 East and West Midlands
 Region 5 Yorkshire and the Humber
 Region 6 Scotland
 Region 7 South West England
 Region 8 North West England
 Region 9 North East England
 Region 10 Northern Ireland

About SunLife:

SunLife rebranded in 2014 but has been around since 1810, making it one of the oldest financial services companies in the UK. The company is a direct-to-consumer financial services provider, offering a range of straightforward and affordable products across insurance, savings and protection.

The company's ambition is to 'democratise financial services' – giving everyday customers access to products that can give them a brighter financial future.

About Dying Matters:

Dying Matters is a coalition of 32,000 members across England and Wales which aims to help people talk more openly about dying, death and bereavement, and to make plans for the end of life.

Members include organisations from across the NHS, voluntary and independent health and care sectors; social care and housing sectors; a wide range of faith organisations; community organisations; schools and colleges; academic bodies; trade unions; the legal profession and the funeral sector.

The Coalition's Mission is to help people talk more openly about dying, death and bereavement, and to make plans for the end of life. The Dying Matters Coalition is working to address this by encouraging people to talk about their wishes towards the end of their lives, including where they want to die and their funeral plans with friends, family and loved ones.