



F U N E R A L
P L A N N I N G
A U T H O R I T Y

CODE OF PRACTICE

March 2015

CODE OF PRACTICE

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CODE OF PRACTICE

The Funeral Planning Authority (“the Authority”) is the self-regulatory body set up by the Funeral Planning Council Limited and the National Association for Pre-Paid Funeral Plans to ensure that:

- funeral plan providers that are regulated by the Authority (“Plan Providers”) maintain high standards of professional conduct; and
- the money that customers pay to a Plan Provider for a funeral plan is safeguarded so that, when the time comes, their funeral will be provided in accordance with that plan.

The Authority does this by:

- checking that Plan Providers and funeral plan trustees are fit and proper persons and ensuring that they comply with the Authority's Rules and Code of Practice;
- setting standards of professional conduct for Plan Providers, their staff, agents and representatives;
- ensuring that funds are protected by being held in trust, are regularly audited, regularly reviewed by an actuary and are only invested by independent fund managers authorised under the Financial Services and Markets Act 2000;
- providing arrangements for resolving disputes between Plan Providers and their customers;
- by a Pledge to Customers so that, in the unlikely event of a Plan Provider becoming insolvent, the other Plan Providers shall co-operate and examine ways in which the Authority might assist in arranging delivery of the funeral of the customers of the insolvent Plan Provider.

1. Conduct

Plan Providers:

- 1.1 must act in a courteous, sensitive, dignified and professional manner and, in particular, must not pressurise potential customers to buy funeral plans;
- 1.2 must not make unsolicited visits or unsolicited telephone calls to potential customers and, in particular, to residents of nursing homes, residential care homes or other similar establishments;

- 1.3 must respect the confidential nature of information given to them and only use that information for its proper purpose;
- 1.4 in recommending another business, must disclose any interest they may have in that business;
- 1.5 must not make misleading comments about the quality or appropriateness of any funeral plan which a customer has already purchased or is thinking of purchasing.

2. Marketing and advertising

Plan Providers:

- 2.1 must ensure that any marketing or advertising which they undertake does not bring the funeral planning industry into disrepute and that their marketing and advertising:
 - is always in good taste;
 - is legal, decent, honest and truthful and complies with all the other requirements of the British Code of Advertising Practice or other relevant Code of Practice;
 - only contains third party endorsements or sponsorship which have been specifically approved by that third party;
 - makes no unsubstantiated claims about funeral plans or services provided by others;
- 2.2 must provide their employees, agents and representatives with training and written guidance on sales practices which ensures that potential customers are given sufficient information to make informed decisions about buying a funeral plan.

3. Information

Plan Providers must provide potential customers with written details of any funeral plan being offered, which clearly sets out:

- 3.1 the type and cost of funerals and other services which can be provided under the funeral plan;
- 3.2 any costs which may not be met by the funeral plan;
- 3.3 any administration charges which the customer will need to pay;
- 3.4 if the plan is paid for by instalments, what happens if someone dies before all payments have been made;
- 3.5 the customer's right to a full refund if the plan is cancelled within 14 days of its commencement and any rights to a refund which the customer has if the plan is cancelled by the customer after that time;
- 3.6 what happens if the Plan Provider cannot meet its obligations under the plan;
- 3.7 how a customer may complain about the Plan Provider or any plan provided and how such complaints will be handled;
- 3.8 the other terms and conditions which apply to the plan.

4. Contracts and Documents

Plan Providers must give every person who buys a funeral plan:

- 4.1 a written contract which sets out the plan's terms and conditions and, in particular, the specification of the funeral to be provided and how the funeral plan may be amended or cancelled;

4.2 a membership card or certificate of entitlement. A Plan Provider must replace a lost card or certificate once free of charge but may charge a reasonable fee for providing any further replacement cards or certificates;

4.3 written guidance on how to register a death.

5. Plan Funds

Plan Providers must comply with the Authority's Rules relating to the security of plan funds. In particular, those Rules require Plan Providers to either:

5.1 apply money received for funeral plans, as soon as practicable towards a contract of whole life assurance with an authorised person who has permission to effect and carry out such contracts of insurance; or

5.2.1 pay money received for funeral plans, as soon as practicable, into an account maintained by trustees (the majority of whom must be unconnected with the Plan Provider) who have been approved by the Authority;

5.2.2 have the funds invested by an independent fund manager who is authorised under the Financial Services and Markets Act 2000;

5.2.3 have the trust funds audited annually and reviewed by an actuary;

5.2.4 only use the trust funds for their proper purpose.

6. Complaints and Disputes

6.1 The Authority's Rules require Plan Providers to comply with this Code of Practice and they may be liable to disciplinary action if they fail to do so.

6.2 A customer who is dissatisfied with the service provided by a Plan Provider should, in the first place, contact that Plan Provider who must reply to the customer in writing within 7

working days of receiving a complaint.

6.3 If a Plan Provider cannot resolve a complaint to the customer's satisfaction, the customer should contact the Authority (whose address and telephone number are set out below). The Authority provides an independent conciliation and arbitration service through The Chartered Institute of Arbitrators.

6.4 Plan Providers are required to co-operate with the customer redress procedures and to participate in the independent conciliation and arbitration service mentioned in paragraph 6.3. Plan Providers are bound by an arbitrator's decision, subject to the right of the Plan Provider or the customer to seek a review of the decision.

6.5 If in the course of any conciliation, or following the conclusion of any arbitration, it appears that a Plan Provider has infringed this Code of Practice, the Authority may take disciplinary action against that Plan Provider in accordance with its Rules.

6.6 Plan Providers must:

- provide on all price lists and other promotional material an address (or, if this is not practicable, a telephone number) to which communications may be directed;
- display a copy of this Code of Practice at their place of business and have copies available to distribute to customers and others free of charge;
- display the logo of the Authority at their place of business and on all price lists and other promotional material;
- co-operate fully with those representing consumers including trading standards officers, Citizens' Advice Bureaux or other consumer advisers.

7. Pledge to Customers

All Plan Providers shall co-operate in the delivery of the Authority's "Pledge to Customers" by which, in the event of the insolvency of a Plan Provider, the other Plan Providers will examine ways in which the Authority might assist in arranging delivery of the funeral of the customers of the insolvent Plan Provider. The extent of this co-operation will be at the discretion of the individual Plan Providers.

Anyone who experiences difficulty in obtaining services under a funeral plan because a Plan Provider or funeral director is insolvent or no longer in business should immediately contact the Authority.

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