



# Things to consider when buying a prepaid funeral plan

## What is a funeral plan?

A funeral plan allows you to pay in advance for your own, or someone else's funeral, and in doing so, you can also discuss and decide what you want your funeral to be like. The plan is a contractual arrangement between you, and a funeral plan provider who is responsible for arranging and carrying out the funeral when it's needed. Funeral plan providers can be funeral directors, a subsidiary company of a funeral director, or a separate firm who make arrangements with funeral directors to carry out funerals on their behalf.

## How do they work?

You can either pay a lump sum for the main funeral costs or pay a monthly fee that meets the agreed main funeral costs.

When you pay for your funeral plan the provider has to set aside the money to pay for the funeral in a separate trust funds or into an insurance policy. Importantly – the provider themselves do not hold your money, which is done to ensure the money to pay for the funeral is protected if the provider was to fail and your investment is safe, and there are safeguards to make sure there is enough set aside when the time comes to pay for your funeral.

When the time comes, your family and loved ones will need to notify the plan provider and they will carry out your funeral as specified in the plan

## What is the FPA's role when it comes to funeral plans?

The Funeral Planning Authority was set up to protect customers who buy prepaid funeral plans. We do this by rigorously checking that providers registered with us adhere to our strict Rules and Code of Practice, that they are treating customers fairly and respectfully, and that customers are getting the funeral they have paid for when they need it. We are the only organisation that regulates funeral plans in this way.

At present, around 95% of all new plans are sold by FPA registered providers, but there are a small proportion of providers selling plans who are not registered with us, and they are not subject to any external checks. Funeral plans are an important purchase, so we recommend customers only buy plans from providers registered with us. We do not want to see any customer's funeral put at risk.

## Key considerations when buying a funeral plan

- Shop around: Think rationally about what you want your funeral plan to include and consider this when comparing the cost of one plan against each other. A cheaper plan may not include something which is important to you, for example embalming, so be mindful about making decisions based purely on cost. You should also be clear on how what are known as third party costs or disbursements work under the plan you are considering.
- Discuss with friends and family: When you're in the process of choosing a plan, talk to your relatives and friends about it and make sure they know what's going to be included and the exact details of who you're purchasing the plan from. Also make sure they know where you're going to keep the paperwork. This makes things easier for them in future when it comes to carrying out your wishes. We do offer a 'Plan Trace' service for families who think their loved one had purchased a plan but don't know where from. This service is free to use and is available on our website but only covers our registered providers.
- Think about how you'd like to pay for the plan: Whether you choose to pay in a lump sum or instalments, ensure you select the option which best suits your circumstances, and avoid paying in cash as there is then no record of your purchase, making it much harder to trace.
- Check the paperwork: Once you've chosen and paid for your funeral plan, make sure you thoroughly check the paperwork and that it matches what you've discussed with the provider. Also make sure you understand the terms of the plan, for example what happens if you move to a new house. You will need to let your provider know if you do move, but there could also be additional cost implications with some plans if this happens.
- Choose a registered provider: Funeral plan providers registered with the Funeral Planning Authority must adhere to a rigorous set of rules and code of practice. Non registered providers are not subject to any external checks, and if you buy a plan from them you could be putting your money and your funeral at risk. There is a list of registered providers on the FPA website, but if you check this and you're still not sure, you can contact us at [information@funeralplanningauthority.co.uk](mailto:information@funeralplanningauthority.co.uk).



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

Funeral Planning Authority  
Barham Court  
Teston  
Maidstone  
Kent  
ME18 5BZ

0845 601 9619

[Info@funeralplanningauthority.co.uk](mailto:Info@funeralplanningauthority.co.uk)