



# **Municipal Burials – the true cost of funeral services.**

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# The cost of dying

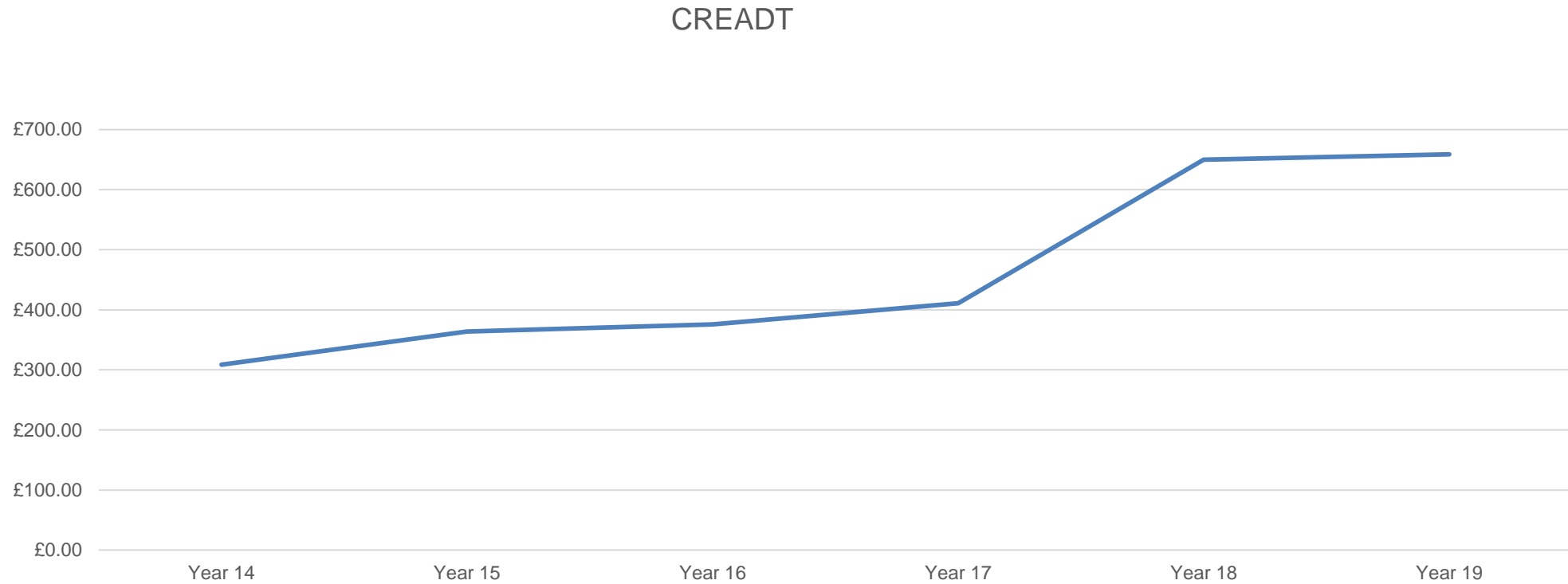
- **UK funeral prices to be probed – BBC 1/6/18**
- Have prices suddenly gone up?
- Average price of a basic funeral 2014 was £3,500 – up 10% on year before
- Now £3,800 according to the CMA

# Axa Survey 2015



	2014	2024	2034
<b>Basic funeral</b>	3,590	6,140	10,001
<b>Ancillary services</b>	1,833	3,135	5,106
<b>Legal/professional fees</b>	3,004	5,137	8,369
<b>Total</b>	8,427	14,412	23,476

# It must be down to councils putting prices up right?





# What else is going on

- Nature of funeral market
  - Disciplined
  - Entrenched
  - Dominated by a small number of providers
- Rising council fees
  - Removed subsidy
  - Opened up commercial potential of the public bit



# Potential for disruption

- High margins
  - Resistant
  - Related to volume of trade
- Customer pressure
  - Funeral poverty
- End to end potential
  - Rise of companies like Memoria and movement of Dignity into crematoria
  - Expansion of municipal funeral offer



# Are others making a move?

- Forward integration prompted by disposal now being cost effective business
  - Dignity
  - Memoria
- Simple funeral offers
  - Dignity just cut its prices for its basic offer by 25% - £1995
  - Fair Price Funerals - £2150
- Minimal funeral offers
  - Simplicity (Dignity) – £1495
  - CremationFuneral Service – £895
- Council basic funeral offers
  - Cardiff
  - Nottingham and quite a few others
  - Part of increased level of competition

# Substitute products



- Simple funeral growing in popularity
- Dignity version now 15% of business
- Minimal funeral – niche market



# Opportunities for a council offer



- Partnership approach
  - Can get price down to around 2k
  - But all profits still with private undertaker
  - No real reduction in costs
- End to end approach
  - Councils' USP
  - With scale can genuinely reduce cost at a price point of 2k
  - And generate a surplus of around 130k on 500 funerals pa
- Ancillary sales

# This is a an industry that is ripe for disruption



- End to end
  - Yes we can and yes we should
  - Potential for acquisition route to market
- Shared/centralised cremation facilities
  - This is a game changer that changes the cost basis
  - And could bring prices down much further
- Greatly expanded range of funeral venues
  - Does everybody want to go to one of just 3 venues for funerals
  - Makes it more like modern weddings
- Which greatly expands range of different sorts of 'send offs'
  - Alternative processes
  - Alternative arrangements



# Consultancy

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## Interim management requirements

**Roads & Highways, Building Maintenance, Bereavement Services, Environmental, Parks & Open Spaces, Waste, Facilities & Leisure etc.**

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