

Funeral Bonds



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What are pre-paid funeral plans?

Pre-paid Funeral plans, also known as Funeral Bonds and Pre-arranged Funeral Plans, are policies which enable individuals to plan and pay for their funeral in advance of their death. The plans allow individuals to take control over their own funeral and even personalise the occasion. By purchasing a Pre-paid Funeral Plan much of the decision making and organising which is often left to the next of kin at this incredibly difficult time is removed.

Many companies who supply these plans will be able to offer a variety of packages to choose from. There are options which enable you to choose things such as:

- ✓ the coffin type
- ✓ flowers
- ✓ the type of cars and how many
- ✓ readings
- ✓ the style of the service
- ✓ hymns

Once the details have been chosen you can then make the payment in full or by instalments.

**Pre-Paid Funeral Plans
ensure that you get the
funeral you want!
They allow you to
personalise the day.**



Many Pre-paid Funeral Plans are designed to be a fixed price plan, this means that once you have agreed to a policy the price will be fixed and not subject to change due to inflation. So by organising your funeral today your loved ones could save pounds in the future. With the average funeral costing approximately £2500 and Mintel Funeral Business Reports predicting increases that could spiral to a staggering £4000 by 2015, purchasing a Pre-Paid Funeral Plan begins to make good sense!





Shopping around for a pre-paid funeral plan

Pre-Paid Funeral Plans are becoming increasingly popular and are being offered by many Funeral Directors and Insurance companies as well as Specialised Funeral Plan companies. Most companies offer plans without any medicals and to people over the age of 50.

When it comes to purchasing a Funeral Plan, shopping around to ensure you get the right policy is essential. Below is a list of some of the important factors to consider.

Consider the following.....	Comments
The cost of the policy	How much do you have to pay, what is included in the plan and if you decide to pay on a direct debit how long do you have to pay the premiums for.
The flexibility of the plan	Are you able to upgrade or alter the plan at a later date? Maybe you would like to provide a limousine to follow the hearse.
What would happen if you died abroad	How does the plan work if death occurred abroad? Or in another part of the UK?
What funeral directors are available under the plan?	Do you have to use a specific funeral director?
Is the company registered with the Funeral Planning Authority or the National Association of Funeral Directors?	Companies registered with either of Funeral Bodies have to adhere to a professional code of conduct along with protecting the monies taken for a funeral plan.
What happens if you decide to cancel the plan?	With some plans all monies paid will be lost if the plan is cancelled. Others will refund payments less an administration fee.



Before purchasing any plans, check what cover you already have. Some life insurance policies allow for funeral costs.



Frequently asked questions



What if the Funeral Director is no longer trading at the time of death?

If you are purchasing a plan through a Funeral Plan Company, ensure they are registered with the Funeral Planning Authority or the National Association of Funeral Directors. These regulatory bodies ensure that any money taken for a Funeral plan is safeguarded. This means that the funds will be available for use with an alternative Funeral Director.



Do I need to discuss the Plan with close family?

It is essential that a member of your immediate family or a close friend is aware of the plan you have paid into, details of the plan could be kept with your will. In the event of death, the next of kin or other nominated member will be required to contact the company who provided the plan and quote the policy number. This then activates the plan.



Once I have paid for the plan, what happens if I change my mind?

This depends on the flexibility of the plan. Some plans will refund the premiums paid less an administration fee, whereas others will not refund any money paid. It is important that you check this before proceeding with any plan.



What happens if the policy holder dies before all the premiums are paid?

If the premium is not paid in full at time of death, the outstanding balance will need to be paid by the next of kin for the plan to remain valid.



Are burials available on funeral plans?

Yes. Most companies will have set packages which are available with the option of adding to them or taking some items off the plan.



Is it possible to have a joint funeral plan?

If you decide to have a joint funeral plan, in many instances the plan will be activated and applied to the first death only. However, you could decide to take out the same plan and complete two applications, this way the funeral costs for both individuals will be covered.



Where to get further help and information about funeral plans

- ✓ To check if the company is registered with either of the Funeral Authorities:
 - National Association of Funeral Directors: www.nafd.org.uk
 - Funeral Planning Authority:
<http://www.funeralplanningauthority.com>

- ✓ For help with coping with death, funerals and registering the death:
<http://www.adviceguide.org.uk/>

- ✓ For further information regarding planning a funeral:
<http://www.direct.gov.uk/>

