

## National Association of Funeral Plan Providers

### Market Volumes for the first half 2023

*In issuing this inaugural release of half year statistics for the pre-paid funeral plan sector the National Association of Funeral Plan Providers is reprising a biannual market update formerly provided by the now defunct Funeral Planning Authority.*

*These six-monthly publications highlight the continuing demand from consumers to seek the peace of mind that comes with setting out preferences making a provision for one's own funeral and reinforces the significant proportion of the UK's retired population who already have arrangements in place.*

*Being our first set of results no trends can be established or projected and as the participants, definitions and methodology used vary from the historical publications by the FPA our figures are not directly comparable.*

*Today we are delighted to confirm the numbers of sales of new plans, the numbers of plans redeemed and the total market size at the 30<sup>th</sup> of June 2023.*

<i>NAFPP Members Funeral Plan volumes first half of 2023</i>			
<i>Plans in Force 1/1/23 *</i>	<i>New Funeral Plans Opened</i>	<i>Funeral Plans Redeemed</i>	<i>Plans in Force 30/6/23</i>
<i>1,649,325</i>	<i>95,659</i>	<i>74,377</i>	<i>1,670,607</i>

*\*Assumed from data supplied at 30/6/23*

*Commenting on the figures Steve Rowland, Chair of the NAFPP, noted he was reassured that 'after the inevitable upheaval in the industry as members transformed their businesses to align with the FCA's requirements customers have continued to seek out funeral plans in such substantial numbers'.*

*Although life assurance policies are often portrayed as a direct substitute, funeral plans offer additional reassuring features. With both products a financial provision is made but crucially rather than guaranteeing a fixed sum a pre-paid funeral plan customer receives a promise that their chosen funeral will be delivered without further costs. In this time of considerable inflation there can be no certainty that the value of a life insurance plan written today will meet the costs of a funeral ten or more years down the road.*

*The sales figure we are reporting for the six months from January to June includes some plans that transferred from historic providers who ceased to offer plans post regulation on 29<sup>th</sup> July 2022. Our members also stepped up to assist consumers let down by failed providers meaning these numbers also include discounted new plans purchased after their original provider failed.*

*Concluding Mr Rowland confirmed that 'despite the ongoing cost of living crisis consumers continue to recognise the value in providing for their funeral. Given the added reassurance of the protections offered by the FCA and FSCS we see that the total numbers of plans in this report is higher than that reported two years earlier despite the fact that our figures include fewer providers.*

## **About Us**

The National Association of Funeral Plan Providers was formed in 2023 shortly after the sector became regulated and came under the supervision of the FCA. Membership is open to any provider who is authorised by the Financial Conduct Authority. At the time of writing the overwhelming majority of providers are members of the organisation.

The Association's purpose is to assist members to grow a sustainable and trusted funeral planning market for consumers using combined insight to represent and progress and the views of the industry.

## **About this Release**

The data contained in this release originates from the individual members of the Association. At the present time the FCA has authorised twenty-six organisations to offer and operate prepaid funeral plans. Twenty-five of these companies are members of the NAFPP and the totals included in our sector summary cover all of these providers.

For more information contact our secretary at [Gordon.swan@nafpp.co.uk](mailto:Gordon.swan@nafpp.co.uk) or call 07440 - 756615