

The complaint

The estate of Mr B complains about the sale of a funeral plan to Mr B by Co-op Funeral Plans Limited. The estate is represented by Mr C.

What happened

To summarise, in 2015, the late Mr B bought a funeral plan from Co-op. The plan was a tailor-made burial plan, costing £6,345. Mr B paid in full up front.

Sadly, Mr B died in August 2022. When Mr C redeemed Mr B's plan, he was told a burial fee of £1,167 was not included in the price Mr B had paid.

Mr C complained, saying Mr B had paid in full with the understanding that all of his funeral requirements would be met. Co-op said that only items ticked on the application form were included in the price.

Mr C remained unhappy, so came to the Financial Ombudsman Service. An investigator looked into things for him and upheld the complaint. She thought there'd been failings at the point of sale and that Mr B would not have been aware that he hadn't paid in full for all of his funeral requirements. She said Co-op should be responsible for covering the third-party charge and it should not fall to the estate to pay.

Neither party has commented on our investigator's view. Co-op asked for an extension to the deadline, which was granted, but no further information was received. So the case was put forward for a final decision, with a further deadline for comments sent to the parties. That deadline has also now expired without any additional responses.

I'm satisfied both parties have had sufficient opportunity to comment, so I now consider it appropriate to issue my decision.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so, I'm upholding this complaint. I'll explain my reasons, focusing on the key points. So, if I don't refer to a particular point or piece of evidence, it's not because I haven't thought about it. Rather, I don't consider it changes the outcome of the complaint.

Co-op accepts responsibility for the actions of its sales agents. It's provided Mr B's application form and some terms and conditions. The terms state that *'only those services*

itemised and costed on the application form are included in the plan benefits', although I note the terms provided post-date the sale of Mr B's plan.

The voluntary code of practice in place at the time indicates that Co-op should've provided Mr B with information about the type and cost of funerals and other services available and any costs which might not be met by the funeral plan.

Having looked at the application form I can see that *Section 3 Grave Details (for Burial Plans only)* is completed, recording that a grave has been purchased and giving the cemetery name and plot number.

However, under *Section 5 The Funeral Benefit/Arrangements*, no charge is made towards third party costs for interment and grave digger's fees. I find this strange, as it was quite clear that Mr B wanted to be buried and in those circumstances these services were clearly necessary. So the sales agent was responsible for ensuring Mr B understood that if no sum was included for these services, the fees would be payable by his estate at the time of need.

In light of the detail recorded in other sections of the application form about his wishes, and the significant amount of money Mr B was prepared to pay up front to assure himself that his wishes were taken care of, I think on balance the sales agent failed to provide Mr B with sufficient information about costs that would not be met by his plan, and consequently, Mr B reasonably believed that everything was covered. I'm also satisfied if he had been aware of a potential shortfall, Mr B would likely have paid extra for the assurance that there would be minimal, if any financial impact on his estate, when the time came to redeem his plan.

Putting things right

Mr B's relatives have been left with an outstanding sum to pay of £1,167. This has caused additional distress in the aftermath of bereavement. However, our rules do not allow me to award compensation for distress and inconvenience to relatives or representatives of an estate, only to eligible complainants themselves – in this case, Mr B. But as Mr B would not have been aware of the issue with his plan, I'm afraid I cannot make any award to recognise what I acknowledge has been an upsetting time for his relatives.

However, I don't think Co-op gave clear information at the sale and Mr B lost out as a result, by not getting the plan and services he thought he'd bought. So I think Co-op is responsible for the outstanding third party burial fees and should waive the £1,167 charge requested of Mr B's estate. Mr B's estate should not be required to pay it.

My final decision

My final decision is that I uphold this complaint about Co-op Funeral Plans Limited. I direct Co-op to waive the outstanding £1,167 charge, as detailed above.

Under the rules of the Financial Ombudsman Service, I'm required to ask the estate of Mr B to accept or reject my decision before 26 July 2023.

Jo Chilvers
Ombudsman