

## **The complaint**

Mrs B's complained that Co-op Funeral Plans Limited will continue to collect payments for her pre-paid funeral plan, even though she says she's paid more than a funeral would cost.

## **What happened**

Mrs B bought a pre-paid funeral plan from Co-op in early 2016. She is paying monthly for the plan. Payments are ongoing.

In early 2025, Mrs B contacted Co-op to ask what would happen if she couldn't keep up the monthly payments. She told Co-op she'd paid in more than what a funeral would cost. Co-op responded that the terms and conditions of her plan require her to make the payments until she reaches her 90<sup>th</sup> birthday.

Mrs B was unhappy with that response and complained to Co-op. She said that her direct debit had stopped in 2024 and a member of Co-op's staff had suggested this was because the plan had been fully paid for. But the payments then restarted.

In response, Co-op said that, as Mrs B had opted to pay for her plan by fixed monthly payments, she had to make payments until her 90<sup>th</sup> birthday or until she dies. And, in line with the contract terms, if payments stopped, the plan would be cancelled, she wouldn't be entitled to any of the plan benefits and she wouldn't get any money back. They said direct debits had stopped due to a technical issue and that missing payments had been written off. And they explained their branch staff – who had speculated about the reason for payments stopping – didn't have access to details of payments for their plans.

Mrs B wasn't happy with Co-op's response and brought her complaint to the Financial Ombudsman Service. Our investigator reviewed the information provided by both parties and concluded Co-op didn't need to do anything more to resolve the complaint. She was satisfied Mrs B's plan did provide for payments to be collected until she is 90. And Co-op had complied with the code of practice in place at the time of the sale about providing costs information. She noted that Co-op had said that, if Mrs B was struggling to make the payments, they would look at how they could assist her – which she thought was fair.

Mrs B didn't agree with our investigator's view. So the complaint's been passed to me to make a 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 that, I'm not upholding Mrs B's complaint. I'll explain why.

As our investigator explained, I can only say Co-op should do something more or different to resolve the complaint if I'm satisfied they did something wrong. I don't think that's the case here, because they're applying the terms of the plan that Mrs B bought in 2016.

The plan includes several options for payment. Mrs B chose to pay by fixed monthly payments. In relation to this option, the plan says:

*"If You've chosen to pay by Fixed Monthly Payments, in order to receive the Plan Benefits, You must make payments until the anniversary of the Start Date immediately prior to the Plan Holder's 90<sup>th</sup> birthday, or until the death of the Plan Holder if sooner. If you stop paying the Fixed Monthly Payments when due for any reason, Your Selected Plan will be cancelled, the Plan Holder won't receive the Plan Benefits and You won't get any money back."*

Mrs B confirmed to our investigator that she understood this term. But I understand she thinks it's unfair that, if she stopped making payments now, there would be no obligation on Co-op to provide a funeral, even though the payments she's made would be enough to provide one.

I have considered this. But I think the clause I have quoted above clearly sets out Mrs B's payment obligations and what would happen if she fails to fulfil them. As an impartial decision maker, I have to make a decision that's fair to both parties.

So I can't fairly say Co-op have to provide the services the terms and conditions say they must, if Mrs B doesn't also abide by the terms and conditions. Conversely, if she keeps the payments up, I'd expect Co-op to provide the funeral services they've agreed to when they're needed, regardless of whether or not Mrs B's payments cover the cost of doing so at that time.

Mrs B's concern appears in part to be driven by a worry that she might not be able to keep up the payments she's making in future. That's completely understandable in an environment where the cost of living continues to rise. But I have seen that Co-op told her, and our investigator, that Mrs B should contact them if that were the situation and they would look at what they could do to assist her at that time.

That's what I'd expect Co-op to do. But that's not the same as asking them to commit to a particular course of action in a hypothetical situation. The first scenario is reasonable. The second, in my view, isn't. And so I don't think Co-op need to do any more to resolve Mrs B's complaint.

### **My final decision**

For the reasons I've explained, I'm not upholding Mrs B's complaint about Co-op Funeral Plans Limited.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs B to accept or reject my decision before 10 October 2025.

Helen Stacey  
**Ombudsman**