

Social Justice and Social Security Committee
Thursday 19 February 2026
7th Meeting, 2026 (Session 6)

Funeral Support Payment

Note by the Clerk

Introduction

1. At its meeting on 20 November 2025, the Committee agreed to write to the National Association of Funeral Directors (NAFD) and the Scottish Government regarding the low up-take for the Funeral Support Payment benefit. Responses were received from both, as well as correspondence from Quaker Social Action. They are available at **Annex A**.
2. At its meeting on 22 January 2026, the Committee agreed to schedule a roundtable evidence session on the Funeral Support Payment.

Witnesses

3. The Committee will hear from a roundtable of witnesses, including representatives from Age Scotland, Caledonia Funeral Aid, Dignity Funeral Directors, Brodies Funeral Services and William Purves Funeral Directors.

Written evidence

4. Further written submissions were received from Brodies Funeral Services, Caledonia Funeral Aid and Citizens Advice Scotland. They are available at **Annex B**.

Clerks to the Committee
February 2026

Annex A

Correspondence from the National Association of Funeral Directors – Funeral Support Payment

Introduction

The National Association of Funeral Directors (NAFD) supported the introduction of the Funeral Support Payment and welcomed its index-linking to ensure that it increases year on year. We continue to support the Scottish Government's commitment to helping bereaved people in need and welcome this review of the FSP. However, we believe there are flaws in the process, which in some cases are anomalous to the benefit system.

We hope the ongoing commitment to bereaved people and to addressing funeral poverty will see the Government make the necessary changes to the award and welcome the opportunity to engage further with Government/Social Security Scotland on the issue.

Award covers some aspects in full, but not others

Burial and cremation authorities' costs are covered in full by the Government for every disposal; the same cannot be said for funeral directors. The award (once burial or cremation costs are removed) rarely covers the cost of funeral director professional service fees – which range widely in Scotland and depend on location and company, but indicatively are £1800 - £2,500 – even for an essential, or basic as it is sometimes known, funeral. These fees do not even include the hearse, coffin or removal so the overall funeral directors' financial burden is even greater than this.

This is above the average flat rate award of around £1250.00 pounds. So already, many funeral directors operate FSP funerals at a loss and as such, unlike local authorities who offer burial and cremation, and being penalised, but do so out of goodwill and to serve their community.

Application process facilitates non-payment of a funeral

The application process, unlike we believe the vast majority of (if not all) other government benefits, allows for part of the award covering those carrying out the professional services of a funeral to be paid directly to the applicant. Indeed, FSP representatives telephone applicants even after the application has been made offering them the chance to switch any initial decision for the award to go directly to the funeral director to be paid to them instead.

Unfortunately, we are seeing an increase in the numbers of applicants who are not then passing that money on to the funeral director, even if the funeral director is already undertaking professional duties, such as taking the body into their care and preparing the funeral. Sometimes the funeral will already have been conducted. This is negatively affecting funeral director business and what they can offer bereaved people.

A two-tier system for bereaved people

The ability to pay an applicant directly, and them not passing the award on, is having several effects. In a worst-case scenario funeral directors are not paid at all, leaving them with bad debt and having carried out all agreed services for no remuneration. As stated, funeral directors in this instance are the only party involved in the funeral process not to get paid. Local authorities, burial authorities and cremation authorities all get paid in full (via the funeral director who must bear the upfront cost), but funeral directors do not. It is discriminatory and unfair and leaves the FSP system open to abuse.

Secondly, more funeral directors are not carrying out FSP funerals until they receive the award for fear of being left in bad debt. This is creating a two-tier system whereby those who can pay get a faster service, and those who cannot do not, which is unfair on bereaved people and discriminates against those who are of lesser financial means.

Some funeral directors now refuse outright to conduct a Funeral Support Payment until payment is made in full up front, which is leading to significant delays in the funeral, sometimes stretching into weeks. This has a knock-on effect on mortuary storage in the NHS and private sector.

Below is a selection of comments passed to us by Funeral Director member firms

“We carry out a lot of funerals involving funeral support payments and it is a never-ending slog if the family chose not to have the payment sent directly to ourselves. As we all have discussed many times in the past, this payment should be made directly to the funeral director; there should be no reason the family require it paid to them and in some cases when they mention this is the choice they have made it sends up red flags to us as to whether we are going to receive it in full or at all from them.”

“No one wants to stall a funeral, and I don’t blame any funeral director for doing so, but we should not settle for this going forward. Surely someone in Government will eventually have that lightbulb moment. The Government are proud to advise the percentage of claims that are being paid direct to the claimant, yet they have no idea (and don’t care) whether the monies reach the funeral director.”

“We sit with the claimant, whilst they complete the application on the phone, yet the Funeral Support Payment Staff are required to phone the claimant to ensure that they would not prefer the monies paid into their own bank account. We have even had claimants phoned several times to try and change the original payment destination from the FD to the claimant. Who is making up these instructions to the staff? This puts added pressure on the claimant which should not be permitted.”

“It’s a good idea to recall why this payment was introduced and that away back in 1987 funerals cost literally a tenth of what they are now. This benefit and its descendant, the FSP have been diluted and throttled into what is little more than a Paupers disposal. At

the time it solved funeral poverty overnight and as we rush headlong into another such crisis, it is well to remember that.”

“The option (to pay the award directly to the applicant) enables significant fraud, whereby the Funeral firm can accept the service, then the applicant redirects the funds to themselves, leaving the funeral firm unpaid. Due to these types of fraud, we decided, as did a great many other funeral firms, to delay FSP supported services until all finances were paid in full. The FSP has rarely ever met its 10 working day application process (and has been known to stretch to 40+ days), this causes even further delays for the family and unfortunately also makes it obvious to the community at large, that this particular family are awaiting help, which is a complete failure of the State and its intent, to ensure “dignity, fairness and respect” for all.

“We not only pick up a loss for our services, but we have to pay the cremation or burial fees which can be £2567 for a lair and £1250 for a cremation fee. This is not a risk we can continue to take and should not have to. We have tried writing to various MPs and get a word salad back about enabling the claimant to be responsible for their own money. This is taxpayers’ money for a funeral payment.”

“Unfortunately paying the funeral support payment to applicants directly greatly increases the likelihood of non-payment from a minority of people.”

“There is a large number of funeral directors who are only 5 or 10 unpaid funerals away from ruin.”

“All our families are treated the same, with respect and at face value but we have twice been caught out with the applicant changing their preferences for payment to be made directly to them instead of us. Trying to pursue payment through the court system is futile, payments aren’t honoured and we incur additional costs in trying to recover the debt due to us.”

“When payment is made to the client we not only pick up bad debt on our services but also pick up the crematorium or burial debt. We can be thousands of pounds out of pocket on each funeral and cannot sustain this. We will no longer take risks in the future.”

Survey

Earlier this year, the NAFD and Society of Allied Independent Funeral Directors (SAIF) conducted a joint survey of members on the issue. The key findings are:

- 96% of respondents conducted FSP funerals frequently or sometimes
- 81% said they had experienced non-payment or bad debt when the award was sent directly to the applicant
- 93% said that for up to half of all FSP funerals they conduct they had to chase payment or were left with bad debt.

- 60% said they were “often” or “always” kept waiting for payment when the award was sent to the applicant
- 61% said they had suffered some financial loss when the award is sent directly to the applicant, while 30% said it left them with cash flow issues
- Over half (54%) said they had delayed or refused an FSP funeral because of concerns about payment
- 98% said that the award should, as standard, be paid directly to the funeral director (with applicant’s consent)
- 90% said they “strongly agreed” that “the option for applicants to have FSP paid directly to themselves should be removed and all payments should be made to the funeral director (with consent)”, while 6.7% “agreed”. 3.3% were neutral while 0% disagreed or strongly disagreed.

Recommendations

1. That the Government ensures that a Funeral Support Award is paid directly to the funeral director who is carrying out the funeral, and not to the applicant. This would help prevent a two-tier system and ensure that the time between death and funeral is kept to a minimum. At the very least, it is essential to close the loophole that allows the applicant to change payment options after the initial application has been made.
2. Pay directly to the Funeral Director the invoice for services/cremation/burial up to the maximum amount awarded; however, if the invoice is for less, then only pay that amount. In the latter instance, if there are ‘other costs’ the applicant can supply receipts or invoices from those suppliers and those allowed amounts can be directed to the applicant. This will ensure each award is correct for the services provided, bereaved people are not overspending what they cannot afford, and funeral directors are not being left with unnecessary bad debt.
3. Increase the award to the Competition and Markets Authority’s (CMA’s) estimate of the average funeral director’s fees for a simple ‘Attended Funeral’, which in 2024 was £2,484. This includes a funeral director, oak veneer coffin, collection and care of the deceased, one limousine, use of chapel of rest, processing documentation. This would help alleviate funeral poverty and people getting into debt.

East Ayrshire Respectful Funeral Service

While we always welcome choice for bereaved people, we have concerns about local authority schemes broadly on several levels, which we would be happy to discuss with you in more detail.

We are concerned that services delivered for residents at a lower market rate have a detrimental effect on local markets, which can lead to a race to the bottom on price and create a postcode lottery on what is available to whom. There are concerns reported to us by members about conflicts of interest.

Also, we have reported to the CMA our concerns that local authority schemes can conflict with the CMA Funeral Order 2021 and as such can be non-compliant with the statutory order.

Conclusion

While the NAFD supports the Funeral Support Payment, it is clear that there are flaws in its administration and that funeral directors are being left with bad debt. As a result, an increasing number are either refusing to take FSP funerals or are delaying funerals until they receive the award. This penalises people due to their social or financial status.

Funeral directors want to provide everyone with a dignified and respectful funeral, regardless of status, and this response details how the Scottish Government can make steps to support this.

We urge the Government and Social Security Scotland, rather than to dismiss the concerns of the funeral sector as it has done on these issues up until now, to have an open and constructive dialogue with the NAFD and other representatives of the sector, and this review is the perfect time to do so.

Nick Britten
National Association of Funeral Directors
December 2025

Correspondence from the Scottish Government – Funeral Support Payment and Job Start Payment

08 January 2026

Dear Bob

Thank you for your letter of 27 November 2025 requesting information from the Scottish Government on Job Start Payment and Funeral Support Payment. I am writing to respond to the points in your letter relating to these benefits.

Social Security is a human right that could be needed by anyone at any time. As such, the Scottish Government is focused on ensuring that all eligible people can access all the devolved social security support they are entitled to. This is both a statutory obligation and a central priority. The current benefit take-up strategy, published in 2021, provides the framework, through a principles-based approach, to addressing barriers to benefit take-up across all devolved payments and covers a wide range of activity spanning the areas of pre-application support, benefit promotion and accessible communications and processes. The next Benefit Take-Up Strategy is due by October 2026 and will draw on lessons learned from the current strategy and the Scottish Government's Seldom-Heard Group Action Plan, published this year.

Funeral Support Payment

When Funeral Support Payment launched in September 2019, the Scottish Government and Social Security Scotland made the application process more accessible than the Funeral Expenses Payment, administered by the Department for Work & Pensions, by offering multiple application channels, including online, phone and paper applications. The UK Government does not offer such flexibility and online applications for the UK equivalent payment are not available. The Scottish Government also broadened eligibility to reflect the complexity of modern family relationships, meaning applicants do not need to be the closest relative of the deceased. Since that time (up to 30th September 2025) more than £66 million has been paid in Funeral Support Payments with £6.2 million paid in the first six months of the 2025/2026 financial year.

The Funeral Support Payment evaluation, published in July 2022, showed that clients viewed the application process as being quick and easy. It also highlighted there were lessons to learn, including from clients who struggled to apply due to English not being their first language; a lack of digital confidence; or having learning difficulties such as dyslexia. Social Security Scotland's Local Delivery service is available in all 32 local authorities and provides people with face to face help to understand eligibility and complete their application form, helping people access payments they are entitled to.

In December 2024 the Scottish Government introduced amendments to the Funeral Support Payment regulations to reflect varying funeral trends and following stakeholder

feedback. The changes included applying a reasonability test when a funeral takes place within the UK but outside the local authority area where the deceased lived, providing clients with help towards funeral costs based on what is deemed reasonable. The amendments also introduced changes to deduct available assets of the deceased from an award of Funeral Support Payment, rather than denying an application outright if it was deemed that there were sufficient funds available in the deceased's estate. Finally, the definition of funeral in the regulations was also amended to include hydrolysis, future proofing regulations in the event of hydrolysis becoming a regulated form of body disposal in Scotland. Hydrolysis is also currently available outside the UK. The decision to include hydrolysis in the definition of a funeral ensures that regulated forms of body disposal are available to clients accessing Funeral Support Payment and avoids potentially influencing the client's choice of funeral if hydrolysis was not specified within the regulations, which is not the policy intent. These measures were designed and implemented to extend the eligibility criteria and ensure that support could get to those eligible to receive it.

There is a higher degree of uncertainty in the estimate of eligibility for Funeral Support Payment than other benefits because of the need to identify the likelihood of the person responsible for the funeral being eligible. For that reason, it is reasonable to expect variation in take-up rates year to year. Not everyone who is eligible for Funeral Support Payment will apply, as many people make provisions for their own funeral and there is increased use of pre-paid funeral plans reducing the need for support. The nature of Funeral Support Payment – a one-off benefit which people may have need of at a specific point – means it is important that information is available to eligible people at relevant touchpoints. Working in partnership with stakeholders is therefore key to this approach.

Officials continue to engage with the Scottish Government's Funeral Poverty and Funeral Support Payment Reference Group. This group provides the opportunity to discuss the wider landscape of funeral and bereavement issues in Scotland and the opportunity to raise awareness of the benefit during these meetings.

In addition to this work by the Scottish Government, Social Security Scotland has hosted and attended various stakeholder events to promote Funeral Support Payment. It has an ongoing partnership with Glasgow Central Mosque, an organisation which provides a funeral director service for Muslim members, to build awareness of this payment and encourage application. More recently, Scottish Muslim Funeral Services invited Social Security Scotland to speak at their funeral support event for community faith leaders at the Edinburgh Central Mosque.

Social Security Scotland regularly hosts digital events attended by funeral directors, registrars, third and public sector organisations. This financial year, 200 stakeholders have signed up for online stakeholder events including Age Scotland, Alzheimer Scotland, Maggie's, Macmillan Cancer Support, Funeral Directors, Citizens Advice Bureaus and Housing Associations. These events have been vital in engaging with

stakeholders who work with seldom heard groups and enable meaningful conversations where partners can ask more nuanced questions and provide feedback.

Social Security Scotland has also presented and exhibited at the Scottish Bereavement Network Conference alongside key stakeholders such as Cruse Scotland, SANDS, Richmond Hope and Child Bereavement UK. In addition, it has also hosted all-benefits overview sessions with Families Outside, Community Link Workers and during Challenge Poverty Week saw hundreds of stakeholders learn about Funeral Support Payment. Social Security Scotland ensures that stakeholder organisations such as hospitals, maternity wards, funeral directors and grief support groups receive relevant leaflets and other print material specifically designed to assist in difficult conversations around funerals and the financial support available.

Several news releases are issued by Social Security Scotland throughout the year to highlight, via media channels, the support available and the changes that have been introduced. Funeral Support Payment is regularly promoted on Social Security Scotland's Facebook page and web articles are published on the corporate website directing stakeholders to available information and resources.

Local partnership models such as East Ayrshire's Respectful Funeral Service are important in helping to improve awareness and simplifying access for eligible people. Social Security Scotland recognises the value of these partnerships and insights from approaches like these are informing ongoing work to improve take-up.

Job Start Payment

Job Start Payment is only available in Scotland and is intended to help cover costs such as travel, work clothes, lunches or childcare as a person starts employment. The Scottish Government has learnt and implemented improvements since its introduction in August 2020 and following an evaluation of the benefit, published in 2022. This showed that some eligible clients may have had their claims denied because they were unable to provide the supporting job offer evidence. Some young people reported that they are encouraged to take short, paid work placements which interrupt long spells of unemployment. That evaluation also positively showed that those who had applied found the claim process straightforward and manageable, particularly when support was available from advisors or third-sector partners.

The Scottish Government recognises that Job Start Payment continues to have the lowest take-up rate of any Scottish benefit. To improve take-up the Scottish Government introduced increased accessibility to the payment for young people, extending the application window from 3 months to 6 months after the job offer date, the job offer evidence required was simplified and earnings from one off trial shifts were also disregarded when establishing if the young person has been out of work for 6 months. Recognising the communication preferences of this younger client group, the

Scottish Government and Social Security Scotland worked together to introduce contact by text message, making it easier to get in touch and to help them progress their applications. The Scottish Government is continuing to explore ways to make it easier for young people to apply for this benefit.

Job Start Payment is aimed at easing the transition into work of young people who have been unemployed for a period of time and up to 30 September 2025 had issued payments of £2.0 million. As with Funeral Support Payment, the one-off nature of the benefit means a key focus for building awareness of Job Start Payment is partnership working with stakeholders. Social Security Scotland has worked closely with partners such as DWP, facilitating stakeholder engagement sessions to make sure information is available at Job Centres and advisors are able to cascade information to their clients. It has also attended national career fairs throughout Scotland to raise awareness of the payment with eligible young people. Social Security Scotland have also hosted bespoke digital events for organisations such as Skills Development Scotland and worked with them to amplify other stakeholder events during apprenticeships week.

Job Start Payment materials (e.g. leaflets, promo cards, posters) are distributed to Job Centres, career hubs in schools and colleges, Skill Development Scotland offices and Developing Young Workforce partners. Social Security Scotland also regularly issues social media content across its channels to raise awareness of the benefit and encourage eligible people to apply. Further information is available on mygov.scot.

You requested information in relation to fraud or misuse of funds associated with both benefits. All suspected fraud cases are taken seriously by Social Security Scotland, and all allegations of fraud are investigated and, where appropriate, evidence is submitted to the Crown Office and Procurator Fiscal.

A very small minority of people may seek to abuse the system for financial gain and up to 1 December 2025 two cases of Funeral Support Payment were reported to the Crown Office and Procurator Fiscal Service resulting in one admonishment and one fiscal warning. While people must provide evidence of the funeral costs they incur as part of the eligibility process, Social Security Scotland does not track how people receiving any Social Security Scotland entitlements use their payments because it is committed to treating people in Scotland with dignity, fairness and respect when they apply for benefits and in line with statutory obligations will always give people a choice as to whether they pay the funeral director directly. The Scottish Government and Social Security Scotland are however aware that there are a small number of Funeral Directors who are asking for all Funeral Support Payment to be paid directly irrespective of the wish of the applicant.

The next Benefit Take-Up Strategy is due by October 2026 and will draw on the lessons learned from the current strategy, including the activity detailed in this letter. Prior to publication, once the strategy is prepared, Scottish Ministers must lay it before the Scottish Parliament and then make it publicly available. While the UK Government has

SJSS/S6/26/7/4

no comparable strategy, the Scottish Government remains firmly committed to supporting access to social security and ensuring that people receive the support they are entitled to.

I trust that this information will be helpful.

Yours Sincerely,

SHIRLEY-ANNE SOMERVILLE

Correspondence from Quaker Social Action – Funeral Support Payment

Good practice examples which enable people to access the Funeral Support Payment

We would like to acknowledge the strengths of the FSP.

The eligibility criteria are much less restrictive than for the Funeral Expenses Payment (FEP) in the rest of the UK. They acknowledge far better the complexities of family dynamics and focus on learning why the applicant has taken responsibility and, in some cases, why other people may not have, with an understanding that there can be lots of reasons for this. This approach means that some of our clients have been able to access a funeral payment when they wouldn't previously have been able to, when the FEP was still in place in Scotland. The FSP makes a vital contribution to funeral funding, so being able to access a payment relieves significant stress for bereaved people.

We have also noted that when unusual situations crop up, Social Security Scotland (SSS) seems to have flexibility, listen to the evidence rationally and make fair decisions.

Challenges experienced in connection with the Funeral Support Payment

The key issue we would like to raise is that the flat rate part of the FSP is too low – this is the part that is intended for other funeral costs beyond the cemetery/crematorium fees. We recommend that it is increased to at least £2,184.50, to ensure that an FSP award can cover the cost of a simple attended funeral.

We praise SSS for increasing the flat rate with inflation each year, something that the Department for Work and Pensions (DWP) do not do with the FEP, and which means that recipients of the FSP now receive £1,279.15, as opposed to £1,000 for those who get the FEP.

However, £1,279.15 is still not enough for most funerals. [SunLife's Cost of Dying 2026 Report](#), which came out yesterday, found that the average funeral director fees for a simple attended funeral in Scotland are £2,184.50.¹ The FSP's flat rate pays less than 59% of this and yet has to cover all the same products and services, such as funeral director fees and a coffin.

As a result, people who can get the FSP still need to contact us for support because they are unable to cover the shortfall. The Scottish Government has recognised the importance of funeral poverty as an issue and has taken huge strides on it. So, I am sure you are aware of the impact that struggling with funeral costs can have on bereaved people. We have seen clients cut back on food, miss rent payments or default on essential bills. We also frequently hear clients talk about how they haven't felt able to grieve properly because all they are focused on is worrying about how they will pay the

bill. SunLife found that 70% of those who experience 'notable financial difficulties' when covering the costs report an impact to their mental health.

The Ipsos Mori evaluation of the FSP carried out in 2022 found that, 'its impact was considered to be limited by the fact it does not cover the entirety of funeral costs and therefore does not prevent people getting into debt altogether. Clients described still having to borrow money to pay for the remainder of the funeral costs'.²

The Scottish Human Rights Commission also noted the following about funeral poverty more broadly in their 2024 report on Economic, Social and Cultural Rights in the Highlands and Islands: 'The psychological impact of being unable to meet cultural expectations around death was noted, with some families having to sell possessions or forego essential services to cover funeral costs.'³

Any concerns or data regarding fraud or misuse of funds by recipients

We do not have any data regarding this and have not heard any concerns about this in relation to any of our clients. In some meetings we have attended, we have heard funeral directors express concerns that some applicants who receive the payment themselves then do not pass it on to the funeral director. I know that [Caledonia Funeral Aid](#) have then experienced some funeral directors refusing to work with bereaved people who are claiming the FSP in case this happens, which is concerning as it is discriminatory and causes extra stress for people at an already difficult time. Our feeling is that the percentage of people who misuse the funds is probably small, but I do not have data either way.

Initiatives aimed at increasing awareness or improving uptake of the benefit

Some people who were not previously eligible for a qualifying benefit (i.e. an income-related benefit) then become eligible after a death. However, some people don't realise this and without being made aware of this possibility can miss out on getting the FSP. Therefore, carrying out a benefits check at the point of bereavement is crucial. **We recommend the following, if they are not already in place:**

- When SSS take a call from someone looking to apply for the FSP, if the claimant is not receiving a qualifying benefit (QB), SSS advises them how to carry out a benefits check in case their circumstances have changed since the death.
- The screen that people see in the FSP online application form after they answer that they do not receive any of the QBs is updated. It is great that it gives some links for 'if you need any extra help', but none of them specifically mention checking benefits. It would be great if the sentence in purple, or something similar, could be added to this screen: 'You need to be getting at least one of these benefits to be able to get Funeral Support Payment. If your income is lower than before the person died, your eligibility for benefits could have changed – see the link below for advice on what to do when someone dies.'

- Other common points of contact for bereaved people also routinely raise awareness/provide information about the potential advantages of carrying out a benefits check, such as register offices, hospital bereavement offices, care homes and hospices. We also suggest liaising with the Tell Us Once service and the DWP bereavement line on this issue.

Who we are

Down To Earth is a project of the charity Quaker Social Action. Down to Earth is the only charity-run UK-wide service that works to ensure everyone has access to an affordable, meaningful funeral. Our national helpline assists hundreds of people a year, including some in Scotland, who need tailored support and thousands of people access our large suite of online resources on reducing funeral costs and raising funds towards them.

Annex B

Written submission by Jim Brodie (Brodie's Funeral Services and NAFD), February 2026

FSP where we are now.

It's a good idea to recall why this payment was introduced and that away back in 1987 funerals cost literally a tenth of what they are now. This benefit and its descendant, the FSP have been diluted into what is little more than a Paupers disposal. When you consider it was the late Margaret Thatcher's Tory government who introduced it, it is quite a remarkable benefit.

I was a young lad then but it solved funeral poverty overnight and as we rush headlong into another such crisis, it is well to remember that, rather than harebrained nonsense like the Caledonia Cremation failure and the ridiculously anecdotal CAS Funeral Poverty 2015 report upon which the Scottish Government's funeral poverty approach is still based.

The 2016-18 reference group for the Scot Gov's version was so loaded with local authority and third sector 'stakeholders' as to be hamstrung and biased.

Of its 40+ members, I can only recall 3 who were funeral sector. When cold hard logic is applied, was it the funeral sector who devised the current loopholes into the system and advise their clients accordingly, or the third sector?

You'll notice that in the original legislation section 2 para e, all stakeholders are listed equally, although Funeral directors are listed first. When did the bias towards Burial and Cremation facilities gaining a guarantee of payment, become law? If they need such a bias, why don't they collect their own fees, taking the financial risks the unrewarded funeral sector take on their behalf?

However I can say wholeheartedly, on the positive side:

1. The Scottish devolved FSP in itself is a vast improvement on the Westminster DWP model.
2. We very much appreciate that the funeral sector was consulted (albeit much ignored) in its creation alongside the offer to be included in this review.
3. The fact a review is being undertaken shows a strong commitment yet indicates flaws do exist to its makeup and delivery and hopefully that commitment will continue in making the necessary changes.

Issues.

1. Obviously, everyone wishes the payment to fully meet a respectful funeral, yet this is still many hundreds of pounds distant, due to the unfathomable bias of only Burial or Cremation fees being 'guaranteed' (no matter what they charge; delivering a post code lottery of fees our local Crem has just increased fees to a shade under £1300 for a room hire for 45 minutes and cremation half of what a funeral firm charges for a complete service and support covering several weeks), yet funeral provision (Funeral firms) fees are listed as 'other costs' and come nowhere near meeting them? As there is a known shortfall from the beginning, that's a huge

barrier to take up and many potential applicants wash their hands of responsibility and the deceased can lie for months awaiting Local Authority disposal under Section 86 of the B&C 2016 act, who paradoxically can also apply to the FSP for assistance.

The private funeral sector is funding and propping up a state benefit without acknowledgment or proper representation; has done so for decades. Instances of 'do it yourself funerals' are so minuscule they do not register on any statistical record, therefore why is it impossible for the Scottish Government to call the other costs payment for what it is? It is an amount to support the fees charged by funeral firms delivering a funeral and supporting their communities, yet is insufficient. Whilst the funeral sector are accustomed to being undervalued and dismissed it is clear that the entire system would instantly collapse without us.

2. The East Ayrshire respectful package is mentioned; this was initially much lauded, its premise was to assist with funeral poverty by prioritising and advertising preferred 'partner' firms, who agree to 'reduce costs by up to 61% of the 2018 average Scottish Funeral Directors cost' (£2831.90, a fictional figure to begin with; which includes disbursements) yet offers no clarity or inkling of the actual fees charged. As some of those partner firms aren't even in Ayrshire, it can also restrict choice for families. Funeral firms involved report it was a box ticking exercise and they have received no enquiries for years, proving it to be without substance. A simple FOI request asking for data on services carried out will prove this.

In contrast the West Lothian Respectful funeral model was designed by and in consultation with local funeral directors and includes most West Lothian firms, with no one promoted as 'preferred', thus offering an equal, transparent choice of firm in every locality for families and each firm delivering the same simple service for the same fee of £1850 plus disbursements. Paradoxically neither East Ayrshire nor West Lothian councils offer any incentives or attempt to reduce their own fees for qualifying applicants.

As it's designer and 1 of the 5 West Lothian firms, we conducted 32 respectful services in the last year, and as we usually combine them with an unwitnessed cremation following an attended service in our parlours, we save families over £1000 compared to an attended service at the crematorium. This model could be easily rolled out nationwide and combat funeral poverty quickly and efficiently, if it was brought into the FSP criterion then so many other issues below would evaporate.

However, once again the funeral sector is underpinning and funding local authorities, by not only collecting their fees (without recompense, and assuming all associated risks) and reducing their own fees to meet a Scottish Government target requiring Local Authorities to address funeral poverty. To date, as far as I can find, none of the 30 other councils have bothered.

There is a recurring theme to what's happening in Scotland right now, as these same Local Authorities (all 32 of them) have used the change in Death Certification legislation, from 2015, to reduce investment and their capability to deliver a fitting service, whilst increasing fees far above actual cost recovery. The Burial and Cremation act is clear that they must charge 'reasonable fees' but they are using the bereaved as cash cows.

The delays in funeral provision (time of death to funeral, circa 2014, 2-5 days compared to today, 2-3 weeks) can be directly linked to that 2015 event and the subsequent stripping of investment. Since 2015 the funeral sector has had to increase body storage capacities hugely to meet those delays (we increased from 10 spaces to 40, without an increase in funeral volume)

and the bereaved suffer longer and longer waits, which is causative and extremely detrimental to mental health and the grieving process.

Bereavement leave is not a statutory requirement but most employers allow 3 days for a close relative, yet most are waiting 2-3 weeks. We hear of no politico's demanding statutory bereavement leave, which is far more traumatic than many life events.

3. Major reported flaws in the current model.

For this model to work, it requires a healthy and trusting partnership between the State and a willing funeral sector, who at present are sorely undervalued and treated with disdain. If continued, the risk of the loss of those partners taking on FSP supported funerals is real and the model collapses; leaving the state with a few firms to partner with and severely restricting freedom of choice and religious practice, due to poor partnership management by the Scottish Government. As detailed below the issues are severe, yet easily rectified.

A. The ability to redirect the FSP funding to themselves (the applicant) through the direct intervention of the FSP team offering them this choice, just prior to issuance of the funds, without informing the unsuspecting partnered funeral firm. Often vulnerable and financially constricted people are offered a very tempting choice, knowing the funeral firm are unlikely to pursue them.

This option, which was explained as required under European Law during the consultation, was a pure fabrication. It was to satiate the demands of an MSP who mistrusted the funeral sector. Not the team's finest moment and one which has never been addressed or rectified!

This option, born out of a lie, enables significant fraud, whereby the Funeral firm can accept the service, then the applicant redirects the funds to themselves, leaving the funeral firm unpaid. Whilst this is a civil debt, it makes the Scottish Government directly complicit, enabling fraud, by offering the applicant this option. To make the matter worse the FSP team have huge delays in processing, so much so that Dundee regularly divert work to Motherwell. This coupled with their legal inability to discuss a claim (GDPR) with a partnered funeral firm leaves the funeral director in limbo and unaware they've even been defrauded by the state and applicants. Please remember that the funeral director pays the 'guaranteed' fees (Cremation or Burial authorities) first, then invoices the client.

Examples.

Example 1.

Young vulnerable girl (19) loses her father unexpectedly. Neither she nor her father have any funds and as he's divorced there is no one to claim the Bereavement Grant from the DWP. In good faith we accepted the service, as we trusted the system and were aware the applicant would easily be entitled to the payment, we conducted the service, at a reduced cost to alleviate her situation (as even with the FSP the normal funeral cost was hundreds more), prior to any monies being transferred. After many weeks we enquired to the FSP team regarding the lack of payment. After many attempts, we gave up calling as their refusal to discuss the case was clear and we found a Facebook post from the 'vulnerable' young girl enjoying her unexpected foreign

holiday in Mexico, all thanks to her late dad! Said account was never paid and like all bad debts this means other paying clients all contribute to these fraudsters. The Crematorium was paid (by the Funeral Director) and the FSP Team recorded this as a 'successful' claim. Everyone wins except the Funeral Director as to try to recover these costs would be both unlikely and look cold hearted.

Example 2.

The applicant opted for unattended cremation. The payment was redirected prior to the cremation taking place of which another family member told us the applicant was going to 'pocket the lot'. As it was unattended we had the right to defer the cremation and only when so informed did the applicant transfer the monies to allow the cremation. The applicants invoice was for £1200, therefore they gained over £1250 as the FSP makes no allowance for cheaper services. This client has since 'arranged' 4 direct cremations FSP funded services for family and friends earning over £5000 from these transactions! As whatever is on the prerequisite invoice to the FSP is ignored and full payments are made? This, whether blatant or unintentional, is social engineering towards the Scottish Government's ideological desire that direct cremation solves all funeral poverty issues. Whilst the Scottish Government funded, Citizens Advice Scotland Funeral Poverty Report 2015, compiled from unqualified and conflicted, anecdotal stories about funeral poverty, almost demands Direct Cremation as the preferred model, it's noteworthy that of its 2 authors, 1 has distanced themselves from it.

Example 3.

Our client and the deceased were not well off but neither were they below the poverty line. A traditional service was arranged and we were informed the FSP applicant was a romantic partner of a child of the deceased. The applicant met the criteria and the claim was met.

We have no control over who applies and as a service provider follow our clients requests, however it is clear that there are minimal security checks made on applications. There are examples of bank accounts being emptied, insurance policies and pensions being omitted from the application and people with no connection to the deceased applying on the premise that the deceased was 'estranged' from their family; who lived in the same house! The lack of checks and balances need urgent address.

If simple security and application checks were applied, and payment was restricted to those who actually needed it, its value could be increased to meet the cost of a respectful funeral.

Example 4

Tragically, a young child born with very severe medical conditions and died whilst being treated out of Scotland. The mother and father were no longer together but as is usual in these cases the mother had custody. The Funeral was a very grand affair with a local hotel function room being hired for the service and catering, a horse drawn hearse, and a very special Coffin provided. The mother arranged a GoFundMe page for the little one, which had over £6000. The mother was the applicant, as she was receiving benefits, the father took leave from work and

was the main carer whilst the child was out of Scotland. Our invoice amounted to just over £1000; to date the mother hasn't responded to any contact whatsoever, in fact the Father only just found out and although he is in a much worse financial position, he is currently arranging payment.

Whilst this example is harrowing, it highlights the lack of checks being carried out, inbuilt loopholes within the model and to be honest I can recount many more similar examples but I'm trying to be succinct and on point.

Due to these types of fraud, we decided, as did many other funeral firms, to delay FSP supported services until finances were paid in full. The FSP has rarely ever met its 10 working day application process (and has been known to stretch to 40+ days), this causes even further delays for the family and unfortunately also makes it obvious to the community at large, that this particular family are awaiting help, which is a complete failure of the State and its intent, to ensure "dignity, fairness and respect" for all.

Whilst this decision is 'against the grain' for us, it was necessary as our main source of bad debt was caused by the trust we had in the FSP model; as I sat on many a funeral poverty Committee's and helped to shape it. I'm also on record of (quite strongly, yet ignored) highlighting the very issues this model now suffers.

Remedies.

1. Obtain FOI data on the 32 councils endeavours with tackling funeral poverty and their positions around its combat and a proper investigation into fees charged by Burial and Cremation authorities.

This data will help shape amendments to the model and guide future Scottish Ministers decisions on local authorities statutory obligation to charge 'reasonable' fees and refocus their commitment to combating funeral poverty with dignity, fairness and respect. The funeral sector can no longer continue to carry the state.

2. Funeral directors partners, delivering the FSP supported funerals been given a portal for their thoughts. The NAFD is a representation of the sector but I'll warrant that fewer than 100 firms out of 360+, support more than 70% of applicants.

3. Review the security checks on applicants. Assess the data case by case, and in combination with partner firms close the loopholes which plague the model. Fewer disingenuous applications mean more resources for genuine cases.

4. Most urgent! Remove the choice to change payment after application submission. It can be changed at the request of the applicant but the partnered funeral director must also be informed by the FSP to combat fraudulent actions. This is a contractual relationship and as such is outwith GDPR, if the applicant is informed that necessary contact with their chosen funeral firm and information exchange is possible.

5. The demand for funeral dates prior to the service causes unnecessary pressure and confusion to some applicants, especially as many funeral firms will not proceed until the money is paid. The FSP can be claimed up to 6 months after the funeral which I will assume is rarely used.

6. Pay the invoice up to the maximum amount awarded; however, if the invoice is for less, then only pay that amount. If there are 'other costs' the applicant can supply receipts or invoices from those suppliers and those allowed amounts can be directed to the applicant. This would alleviate; overpayments, profiteering, remove a financial incentive for Direct disposal whilst reducing the financial burden on the State, allowing the award to be increased. I'm well aware that the benefit is intended to be equal for all but if there is no need for the full amount, why is it still being paid? If I were to issue an inflated invoice, and keep the overpayment, I'd rightly be charged with fraud, so why is it ok for an applicant?

7. On a micro level, inform the Funeral firm the name and account reference when paying by bacs and send a confirmation email directly to us as well as the applicant. When delivering FSP supported funerals on a regular basis and suffering the delays caused by them, it's hard to know who's service has been paid.

Conclusion.

This response was incredibly hard to pen as even the NAFD Scotland executive were loathe to raise their heads above the parapet with real world examples and truths. In fact no one really wants to talk about it, such is its demise from its original intent, which is to ease the financial burden on financially challenged, bereaved members of society. To allow a dignified, respectful, and timely, funeral to take place within local, religious and societal norms, without stigma or shame. Unfortunately it's been hijacked by an ideology pushing direct disposal and entitlement, so that it does neither, and fails too often, leaving all but those profiteering from it, disappointed.

The Scottish Government FSP began on the right track and it could still be fit for purpose; if ideology and sector specific bias' were removed.

Consider that the funeral sector is looking to be licensed, a part of that licence could easily be the agreement to delivery a simple funeral for a set, annually agreed fee. Burial and cremation costs could be paid directly by the FSP and again this cost could be annually agreed for the whole nation, meaning everyone takes their share of responsibility and financial burden, supporting their own communities, removing postcode lotteries and much fraud. All that would be required would be confirmation from the FSP team to the chosen funeral firm that payment would be forthcoming after security and validity checks were complete.

Respect, Dignity and Fairness are still attainable.

Thank you taking the time to read this report.

Jim Brodie

Written submission by Caledonia Funeral Aid, February 2026

Caledonia Funeral Aid supports bereaved people throughout Scotland, and the recurring issue we see our clients facing is Funeral Poverty. It is a rising issue in Scotland.

With the ever-increasing costs of Funerals, FSP now covers less than 59% of the cost of the simplest attended funeral in Scotland, according to most recent Sunlife Cost of Dying report which means families resort to incurring debts.

At Caledonia Funeral Aid we have supported many clients facing such debts.

This why we would suggest an urgent review and increase the level of Funeral Support Payment from its current level of £1279.15 to £2,184.50 to cover the cost of the simple attended funeral service in Scotland. The disparity only increases if families wish to have not just a basic funeral, leaving people with difficult choices to make that may not reflect their values nor their financial status.

Funeral poverty though is not experienced only by people on benefits therefore we believe eligibility criteria for FSP also needs to be reconsidered.

We think there is a need to assess the potential to reform eligibility criteria to ensure support reaches all those who are genuinely struggling on low incomes to aid these at-risk groups such as the elderly or students. Eligibility which supports people on low incomes more broadly would help to prevent families from plunging into real poverty.

The method of Funeral Support Payment administration means the client can receive the money instead of the Funeral Director which can lead to misuse of the benefit. We have examples where clients have chosen to keep the money, cut all contact with the Funeral Director, even changing phone numbers and email. There is no comeback for the Funeral Director in that there is no system to report the misuse or a way to retrieve the funds from a client. This is compounded by the fact that the Funeral Director is unable to speak with SSS due to data protection.

Written submission by Citizens Advice Scotland, February 2026

- Evidence from the Scottish Citizens Advice network shows that **Funeral Support Payment provides vital support for people at crisis point**
- Accurate advice provision is key to unlocking access to Funeral Support Payment – the advice sector is a core part of **Scotland's anti-poverty infrastructure and requires long-term sustainable funding**
- Funeral Support Payment does not cover the full funeral service costs, which can leave people in debt – the next Scottish Government should **align the flat-rate additional funeral payment with actual local funeral costs**
- Young people facing bereavement are at risk of missing out on Funeral Support Payment because they are less likely to receive a qualifying social security payment – the next Scottish Government should introduce **targeted support for young people in education with sole responsibility for funeral costs**

In 2025 the Citizens Advice Scotland network supported **592 people** with advice about Funeral Support Payment, **unlocking £80,205** of entitlements.

- Six in ten (60%) of the people who came to us for advice about Funeral Support Payment were women
- People aged 45-59 or 65-79 represented the largest cohort of people provided with advice about Funeral Support payment (43%)
- Among those we supported with Funeral Support Payment advice, almost seven in ten (67%) of the people who shared health information reported a disability or limiting condition
- Nearly six in ten (58%) of those who received Funeral Support Payment advice were living in the most deprived areas of Scotland (SIMD 1 and 2)

Funeral Support Payment provides vital support when it is most needed

Funeral Support Payment offers low-income households' dignity and peace of mind at one of the most difficult moments in life.

Emily's experience: After losing her husband to terminal illness, Emily was left in severe financial difficulty. Her local Citizens Advice Bureau (CAB) helped her understand the support she could access. Because Emily began to receive State Pension a month before her husband's passing, she was not eligible for Bereavement Support Payment. However, advisers secured Pension Credit for her, which unlocked Warm Homes Discount and crucially, Funeral Support Payment. This was a huge relief for Emily as she manages her own serious ill health, bereavement and the financial strain that followed.

Inadequate Funeral Support Payment can leave people in debt

Funeral Support Payment does not cover the entire cost of a funeral, which can vary by location. This can leave people who are already under intense psychological and financial pressure in debt for the shortfall. Low-income households in remote and rural areas are likely to face disproportionately higher costs.

Robbie's experience: *Robbie lives on a northwestern island. His father passed away without an insurance policy and with only £500 left in his account. Robbie attended his local CAB for support to apply for Funeral Support Payment. He received a payment of £1003 toward the cost of a burial, and the flat rate of £1279.15 toward additional funeral costs, adjusted to account for his father's £500 contribution. The actual funeral costs incurred £5085 in total, leaving an outstanding balance of £3293 for Robbie to cover – this was incredibly stressful at a time when Robbie was coming to terms with his loss. With support from his adviser, Robbie was able to gain control of his finances and set-up a payment plan.*

CAS Solution: The next Scottish Government should align the flat-rate additional funeral payment to actual local funeral costs, ensuring it reflects the fees charged by the relevant local authority. This would bring the flat-rate additional funeral payment into line with the approach already used for the burial costs component of the Funeral Support Payment.

Access to accurate advice is vital to ensure social security take-up, including Funeral Support Payment

The Citizens Advice Scotland network has seen incidences where people have missed out on Funeral Support Payment because they were given incorrect information about qualifying social security payments. One recent case involved a woman who came to a local CAB seeking help with her son's funeral costs after she was wrongly told that she was ineligible for Funeral Support Payment because she did not receive Pension Credit, even though her Housing Benefit should have qualified her. Inaccurate advice - whether online, from friends or family, government or third sector organisations - can have harmful consequences for people who need support.

CAS Solution: There is a pressing and enduring need for community-based advice that is free and expert so that people can realise their rights and access payments that they are entitled to. To meet ambitions of tackling poverty, the next Scottish Government must deliver long-term sustainable funding for the advice sector, investing in targeted support for those in the most complex circumstances.

Young people are at risk of missing out on Funeral Support Payment because they are often not entitled to qualifying social security payments

Young people are often managing on very low incomes, but as they are not normally entitled to qualifying social security payments, they can be left facing the worrying prospect of funding a funeral while experiencing the trauma of bereavement.

Imran's experience: Imran sought help from his local CAB when his father passed away. His stepmother, who is potentially eligible for Funeral Support Payment, had initially agreed to apply. Due to a breakdown in the relationship, Imran's stepmother has since decided not to make an application. Imran cannot access credit because he has a history of debt, and as a student he has no ability to cover the funeral costs. *The CAB therefore supported him to apply for Scottish Welfare Fund application and to discuss his circumstances with the student support service at his college. This experience has been traumatic for Imran who is coping with his grief whilst managing his financial situation and trying to keep-up with his studies.*

CAS Solution: The next Scottish Government should introduce a means-test for young people in education with sole responsibility for funeral costs; this would help prevent funeral-related debt from damaging their prospects.

About Citizens Advice Scotland

The Citizens Advice network in Scotland is Scotland's largest independent advice provider. Advisers across all corners of the country work in Citizens Advice Bureaux (CAB) to provide free, impartial and confidential advice. Our Extra Help Unit (EHU), based in Glasgow, helps people resolve complex and time-sensitive energy problems. Each year our network supports hundreds of thousands of people, unlocking millions of pounds worth of financial gains. By looking at a person's complete circumstances, CAS gains an unparalleled insight into the scale and complexity of what's happening in communities throughout Scotland.