



Press Release

London, 13th September 2011

Death - the final taboo

As the Cost of Dying increases to over £7,000 why aren't people making end of life plans?

The Annual Cost of Dying Report: Sun Life Direct's fifth annual survey

- Cost of dying increases to £7,248, equivalent to three months average pre-tax UK salary
- A quarter of people have not made ANY end of life plans, 44% expect family and friends to organise and fund their funeral and one in five struggle with funeral costs
- The gap between Social Fund Funeral Payments and funeral costs is growing

[Sun Life Direct](#), the expert in the cost of dying¹, has today announced the results of its fifth annual Cost of Dying Report.

In the UK today, end of life costs (including death-related costs such as funerals, probate, headstones and flowers) have increased to an average of £7,248, representing a dramatic rise of 20% since 2007 and over £400 since last year. Specifically, [funeral costs](#) have increased by 61% over the past seven years, which Sun Life Direct believes will continue for the foreseeable future. The report also reveals that this increase in costs has been met with surprise and concern from those who have responsibility for such arrangements².

Sun Life Direct's research not only highlights confused attitudes around [end of life planning](#) but also feeds into a broader concern; that society is facing three interrelated later life issues. Firstly, the UK's ageing baby-boomers means the volume of elderly people living longer will result in a progressive surge in demand on the state over the coming decades. Secondly, this and other recent reports (Dilnot³) highlights that the population faces rising end of life costs and blurred ideas as to who is responsible. Thirdly, the Sun Life Direct [Cost of Dying](#) research shows that many people do not provide and plan for the end of their lives. This includes the organisation of, and payment for, funerals and estate administration as well as the preparation of legal documents such as wills and Lasting Power of Attorney's and finally end of life care.

Over a quarter (26%) of respondents have made absolutely no plans for later life, while 87% of respondents have made no arrangements as to where they will live and how they will be cared for if they are unable to care for themselves in old age.

¹ Researching funeral and end of life costs for eight and five years respectively

² 53% of respondents said the funeral cost was more than they expected, up from 36% in 2009 - only 7% said the cost was lower than anticipated

³ <https://www.wp.dh.gov.uk/carecommission/files/2011/07/Fairer-Care-Funding-Report.pdf>

Simon Cox, head of life planning for Sun Life Direct, comments:

“Many people are sleepwalking into a financial nightmare, leaving end of life plans to their families, the State or no-one at all. As a nation we need a wake-up call. Our research indicates that although there is indeed openness to talking about death, action is still greatly lacking. Steps need to be taken to avert the sort of distress and concern experienced by the nearly one in five (100,000 people) who struggle with funeral costs.

“Apart from [writing a will](#), telling family and friends is the most common way in which respondents prepared for the end of their lives, similarly 44% of people indicated that they had not planned for their funeral because they expected family and friends to organise and fund it. This is the kind of talk rather than action attitude that we must remedy in order to avert an end of life crisis. More information on why some people are so reluctant to take a firm grip on this matter would, we believe, benefit the general public as well as government and policy makers. For this reason we are considering further research into this area.”

Dr Kate Woodthorpe , lecturer in Sociology, University of Bath, concludes:

“As a society, we have to ask ourselves whether the current infrastructure for [end of life support](#) is fit for purpose. Currently the number of deaths each year in England and Wales is at an all time low, with 491,348 deaths registered in 2009. It is anticipated however, that the number of deaths will rise significantly and by 2030 there will be an additional 80,000 people dying a year.⁴ This equates to a rise of 17% in the death rate in less than 20 years.

“At the same time, State resources for [funeral payments](#) are stretched. 38,000 funeral awards were made by the DWP administered Social Fund Funeral Payments Scheme in 2010/11 with a further 44% of applications unsuccessful. Payouts for successful applications averaged only £1,217. These figures highlight the mismatch between demand for financial aid and the realities of supply. Similarly the shortfall between average payout received and average funeral cost is substantial, and growing⁵. This gap, which we anticipate will widen further with continued price pressures and inflation, strengthens the case for increased and improved planning and for a plan of action to ensure we counteract these pressing problems. The relationship between the public, commercial and voluntary sectors in the resourcing and provision of care, information, advice, support and services in old age and in planning for death must be opened for debate.”

-ENDS-

The complete report expands on the following findings:

- **This year’s headline figures and key changes from last year**
- **The extent to which end of life planning takes place**
- **Barriers to planning**
- **Confused and contradictory attitudes towards the role of families, the State and ourselves in relation to planning**
- **Who we turn to for advice and support on end of life matters**

⁴ <http://pmj.sagepub.com/content/22/1/33.abstract>

⁵ In 2007 the fund paid out £1,117 which would cover 47% of an average £2,390 funeral. To compare, in 2011, the fund pays out £1,217 which would only cover 39% of an average £3,091 funeral

- **Suggestions on how the end of life time bomb might be defused**

To view the complete report, please contact:

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Notes to editors

About the research

The report was commissioned by Sun Life Direct and carried out by Mintel Research Consultancy. It has been conducted annually since 2004, using a consistent approach to ensure data comparability over time. The report specifically recruited a panel of directors in each of the ten regions. The regions are based upon Government office regions of England, plus Wales, Scotland and Northern Ireland. Also an online panel consisting of 1,019 mainly British adults aged 40 or above and 1,505 mainly British adults who have been personally responsible for planning both a funeral and the administration of the estate.

About Sun Life Direct

Sun Life Direct distributes financial services plans on behalf of AXA Wealth Services Ltd, direct to consumers. It is a part of the AXA Group in the UK.

Sun Life Direct is a provider of [Over 50 Life Insurance](#), [Funeral Plans](#) and [Life Insurance](#). In fact, the Guaranteed Over 50 Plan is the nation's most popular choice for over 50s life insurance*. The Sun Life name has been around for 200 years and has roots stretching back to 1810. By 1900 Sun Life were the first to offer life insurance without the need for a medical – something we're still proud to offer today. More information on Sun Life Direct can be found at www.sunlifedirect.co.uk

**Most popular whole of life guaranteed acceptance plan bought directly. ABI statistics, Q1 2011*

About AXA

AXA UK is a part of the AXA Group. AXA Group is a worldwide leader in insurance and asset management, with 214,000 employees serving 95 million clients. It is ranked the largest insurer in the world by net written premium and the top insurance brand globally.

In the UK AXA is focused on three key areas: wealth management, insurance and healthcare. It operates through a number of business units including: AXA Wealth; AXA Commercial Lines, AXA Personal Lines, AXA PPP healthcare, AXA Ireland and an independent distribution business Bluefin. AXA employs over 12,000 staff in the UK.

In 2010, IFRS revenues amounted to Euro 91 billion and IFRS underlying earnings to Euro 3.9 billion. AXA had Euro 1,104 billion in assets under management as of December 31, 2010.

The AXA ordinary share is listed on compartment A of Euronext Paris under the ticker symbol CS (ISN FR 0000120628 – Bloomberg: CS FP – Reuters: AXAF.PA). AXA's American Depository Shares are also quoted on the OTC QX platform under the ticker symbol AXAHY.

The Group is included in the main international SRI indexes, such as Dow Jones Sustainability Index (DJSI) and FTSE4GOOD.