

The complaint

Miss C complains that Golden Charter Limited has asked her to pay additional money towards her funeral plan, after she moved home and needed to change funeral directors.

What happened

The history of this complaint is well known to the parties. In brief summary, Miss C bought a funeral plan in 1993. She paid a total of £920 for a *Standard Way* plan, with an additional limousine. Miss C completed payment for her plan in 1994.

In August 2023, Miss C contacted Golden Charter to request a change of funeral directors, as she'd moved. In the call, Miss C asked if she could change to a particular funeral director, but this wasn't one that Golden Charter partnered with. An alternative funeral director very close to Miss C's new address was offered, which Miss C accepted. So Golden Charter set about arranging this. However, it subsequently wrote to Miss C to explain the new funeral director required an additional £1642 to cover their costs before the plan could be transferred.

Miss C complained, saying her plan was guaranteed and that she shouldn't have to pay any additional money. But Golden Charter said the change of funeral directors constituted a new agreement, which was why the funeral director was able to ask for additional funds.

Miss C remained unhappy and brought her concerns to the Financial Ombudsman Service. An investigator looked into things for her, but didn't uphold the complaint. So Miss C requested that an ombudsman review her case and make a final decision.

Having reviewed the complaint, I contacted Golden Charter to let them know my initial thoughts. I indicated I didn't agree with our investigator and was minded to uphold Miss C's complaint. Golden Charter said it didn't have any more evidence to offer and would await my final decision. In the meantime, I'm aware it has started to approach other funeral directors with a view to securing new provision for Miss C.

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.

I've looked at the leaflet and marketing material given to Miss C and read Golden Charter's terms and conditions carefully. I've not found any provision that would allow Golden Charter to charge a customer more to change funeral directors.

The leaflet Miss C received includes the following statements:

*'The Guarantee: As soon as you purchase a Plan, your selected Funeral Director will sign a legally binding Contract, which **guarantees** that the selected funeral arrangements will be carried out **exactly** as and when required, **at no further cost**.*

*'Change of Funeral Director: Should a change of Funeral Director be required, whether through the choice of the Plan Holder perhaps moving house, or even in the unlikely event of the selected Funeral Director going out of business, a fresh Contract is signed by a new Funeral Director, to replace the previous Guarantee, thus ensuring that the arrangements will continue **unaffected**, subject **always** to the choice of the Plan Holder.*

*'Protection: The Plan Holder is therefore **protected** at all times against all eventualities, as a Contract and Guarantee is **always** in place, ensuring that the Plan Holder's arrangements will be fully honoured with no extra cost.*

'Safety: You therefore have the comfort of knowing that the purchase of a Golden Charter Pre-Paid Funeral Plan will give you peace of mind from knowing that your arrangements have been made as you wish, are guaranteed to be carried out, and there will be no more to pay, no matter how much costs may rise in the future.

'Flexibility: Should you move home a new Funeral Director of your choice will be appointed.'

And Golden Charter's terms, at section 3.2, state:

'Where the Selected Funeral Director's appointment as such is terminated pursuant to Clause 2.3 or 2.4 (that is, by either the Member, Miss C, her family, or the Company, Golden Charter) the Guarantee given by that Selected Funeral Director shall lapse and the Company shall procure that the new Selected Funeral Director chosen by the Member or the Company...shall forthwith issue a Guarantee to the Member.'

To my mind, these documents make it clear that Golden Charter is responsible for arranging for a new Guarantee to be issued. There is no mention in any of the material I've seen of any additional cost to be borne by the customer. To the contrary, the material expressly promises there will be nothing more to pay.

In view of this I don't think Golden Charter has acted fairly in seeking additional payment from Miss C to change funeral directors, following her move. I therefore uphold her complaint.

Putting things right

I'm satisfied Golden Charter is responsible for negotiating a new Guarantee with a funeral director to deliver Miss C's funeral arrangements without additional cost to her.

Golden Charter has a number of partner funeral directors local to Miss C. I note that in its final response letter to Miss C it did offer to approach other funeral directors to see if one would accept Miss C's plan without additional cost. And I was pleased to see that, following my indication that I intended to uphold Miss C's complaint, Golden Charter has started to explore options for Miss C in terms of securing a new funeral director to deliver her plan at the time of need.

To put things right, Golden Charter must arrange for a new Guarantee to be issued to Miss C by a funeral director in her local area, at no additional cost to her.

I'm aware that four companies have been named to date as potential providers. Where possible – that is, where more than one provider is willing to accept Miss C's plan – Golden Charter should offer Miss C a choice of funeral directors.

Miss C has said she's incurred costs dealing with this matter – photocopying, postage and phone calls. No figures have been provided, but I nevertheless think that, in acknowledgement of the fact Miss C will have incurred some additional expense, Golden Charter should also pay her £25 compensation to cover her losses.

In all the circumstances, I'm satisfied this is a fair and reasonable outcome to this complaint.

My final decision

My final decision is that I uphold this complaint and require Golden Charter Limited to put things right as set out above.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss C to accept or reject my decision before 18 January 2024.

Jo Chilvers
Ombudsman