

Research report

Bereavement benefits: Findings from qualitative research

by Katie Oldfield, Lorna Adams and Briony Gunstone

Department for Work and Pensions

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Glossary of terms

Bereavement Allowance	A regular payment made to the surviving partner for 52 weeks after the bereavement. A surviving partner must be 45 or over at the time of the bereavement to qualify for this allowance. The amount paid varies depending on age.
Bereavement Payment	A £2,000 lump sum paid to the surviving spouse. This payment is made regardless of age or the presence/absence of children, but subject to National Insurance contributions.
Child Benefit	Child Benefit is a universal benefit available to all families with children under the age of 16, or up to 20 if in full-time non-advanced education or certain types of training. The level of payment depends only on the number of children in the family, with a higher payment for the eldest child; it is not income based.
Employment and Support Allowance	From 27 October 2008, ESA replaced Incapacity Benefit (IB) and Income Support (IS) paid on incapacity grounds for new claimants. ESA provides financial assistance as well as personalised support for people with an illness or disability to help them move into suitable work.
Jobseeker's Allowance	JSA is the main benefit for people of working age who are out of work, work fewer than 16 hours per week on average and are available for and actively seeking work.
Universal Credit	In an effort to simplify the benefit system and improve work incentives, Universal Credit is set to replace the present benefit structure. Subject to the passage of the Welfare Reform Bill, changes would take effect from 2013. Universal Credit will simplify the benefits system by bringing together a range of working-age benefits into a single streamlined payment.
Widowed Parent's Allowance	A regular payment made to a surviving partner if they were in receipt of Child Benefit at the time of the bereavement, i.e. their child was under 16, or between 16-21 and still in full-time education or training.

List of abbreviations

BA	Bereavement Allowance
BP	Bereavement Payment
DLA	Disability Living Allowance
DWP	Department for Work and Pensions
ESA	Employment and Support Allowance
JSA	Jobseeker's Allowance
WPA	Widowed Parent's Allowance

1 Summary

1.1 Introduction

This report presents findings from research commissioned by the Department for Work and Pensions (DWP) to explore the role and impact of bereavement benefits on different types of recipients. The research used a qualitative approach, involving 60 face-to-face interviews with benefit recipients. The sample included four sub-groups: those aged over 45 at the time of bereavement and with dependent children (receiving Widowed Parent's Allowance (WPA)); over 45 without dependent children (Bereavement Allowance (BA)); under 45 with dependent children (WPA), and under 45 without dependent children (Bereavement Payment (BP) only). Interviews were conducted between 17 September and 27 October 2011.

1.2 The short-term impact of bereavement

Respondents reported that bereavement had a large short-term impact on the finances of the surviving partner, in virtually all cases. This was primarily caused by the loss of the deceased partner's income, the disruption to the surviving partner's earning capabilities, and the considerable additional costs in the period immediately following the bereavement. Additionally, many people were temporarily unable to access money due to administrative issues with bank accounts, because they were waiting for probate, life insurance or death-in-service payments to come through, or because they needed to adjust or reclaim benefits. Consequently, the short-term impact was significant for people who were reasonably well-off, as well as for those on more modest incomes.

Most people needed to make some changes to their lifestyle to get through this period; for many this involved cutting back on food and household bills, and non-essential spending, but some also took more significant measures such as moving house, moving in with family or taking in a lodger. Many people borrowed money at this time, often from family members but also via mortgage lenders, credit cards or loans in some cases. Many also received informal financial support from family members, such as buying food for the household, or clothes for the children.

The circumstances of the bereavement and the duration of any preceding illness affected the financial impacts for the surviving partner. Typically, those whose partner had been ill for an extended period were already in a poor financial situation at the time of the bereavement, having usually given up work to care for their partner. Cases where the bereavement was expected but only for a relatively short time sometimes produced the least difficult financial situation, since the impact on the surviving partner's career could be less dramatic, and there was also an opportunity to plan ahead and put arrangements in place.

Reported awareness of bereavement benefits was low prior to bereavement, and most people heard about them via family and friends, Jobcentre Plus, funeral directors, registrars or hospitals/hospices. Many people heard about the benefits while discussing or claiming other benefits, suggesting that those already in contact with the benefits system may be more likely to hear about them. The claims process was usually found sufficiently easy and straightforward; most people reported a fairly positive experience. For many people a family member had completed the form on their behalf.

The BP lump sum was used to pay for the funeral in most cases, although it did not usually fully cover this cost. In just a few cases, the funeral was paid for by other family members or by the Social Fund, and the lump sum was then used for general living expenses, or saved for the future. It was

also used to pay off debts in some cases. The lump sum was thought very helpful to meet the large immediate costs following bereavement, even by those who were reasonably financially secure, due to the gap before other funds became available.

The BA and WPA regular payments were put towards general living expenses in virtually all cases. For some respondents, who were out of work, the payments could be their main source of income for some months or years, and as such were seen as essential. Some of these respondents had been on other out of work benefits prior to the bereavement benefits and the amount received had remained broadly the same.

For some people, the payments were recognised as ‘nice-to-have’ rather than essential, but made it possible to maintain a similar standard of living to before the bereavement.¹

1.3 The longer-term impact of bereavement

Most people continued to see an impact on their finances after a year to 18 months, and some were still in considerable financial difficulty. These tended to be people who had been out of work for some time prior to the bereavement due to caring or childcare responsibilities, as well as those who had stopped working when they were bereaved due to childcare needs. For some the benefits were their only or main source of income, and if they were unable to claim bereavement benefits they would be eligible for an alternative means-tested out-of-work benefit.

Many others had partially recovered to a point that was relatively secure and manageable, albeit reduced compared to their situation before the bereavement. These tended to be people who were working themselves, and who benefited from supportive employers and/or families. These people usually felt the benefits were still important at this point as they were still adjusting to the loss of their partner’s income, but they were not solely dependent on them.

A much smaller number of people considered that they had fully recovered to the same standard of living as previously – these tended to be people who had previously been the main or only earner, and so had never had much income from their partner, as well as people who had received large life insurance or death-in-service cover payments. For these people, the benefits, if still received, were considered nice-to-have rather than essential.

There was a slight preference overall for the regular payments over the lump sum, but many people recognised the different advantages of both, and argued that they address different needs. Considering the idea of a larger lump sum only, there was a concern that this might be spent too quickly or not sensibly, and a preference expressed for the security offered by regular payments.

1.4 The return to work

The impact of bereavement on the surviving partner’s work varied enormously depending on the nature of their employment as well as the circumstances of the bereavement. For those in permanent, full-time positions, and where there was not an extended illness leading up to the bereavement, the impact on work could be minimal. People typically took off somewhere in the region of a couple of weeks to a few months following the bereavement; in many cases this was with full pay, and most others received at least partial pay.

¹ Bereavement benefits are not means-tested and are available to all bereaved spouses, subject to age and contributory conditions.

There was a much greater impact for people working on a part-time, casual, contract or self-employed basis, who often had a period with no earnings at all following bereavement. After the initial recovery period, the process of getting back into work could be harder for anyone without a regular job to return to, since seeking new contracts or customers was much more emotionally challenging than returning to a familiar working environment.

Many people were not working at the time of the bereavement because they had given up their job some months or years previously in order to care for their partner. For these people, the impact was felt before the actual bereavement, and in principle when their partner passed away they became free to resume work, however, this was often difficult.

People faced a number of barriers to returning or starting to work following bereavement. Most experienced some emotional difficulties, although these tended to be overcome once they actually resumed work, and most of those who had been in work prior to the bereavement recognised the emotional benefits to working.

Childcare was a barrier for some parents, either due to the cost of paid-for care, or due to a belief that they should be at home to care for their child. Some people cited a lack of available jobs, either in general or with suitable hours or flexibility for their situation. Others thought that, while there might be jobs available in their area and for people with their skill set, these were low paid and therefore they would be no better off working than on benefits.

An important barrier, for those who had not been working prior to the bereavement, and who therefore needed to start afresh rather than returning to an existing job, was a lack of recent skills, experience or qualifications, and in some cases a lack of confidence. Some of these people had been out of work for a number of years, and felt they may need training and/or confidence building in order to gain employment now.

For most people the benefits had no impact on whether or not they returned to work, with many stating either that they would have wanted or needed to return regardless of the benefits, or that they would have felt unable to regardless. For some receiving the regular payment gave them some flexibility to adjust the nature or amount of work they did, such as becoming self employed or working fewer hours, to fit with their new situation or additional caring responsibilities. This situation was more common than the benefits being used to pay for childcare. For some people, receiving the regular payments enabled them to stay at home and not need to look for work when otherwise they would have felt they needed to start working; this related primarily to WPA recipients due to the limited duration of BA payments.

Most people thought it acceptable for the state to make contact following bereavement to offer employment support, and the typical timeframe suggested was between six and 12 months after the bereavement. However, people emphasised that both the appropriate timeframe, and people's emotional states, would be highly variable, and therefore the approach would need to be individual and sensitive.

There were indications that those who had been out of work for some time before the bereavement could benefit from employment support from the state, since these people faced significant barriers in terms of skills, experience and confidence. This was particularly relevant for those on WPA, since the benefit could continue for some years but without any particular encouragement or support to return to work; there were indications that people receiving this benefit felt they were 'off the radar' during this time.

1.5 The transition from bereavement benefits

For those on BA or WPA, there was relatively poor awareness of when the benefits would end, since any information provided during the initial claim process was unlikely to be fully taken in or remembered. Some BA recipients had been surprised when the payments ended after a year; WPA recipients tended to be slightly better informed due to the link with Child Benefit, but this was not always the case and some believed the payments would continue indefinitely. The tendency for some recipients to still use the term ‘widow’s pension’ contributed to these misunderstandings, since a pension is usually a long-term payment.

Some people expressed anxiety about the payments ending, and those for whom payments had already ended by the time of the research had often experienced an abrupt and difficult transition, since they had not put in place alternative arrangements. A few reported taking significant measures, such as downsizing their home, or becoming heavily dependent on family members, at this point.

There was some resentment about the entitlement to different benefits, with some BA recipients believing they should have a continuing payment rather than just a year. Additionally, some of those who received the lump sum only believed they should have received a regular payment, especially in cases where they did have children but their children were slightly older than the qualifying age.

1.6 Conclusions

Overall, the research supports the view that there are grounds for reforming the eligibility and structure of bereavement benefits.

While the short-term financial support provided had considerable value for many people following bereavement, longer-term financial support was more likely to have a neutral value or in many cases replace what might be a more suitable and supportive out-of-work benefit.

The research identified that the need for additional support is greatest in the first few months following bereavement, when considerable costs can be faced. Removing the regular payment element and replacing it with a larger lump sum paid in the immediate aftermath of bereavement would position the benefit clearly as short-term financial support and would simplify the benefit. It would also make the money available at the time it was most needed.

However, the research suggests some caution should be taken with this approach: there were some concerns raised by people about their ability to make sensible or considered decisions during the very difficult time immediately after the bereavement and respondents welcomed the security of the regular payments for this reason. There are concerns that a larger lump sum payment paid in one go may encourage big ticket purchases or simply spending more money on the funeral, which would then leave people without financial support for bills and housekeeping during the first few months following bereavement. Consideration could be given to splitting a larger lump sum payment into two or three instalments spread out over three to four months to mitigate against this risk.

2 Introduction

This report presents findings from research commissioned to explore the role and impact of bereavement benefits on different types of recipients. The findings will inform a Government review into the benefits paid to the surviving spouse in the event of death of a partner.

The DWP spends around £605,000,000 per annum² on bereavement benefits. Bereavement provision is not means tested, and the provision currently varies depending on the age of the surviving partner, and whether or not any child benefit was being received at the time of the bereavement. There are several elements to the current provision:

- The BP is a £2,000 lump sum paid to the surviving spouse. If applied for, and contribution conditions have been met, this payment is made regardless of age or the presence/absence of children.
- The BA is a regular payment made to the surviving partner for 52 weeks after the bereavement. A surviving partner must be 45 or over at the time of the bereavement to qualify for this allowance. The amount paid varies depending on age.
- The WPA is a regular payment made to a surviving partner if they were in receipt of child benefit at the time of the bereavement, i.e. their child was under 16, or between 16-21 and still in full-time education or training.

The overall aim of these benefits is to offer support to surviving spouses and civil partners through provision of:

- some replacement income that might ordinarily have been provided by the deceased;
- financial support to help reduce the impact of the disruption that the surviving partner faces in their own earning capacity because of the need for emotional adjustment and/or additional childcare requirements;
- a form of insurance for those without access to commercially provided benefits/insurance because they are in high-risk groups.

In more recent years the volume of individuals in receipt of bereavement benefits has been influenced by:

- reductions in the proportions of couples getting married and a corresponding increase in levels of cohabitation, potentially questioning whether eligibility should be based on marital status alone³;
- associated increases in the proportion of children born outside of marriage (45 per cent in 2008 up from 30 per cent in 1991)⁴;

² Estimated out-turn for 2010/11 from DWP's benefit and expenditure tables. This figure includes bereavement benefits and Widows Benefit.
Source: http://research.dwp.gov.uk/asd/asd4/index.php?page=medium_term

³ Sixty-three per cent of men and 72 per cent of women had been married by age 35 in 2004-2007, compared with 85 per cent/92 per cent in 1985-1989. Sixty-six per cent of men and 69 per cent of women had cohabited by age 35 in 2004-2007, compared with 22 per cent/18 per cent in 1985-1989. Source: General Household Survey, Office for National Statistics, <http://www.ons.gov.uk/ons/rel/population-trends-rd/population-trends/no--145--autumn-2011/jrd-population-trends-145.pdf>

⁴ Office for National Statistics, 'Birth Statistics, England and Wales': <http://www.statistics.gov.uk/hub/population/births-and-fertility/live-births-and-stillbirths>

- increases in life expectancy⁵.

2.1 Aims and objectives

The overall aim of the research is to inform a review of the eligibility and structure of bereavement benefits, by understanding the dynamic impact of bereavement on households, and the benefits' current role in helping individuals to cope with bereavement (and ultimately to (re-)enter work).

More specifically, the research aims were to establish:

- the impact of a bereavement on the finances of the surviving spouse;
- perceptions and experiences of the Bereavement Benefit claims process;
- the impact of the benefits - how the different benefits are used in the short and long-term;
- impact of the bereavement and the benefits on re-entering/entering work;
- the transition from bereavement benefits when they are no longer received.

2.2 Methodology

A qualitative approach was taken, involving 60 face-to-face interviews conducted with recipients of bereavement benefits. Interviews were conducted between 17 September and 27 October 2011. All respondents interviewed had been bereaved between 12 and 18 months previously.

It was deemed appropriate to use a qualitative approach due to the sensitivity and complexity of the issues involved, and the likely variety of respondents' experiences. A qualitative approach could provide a fuller understanding of the ways in which individuals have coped with bereavement and the role that benefits have played in this, through detailed exploration of their personal situation and experiences.

Interviews were carried out by the IFF project team and a small number of experienced qualitative interviewers, all with experience of similarly sensitive areas.

To ensure a range of experience of the different benefits, IFF approached several different groups of recipient; older than 45 at the time of bereavement (and so were eligible for BA), and younger than 45, as well as those with dependent children (hence eligible for WPA) and those without. Note that those under 45 with no dependent children were eligible only for the BP lump sum. People who did not qualify for any Bereavement Benefit were not involved in the research. The interview breakdown between these groups (and the entitlements of the different groups) is shown below.

⁵ Life expectancy was 79 for men and 83 for women in 2011, compared with 72/77 in 1989. Source: Office for National Statistics <http://www.ons.gov.uk/ons/rel/lifetables/period-and-cohort-life-expectancy-tables/2010-based/chd-summary.xls>>

Table 2.1 Sample structure of interviews with Bereavement Benefit recipients

	Aged under 45 at time of bereavement		Aged 45 or over at time of bereavement	
	With dependent children	Without dependent children	With dependent children	Without dependent children
Benefit entitlement	BP and WPA	BP	BP and WPA	BP and BA
Number of interviews achieved	15	15	15	15

Interviews typically lasted 60 minutes, and each was audio recorded and then transcribed by the interviewer.

An analysis framework was devised which enabled the research team to compare answers within and between the different sample groups. The framework also allowed specific responses from several different interviews to be analysed consecutively, allowing the development of themes within the data.

The topic guide used can be found in the Appendix.

3 The short-term impact of bereavement

3.1 Introduction

This chapter discusses the short-term impact of bereavement on the surviving partner's finances, at the time of the bereavement and in the months following. It also explores the role of bereavement benefits in mitigating the financial impact of bereavement, and experiences of the bereavement benefits claim process.

3.2 The immediate aftermath

The research found that for most people, bereavement had a large immediate impact on their financial situation. Given the complexity of the average household's finances, with income potentially coming from a number of different sources, there was a variety of ways in which this impact was felt.

In cases where the deceased partner had been working prior to the bereavement, the loss of their salary or wages was likely to have a significant impact. This might be mitigated to some extent if there was a pension or other payment from their employer, but such payments were usually modest, and did not apply to many respondents. If the deceased partner had not been working previously, there was usually still a significant impact from the loss of their benefits or other income sources they may have had.

'The impact of the loss of her income was quite drastic; I worked out that if I minimised my expenditure I could only just cover the mortgage but would have nothing for bills or general living.'

(Male, under 45, no children)

For many respondents there was also an impact on their own earnings and consequently on their financial situation. While people in full-time permanent positions were often able to take some time off with full pay, others needed to take time on Statutory Sick Pay, or had a period without earnings if they were employed on a casual basis, or self-employed. A few respondents were unable to return to work after the bereavement due to depression, or did not return due to childcare responsibilities.

'I had intended to, but because I have a four year old boy who has just lost his mum, their welfare comes first and it was his first year at school.'

(Male, under 45, children)

Some respondents had also given up their jobs prior to the bereavement in order to care for their partner; the durations ranged from around a year or so to around ten years. For people in this situation, it was often the illness overall that affected their finances rather than the bereavement specifically. Household finances were likely to already be significantly reduced, and any savings used, by the time of the bereavement.

'I took voluntary redundancy ten years ago to look after my wife.'

(Male, under 45, no children)

As well as loss of income, people faced considerable additional costs directly following their bereavement. All respondents reported significant funeral costs, with figures between £2,000 and £4,700 mentioned⁶. Although a number of respondents were receiving means-tested benefits, very few reported seeking or receiving Social Fund assistance with the funeral. This could indicate low awareness of the help available, but people also may not remember exactly what benefits and payments they received, due to their emotional state and the general confusion experienced at this time. Some respondents were also required to pay off debts left by their partner, usually in the form of credit cards or loans. These costs tended to be considerable; one respondent mentioned having to pay off £10,000, and others reported having to take fairly significant measures, such as moving home or remortgaging, in order to service the debts.

Many people experienced a short-term deficit immediately following the bereavement, even when they had money available to them in theory. It was common to experience problems accessing bank accounts, where these required both partners' signatures or were in their partner's name only.

'As soon as the building society was informed of her death they shut it completely. I couldn't get my hands on anything.'

(Male, 45+, no children)

Additionally, some people had to wait for probate to be completed before accessing their partner's assets, or for life insurance or death-in-service payments to come through. These issues meant that even people with relatively high incomes could have a significant shortfall in the short-term. For those who were less well off, there could be a delay in receiving any benefits due, as these were likely to have changed and been adjusted as a result of the death. For parents, Child Benefit may previously have been paid to the deceased partner, in which case it needed to be reclaimed by the surviving partner.

'We have three children – [my wife] used to get Child Benefits and Child Tax Credits in her name. Then I had to inform both of those organisations that she died and then remake a claim in my own name.'

(Male, 45+, children)

People took a variety of measures to get through the period immediately following bereavement, with most saying it was necessary to make changes of some kind. Typically, people made cutbacks to general living expenses – spending less on food and utilities, reducing non-essential spending on entertainment or social activities, or switching to a smaller car.

'You have to cut back on everything; I had to have my phone cut off...and cut back on everything, even down to food.'

(Female, 45+, no children)

However, some also reported larger changes such as moving house or taking in a lodger. In two cases, the person's home had been repossessed. One person had moved into a caravan, one had experienced a period of homelessness, and another had declared bankruptcy.

'I was aware that I was at risk of losing the house. I knew that I would be getting death-in-service money at some point but had to cope until that point; hence taking in a lodger/friend.'

(Male, under 45, no children)

⁶ The average cost of a funeral was £3,091 in 2011 (Mintel Research Consultancy, Average Funeral Pricing, July 2011 on behalf of Sun Life Direct).

Many respondents needed to borrow money at this time. This tended to be from family and friends and ranged from relatively small amounts to cover general living expenses, to much larger sums to cover funeral expenses or debts. Many also received financial support from family and friends which they were not expected to pay back; often friends and relatives simply offered to pay for certain items, such as funeral clothes for the children, or contributed informally by buying food for the household.

'At the factory they did a big collection and the MD's PA brought a cheque out for me for nearly £500, she said the blokes said they did not want to get any flowers and they said do the collection and use the money for what you need, and part of the money went into the funeral.'

(Female, 45+, no children)

In a few cases, the deceased partner's family had paid for the funeral. Other people borrowed more formally, via loans or credit cards, or from mortgage lenders, by drawing down finance or restructuring their mortgage to reduce payments in the short-term.

'I had to get my mortgage extended, so reduced payments over a longer period of time.'

(Female, 45+, no children)

Only a small minority of respondents thought that the bereavement had little impact on their financial situation. These were mostly relatively well-off, professional couples who had other sources of income such as life insurance⁷, death-in-service cover, or insurance on their mortgage, which balanced out the lost sources. However, there were also people on low incomes who felt that the bereavement had limited impact on their situation, since both partners had been receiving benefits prior to the bereavement, in which case the surviving partner's benefits were adjusted accordingly.

The study also included a couple of people who had been separated from their spouse for some time previously, and therefore had independent finances which were largely unaffected by the bereavement.

3.3 Circumstances of bereavement

As mentioned above, the circumstances of the bereavement could have a large impact on the resulting situation of the surviving partner. While individual circumstances varied considerably, certain patterns can be identified depending on whether the bereavement was completely unexpected, expected for a long time, or somewhere in between these two extremes.

The financial impact tended to be greatest in cases where there had been an extended period of illness leading up to the bereavement, although this impact often resulted from the overall period of illness as well as the actual bereavement. In such cases, the partner who was ill would have been on a minimal income from benefits for a number of years, and often, the surviving partner also had given up their job to act as a carer. Any savings were likely to be used up or depleted, and some people had faced additional costs related to the illness (such as large heating bills, or modifications to their home to accommodate a disability).

'The biggest problem was meeting the huge heating bills that had become necessary due to his illness.'

(Female, under 45, children)

⁷ It has been estimated that 44 per cent of UK adults have life insurance (Scottish Widows, 2011, reference.scottishwidows.co.uk/docs/2011_05_Life_Insurance.pdf) but only around a quarter of respondents stated that they received a life insurance payment.

Conversely, the surviving partners in such cases were already accustomed to living on a low income, having had considerable time to adjust to their situation. They may also be in a better emotional state than those who had less warning of the bereavement, and therefore recover more quickly. The financial impact came from the overall period of illness, rather than the bereavement itself, and theoretically the bereavement could herald an improvement in their financial situation, rather than the reverse, since they were now free to resume working. However, this was usually difficult due to a lack of recent skills and experience; this is discussed further in Chapter 5.

In cases where the bereavement had been completely unexpected, there could be a relatively limited impact on the surviving partner's work, since there were no caring responsibilities involved. However, people in this situation were often the worst affected emotionally, since the bereavement had been a complete shock, and this sometimes impacted significantly on their work. Additionally, if the surviving partner was not working and was financially dependent on their partner, the impact could be extreme since there was no opportunity to put other arrangements in place, and it would take time to claim any relevant benefits. More generally in such cases, the partner who died may not have put their financial affairs in order, leaving the surviving partner with a number of 'loose' ends to deal with, and potentially with debts to pay off.

'The loss of my husband...I didn't know what I was doing. I didn't know what to do.'

(Female, under 45, children, sudden bereavement)

Perhaps the most manageable situations were those faced in cases where the bereavement was expected, but only for a relatively short time. In this situation, if the surviving partner was working they generally managed to take some time off from their existing job rather than giving up work entirely, meaning they were able to resume earning more quickly after the bereavement. If they were not working, they at least had some advance warning and time to put other arrangements in place. Additionally, there was time for the deceased partner to put their own financial affairs in order.

'His main concern was looking after us, and therefore he had put all his financial affairs in order.'

(Female, 45+ children)

3.4 Claiming bereavement benefits

The study suggested that awareness of bereavement benefits was very low prior to the point when they become relevant. Most respondents had not previously heard of the benefits, although some knew of the Widows Pension and believed this system to still exist.

There were many channels through which people might hear of bereavement benefits. Typically, people were informed of the benefits by friends and family members, Jobcentre Plus, funeral directors or registrars, but others also mentioned hospitals, hospices, nurses and charities. In some cases, people visited Jobcentre Plus speculatively to see what might be available in their changed circumstances, without specifically being aware of bereavement benefits.

'My step son came with me down to the Jobcentre and that is the first place we went to find out if we could get anything. Because my husband had no life insurance and just wanted to see if could get any help with the funeral.'

(Female, 45+, no children)

Others were told about them in the course of discussions about other benefits, suggesting that those already in contact with the benefits system may be more likely to hear about bereavement benefits.

While information on bereavement benefits is available from a number of sources, there is no single information point which every person would necessarily access at this time. Many people felt that there was a certain amount of chance involved in finding out about the benefits, since they had only found out due to a family member being aware, or because they happened to notice a leaflet. These people felt that the benefits should be more widely publicised, since they had been lucky to receive the information, and recognised that other people must slip through the net.

'Found it by chance – was down at the Jobcentre to enquire about claiming for income support and had never done it so did not know how it works.'

(Male, under 45, children)

There were also examples of people who were found eligible for WPA or BA only, but would have also qualified for the lump sum, if they had claimed within the required timeframe. They had not done so because they were unaware at that point that the benefit existed.

'I didn't get this. By the time I asked for it, it was a year after so I couldn't get it.'

(Male, under 45, children)

The claims process seemed to be reasonably straightforward and easy, with most people reporting no particular difficulties. Often the claim was handled by a family member on their behalf as part of wider assistance with the bereavement period in general, so many respondents had little or no involvement. However, those who did complete the form themselves stated that it was reasonably easy. Some also reported filling in the form with assistance at Jobcentre Plus, or providing their details over the phone.

A few respondents felt that the handling of the process by DWP was inappropriate, mentioning insensitive staff, having to call multiple times and speak to many different people, and cases being handled in public areas without privacy. However, these were the exceptions, with most people reporting a positive experience. In fact, some praised the sensitivity of the staff they dealt with, or the design of the forms they completed.

'I was pleased with it. The form apologised for prying, but said that it would be helpful if I answered the questions. That was a good thing. I wouldn't have felt that it was prying, but the addition of those words meant a lot.'

(Male, under 45, no children)

3.5 The short-term role of bereavement benefits: Bereavement Payment

Respondents reported that the BP lump sum was nearly always used to pay for the funeral, to the extent that some people thought of it as a 'funeral payment'. Virtually all respondents reported using the BP lump sum, or at least part of it, for the funeral costs; the only cases where this wasn't necessary were where the deceased partner's family paid for the funeral, or where the funeral was paid for by the Social Fund.⁸

In most cases the BP did not fully cover the funeral expenses, and people had to find additional money, or received help from family. If there was any remainder after the funeral was paid for,

⁸ The Social Fund provides a payment towards the cost of a funeral, to people who are receiving Income Support, income-based Jobseeker's Allowance, Housing Benefit, Council Tax Benefit, income-related ESA, or Pension Credit. It does not affect eligibility for bereavement benefits.

this was typically used for paying off debts, either left by the deceased partner or accrued in the immediate aftermath of the bereavement. However, a few respondents were able to use some of the money for other purposes such as home repairs or improvements, or put it away for the children's education or other future use.

'I saved it aside for emergency use, because my parents paid for the funeral, and there weren't any other immediate costs.'

(Female, under 45, children)

Those who received the lump sum only were also likely to use it for the funeral; however, some respondents in this group also reported using some of the payment for general living expenses in the immediate aftermath of the bereavement. In these cases, the funeral had been partly paid for either by a Social Fund payment or by family members, meaning that some of the BP lump sum was left over for general expenses. The findings suggest that those who receive the lump sum only may be more likely to seek other types of assistance, either by investigating state support available, and therefore finding out about the Social Fund, or by requesting help from family members.

'The actual funeral expenses came from the 'social' and that went straight to the funeral director. That is called a 'funeral payment'. And then you get a bereavement one-off payment for yourself...it doesn't take long to go. It was used to pay bills off and that is it - general living costs.'

(Female, under 45, no children)

Recipients found the lump sum extremely useful for helping to meet the additional costs faced at this time, and bridging the short-term gap in income which many people experienced. Even those who were relatively well-off found the payment very helpful, due to these short-term problems in accessing funds. Many respondents mentioned that the payment was helpful to their emotional recovery, by reducing money-related stress, and allowing them breathing space to focus on grieving and recovery.

'If I didn't have the £2,000 to pay for the funeral, I would be in big trouble. It might have taken me a year to pay for it.'

(Female, under 45, no children)

Case Study 1: ‘Julia’⁹ (under 45 with no dependent children, received BP)

Julia previously worked full-time as a customer service representative. Her husband worked as a trolley attendant. Her husband’s death was expected for nine weeks prior to the bereavement.

After the bereavement, Julia was given information about bereavement benefits by the registry office and then looked at the DWP website and called the helpline. She was disappointed that she wasn’t eligible for WPA, as her youngest were only just too old to qualify.

Julia received the lump sum payment which she found incredibly useful for funeral expenses, though there was nothing left following the funeral.

In the short-term Julia felt very financially vulnerable as the household income had reduced by half but outgoings remained the same.

She feels her finances are still tight but she has learned to manage on a smaller budget.

‘To have been entitled to a widow’s pension would have been nice; I felt discriminated against because of my age and the fact my children were over 16. What difference does a couple of years make?’

3.6 The short-term role of bereavement benefits: regular payments

All respondents who received the regular payments (WPA and BA) reported using these for general living expenses such as food and bills. The payments simply went into the ‘general pot’ and were not treated as separate or distinct from other income sources. Few respondents found that there was anything left over after general expenses. For people who were not working prior to the bereavement, including those who had given up work to be carers, and those who had been housewives or stay-at-home parents, the regular payments could be their only or main source of income for some months or years. There were also cases where the surviving partner had previously worked but ceased doing so at the point of the bereavement, due to childcare needs or emotional difficulties; these people again were heavily dependent on the regular payments.

‘This was all the money we had coming in; we have used it for general living...food; utilities and transport costs.’

(Female, under 45, children)

Most people thought the benefits extremely helpful, with many saying they were essential since they would not have managed to pay for basic living costs without them. These people felt that, if the benefits had not been available, they would have needed financial support from family members, or to make substantial changes such as selling their home, in order to manage.

‘Since he has gone I am literally using the money to keep the roof over our heads.’

(Female, 45+, children)

For a small number of other respondents, the regular payments were not seen as essential, but made it possible to maintain a similar standard of living as before the bereavement, rather than changing to a significantly reduced standard.

⁹ All participants’ names have been changed.

These people appreciated the value of being able to continue with non-essential spending such as treats for the children, for maintaining a sense of normality at this time.

'I suppose they replaced the income that my wife had from her employer. It was like a substitution. Maintained standard of living.'

(Male, 45+, children)

Like the lump sum, people also found the regular payments helpful in covering the gap between the bereavement and other sources of income coming through. While this gap might be brief for some payments, in other cases it could be an extended period; probate for example could typically take some months to be finalised. Therefore, some people needed assistance with a shortfall that could be ongoing for some time, and the regular payments helped to address this shortfall.

Many people appreciated the emotional benefits gained from the regular payments, which allowed time to grieve and recover without worrying so much about money. In some cases, the regular payments allowed people to take longer off work, until they felt ready to return, or to make changes to their work or childcare patterns; these outcomes are discussed further in Chapter 5.

'It alleviated the worry for me in the immediate time after bereavement. At the time you don't know how you are going to manage so this really helps. In my case the last thing on my mind was money; you are just so shocked you don't know what to think.'

(Female, 45+, no children)

A few people thought the benefits were not very helpful due to their impact on other means-tested benefits, or council rent rates, which meant they were little better off overall, or perhaps slightly worse off. For some of these respondents, there was sense that the system was unfair in this respect, while others seemed to think it reasonable that other benefits had been adjusted accordingly.

'When I got the £96 (BA), the rent went up...I was only paying about £6 a week before...because the money went up, the rent went up, and then I had to pay council tax as well...I would have been better off if it had stayed as it was.'

(Female, over 45, no children)

In considering the role of the regular benefits, it is also relevant to consider and compare the experiences of those who received the lump sum only. The majority (around two in three) of these respondents claimed other benefits in the period following their bereavement; predominantly either Jobseeker's Allowance or ESA. Many of these people had already been claiming benefits prior to the bereavement, since they had stopped working at some point in order to care for their partner. Others had been working until shortly before the bereavement, but had struggled to find work for some time afterwards, or felt unable to work due to their emotional state.

Overall, little difference was observed in the experiences of most lump-sum-only recipients and those who received regular BA or WPA payments in terms of financial recovery or journey back to work following bereavement. In the absence of the regular bereavement benefits payments, many recipients would have simply claimed another benefit instead.

'I don't know much about benefits...probably I would have had to go on Jobseeker's Allowance.'

(Female, over 45, no children)

4 The longer-term impact of bereavement

4.1 Introduction

In this chapter we consider the longer-term financial impact of bereavement. Interviews were conducted around a year to eighteen months after the bereavement, giving the opportunity to explore developments in the respondent's situation over this period.

4.2 The longer-term impact

Most respondents continued to see at least some financial impact after around twelve to eighteen months. When asked to consider the extent to which they had financially recovered, respondents could broadly be divided into three groups, those who:

- were still in considerable difficulty and expressed real concerns about their ability to manage;
- were still financially less well-off than prior to bereavement, but whose finances were relatively secure or manageable;
- had more or less recovered to a similar point as before the bereavement.

Most respondents fell into the first two of these groups. By contrast, the third group comprised a much smaller number of people.

Those who were still in considerable difficulty tended to be people who had been highly financially dependent on their partner prior to the bereavement, such as stay-at-home parents or housewives. In many cases, these people had not worked for a number of years before the bereavement, and there could be a number of internal and external barriers to beginning work after the bereavement; these are discussed further in Chapter 5. Additionally, this group included people who had not been working prior to the bereavement due to health issues of their own. Again, these people had been financially dependent on their partner, even if they were also receiving some state support based on their own condition (which was not always the case).

There were other people who had been working prior to the bereavement, but had then given up working, either due to childcare needs (where their partner had previously been the primary caregiver), due to depression or their mental state following bereavement, or due to inflexibility or lack of support from their employer. Finally, those still in considerable difficulty included people who had given up work at some point prior to the bereavement to act as carers for their partner. As with the stay-at-home parents and housewives discussed above, these people had often been out of work for an extended period, and faced various barriers to recommencing work.

For the people who were still in considerable financial difficulty, bereavement benefits, if still received, were naturally still considered very important. For many people in this category, the benefits were their only or main source of income (and if they had not been receiving bereavement benefits would have been eligible for other means-tested benefits for people out of work). Others had already experienced the end of the benefits; this transition is discussed further in Chapter 6.

Many people who received the lump sum only (aged under 45 with no dependent children) were also still in considerable financial difficulty. Aside from those with dependent children, these people tended to face broadly the same issues as those who received the regular payments: the need to care for partners through illness and the resulting impact on their own earnings and career, and the challenges of resuming work after the bereavement. Those without an existing job to return to had instead gone onto Jobseeker's Allowance or ESA following the bereavement. Typically, people in this situation had not managed to re-enter the workforce at the point the interview was conducted; most wished to do so but faced various barriers which are discussed further in Chapter 5.

Those who had recovered to some extent, but were still financially less well-off than prior to bereavement, constituted the largest group. These tended to be cases where both partners had been working prior to the bereavement, meaning that there had been a significant loss of income from the deceased partner, but the surviving partner also had some continuing income of their own. They were more likely to be people with a reasonably supportive employer, meaning that they had been able to continue working with some adjustments, if required, to account for their emotional recovery or childcare needs. By contrast, there were other people who had stopped working because their employer had been inflexible about shift patterns or other arrangements.

'I think certainly if my employers were nicer people and understood my situation I would still have been working.'

(Female, 45+, no children)

For those with children, support from family was also often an important factor in adjusting to the new situation, with some people depending on family, rather than paid-for services, for childcare.

This middle group had often made significant adjustments to their lifestyle or living arrangements in the year or so since the bereavement, such as moving to a smaller home or moving in with family members. Most had also made smaller-scale cutbacks to general expenditure. They had adjusted their budgeting to fit their changed circumstances, and had got used to living within their reduced means. Therefore, for this group, although their income was limited, their situation was generally reasonably secure and sustainable.

'I am probably a bit worse off, but I have just had to budget, you do, you just cut your cloth and get on with it.'

(Female, under 45, children)

The regular Bereavement Benefit payments continued to be an important income stream for this group, although less critical than for the first group discussed above. This was particularly true for parents with young children, who in some cases were using the payments for childcare.

The third group, who had more or less recovered to a similar financial situation as before the bereavement, included people who had themselves been the main or only income earner prior to their partner's death, meaning that the loss of their partner's income had limited impact on their finances since it only made a minor contribution anyway. They were also likely to have no young children meaning that additional childcare needs resulting from their partner's death did not have an impact on their finances. Other people in this category had received a significant life insurance or death-in-service cover payment, or had had insurance which meant their mortgage was paid off on the death of their partner, although payments of this kind applied to only a few respondents. The regular Bereavement Benefit payments, if still received, were naturally less important for this group, and were considered more 'nice to have' than essential.

'Longer-term it has settled down and it is quite smooth – so household finances are ok.'

(Male, under 45, children)

4.3 Comparing the different types of benefit

Those who had received the regular payments as well as the lump sum, and were now in a position to look back over a year or so since the bereavement, were asked for their views on which type benefit was more helpful. Those who received only the lump sum were asked whether they would have preferred regular payments.

Overall, the findings indicate a small preference for the regular payments. However, many respondents recognised that the two types of benefit work differently and address different needs; therefore considered that it was not possible to say that one is preferable overall. The lump sum was found highly useful for paying for the funeral and the large immediate costs which many people encountered, but the regular payments were more suitable for general expenses, and fit in with the pattern of household bills and budgeting.

'Both were extremely useful. I couldn't choose - the lump sum paid for most of the funeral and the ongoing payments allowed me to take a bit of time to grieve.'

(Female, 45+, no children)

When considering the idea of a larger lump sum without regular payments, many respondents expressed a concern that the money might be used too quickly or for inappropriate purposes, after which they would potentially be left with no income. This would be a particular risk given the emotional state following bereavement; many emphasised that they would not have been able to make sensible decisions at this time.

'If someone gave me £5,000 at once...you're not feeling rational at that point, so weekly would be better.'

(Male, 45+, no children)

The responses indicate a limited appetite for more control over the funds, as would be offered by a larger lump sum. Rather, there appears to be a desire for the security offered by someone else taking control at this time, in the form of the regular payments.

Case Study 2: 'Rachel' (Over 45 with no children, received BA)

Rachel previously worked full-time but reduced her hours prior to her husband's death to care for him. Her husband had previously been a miner but had not worked for ten years due to health problems, and so had received Incapacity Benefit.

Rachel felt the BA payments were a lifeline and meant there was less pressure to return to work before she was ready, or apply for ESA on account of her depression. The benefit was used to pay for food and other day to day necessities.

Rachel cut back drastically on living expenses to save a small amount of each allowance instalment, in preparation for when she no longer received it.

'It is difficult...I had to have my phone cut off...and cut back on everything, even down to food...I don't go anywhere so I don't spend money.'

When the BA payments stopped, Rachel was granted ESA but shortly afterwards was declared fit to work. Due to her depression she did not feel ready to work but has nevertheless signed on to Jobseeker's Allowance.

5 The return to work

5.1 Introduction

In this chapter, we discuss the impact of bereavement on the surviving partner's career, and the effect bereavement benefits may have on whether and how quickly people return to work.

5.2 The impact of bereavement on work

The research shows that the impact of bereavement on the surviving partner's career varies enormously depending on circumstances. For some people, who took minimal time off with no loss of earnings, the effect could be very minimal, while for others, who may have ceased working altogether or made significant changes to hours worked, the effect could be devastating. Around half of those interviewed were working directly or shortly before the bereavement, and were able to return to their existing job (or regular self-employed work).

Due to the illnesses that often preceded bereavement, the effect was often felt before the actual point when the person was bereaved as well as after, with many respondents needing to give up their job or take considerable amounts of time off, for caring responsibilities. The impact therefore depended on the circumstances of the bereavement as well as the type of work the respondent was in, with more extended illnesses typically having more impact.

The group least affected were those in permanent full-time positions, and where the death had been either sudden, or expected for only a fairly short time, meaning that they had not needed to give up their job for caring responsibilities. Some had worked right up to the point when their partner died, while others had taken off a short period leading up to their bereavement, or reduced their hours at this time. In some cases this was with full pay; others mentioned receiving reduced pay, but generally the impact of this was not too great since it was only for a limited time.

Following the bereavement, this group took off varying amounts of time, from only a couple of weeks to around a few months. In many cases this was with full pay, offered as compassionate or special leave, or annual leave was used for the time off required, meaning there was often little impact on the surviving partner's earnings. However, a small amount of people in this category also needed to take the time off on reduced pay or statutory sick pay. Most people in this group found their employer sufficiently flexible and supportive, with some reporting that they had been able to start with reduced hours when they initially returned, or take very flexible leave to suit the needs of their emotional recovery. However, a minority of people reported that their employer was not sufficiently supportive or understanding and some of these had since left their job for this reason.

For people who had worked on a part-time, casual, contract or self-employed basis, the impact of bereavement on their work tended to be much greater. These people often reported reducing their hours or taking on less shifts or contracts in the period leading up to their partner's death, and following the bereavement they often had a period with no earnings at all. This was particularly the case for self-employed individuals, for whom it was not simply a case of returning to existing work, but who may need to find new contracts, which was particularly challenging given their emotional state at this time. Others had lost their customer base during the time of the bereavement, so would need to build up a new one.

'I am just a relief worker and therefore had no entitlement to sickness or holiday pay.'

(Female, 45+, children)

There were many other cases where the surviving partner had not been working for some months or years prior to the bereavement – either because they had given up their job to care for their partner, or because they were in other non-working categories – stay-at-home parents, housewives or people with health problems. These people would need to begin working from scratch, rather than returning to an existing role or career, and faced a number of barriers in doing so; these are discussed later in this chapter.

5.3 Barriers to returning to work

The return to work presented a range of internal and external barriers, depending on the individual's circumstances. Internal barriers included issues with skills and experience, emotional issues and perceptions around the financial value of working compared to not working; external issues included difficulty finding suitable work, childcare issues and lack of employer flexibility.

Most respondents reported some emotional difficulties with the initial return to work, regardless of how supportive and flexible their employer was. There was often a reported reluctance to speak to colleagues about the bereavement or receive their sympathies, a fear of becoming upset or emotional in the workplace, or an aversion to the idea of coming home to an empty house, which reinforced their sense of loss. However, in most cases these barriers were overcome with relative ease once respondents actually returned to the workplace.

In fact, many respondents recognised emotional benefits to working, including having company and contact with people, getting out of the house, being distracted from their personal situation, maintaining a sense of normality, and maintaining their sense of identity and independence. This was the case for casual and self-employed workers as well as permanent staff, although it was perhaps easier for those with a permanent job to enjoy some of these benefits, since they were returning to a familiar environment and had existing relationships with co-workers.

'I needed the people contact and the absorption that being at work gives you.'

(Female, 45+, no children)

For a few respondents, there were more serious emotional barriers. Some had developed depression, anxiety or panic attacks following the bereavement, from which they had not yet recovered at the time of the interview. These people had either not returned to work at all, or had returned initially but then stopped working as they felt unable to cope with it.

People who had not been working for some time before the bereavement usually faced significant barriers in terms of a lack of recent skills, experience, or history on their CV. Those who had given up work to care for their partner may have been out of work for between year or so to around ten years. While these people may previously have had a solid career and valuable experience, the length of time since they last worked meant that skills and experience were likely to be out of date, and some of these people also reported a loss of confidence. For those who had previously been stay-at-home parents or housewives (so were not working even before their partner fell ill) the situation was similar but potentially even worse, since the gap since they last worked could be even longer.

'The last time I worked was 17 years ago, and a lot has changed since. The jobs that I used to do now need certificates, and I hold none of them.'

(Female, under 45, children)

Some of these people indicated that they would find employment support helpful; this is discussed further later in this chapter.

A few respondents, who were receiving benefits (typically ESA, Council Tax Benefit, Housing Benefit), stated that they would be no better off if they were working, since the jobs available in their location or to their skill set were low paying, or because they would only be able to work limited hours. Additionally, some felt that, while they might be better off working in the long run, they would not be able to afford the associated upfront costs such as travel fares, since there would be a gap between benefit payments ending and receiving their first pay. This sort of issue should be addressed by the introduction of Universal Credit.

Some people had struggled, or were still struggling, to find work. In some cases this was blamed on economic conditions in their sector or a lack of clients or contracts available.

'I would love to go back to work, it's just that there is nothing out there at the moment. I am a baker by trade. And when I lost my job, I became a carer for my wife.'

(Male, under 45, no children)

In other cases, respondents had experienced difficulty finding jobs that were sufficiently flexible to suit either their childcare needs or their emotional state, or perceived that such jobs were difficult to find.

'I have been constantly looking, but you are very limited to what you can do within school time.'

(Male, under 45, children)

Childcare more generally was a barrier to returning to or starting work, for a number of people. These were often people who had been stay-at-home parents prior to the bereavement, but also included people who had been working and whose partner had previously been a stay-at-home parent. For the first of these groups, a lack of skills and recent experience could be a barrier as discussed above, and additionally, for both groups the cost of childcare also discouraged working.

'You'd have to walk into a really well paid job to be able to afford all the childcare needed to be able to work.'

(Female, 45+, children)

Among some parents, there was also an ideological position that they should be the one to care for their children, and hence an opposition to the idea of using paid-for childcare. This was particularly likely where one partner had previously been a full-time parent; people in this situation tended to want to continue with the parenting arrangement they had had prior to their partner passing away, and did not necessarily feel that they should have to do something different as a result of the bereavement. These people generally intended to start working, but not until their children reached a certain age. In some cases this was secondary school age, while others intended to remain out of work until their child finished compulsory education.

'I don't work because of childcare...when my son goes to senior school then I intend to get a job; it's how my husband wanted it.'

(Female, 45+, children)

Parents also emphasised the effect of the bereavement on their children's emotional state and needs, with some feeling that there was an extra reason for them to stay at home, in addition to usual childcare responsibilities, to help their children come to terms with the loss of their other parent.

'I wanted to be with my daughter all the time; she had just lost her daddy; I didn't want her to feel she'd lost her mummy too.'

(Female, under 45, children)

While bereavement certainly affected surviving partners' work situations in a variety of ways, overall the majority of people essentially continued doing what they had been doing prior to the bereavement. Those who had been working previously were likely to have returned to work (although, as discussed above, some had been prevented from doing so by childcare needs or emotional issues). Those who had not been working previously were likely to still be not working. However, in most cases these people wanted to work or were at least open to the idea (with the exception of some parents who felt they should be at home for their children, and some people who felt they were unable to work due to health issues), but often faced considerable barriers in doing so.

5.4 The effect of bereavement benefits on returning or starting to work

The impacts discussed in this section relate predominantly to people receiving WPA. For those receiving BA, while this could have an impact on the return to work, it would not be a long-term one since the benefit would end within a year anyway. For those people who only received the lump sum, this was very unlikely to affect their return to work, since it was usually used on the funeral anyway and as such did not provide money to live on, even in the short-term.

For the majority of people, the benefits received did not have a significant impact on whether they returned to or started work following the bereavement. Many people either said that they would have wanted or needed to work regardless of receiving the benefits, or felt that they would not have been able to work regardless of the benefits.

For those who had previously been working and had a job to return to, there was a sense that working was part of their identity, and a habit which they saw no reason to break as a result of being bereaved. As discussed above, many people recognised emotional benefits from working, and wished to return for the routine and company. Additionally, most of these people saw the income they received from working as essential or at least as highly important to their standard of living. Therefore, for these people, the benefits were not seen to have an impact on whether they returned to work.

'None, I went back straight away after the funeral, just a couple of days. I wanted to get back and try to get back some normality, I couldn't just sit at home.'

(Male, 45+, no children)

Many other respondents, who had not begun working, stated that they would not have been able to in any case, and this was not related to receiving the benefits. This was due to childcare needs, health problems, emotional issues, or other barriers as discussed above.

'I don't think I could go back to work at the moment because of the way I am feeling.'

(Male, 45+, no children)

For a smaller number of people, the benefits were seen to have a positive effect on their return to work. A few parents reported that the benefits made childcare sufficiently affordable, therefore allowing them to continue working where otherwise this might not have been feasible. However, generally speaking it was rare that the benefits were used to pay for childcare. Other people reported that receiving the benefits aided their emotional recovery, by reducing financial stress, with a positive impact on their ability to deal with working.

For some people, the benefits had a positive effect on their return to work, but this was not necessarily in terms of getting them back to work as quickly as possible. Rather, some people used the financial ‘breathing space’ provided by the benefits to change their working pattern to something that was sustainable and compatible with their new situation. This could be working fewer hours, or switching to a job that was more flexible or less demanding, to fit with new childcare needs or emotional needs. Some people had used the period they spent out of work and receiving bereavement benefits to set up their own business, and those who were already self-employed sometimes needed to make changes to how they ran their business, to suit their new situation.

‘Didn’t return to work but took up self-employed position full-time with the cattery...having this payment helped make up my mind that I wasn’t going to go back to (employed) work.’

(Male, 45+, children)

For these respondents, while in some cases they may have taken longer off work initially as a result of receiving the benefits, there was a suggestion that the alternative – returning to work without making the necessary adjustments to fit with their new situations – would have been unsustainable and may have led to them stopping work altogether. Therefore the recipients perceived that the benefits had a positive overall impact on their return to work.

There were also some people for whom the benefits provided a disincentive to return to or enter work, by allowing them to remain out of work, or work only minimal hours, for longer. These tended to be people who did not wish to work due to childcare responsibilities, or who faced significant other barriers such as having been out of work for a number of years, or health issues. Some of these people stated that, in the absence of the bereavement benefits, they would have had to seek work sooner or increase their hours. Others stated that they would have simply gone onto JSA or ESA in the absence of the bereavement benefits, since in their view it was not feasible for them to work. However, being in receipt of JSA or ESA as opposed to bereavement benefits would entail greater support being offered and greater conditionality than was the case for bereavement benefits.

5.5 Support from the state

During the interview, the idea of the state contacting people following their bereavement, to offer support and advice for returning to work, was considered. Most people thought it acceptable in principle for the state to do this, as long as the contact was made in an appropriate manner. Respondents emphasised the importance of any contact being presented as support and not as pressure or compulsion to return to work. Additionally, the contact should be personal and sensitive to individual situations, without the negative connotations of a call-centre operation.

‘It would be a sensitive thing to do and whoever did it would not want to be call centre based but would look at it as a case.’

(Male, under 45, children)

Views on how soon it would be appropriate for the state to make this contact were highly variable. Typically responses ranged between six and 12 months, but there were some people who thought 18 months or two years was necessary to recover from bereavement, while others thought it would be helpful to receive this contact soon – within the first couple of months. Many respondents mentioned the highly variable nature of individual recovery from bereavement, which means it would be difficult to have a one-size-fits-all approach, and if the individual was not ready at the first contact, it would need to be put back to a later date.

'After 12 months, just a catch up to see how the person is doing but two years before anything formal is put in place. It should be a supporting role, not an enforcing role.'

(Female, under 45, children)

There were indications that many people, who had been out of work for some time due to caring responsibilities or because their partner had been the main earner, would have appreciated and potentially benefitted from employment support following their bereavement. As discussed earlier in this chapter, these people often lacked recent experience, relevant skills or qualifications, or confidence. Some felt they required training in order to work, and a couple had started voluntary work in order to update their skills before seeking paid work.

For those on WPA in particular, there was a sense that such support could be helpful, since the benefit could continue for some years, but, unlike out-of-work benefits, there was no particular focus on returning to work or encouragement to do so. Some respondents felt that they had slightly 'gone off the radar' when receiving this benefit, and those who had also received JSA in the past were able to contrast the frequent contact they had received via that benefit with the lack of contact when on bereavement benefits.

'You sort of go off the register a little bit [when] you have been put on the bereavement side of things.'

(Male, under 45, children)

Case Study 3: 'Tom' (Over 45 with dependent children, received WPA)

Tom (45) worked as a flooring contractor, and his wife worked as an accountant but had given up work after their son was born.

Tom's wife was diagnosed with terminal cancer aged 39. She received disability benefit until she died, and Tom worked up until her death.

Following the bereavement, Tom was awarded the BP lump sum and claimed WPA. He initially took statutory sick pay for 28 weeks while he recovered and looked after his son. Following this he was laid off work since he could no longer work the required hours. He then lived off his savings until they ran out. At the time of interview, Tom's only source of income was the WPA.

Tom's son is soon to start school and Tom would like to get back to work but would need something flexible enough to fit around school hours (he feels that at age four his son is not yet ready to be cared for by someone else), and so feels he would need to investigate a different profession.

He is not currently receiving any employment or training support to help him retrain in a different profession or explore different employment options.

6 The transition from bereavement benefits

6.1 Introduction

This chapter explores people's experiences around the point when regular WPA or BA payments ended.¹⁰

6.2 The transition period

The findings suggest that many people are unaware of the timescale for bereavement benefits ending. Although information would have been provided as part of the claims process, this was often not really taken in or remembered, due to people's emotional state at the time. Additionally, many people had someone else submit the benefit claim on their behalf so did not even look at the form and supporting information themselves.

This was particularly the case for BA recipients; those receiving WPA tended to have more awareness of the end point due to the link with Child Benefit, but this was not always the case and some respondents expressed confusion about when the benefit would end, or believed incorrectly that it would not end. The term 'pension' seemed to imply to recipients that this would be an ongoing payment, and many people, whether receiving WPA or BA continued to use the term 'widow's pension', and to associate with the system in place up to 2000.

As a result of this poor awareness of the timescale, some respondents had experienced an abrupt and difficult transition when the benefits ended, since they had not put in place other financial arrangements. If they were entitled to other benefits, it would take time for these to come through. Those who were aware of the timescale often expressed anxiety about the payments ending, and those who had already passed this point often reported taking a number of measures, such as working additional hours, being especially frugal with general outgoings, downsizing their home, or becoming heavily dependent on family members at this point, while others expected to take measures of this kind in the future.

'If they stop it, it will be very bad for me...I rely on the money.'

(Female, 45+, children)

Some people also expressed resentment at the type or length of benefit they were entitled to. In particular, some people who received only the lump sum felt strongly that they should have qualified for the regular payments, believing it unfair that they were excluded on account of their age. Some BA recipients also felt that they should have received payments for more than a year; again this view was often related to the perception of a 'widow's pension' which people expected would continue.

¹⁰ It should be noted that of the 45 respondents who had received WPA or BA 17 were no longer receiving these payments and so could talk about their experience of transition, whilst 28 people were still receiving payments so could talk about their expectations of transition.

7 Conclusions and recommendations

The research explored the role of bereavement benefits in assisting people through the difficult transition period following a bereavement. In understanding the role and impact of the benefits received it is possible to draw out implications for future policy and practice in this area.

Respondents reported that bereavement typically has a large short-term financial impact on the surviving partner, and this was particularly acute for those with children. It was the case even for reasonably well off people who could temporarily be very stretched due to difficulties accessing funds and/or because of additional one-off payments such as funeral costs.

The lump sum BP played a critical role for almost all people in easing pressures at this time. It was typically used to cover some of the costs of the funeral and helped bridge the gap before other funds come through.

For some respondents bereavement had an ongoing financial impact, with financial recovery taking around a year in some cases. This tended to be aligned to the period needed for emotional recovery as often people were not ready to go back to work or instigate other significant changes during this period. For these people the regular payments of the BA played a role in mitigating against needing to take measures such as increasing debt or selling their home.

However, for some groups the value of BA was less clear. For those who were on means-tested benefits prior to being bereaved this typically just involved a transition on to a new benefit (which sometimes had negative implications such as confusing interactions with other benefits or a lack of clarity over whether or not the new benefit was time-limited). For these customers there was some indication that receiving BA (rather than, e.g. ESA) felt like being 'off the radar' where they received less support or contact from the state.

There were also some people who were able to recover financially reasonably quickly for whom the BA was seen as a 'nice to have' rather than essential. These included people in work without children and those who were also receiving a pension or life insurance payments from their deceased partner.

Similarly, longer-term the benefit of being on WPA specifically (which is paid until the youngest child leaves full-time education) was less clear, either because people are now earning, or because other out-of-work benefits were likely to be more suitable. For some people the WPA was just enough to enable people to stay at home with their children full-time; in these cases people noted that they would need to start looking for work when the allowance ended.

A few people on low incomes had not found bereavement benefits useful, since they had simply cancelled out means-tested benefits and some respondents felt slightly worse off overall. Offering a better-off calculation would ensure people received the most effective support for their situation.

For those on BA and WPA the transition off these regular payments could sometimes be abrupt and difficult. People were not always fully aware of when the benefit was due to be stopped.

Some of those that were out-of-work had initially given up work prior to the bereavement to care for their partner. People in this situation tended to face multiple personal and practical barriers to re-entering work and the offer of employment support from about six months after the bereavement

may be particularly beneficial for this group. People who were out-of-work because they had previously been full-time parents or housewives faced some of the same barriers and may also benefit from such support.

Customers typically described a positive experience of claiming bereavement benefits. There is scope to build on this positive engagement by re-contacting customers at a later stage in their claim and signposting them to further support.

In summary, short-term financial support had considerable value for many people following bereavement. Longer-term financial support was more likely to have a neutral value or simply replace what might be a more suitable and supportive out-of-work benefit. There is evidence to suggest the different elements of the current bereavement benefits can be confusing for people and there would be value in simplification. Overall the research supports the view that there are grounds for reforming the eligibility and structure of bereavement benefits.

Removing the regular payment element and replacing it with a larger lump sum paid in the immediate aftermath of bereavement would position the benefit clearly as short-term financial support and would simplify the benefit. It would also make the money available at the time it was most needed – the few months immediately following bereavement when considerable costs can be incurred.

However, the research suggests some caution should be taken with this approach: there were some concerns raised by people about their ability to make sensible or considered decisions during the very difficult time immediately after the bereavement and respondents welcomed the security of the regular payments for this reason. There are concerns that a larger lump sum payment paid in one go may encourage big ticket purchases or simply spending more money on the funeral, which would then leave people without financial support for bills and housekeeping during the first few months following bereavement. Consideration could be given to splitting a larger lump sum payment into two or three instalments spread out over three to four months to mitigate against this risk.

Awareness of the timescale for regular payments ending was poor, particularly among BA recipients. Some people were worried about the payments ending, or had experienced a difficult transition from the benefits. If a regular payment element is retained, a reminder letter in advance of the payments ending would forewarn recipients, and could direct them towards other forms of support, if needed.

Appendix

Bereavement benefits topic guide

Private and Confidential

J5045

Bereavement benefits Topic guide

INTERVIEWER INSTRUCTIONS

- Order to be fluid depending on responses and on how comfortable the respondent is discussing the issues.

A. Introduction

- Introduce self and IFF.
- Explain research – We are conducting this study on behalf of the DWP, and they would like to understand more about people’s experiences of claiming bereavement benefits, using these benefits and their general financial arrangements and needs at this time. According to our records, you received a Bereavement Benefit within the last 18 months, and so we would like to ask you some questions about your experience.
- Emphasise confidentiality:
 - Findings will be reported at an overall level without identifying individuals. Everything you say will therefore remain confidential.
 - The information you provide will not affect any benefits or tax credits you are claiming, now or in the future.
 - MRS Code of Conduct and Data Protection.
- Information on respondent’s spouse/civil partner
 - Age at time of death.
 - Working status and occupation.
 - Sudden or expected death.

B. The bereavement benefits claim process

Firstly, thinking about the process of claiming bereavement benefits ... How did they first hear of bereavement benefits:

- Where did they get information from (Directgov, other websites, registry office, funeral director, word of mouth etc).
 - How easy was it to find out about the benefits available.
 - Did they discuss making a claim with anyone/seek any advice?
- How long after the bereavement did they make the claim.
- How easy was the form to complete.
- Any difficulties experienced with the process.

C. Financial arrangements at time of bereavement

Now thinking about your finances generally around the time of the bereavement:

- What were the household sources of income prior to bereavement – salary and partner’s salary, any benefits received, any other income sources.
 - Impact of loss of partner’s salary on household finances.
- What additional costs did they have to meet in the period immediately following bereavement (probe for detailed response: funeral costs, additional childcare, partner’s debts, unpaid time off work or reduced working hours).
- Did they take any specific steps to reduce outgoings?
 - Moving house, moving in with others, taking in lodgers, re-partnering.
- Did they receive any financial support from family/friends?
- Overall impact of bereavement on household finances (probe for short-term and longer-term impacts).

D. Using bereavement benefits and subsequent financial situation

And thinking now about how bereavement benefits (and other income) specifically affected your financial situation:

- What were the sources of income following bereavement - salary, any benefits received, life insurance, savings, additional borrowing, any other income sources (e.g. death-in-service cover, survivor’s pension or lump sum, a payment from a trade union, any social security benefits like DLA).
- How was the Bereavement Payment lump sum used (probe for detailed response: general living expenses, childcare costs, paying off debt, put into savings).
- (if received WPA or BA) How were/are the regular BA/WPA payments used (probe for detailed response: general living expenses, childcare costs, paying off debt, put into savings).
- How helpful were the benefits received?

- (if received WPA or BA) What frequency did they choose for the payments (2 weeks / 4 weeks / 13 weeks). Was this the right frequency? Would they have preferred another option?
- (if received WPA or BA) Did they find the lump sum or the regular payments most suitable for their situation? Why?
- (if didn't receive WPA or BA) Would they have found regular payments more suitable than a lump sum? Why?
- What would they have done if the benefits hadn't been available?
- What impact did receiving the benefits have on their return/entry to work (probe around making childcare more affordable, allowing them to take longer off by easing financial pressure).
- What impact did receiving the benefits have on their emotional recovery from the bereavement? (probe around reduced stress, allowing a break from childcare responsibilities).
- Any other impacts of the benefits not already covered.
- (if received BA) Have the regular payments now finished/when will they finish?
 - What impact did/will the payments finishing have on household finances.
 - Did they/will they do anything differently as a result of the payments finishing (probe around changes to use of childcare, changes to working patterns, cutting back on expenditure, additional borrowing).
 - What do they think about them finishing at this time. Is it the right time? Why/why not?

E. Work

- (in cases of expected death) Was time taken off work prior to their partner's death – to care for partner or for additional household responsibilities due to the illness.
 - Financial impact of time off taken prior to bereavement.
- (if working at the time) How long did they take off work following bereavement?
 - How much time was taken with pay/unpaid.
 - Impact of time off taken on household finances.
- (if not working at the time) Did they start working following the bereavement? – how long after?
- How ready were they to return to work/start working when they did?
- What barriers did they face in returning to/starting/staying in work at this time:
 - Emotional barriers.
 - Financial barriers.
 - Other practical barriers.
- What would have made the process of returning to work / starting work easier, probe around:
 - Different types of financial support.
 - Financial support received at different time (probe around lump sum vs. regular smaller amounts).
 - Understanding/flexibility from employer.

- Support from family/friends.
- Other support or assistance?
- Has the bereavement had a long-term impact on their career?
 - If so, why? (probe around time taken off following bereavement, emotional reasons, anything else)
- Do they anticipate staying in work? Why/why not?
- (if they started work but then left employment and are not working now) Why did they leave work? Was it related to the bereavement and any emotional or financial implications? What could have helped them stay in work?

[IF HAVE CHILDREN]

F. Childcare

- Who was the primary child carer prior to the bereavement/illness?
- (in cases of expected death) Were there additional childcare needs prior to their partner's death? What were these?
- Have they started using/increased their use of paid-for childcare?
 - What would have made the process of arranging childcare easier?
- Have they received additional help with childcare from family or friends?
- Have they personally spent more time caring for the children than before?
- Thinking about all changes to childcare arrangements (paid-for/family/friends/themselves), has this had an impact:
 - Financially
 - Emotionally
 - In terms of returning to/staying at work
 - In terms of career long-term
 - Any other impact not already mentioned?

G. Final thoughts

- Whether any other types of support have been welcome in period following bereavement
- Probe for: legal advice, counselling, employment support, anything else?
- From whom? When? In which format?
- At what point following bereavement, if at all, do you think it is appropriate for the state to make contact about employment support, to help those bereaved get back to work?
- Was there any other support they accessed over this period that we haven't already covered. Where did they go for this support?

THANK RESPONDENT AND CLOSE

Bereavement benefits are paid to surviving spouses in the event of their partner's death. They are intended to provide some replacement for the deceased partner's income, and reduce the impact of the disruption to the surviving partner's own earning capacity at this time. Bereavement benefits are available to people who are married or in a civil partnership, subject to age conditions and National Insurance contributions.

This report presents findings from qualitative research with people who had received bereavement benefits during the last 18 months. Sixty depth interviews were carried out with recipients during September and October 2011. The interviews explored issues such as the financial impact of bereavement, the role of bereavement benefits, the impact of bereavement on the surviving partner's career, and the impact of bereavement on childcare needs and arrangements. The research was carried out by IFF Research.

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